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SmartCentres Doubles Ownership in SmartVMC City Centre, Becomes Largest Landowner in the Vaughan Metropolitan Centre. SmartLiving Set to Grow.

Toronto, Ontario (November 30, 2021) – SmartCentres Real Estate Investment Trust ("SmartCentres" or the "REIT") (TSX:SRU.UN), announces a $513 million strategic acquisition of a two-thirds interest in 53 acres ("Acquired Lands"), in 'SmartVMC', the 100+ acre master-planned City Centre in the Vaughan Metropolitan Centre. This more than doubles SmartCentres' interest in SmartVMC, uniting ownership across the property and making SmartCentres the largest landowner in Vaughan's dynamic TTC subway-connected Downtown.

"These 53 acres represent the most strategic property in the country for SmartCentres REIT," said Mitchell Goldhar, Executive Chairman and CEO of SmartCentres. "With 45,000 people expected to ultimately call SmartVMC home, it is the jewel in the crown of SmartCentres' portfolio."

The Acquired Lands have in-place Permissions for multi-residential, condominium, seniors' residences, office, retail, recreational, entertainment, and other uses, aligned with the REIT's transformation strategy. Mr. Goldhar's Penguin Group of Companies ("Penguin") owns the remaining 33.33% of Acquired Lands, therefore extending the successful SmartCentres/Penguin partnership to now own the entire 105-acre SmartVMC City Centre, on which 21 million square feet is envisioned. SmartLiving, SmartCentres' wholly owned in-house residential development platform, is poised to grow exponentially with this acquisition.

"This is truly a unique situation. It is not every day a company can be involved in building an entire downtown," said Mr. Goldhar. "SmartVMC is at the confluence of $3.5 billion in public transportation infrastructure, including the TTC's new Vaughan Metropolitan Centre subway station, connecting the site directly to Downtown Toronto. While it may be difficult to imagine now, in time this will reveal itself as a new benchmark for modern living in our city and beyond."

Approximately 11 acres of the Acquired Lands are currently occupied by various retailers, including a 146,000 square foot Lowe's Home Improvement store and several quick service restaurants, providing strong holding income.

Merging these two parcels of land under common ownership enables the unleashing of creativity and maximizing of synergies, such as environmental sustainability, open space connectivity, renewable energy, and recycling management. Combined with its existing holdings in SmartVMC, this strategic investment will deliver growth to the REIT for years to come.

Transaction Highlights

- One of a kind large, high-quality entitled mixed-use development land at the confluence of Hwy 400, Hwy 407, and Hwy 7, Vaughan Metropolitan Centre University line TTC Subway Station, VIVA Bus Terminal and York Region Bus Terminal.
- Located in one of the fastest growing communities in Canada.
- Contributes to the demand for housing.
- Highly unique ownership of a majority of a 100+ acre City Centre.
- Significant NAV creation through multi-residential and other development for years to come; and
- Partial funding from units to be issued at $34.50; a 15.7% premium over most recent closing price of SmartCentres units.
- Closing expected to take place prior to December 31, 2021.

Funding

SmartCentres intends to fund the acquisition through:

- The issuance of approximately $200 million in subsidiary SmartCentres REIT Limited Partnership Units, to be issued at $34.50 per unit, and exchangeable into SmartCentres REIT Units on a one-for-one basis (subject to TSX approval), and
- Approximately $313 million from debt facilities and cash on hand.

About SmartCentres

SmartCentres Real Estate Investment Trust is one of Canada's largest fully integrated REITs, with a best-in-class portfolio featuring 168 strategically located properties in communities across the country. SmartCentres has approximately $10.2 billion in assets and owns 33.9 million square feet of income producing value-oriented retail space with 97.6% occupancy, on 3,500 acres of owned land across Canada.

SmartCentres continues to focus on enhancing the lives of Canadians by planning and developing complete, connected, mixed-use communities on its existing retail properties. Project 512, a publicly announced $13.1 billion intensification program ($7.8 billion at SmartCentres' share) represents the REIT's current major development focus on which construction is expected to commence within the next five years. This intensification program consists of rental apartments, condos, seniors' residences and hotels, to be developed under the SmartLiving banner, and retail, office, and storage facilities, to be developed under the SmartCentres banner.

SmartCentres' intensification program is expected to produce an additional 54.7 million square feet (32.2 million square feet at SmartCentres' share) of space, 27.0 million square feet (15.9 million square feet at SmartCentres' share) of which has or will commence construction within the next five years. From shopping centres to city centres, SmartCentres is uniquely positioned to reshape the Canadian urban and urban-suburban landscape.

Certain statements in this Press Release are "forward-looking statements" that reflect management's expectations regarding the Trust's future growth, results of operations, performance and business prospects and opportunities. More specifically, certain statements including, but not limited to, statements related to SmartCentres' expected or planned development plans and joint venture projects, including the described type, scope, costs and other financial metrics, expectations surrounding the closing of the acquisition including purchase price and anticipated funding of the purchase price and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may" and similar expressions and statements relating to matters that are not historical facts, constitute "forward-looking statements". These forward-looking statements are presented for the purpose of assisting the Trust's Unitholders and financial analysts in understanding the Trust's operating environment, and may not be appropriate for other purposes. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

However, such forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including risks associated with potential acquisitions not being completed or not being completed on the contemplated terms, public health crises such as the COVID-19 pandemic, real property ownership and development, debt and equity financing for development, interest and financing costs, construction and development risks, ability to obtain commercial and municipal consents for development. These risks and others are more fully discussed under the heading "Risks and Uncertainties" and elsewhere in the SmartCentres' most recent Management's Discussion and Analysis, as well as under the heading "Risk Factors" in SmartCentres' most recent annual information form. Although the forward-looking statements contained in this press release are based on what management believes to be reasonable assumptions, SmartCentres cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. These forward-looking statements are made as at the date of this Press Release and SmartCentres assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking information may include, but are not limited to: a stable retail environment; relatively low and stable interest costs; a continuing trend toward land use intensification, including residential development in urban markets and continued growth along transportation nodes; access to equity and debt capital markets to fund, at acceptable costs, future capital requirements and to enable our refinancing of debts as they mature; that requisite consents for development will be obtained in the ordinary course, construction and permitting costs consistent with the past year and recent inflation trends.

For more information, visit www.smartcentres.com or please contact:

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