SMARTCENTRES
REAL ESTATE INVESTMENT TRUST

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SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES FIRST QUARTER RESULTS FOR 2022

- **Substantive improvement in retail leasing momentum across the portfolio with growth from both existing and new tenants;**
- **FFO per Unit(1) for Q1 2022 increased by $0.02 or 4.1% as compared to the same period in 2021;**
- **Progress in zoning approvals on strategic projects, together with improved market conditions, contributed to $237.7 million in incremental property values, leading to net income and comprehensive income for Q1 2022 increasing to $370.1 million compared to $60.6 million for the same period in 2021; from an increase of $1.71 per Unit;**
- **Total unencumbered assets(1) increased from $5.9 billion at March 31, 2021 to $8.4 billion at quarter end; and**
- **Continued advancement of non-retail pipeline of 283 projects representing approximately 59 million square feet across the network (41 million square feet at the Trust's share).**

TORONTO, ONTARIO - (May 11, 2022) SmartCentres Real Estate Investment Trust ("SmartCentres", the "Trust" or the "REIT") (TSX: SRU.UN) is pleased to report its financial and operating results for the quarter ended March 31, 2022.

"We ended the 1st quarter with solid performances from all aspects of the business. Operational resilience was demonstrated by solid leasing momentum for both existing and new retail tenants. This is expected to result in occupancy levels further improving over the balance of the year. Our in-place occupancy level was marginally lower than year-end specifically as a result of the previously announced closure of one tenant, Home Outfitters. Of the four locations in our portfolio, three of these locations are close to being leased, while we have active interest in the fourth location. It is reassuring to see a noticeable improvement in leasing activity across Canada. As a further reflection of the improving retail environment, cash collections continue to improve, exceeding 98% for the quarter; we expect these levels to return to pre-Covid levels over the remainder of the year. Our retail portfolio of primarily Walmart-anchored shopping centres is one of the pillars of our company and even during the most difficult days of Covid, has continued to provide us with the strength and stability to help support our pipeline of development projects.

In that regard, (through our residential banner, SmartLiving), our mixed-use intensification program continues to be a source of additional accretive growth, demonstrated by the presale activity at Artwalk and Park Place. Artwalk, 627 residential units in two 38 and 18 storey towers, will be built on a portion of lands previously occupied by Walmart at SmartVMC. Park Place, which includes approximately 1100 units in two stunning 56 and 48 storey towers, will be built on approximately two acres of the 53 acres of western lands at SmartVMC. The Trust recently purchased a 66.67% interest in these lands which represent the western portion of our SmartVMC City Centre. Initial presale interest in these projects has exceeded our expectations and we plan to commence construction of both projects later this year.

In addition, during the quarter, we experienced property value increments exceeding $270.0 million, mainly as a result of progress in the zoning and entitlements' process on several strategic projects together with improved infrastructure and market conditions around them. These additional valuation increases have resulted in the Trust's book value per Unit increasing by $1.71 to $36.03 as compared to last quarter. In addition, Adjusted FFO per Unit(1) increased by $0.03 or 6.1% to $0.52, and net income and comprehensive income per Unit increased by $1.71 to $2.06, as compared to the same quarter in the prior year," said Mitchell Goldhar, Executive Chairman and CEO of SmartCentres REIT.

"At SmartVMC, currently our highest profile development initiative, but just one of many master-planned projects, we have thus far closed on 1,741 units in the first three Transit City condominium phases, resulting in $0.37 in FFO per Unit(1) and $0.38 in net income and comprehensive income per Unit. In addition, construction is progressing well, and we expect to be completed early next year on the 1,026 units in our sold-out Transit City 4 and 5 towers and the 454-unit Millway rental complex. Excitement around SmartVMC continues as the 120,000 square foot YMCA recently opened to the public and the 22 townhomes that represent the final part of Phases 1&2 are expected to close in the second quarter. We intend to develop approximately 20.0 million square feet of mixed-use space at SmartVMC alone, on which we are also planning a 9-acre park which, over time, will become the focal point of this landmark city centre development."

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Key Business Development, Financial and Operational Highlights for the Three Months Ended March 31, 2022

Mixed-Use Development and Intensification at SmartVMC

- The construction of the world-class YMCA at SmartVMC is complete and the facility opened in April 2022.

- Park Place condo pre-development is underway on the 53.0-acre SmartVMC West lands strategically acquired in December 2021. This development is expected to be launched in mid-2022 and council approval is expected to be finalized in June 2022. The Trust's two-thirds interest in the SmartVMC West lands more than doubles the Trust's holdings in the 105-acre SmartVMC city centre development.

- Construction continues on the 100% pre-sold Transit City 4 (45 storeys) and 5 (50 storeys) condo towers, representing 1,026 residential units. Good progress is being made above grade with concrete and formwork complete up to the mechanical penthouse for Transit City 4 and level 44 for Transit City 5.

- Construction of the purpose-built rental project, The Millway (36 storeys), continues at SmartVMC, with concrete and formwork up to level 33.

- As part of Transit City 1 and 2 projects, construction of the 22 townhomes, all of which are pre-sold, is almost complete and delivery is expected in Q2 2022.

- ArtWalk condominium sales of 320 units in Phase 1 substantially sold out with construction expected to begin in 2022.

Other Business Development

- Leasing continues on the completed first phase of the two-phase, purpose-built residential rental project in Laval, Quebec, with more than 92% of the 171 units leased. Construction of the next phase commenced in October 2021, with a target completion date of Q1 2023.

- Occupancy will start in July 2022 for the two purpose-built residential rental towers (238 units) in Mascouche, Quebec, which are under construction with joint venture partner Cogir. More than 100 units have been pre-leased and lease-up pace is in line with expectations.

- The Trust completed the construction of its fifth self-storage facility with the opening of its Scarborough East facility in Q4 2021. All of the five developed and operating self-storage facilities (Toronto (Leaside), Vaughan NW, Brampton, Oshawa South and Scarborough East) have been very well-received by their local communities, with current occupancy levels ahead of expectations.

- Two self-storage facilities in Brampton (Kingspoint) and Aurora are currently under construction. Both facilities are expected to be completed in 2022. Additional self-storage facilities have been approved by the Board of Trustees and the Trust is in the process of obtaining municipal approvals in Whitby, Markham, Stoney Creek and two locations in Toronto (Gilbert Ave. and Jane St.).

- Construction commenced for a new retirement residence and a seniors' apartment project, totalling 402 units, in 2021 with joint venture partner Groupe Sélection at the Trust's Laurentian Place in Ottawa, with completion expected in 2023.

- The Trust will be commencing the redevelopment of a portion of its 73-acre Cambridge retail property (which is subject to a leasehold interest with Penguin) which now allows various forms of residential, retail, office, institutional, and commercial uses providing for the creation of a vibrant urban community with the potential for over 12.0 million square feet of development.

Financial

- Net income and comprehensive income(1) was $370.1 million as compared to $60.6 million for the same period in 2021, representing an increase of $309.5 million. This increase was primarily attributed to: i) $276.7 million increase in fair value adjustments on revaluation of investment properties, ii) $29.1 million increase in fair value adjustment on financial instruments, iii) $4.9 million increase in Net Operating Income ("NOI")(2), and iv) $2.4 million decrease in interest expense, and was partially offset by i) $2.7 million increase in supplemental costs, and ii) $0.7 million decrease in interest income.

- Key debt metrics include Debt to Aggregate Assets(2)(3) of 42.5%, Interest Coverage Ratio multiple(2) of 3.5X(2), and Adjusted Debt to Adjusted EBITDA multiple(2)(3) of 9.4X. (December 31, 2021 – Debt to Aggregate Assets(2)(3) of 42.9%, Interest Coverage Ratio multiple(2) of 3.4X(2), and Adjusted Debt to Adjusted EBITDA multiple(2)(3) of 9.2X.)

- The Trust improved its unsecured/secured debt ratio[(2)] to 75%/25% (December 31, 2021 – 71%/29%).

- The Trust continues to add to its unencumbered pool of high-quality assets. As at March 31, 2022, this unencumbered portfolio consisted of investment properties valued at $8.4 billion (March 31, 2021 – $5.9 billion).

- FFO[(2)] increased by $8.0 million or 9.4% to $92.2 million as compared to the same period in 2021, primarily due to $4.9 million increase in NOI, $1.9 million net decrease in interest expense, $1.1 million increase in gain on Total Return Swap ("TRS"), $0.5 million decrease in G&A expenses (net), and $0.3 million increase in FFO add back for salaries and related costs attributed to leasing activities, partially offset by $0.7 million decrease in interest income.

- Net income and comprehensive income per Unit[(1)] increased by $1.71 to $2.06 as compared to the same period in 2021, primarily due to the reasons noted above that pertain to net income and comprehensive income.

- FFO per Unit[(2)] increased by $0.02 or 4.1% to $0.51 as compared to the same period in 2021 primarily due to the reasons noted above.

- For the three months ended March 31, 2022, FFO with adjustments[(2)] increased by $8.6 million or 10.2% to $93.2 million as compared to the same period in 2021. FFO per Unit with adjustments[(2)] increased by $0.03 or 6.1% to $0.52 as compared to the same period in 2021. Excluding SmartVMC West LP Class D Units, FFO per Unit with adjustments increased by $0.05 or 10.2% to $0.54 as compared to the same period in 2021.

- Cash flows provided by operating activities[(1)] increased by $23.3 million or 29.4% to $102.8 million as compared to the same period in 2021. Cash flows provided by operating activities[(1)] exceeded distributions declared by $20.5 million (three months ended March 31, 2021 – shortfall of $0.2 million).

- The Payout Ratio relating to cash flows provided by operating activities for the rolling 12 months ended March 31, 2022 was 81.4%, as compared to 107.5% for the same period in 2021.

- For the three months ended March 31, 2022, ACFO[(2)] of $85.2 million remained unchanged as compared to the same period in 2021.

- The Payout Ratio to ACFO[(2)] for the three months ended March 31, 2022 increased by 3.2% to 96.7% as compared to the same period in 2021, which was primarily due to the items previously identified. Excluding SmartVMC West LP Class D distributions, the Payout Ratio to ACFO[(2)] for the three months ended March 31, 2022 increased by 0.4% to 93.9% as compared to the same period in 2021.

- For the three months ended March 31, 2022, ACFO[(2)] exceeded distributions declared by $2.8 million (three months ended March 31, 2021 – $5.5 million).

- The Payout Ratio to ACFO[(2)] for the rolling 12 months ended March 31, 2022 was 91.0%, as compared to 92.1% for the same period in 2021. Excluding SmartVMC West LP Class D distributions, the Payout Ratio to ACFO[(2)] for the rolling 12 months ended March 31, 2022 was 90.4%, as compared to 92.1% for the same period in 2021.

Operational

- Rentals from investment properties and other[(1)] was $202.5 million, as compared to $198.8 million for the same period in 2021, representing an increase of $3.7 million or 1.9%.

- In-place and committed occupancy rates were 97.0% and 97.2%, respectively, as at March 31, 2022 (December 31, 2021 – 97.4% and 97.6%, respectively).

- Same Properties NOI inclusive of ECL[(2)] increased by $2.8 million or 2.3% as compared to the same period in 2021. Same Properties NOI excluding ECL[(2)] decreased by $0.6 million or 0.5% as compared to the same period in 2021.

(1) Represents a GAAP measure.
(2) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(3) Net of cash-on-hand of $60.0 million as at March 31, 2022 for the purposes of calculating the applicable ratios.

Selected Consolidated Operational, Mixed-Use Development and Financial Information

Key consolidated operational, mixed-use development and financial information shown in the table below includes the Trust's proportionate share of equity accounted investments:

(in thousands of dollars, except per Unit and other non-financial data)	March 31, 2022	December 31, 2021	March 31, 2021
Portfolio Information			
Total number of properties with an ownership interest	**174**	174	168
Leasing and Operational Information			
Gross leasable area including retail and office space (in thousands of sq. ft.)	**34,664**	34,119	34,037
Occupied area including retail and office space (in thousands of sq. ft.)	**33,616**	33,219	32,999
Vacant area including retail and office space (in thousands of sq. ft.)	**1,047**	900	1,038
In-place occupancy rate (%)	**97.0**	97.4	97.0
Committed occupancy rate (%)	**97.2**	97.6	97.3
Average lease term to maturity (in years)	**4.4**	4.4	4.6
Net retail rental rate (per occupied sq. ft.) ($)	**15.49**	15.44	15.40
Net retail rental rate excluding Anchors (per occupied sq. ft.) ($)	**22.17**	22.07	22.00
Mixed-Use Development Information			
Trust's share of future development area (in thousands of sq. ft.)	**40,600**	40,600	32,500
Trust's share of estimated costs of future projects currently under construction, or for which construction is expected to commence within the next five years (in millions of dollars)	**9,800**	9,800	7,900
Total number of residential rental projects	**104**	104	96
Total number of seniors' housing projects	**27**	27	40
Total number of self-storage projects	**36**	36	50
Total number of office building projects	**8**	8	7
Total number of hotel projects	**3**	3	4
Total number of condominium developments	**95**	95	72
Total number of townhome developments	**10**	10	15
Total number of future projects currently in development planning stage	**283**	283	284
Financial Information			
Total assets – GAAP(1)	**11,721,953**	11,293,248	10,321,117
Total assets – non-GAAP(2)(3)	**11,985,236**	11,494,377	10,525,295
Investment properties – GAAP(1)	**10,244,143**	9,847,078	8,856,167
Investment properties – non-GAAP(2)(3)	**11,113,685**	10,684,529	9,434,999
Total unencumbered assets(2)	**8,364,500**	6,640,600	5,910,900
Debt – GAAP(1)	**4,951,171**	4,854,527	4,810,106
Debt – non-GAAP(2)(3)	**5,124,045**	4,983,078	4,924,116
Debt to Aggregate Assets (%)(2)(3)(4)	**42.5**	42.9	44.7
Debt to Gross Book Value (%)(2)(3)(4)	**51.3**	50.8	50.2
Unsecured to Secured Debt Ratio(2)(3)(4)	**75%/25%**	71%/29%	69%/31%
Unencumbered assets to unsecured debt(2)(3)(4)	**2.2X**	1.9X	1.9X
Weighted average interest rate (%)(2)(3)	**3.09**	3.11	3.26
Weighted average term of debt (in years)	**4.7**	4.8	5.1
Interest coverage ratio(2)(3)(4)	**3.5X**	3.4X	3.2X
Adjusted Debt to Adjusted EBITDA (net of cash)(2)(3)(4)	**9.4X**	9.2X	8.6X
Equity (book value)(1)	**6,133,130**	5,841,315	5,149,986
Weighted average number of units outstanding – diluted	**179,590,588**	173,748,819	173,417,020

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(3) Includes the Trust's proportionate share of equity accounted investments.
(4) As at March 31, 2022, cash-on-hand of $60.0 million was excluded for the purposes of calculating the applicable ratios (December 31, 2021 – $80.0 million, March 31, 2021 – $397.7 million).

Quarterly Comparison to Prior Year

The following table presents key financial, per Unit, and payout ratio information for the three months ended March 31, 2022 and March 31, 2021:

(in thousands of dollars, except per Unit information)	**March 31, 2022**	March 31, 2021	Variance
	(A)	(B)	(A–B)
Financial Information			
Rentals from investment properties and other[1]	**202,523**	198,838	3,685
Net base rent[1]	**125,274**	121,330	3,944
Total recoveries[1]	**72,386**	71,782	604
Miscellaneous revenue[1]	**2,315**	2,841	(526)
Service and other revenues[1]	**2,548**	2,885	(337)
Net income and comprehensive income[1]	**370,110**	60,559	309,551
Net income and comprehensive income excluding fair value adjustments[2][3]	**80,337**	76,553	3,784
Cash flows provided by operating activities[1]	**102,819**	79,485	23,334
Net rental income and other[1]	**120,414**	116,137	4,277
NOI[2]	**123,868**	118,981	4,887
Change in net rental income and other[2]	**3.7 %**	(6.2)%	9.9 %
Change in SPNOI[2]	**2.3 %**	(4.8)%	7.1 %
Change in SPNOI excluding ECL[2]	**(0.5)%**	(3.7)%	3.2 %
FFO[2][3][4][5]	**92,235**	84,275	7,960
FFO with adjustments[2][3][4]	**93,150**	84,511	8,639
FFO with adjustments and Transactional FFO[2][3][4]	**93,150**	86,098	7,052
ACFO[2][3][4][5]	**85,154**	85,153	1
ACFO with adjustments[2][3][4]	**86,069**	85,389	680
Distributions declared	**82,339**	79,660	2,679
Surplus (shortfall) of cash provided by operating activities over distributions declared[2]	**20,480**	(175)	20,655
Surplus of ACFO over distributions declared[2]	**2,815**	5,493	(2,678)
Units outstanding[6]	**178,122,655**	172,267,483	5,855,172
Weighted average – basic	**178,108,771**	172,237,982	5,870,789
Weighted average – diluted[7]	**179,590,588**	173,417,020	6,173,568
Per Unit Information (Basic/Diluted)			
Net income and comprehensive income[1]	**$2.08/$2.06**	$0.35/$0.35	$1.73/$1.71
Net income and comprehensive income excluding fair value adjustments[2][3]	**$0.45/$0.45**	$0.44/$0.44	$0.01/$0.01
FFO[2][3][4][5]	**$0.52/$0.51**	$0.49/$0.49	$0.03/$0.02
FFO with adjustments[2][3][4]	**$0.52/$0.52**	$0.49/$0.49	$0.03/$0.03
FFO with adjustments and Transactional FFO[2][3][4]	**$0.52/$0.52**	$0.50/$0.50	$0.02/$0.02
FFO with adjustments excluding impact of SmartVMC West LP Class D units[2][3][4]	**$0.54/$0.54**	$0.49/$0.49	$0.05/$0.05
Distributions declared	**$0.463**	$0.463	$—
Payout Ratio Information			
Payout Ratio to cash flows provided by operating activities	**80.1 %**	100.2 %	(20.1)%
Payout Ratio to ACFO[2][3][4][5]	**96.7 %**	93.5 %	3.2 %
Payout Ratio to ACFO with adjustments[2][3][4]	**95.7 %**	93.3 %	2.4 %
Payout Ratio to ACFO with adjustments excluding SmartVMC West LP Class D distribution[2][3][4]	**92.9 %**	93.3 %	(0.4)%

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(3) Includes the Trust's proportionate share of equity accounted investments.
(4) See "Other Measures of Performance" in the Trust's MD&A for a reconciliation of these measures to the nearest consolidated financial statement measure.
(5) The calculation of the Trust's FFO and ACFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the REALpac White Paper on FFO issued in January 2022 and REALpac White Paper on ACFO issued in February 2019, respectively. Comparison with other reporting issuers may not be appropriate. The payout ratio to FFO and the payout ratio to ACFO are calculated as declared distributions divided by FFO and ACFO, respectively.
(6) Total Units outstanding include Trust Units and LP Units, including Units classified as liabilities. LP Units classified as equity in the consolidated financial statements are presented as non-controlling interests.
(7) The diluted weighted average includes the vested portion of the deferred units issued pursuant to the deferred unit plan.

Operational Highlights

For the three months ended March 31, 2022, net income and comprehensive income (as noted in the table above) increased by $309.5 million as compared to the same period in 2021. This increase was primarily attributed to the following:

- $276.7 million increase in fair value adjustments on revaluation of investment properties, of which: i) $237.7 million relates to the fair value adjustment associated with certain properties under development, and ii) $39.0 million relates to the revaluation of investment properties, principally driven by leasing assumption updates (see details in the “Investment Property” section in the Trust’s MD&A);
- $29.1 million increase in fair value adjustment on financial instruments primarily due to i) $22.2 million increase in fair value of interest rate swap agreements, ii) $2.9 million lower fair value loss on Units classified as liabilities, iii) $2.9 million lower fair value loss relating to unit based incentive programs, and iv) $1.1 million higher fair value gain of TRS;
- $4.9 million increase in NOI (see further details in the “Net Operating Income” subsection, including impact of ECL, in the Trust’s MD&A);
- $1.9 million decrease in interest expense (see further details in the “Interest Income and Interest Expense” subsection in the Trust’s MD&A); and
- $0.5 million decrease in general and administrative expenses (net) (see further details in the “General and Administrative Expense” section in the Trust’s MD&A);

Partially offset by the following:

- $2.7 million increase in supplemental costs; and
- $0.7 million decrease in interest income.

FFO Highlights

For the three months ended March 31, 2022, FFO increased by $8.0 million or 9.4% to $92.2 million. This increase was primarily attributed to:

- $4.9 million increase in NOI (see details in the “Net Operating Income” subsection, including impact of ECL, in the Trust’s MD&A);
- $1.9 million net decrease in interest expense (see details in the “Interest Income and Interest Expense” subsection in the Trust’s MD&A);
- $1.1 million increase in gain on TRS;
- $0.5 million decrease in net general and administrative expense (see details in the “General and Administrative Expense” section in the Trust’s MD&A); and
- $0.3 million increase in FFO add back for salaries and related costs attributed to leasing activities;

Partially offset by:

- $0.7 million decrease in interest income.

For the three months ended March 31, 2022, FFO with adjustments increased by $8.6 million or 10.2% to $93.2 million as compared to the same period in 2021.

ACFO Highlights

For the three months ended March 31, 2022, ACFO was $85.2 million as further described in “Results of Operations” section in the Trust’s MD&A.

Development and Intensification Summary

The following table summarizes the 283 identified mixed-use, recurring rental income and development income initiatives, which are included in the Trust's large development pipeline:

Description	Underway (Construction underway or expected to commence within next 2 years)	Active (Construction expected to commence within next 3–5 years)	Future (Construction expected to commence after 5 years)	Total
Number of projects in which the Trust has an ownership interest				
Residential Rental	21	23	60	104
Seniors' Housing	4	9	14	27
Self-storage	11	8	17	36
Office Buildings	—	1	7	8
Hotels	—	—	3	3
Subtotal – Recurring rental income initiatives	36	41	101	178
Condominium developments	26	22	47	95
Townhome developments	3	2	5	10
Subtotal – Development income initiatives	29	24	52	105
Total	**65**	**65**	**153**	**283**
Trust's share of project area (in thousands of sq. ft.)				
Recurring rental income initiatives	4,000	4,500	12,000	20,500
Development income initiatives	6,500	3,600	10,000	20,100
Total Trust's share of project area (in thousands of sq. ft.)	**10,500**	**8,100**	**22,000**	**40,600**
Trust's share of such estimated costs (in millions of dollars)	**5,500**	**4,300**	**–** (1)	**9,800**

(1) The Trust has not fully determined the costs attributable to future projects expected to commence after five years and as such they are not included in this table.

As noted in the table above, the Trust is currently working on initiatives for the development of many properties, for which final municipal approvals have been obtained or are being actively pursued, including:

i. the development of up to 5.3 million square feet of predominately residential space, in various forms, at Highway 400 & Highway 7, in Vaughan, Ontario, with a rezoning application submitted in December 2019 and a site plan application for the first four residential buildings totalling 1,742 units submitted in October 2020. Currently working with the City of Vaughan on advancement of Weston & 7 Secondary Plan;

ii. the development of up to 5.0 million square feet of predominately residential space, in various forms over the long term, in Pickering, Ontario, with the site plan application for a two-tower mixed-use phase, approximating 650,000 square feet, submitted in April 2020. Council Report for approval of Phase 1 expected Q2 2022;

iii. the development of up to 5.5 million square feet of predominately residential space, in various forms, at Oakville North in Oakville, Ontario, with the rezoning application for an initial two-tower 585-unit residential phase submitted in April 2021;

iv. the development of up to 2.55 million square feet of predominately residential space, in various forms, at the Westside Mall in Toronto, Ontario, with an application for the first 35-storey mixed-use tower submitted in Q1 2021;

v. the development of up to 1.5 million square feet of residential space in various forms on the Trust's undeveloped lands at the Vaughan NW property in Vaughan, Ontario. Ninety-nine townhomes out of 174 Draft Plan Approved townhomes have been sold. Applications have also been submitted for a seniors' apartment building and separate retirement residence to be developed in partnership with Revera, along with three residential buildings;

vi. the development of up to 1.5 million square feet of residential space, in various forms, in Pointe-Claire, Quebec, with the first phase, a two-tower rental project, being actively pursued;

vii. the development of up to 200,000 square feet of residential townhomes at Oakville South in Oakville, Ontario, with a third-party homebuilder;

viii. the intensification of the Toronto StudioCentre (“StudioCentre”) in Toronto, Ontario (zoning allows for up to 1.2 million square feet);

ix. the development of four high-rise purpose-built residential rental buildings comprising approximately 1,700 units with Greenwin, in Barrie, Ontario, for which a zoning application was approved by Barrie City Council in January 2021 with the site plan approved for Phase 1 by Barrie City Council in Q1 2022. An application for a building permit was submitted in July 2021. Environmental Risk Assessment received for the entire site in September 2021 and the application of Certificate of Property Use was submitted in February 2022;

x. the development of a 35-storey high-rise purpose-built residential rental tower containing 439 units, on Balliol Street in midtown Toronto, Ontario, with zoning and site plan applications submitted in September 2020. A second submission of these applications was made in July 2021. A third submission of these applications was made in March 2022;

xi. the development of up to 1,600 residential units, in various forms, in Mascouche, Quebec, with the first phase consisting of 238 units in two 10-storey rental towers approved by municipal council in August 2020. Construction began in April 2021, and opening is anticipated in July 2022. The construction of a second phase is expected to commence in Q1 2023;

xii. the development of residential density at the Trust’s shopping centre at 1900 Eglinton Avenue East in Scarborough with rezoning applications for the first two residential towers (38 and 40 storeys) submitted in January 2021. Site plan application for both buildings was submitted in December 2021;

xiii. the development of up to 270,000 square feet of residential space in 138 townhomes at London Fox Hollow in London, Ontario, with site plan approval obtained in Q1 2022. All zoning approval for the project was completed in Q4 2021;

xiv. the development of the first phase, 46-unit rental building, which is part of a multi-phase master plan in Alliston, Ontario, with a rezoning application approved by Council in December 2020 and a site plan application submitted in May 2020. The site plan application was resubmitted in March 2021 and again in July 2021 with approvals expected in Q3 2022. The building permit application was submitted in October 2021;

xv. besides the seven self-storage projects completed or under construction, there are five additional self-storage facilities in Ontario with the Trust’s partner, SmartStop, in Markham, Stoney Creek, Toronto (2) and Whitby, with zoning and/or site plan approval obtained or applications well underway. Project agreements for another five locations are being finalized;

xvi. the Q4 2020 acquisition of an additional 33.33% interest (new ownership structure of 66.66% held by the Trust and 33.33% held by Penguin) in 50 acres of adjacent land to the Trust’s Premium Outlets Montreal in Mirabel, Quebec, for the ultimate development of residential density of up to 4,500 units. Site plan applications for the first phase rental building with 168 units expected to be submitted in Q2 2022. Master plan of development is subject to approval;

xvii. the development of a new residential block consisting of a 155-unit condo building in Phase 1 and approximately 345 rental units in Phases 2 and 3 at Laval Centre in Quebec. Application for architecture approval was submitted for the Phase 1 condo and another 155 units in the Phase 2 rental building in Q4 2021 and approval is expected in Q2 2022;

xviii. the Trust has commenced the redevelopment of a portion of its 73-acre Cambridge retail property (which is subject to a leasehold interest with Penguin) which now allows various forms of residential, retail, office, institutional and commercial uses providing for the creation of a vibrant urban community with the potential for over 12.0 million square feet of development;

xix. the development of a retirement living residence at the Trust’s shopping centre at Bayview and Major Mackenzie in Richmond Hill, Ontario, with a rezoning application for a 9-storey retirement residences building submitted in Q1 2021 and a site plan application submitted in Q4 2021, to be developed in partnership with the existing partner and Revera;

xx. the development of 1.5 million square feet of residential density adjacent to the new South Keys light rail train station at the Trust’s Ottawa South Keys centre, consistent with current zoning permissions. Site plan application for the first phase rental complex with 446 units was deemed complete in Q4 2021 and work is ongoing on a second submission to respond to agency comments on the application;

xxi. the development of up to 720,000 square feet of predominately residential space on Yonge St. in Aurora, Ontario, with rezoning applications for the entire site and site plan submitted for Phase 1 for 498,000 square feet in July 2021;

xxii. the Q4 2020 acquisition of a 50% interest in a property in downtown Markham for the development of a 243,000 square foot retirement residence with Revera. The rezoning application was submitted in December 2020; and

xxiii. the development of approximately 850,000 square feet of residential density on the Trust’s Parkway Plaza Centre in Stoney Creek, Ontario, with an application for a Phase 1 development for a two-tower (20 and 15 storeys), 433,000 square foot, 520-unit condo project submitted in Q4 2021.

Proportionately Consolidated Balance Sheets (including the Trust's interests in equity accounted investments)

The following table presents the proportionately consolidated balance sheets, which includes a reconciliation of the Trust's proportionate share of equity accounted investments:

(in thousands of dollars)	March 31, 2022			December 31, 2021		
	GAAP Basis	**Proportionate Share Reconciliation**	**Total Proportionate Share**[1]	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share[1]
Assets						
Non-current assets						
Investment properties	**10,244,143**	**869,542**	**11,113,685**	9,847,078	837,451	10,684,529
Equity accounted investments	**643,633**	**(643,633)**	**—**	654,442	(654,442)	—
Mortgages, loans and notes receivable	**348,337**	**(82,951)**	**265,386**	345,089	(69,576)	275,513
Other financial assets	**114,530**	**—**	**114,530**	97,148	—	97,148
Other assets	**82,411**	**7,178**	**89,589**	80,940	7,465	88,405
Intangible assets	**44,806**	**—**	**44,806**	45,139	—	45,139
	11,477,860	**150,136**	**11,627,996**	11,069,836	120,898	11,190,734
Current assets						
Residential development inventory	**28,325**	**76,138**	**104,463**	27,399	67,828	95,227
Current portion of mortgages, loans and notes receivable	**87,250**	**—**	**87,250**	71,947	—	71,947
Amounts receivable and other	**49,872**	**625**	**50,497**	49,542	(8,637)	40,905
Prepaid expenses, deposits and deferred financing costs	**25,038**	**13,504**	**38,542**	12,289	13,118	25,407
Cash and cash equivalents	**53,608**	**22,880**	**76,488**	62,235	7,922	70,157
	244,093	**113,147**	**357,240**	223,412	80,231	303,643
Total assets	**11,721,953**	**263,283**	**11,985,236**	11,293,248	201,129	11,494,377
Liabilities						
Non-current liabilities						
Debt	**4,777,675**	**160,545**	**4,938,220**	4,176,121	93,465	4,269,586
Other financial liabilities	**331,316**	**—**	**331,316**	326,085	—	326,085
Other payables	**17,907**	**—**	**17,907**	18,243	—	18,243
	5,126,898	**160,545**	**5,287,443**	4,520,449	93,465	4,613,914
Current liabilities						
Current portion of debt	**173,496**	**12,329**	**185,825**	678,406	35,086	713,492
Accounts payable and current portion of other payables	**288,429**	**90,409**	**378,838**	253,078	72,578	325,656
	461,925	**102,738**	**564,663**	931,484	107,664	1,039,148
Total liabilities	**5,588,823**	**263,283**	**5,852,106**	5,451,933	201,129	5,653,062
Equity						
Trust Unit equity	**5,111,274**	**—**	**5,111,274**	4,877,961	—	4,877,961
Non-controlling interests	**1,021,856**	**—**	**1,021,856**	963,354	—	963,354
	6,133,130	**—**	**6,133,130**	5,841,315	—	5,841,315
Total liabilities and equity	**11,721,953**	**263,283**	**11,985,236**	11,293,248	201,129	11,494,377

(1) This column contains non-GAAP measures because it includes figures that are recorded in equity accounted investments. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Proportionately Consolidated Statements of Income and Comprehensive Income (including the Trust's Interests in Equity Accounted Investments)

The following table presents the proportionately consolidated statements of income and comprehensive income, which include a reconciliation of the Trust's proportionate share of equity accounted investments:

(in thousands of dollars)	**Three Months Ended March 31, 2022**			Three Months Ended March 31, 2021			
	GAAP Basis	**Proportionate Share Reconciliation**	**Total Proportionate Share(1)**	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share(1)	Variance
Net rental income and other							
Rentals from investment properties and other	**202,523**	**6,492**	**209,015**	198,838	5,031	203,869	5,146
Property operating costs and other	**(82,109)**	**(3,013)**	**(85,122)**	(82,701)	(2,253)	(84,954)	(168)
	120,414	**3,479**	**123,893**	116,137	2,778	118,915	4,978
Condominium sales revenue and other(2)	**—**	**6**	**6**	—	165	165	(159)
Condominium cost of sales and other	**—**	**(31)**	**(31)**	—	(99)	(99)	68
	—	**(25)**	**(25)**	—	66	66	(91)
Net rental income and other	**120,414**	**3,454**	**123,868**	116,137	2,844	118,981	4,887
Other income and expenses							
General and administrative expense, net	**(6,867)**	**(122)**	**(6,989)**	(7,480)	—	(7,480)	491
Earnings from equity accounted investments	**(574)**	**574**	**—**	15,318	(15,318)	—	—
Earnings from other(3)	**305**	**(305)**	**—**	—	—	—	—
Fair value adjustment on revaluation of investment properties	**271,345**	**446**	**271,791**	(18,759)	13,833	(4,926)	276,717
Gain on sale of investment properties	**(122)**	**—**	**(122)**	10	—	10	(132)
Interest expense	**(35,333)**	**(1,391)**	**(36,724)**	(37,201)	(1,380)	(38,581)	1,857
Interest income	**2,960**	**8**	**2,968**	3,602	22	3,624	(656)
Supplemental costs	**—**	**(2,664)**	**(2,664)**	—	(1)	(1)	(2,663)
Fair value adjustment on financial instruments	**17,982**	**—**	**17,982**	(11,068)	—	(11,068)	29,050
Net income and comprehensive income	**370,110**	**—**	**370,110**	60,559	—	60,559	309,551

(1) This column contains non-GAAP measures because it includes figures that are recorded in equity accounted investments. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

(2) Includes additional partnership profit and other revenues.

(3) Represents SmartVMC West's operating results.

FFO, FFO with adjustments, and FFO with adjustments and Transactional FFO

The following table reconciles net income and comprehensive income to FFO, FFO with adjustments, and FFO with adjustments and Transactional FFO:

(in thousands of dollars, except per Unit amounts)	**Three Months Ended March 31, 2022**	Three Months Ended March 31, 2021	Variance ($)	Variance (%)
Net income and comprehensive income	**370,110**	60,559	309,551	N/R[7]
Add (deduct):				
Fair value adjustment on revaluation of investment properties[1]	**(271,345)**	18,759	(290,104)	N/R[7]
Fair value adjustment on financial instruments[2]	**(17,982)**	11,068	(29,050)	N/R[7]
Gain on derivative – TRS	**1,605**	513	1,092	N/R[7]
Gain on sale of investment properties	**122**	(254)	376	N/R[7]
Amortization of intangible assets	**333**	333	—	—
Amortization of tenant improvement allowance and other	**1,659**	2,321	(662)	(28.5)
Distributions on Units classified as liabilities and vested deferred units recorded as interest expense	**1,721**	1,500	221	14.7
Salaries and related costs attributed to leasing activities[3]	**1,826**	1,503	323	21.5
Adjustments relating to equity accounted investments:				
Rental revenue adjustment – tenant improvement amortization	**95**	99	(4)	(4.0)
Indirect interest with respect to the development portion[4]	**1,873**	1,706	167	9.8
Fair value adjustment on revaluation of investment properties	**(446)**	(13,833)	13,387	(96.8)
Adjustment for supplemental costs	**2,664**	1	2,663	N/R[7]
FFO[5]	**92,235**	84,275	7,960	9.4
Adjustments:				
Other adjustments[6]	**915**	236	679	N/R[7]
FFO with adjustments[5]	**93,150**	84,511	8,639	10.2
Transactional FFO – gain on sale of land to co-owners	**—**	1,587	(1,587)	N/R[7]
FFO with adjustments and Transactional FFO[5]	**93,150**	86,098	7,052	8.2

(1) Fair value adjustment on revaluation of investment properties is described in "Investment Properties" in the Trust's MD&A.

(2) Fair value adjustment on financial instruments comprises the following financial instruments: units classified as liabilities, Earnout options, DUP, EIP, LTIP, TRS, interest rate swap agreement(s), and loans receivable and Earnout options recorded in the same period in 2021. The significant assumptions made in determining the fair value and fair value adjustments for these financial instruments are more thoroughly described in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2022. For details please see discussion in "Results of Operations" in the Trust's MD&A.

(3) Salaries and related costs attributed to leasing activities of $1.8 million were incurred in the three months ended March 31, 2022 (three months ended March 31, 2021 – $1.5 million) and were eligible to be added back to FFO based on the definition of FFO, in the REALpac White Paper published in January 2022, which provided for an adjustment to incremental leasing expenses for the cost of salaried staff. This adjustment to FFO results in more comparability between Canadian publicly traded real estate entities that expensed their internal leasing departments and those that capitalized external leasing expenses.

(4) Indirect interest is not capitalized to properties under development and residential development inventory of equity accounted investments under IFRS but is a permitted adjustment under REALpac's definition of FFO. The amount is based on the total cost incurred with respect to the development portion of equity accounted investments multiplied by the Trust's weighted average cost of debt.

(5) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

(6) Represents adjustments relating to $0.9 million of costs associated with COVID-19 vaccination centres (three months ended March 31, 2021 – $0.2 million).

(7) N/R – Not representative.

Net Operating Income

The following tables summarize NOI, related ratios and recovery ratios, provide additional information, and reflect the Trust's proportionate share of equity accounted investments, the sum of which represent a non-GAAP measure:

(in thousands of dollars)	**Three Months Ended March 31, 2022**			Three Months Ended March 31, 2021			
	Trust portion excluding EAI	**Equity Accounted Investments**	**Total Proportionate Share(1)**	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share(1)	Variance(1)
			(A)			(B)	(A–B)
Net base rent	**125,274**	**4,080**	**129,354**	121,330	3,044	124,374	4,980
Property tax and insurance recoveries	**45,062**	**770**	**45,832**	47,374	656	48,030	(2,198)
Property operating cost recoveries	**27,324**	**921**	**28,245**	24,408	868	25,276	2,969
Miscellaneous revenue	**2,315**	**721**	**3,036**	2,841	463	3,304	(268)
Rentals from investment properties	**199,975**	**6,492**	**206,467**	195,953	5,031	200,984	5,483
Service and other revenues	**2,548**	**—**	**2,548**	2,885	—	2,885	(337)
Rentals from investment properties and other(2)	**202,523**	**6,492**	**209,015**	198,838	5,031	203,869	5,146
Recoverable tax and insurance costs	**(47,093)**	**(783)**	**(47,876)**	(49,356)	(653)	(50,009)	2,133
Recoverable CAM costs	**(29,993)**	**(950)**	**(30,943)**	(26,388)	(807)	(27,195)	(3,748)
Property management fees and costs	**(1,058)**	**(210)**	**(1,268)**	(289)	(143)	(432)	(836)
Non-recoverable operating costs	**(2,504)**	**(1,019)**	**(3,523)**	(1,474)	(652)	(2,126)	(1,397)
ECL	**1,113**	**(51)**	**1,062**	(2,309)	2	(2,307)	3,369
Property operating costs	**(79,535)**	**(3,013)**	**(82,548)**	(79,816)	(2,253)	(82,069)	(479)
Other expenses	**(2,574)**	**—**	**(2,574)**	(2,885)	—	(2,885)	311
Property operating costs and other(2)	**(82,109)**	**(3,013)**	**(85,122)**	(82,701)	(2,253)	(84,954)	(168)
Net rental income and other	**120,414**	**3,479**	**123,893**	116,137	2,778	118,915	4,978
Condominium sales revenue	**—**	**6**	**6**	—	165	165	(159)
Condominium cost of sales	**—**	**(31)**	**(31)**	—	(99)	(99)	68
Net profit on condominium sales	**—**	**(25)**	**(25)**	—	66	66	(91)
NOI(3)	**120,414**	**3,454**	**123,868**	116,137	2,844	118,981	4,887
Net rental income and other as a percentage of net base rent (%)	**96.1**	**85.3**	**95.8**	95.7	91.3	95.6	0.2
Net rental income and other as a percentage of rentals from investment properties (%)	**60.2**	**53.6**	**60.0**	59.3	55.2	59.2	0.8
Net rental income and other as a percentage of rentals from investment properties and other (%)	**59.5**	**53.6**	**59.3**	58.4	55.2	58.3	1.0
Recovery Ratio (including prior year adjustments) (%)	**93.9**	**97.6**	**94.0**	94.8	104.4	95.0	(1.0)
Recovery Ratio (excluding prior year adjustments) (%)	**93.8**	**95.4**	**93.9**	95.1	104.8	95.3	(1.4)

(1) This column contains non-GAAP measures because it includes figures that are recorded in equity accounted investments – that are not explicitly disclosed and/or presented in the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2022 and March 31, 2021. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(2) As reflected under the column 'Trust portion excluding EAI' in the table above, this amount represents a GAAP measure.
(3) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

Same Properties NOI

NOI (a non-GAAP financial measure) from continuing operations represents: i) rentals from investment properties and other revenues less property operating costs and other expenses, and ii) net profit from condominium sales. Disclosing the NOI contribution from each of same properties, acquisitions, dispositions, Earnouts and Development activities highlights the impact each component has on aggregate NOI. Straight-line rent, lease terminations and other adjustments, and amortization of tenant incentives have been excluded from Same Properties NOI, as have NOI from acquisitions, dispositions, Earnouts and Development activities, and ECL. This has been done in order to more directly highlight the impact of changes in occupancy, rent uplift and productivity.

(in thousands of dollars)	**Three Months Ended March 31, 2022**	Three Months Ended March 31, 2021	Variance ($)	Variance (%)
Net rental income	**120,440**	116,137	4,303	3.7
Service and other revenues	**2,548**	2,885	(337)	(11.7)
Other expenses	**(2,574)**	(2,885)	311	10.8
NOI[1]	**120,414**	116,137	4,277	3.7
NOI from equity accounted investments[1]	**3,454**	2,844	610	21.4
Total portfolio NOI before adjustments[1]	**123,868**	118,981	4,887	4.1
Adjustments:				
Royalties	**235**	201	34	16.9
Straight-line rent	**(77)**	464	(541)	N/R[2]
Lease termination and other adjustments	**(242)**	(445)	203	(45.6)
Net profit on condominium sales	**25**	(66)	91	N/R[2]
Amortization of tenant incentives	**1,835**	2,474	(639)	(25.8)
Total portfolio NOI after adjustments[1]	**125,644**	121,609	4,035	3.3
NOI sourced from:				
Acquisitions	**(1,078)**	60	(1,138)	N/R[2]
Dispositions	**5**	(570)	575	(100.9)
Earnouts and Developments	**(782)**	(68)	(714)	N/R[2]
Same Properties NOI[1]	**123,789**	121,031	2,758	2.3
Add back: Bad debt expense/ECL	**(1,045)**	2,336	(3,381)	N/R[2]
Same Properties NOI excluding ECL[1]	**122,744**	123,367	(623)	(0.5)

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.
(2) N/R – Not representative.

Adjusted EBITDA

The following table presents a reconciliation of net income and comprehensive income to Adjusted EBITDA:

	Rolling 12 Months Ended		
(in thousands of dollars)	**March 31, 2022**	March 31, 2021	Variance ($)
Net income and comprehensive income	**1,297,224**	86,302	1,210,922
Add (deduct) the following items:			
Interest expense	**148,124**	155,761	(7,637)
Interest income	**(11,699)**	(15,565)	3,866
Yield maintenance costs	**—**	11,954	(11,954)
Amortization of equipment and intangible assets	**3,769**	4,125	(356)
Amortization of tenant improvements	**7,223**	8,033	(810)
Fair value adjustments	**(950,796)**	241,449	(1,192,245)
Fair value adjustment on TRS	**6,734**	513	6,221
Adjustment for supplemental costs	**5,281**	1,634	3,647
Gain on sale of investment properties	**106**	(451)	557
Gain on sale of land to co-owners (Transactional FFO)	**336**	2,332	(1,996)
Acquisition-related costs	**2,791**	166	2,625
Adjusted EBITDA[1]	**509,093**	496,253	12,840
Adjusted EBITDA[1]	**509,093**	496,253	12,840
Less: Condominium closing profits	**(20,315)**	(47,865)	27,550
Add: Expected credit loss	**421**	32,956	(32,535)
Adjusted EBITDA excluding condominium closing profits and ECL[1]	**489,199**	481,344	7,855

(1) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For additional information, please see "Non-GAAP Measures" in this Press Release.

ACFO and ACFO with adjustments

The following table reconciles cash flows provided by operating activities to ACFO and ACFO with adjustments:

(in thousands of dollars)	**Three Months Ended March 31, 2022**	Three Months Ended March 31, 2021	Variance ($)	Variance (%)
Cash flows provided by operating activities	**102,819**	79,485	23,334	29.4
Adjustments to working capital items that are not indicative of sustainable cash available for distribution[1]	**(4,389)**	1,999	(6,388)	N/R[2]
Distributions on Units classified as liabilities and vested deferred units recorded as interest expense	**1,721**	1,500	221	14.7
Expenditures on direct leasing costs and tenant incentives	**2,439**	1,061	1,378	N/R[2]
Expenditures on tenant incentives for properties under development	**1,680**	272	1,408	N/R[2]
Actual sustaining capital expenditures	**(2,175)**	(1,361)	(814)	59.8
Actual sustaining leasing commissions	**(510)**	(604)	94	(15.6)
Actual sustaining tenant improvements	**(1,948)**	(457)	(1,491)	N/R[2]
Non-cash interest expense, net of other financing costs	**(16,205)**	(1,593)	(14,612)	N/R[2]
Non-cash interest income	**(839)**	722	(1,561)	N/R[2]
Gain on sale of land to co-owners	**—**	1,587	(1,587)	N/R[2]
Distributions from equity accounted investments	**(426)**	(608)	182	(29.9)
Adjustments relating to equity accounted investments:				
Cash flows from operating activities including working capital adjustments	**1,122**	1,551	(429)	(27.7)
Notional interest capitalization[3]	**1,873**	1,706	167	9.8
Actual sustaining capital and leasing expenditures	**(93)**	(74)	(19)	25.7
Non-cash interest expense	**85**	(33)	118	N/R[2]
ACFO[4]	**85,154**	85,153	1	0.0
Other adjustments[5]	**915**	236	679	N/R[2]
ACFO with adjustments[4]	**86,069**	85,389	680	0.8

ACFO[4]	**85,154**	85,153	1	0.0
Distributions declared	**82,339**	79,660	2,679	3.4
Surplus of ACFO over distributions declared	**2,815**	5,493	(2,678)	(48.8)
Payout Ratio Information:				
Payout Ratio to ACFO[4]	**96.7 %**	93.5 %	N/A	3.2 %
Payout Ratio to ACFO with adjustments[4]	**95.7 %**	93.3 %	N/A	2.4 %
Payout Ratio to ACFO excluding SmartVMC West LP Class D distribution[4][6]	**93.9 %**	93.5 %	N/A	0.4 %
Payout Ratio to ACFO with adjustments excluding SmartVMC West LP Class D distribution[4][6]	**92.9 %**	93.3 %	N/A	(0.4)%

(1) Adjustments to working capital items include, but are not limited to, changes in prepaid expenses and deposits, accounts receivables, accounts payables and other working capital items that are not indicative of sustainable cash available for distribution.
(2) N/R – Not representative.
(3) See the “Indirect interest with respect to the development portion” as presented in the “FFO, FFO with adjustments, and FFO with adjustments and Transactional FFO” subsection above for more information.
(4) Represents a non-GAAP measure. The Trust’s method of calculating non-GAAP measures may differ from other reporting issuers’ methods and, accordingly, may not be comparable. For additional information, please see “Non-GAAP Measures” in this Press Release.
(5) Represents adjustments relating to $0.9 million of costs associated with COVID-19 vaccination centres (three months ended March 31, 2021 – $0.2 million).
(6) For the three months ended March 31, 2022, excludes $2.7 million of distributions declared in connection with SmartVMC West LP Class D units (March 31, 2021 – $nil).

Non-GAAP Measures

The non-GAAP measures used in this Press Release, including but not limited FFO per Unit, Unencumbered Assets, NOI, Debt to Aggregate Assets, Interest Coverage Ratio, Adjusted Debt to Adjusted EBITDA, Unsecured/Secured Debt Ratio, FFO, FFO with adjustments, FFO per Unit with adjustments, Transactional FFO, ACFO, Payout Ratio to ACFO, Same Properties NOI, Investment properties – non-GAAP, Debt – non-GAAP, Debt to Gross Book Value, Unencumbered Assets to Unsecured Debt, Weighted Average Interest Rate, Total Proportionate Share, do not have any standardized meaning prescribed by International Financial Reporting Standards ("IFRS") and are therefore unlikely to be comparable to similar measures presented by other issuers. Additional information regarding these non-GAAP measures is available in the Management's Discussion and Analysis of the Trust for the three months ended March 31, 2022, dated May 11, 2022 (the "MD&A), and is incorporated by reference. The information is found in the "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" sections of the MD&A, which is available on SEDAR at www.sedar.com. Reconciliations of non-GAAP financial measures to the most directly comparable IFRS measures are found in the following sections of this Press Release: "Proportionately Consolidated Balance Sheets (including the Trust's interests in equity accounted investments)", "Proportionately Consolidated Statements of Income and Comprehensive Income (including the Trust's Interests in Equity Accounted Investments)", "FFO, FFO with adjustments, and FFO with adjustments and Transactional FFO", "Net Operating Income", "Same Properties NOI", "Adjusted EBITDA" and, "ACFO and ACFO with adjustments".

Full reports of the financial results of the Trust for the three months ended March 31, 2022 are outlined in the unaudited interim condensed consolidated financial statements and the related MD&A of the Trust for the three months ended March 31, 2022, which are available on SEDAR at www.sedar.com.

Conference Call

SmartCentres will hold a conference call on Thursday, May 12, 2022 at 3:30 p.m. (ET). Participating on the call will be members of SmartCentres' senior management.

Investors are invited to access the call by dialing 1-855-353-9183 and then keying in the participant access code 20103#. You will be required to identify yourself and the organization on whose behalf you are participating.

A recording of this call will be made available Thursday, May 12, 2022 beginning at 8:30 p.m. (ET) through to 8:30 p.m. (ET) on Thursday, May 19, 2022. To access the recording, please call 1-855-201-2300, enter the conference access code 20103# and then key in the playback access code 0112189#.

About SmartCentres

SmartCentres Real Estate Investment Trust is one of Canada's largest fully integrated REITs, with a best-in-class portfolio featuring 174 strategically located properties in communities across the country. SmartCentres has approximately $11.7 billion in assets and owns 34.7 million square feet of income producing value-oriented retail and first-class office space with 97.2% 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 $15.2 billion intensification program ($9.8 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 58.6 million square feet (40.6 million square feet at SmartCentres' share) of space, 28.6 million square feet (18.6 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.

Included in this intensification program is the Trust's share of SmartVMC which, when completed, is expected to include approximately 20.0 million square feet of mixed-use space in Vaughan, Ontario. Construction of the first five sold-out phases of Transit City Condominiums that represent 2,789 residential units continues to progress. Final closings of the first three phases of Transit City Condominiums began ahead of budget and ahead of schedule in August 2020 and all 1,741 units in these phases have now closed. In addition, the 22 sold-out townhomes that complete this phase of the project, are expected to close in 2022. The fourth and fifth sold-out phases representing 1,026 units are currently under construction and are expected to close in 2023.

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 and the expected timing of construction and condominium closings 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 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, please visit www.smartcentres.com or contact:

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The Toronto Stock Exchange neither approves nor disapproves of the contents of this Press Release.