3200 HIGHWAY 7 • VAUGHAN, ON • L4K 5Z5
T 905 326 6400 • F 905 326 0783

SmartCentres Announces Closing of Acquisition of SmartVMC City Centre Lands, Becomes Largest Landowner in the Vaughan Metropolitan Centre.

Toronto, Ontario (December 22, 2021) – SmartCentres Real Estate Investment Trust ("SmartCentres" or the "REIT") (TSX:SRU.UN), announced today that it has now closed the previously announced $513 million strategic acquisition of a two-thirds interest in 53 acres, in 'SmartVMC', the 100+ acre master-planned City Centre in the Vaughan Metropolitan Centre.

This acquisition more than doubles SmartCentres' holdings in SmartVMC, consolidating ownership of the full 105-acre, 20 million square foot development property under SmartCentres and The Penguin Group of Companies. By virtue of this transaction, SmartCentres has become the largest landowner in Vaughan's rapidly growing Downtown.

SmartCentres is building a modern world-class City Centre, directly connected to downtown Toronto via the TTC's Vaughan Metropolitan Centre Subway Station, located at the centre of the property. Existing permissions on the property include multi-residential, condominium, seniors' residences, office, retail, schools, recreational, entertainment and other uses. SmartLiving, SmartCentres' wholly owned in-house residential development platform, is actively developing thousands of residential units at SmartVMC.

The TSX has approved the issuance of $200 million in SmartCentres REIT Limited Partnership Units to the sellers at $34.50 per unit, exchangeable into SmartCentres REIT Units on a one-for-one basis. "Funding a significant portion of this transaction through equity at $34.50 reinforces the strength of our existing portfolio," said Mitchell Goldhar, Executive Chairman and CEO of SmartCentres. "This strategic acquisition ensures built-in accretive residential income for the REIT for many years to come and materially accelerates SmartCentres' transformation to a Diversified REIT."

The balance of funding is being financed from SmartCentres' existing credit facilities.

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. As of September 30, 2021, SmartCentres had approximately $10.2 billion in assets and owned 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 $14.5 billion intensification program ($8.6 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 58.3 million square feet (34.5 million square feet at SmartCentres' share) of space, 28.8 million square feet (17.1 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:

Mitchell Goldhar
Executive Chairman and CEO
SmartCentres
(905) 326-6400 ext. 7674
mgoldhar@smartcentres.com

Peter Sweeney
Chief Financial Officer
SmartCentres
(905) 326-6400 ext. 7865
psweeney@smartcentres.com