SMARTCENTRES
REAL ESTATE INVESTMENT TRUST

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SMARTCENTRES REAL ESTATE INVESTMENT TRUST RELEASES FIRST QUARTER RESULTS FOR 2021

- **$1.85 per unit annualized distribution maintained;**
- **Open shopping centre portfolio continues to provide recurring income with a committed occupancy rate of 97.3%;**
- **Average collection levels across portfolio exceed 94% for the quarter;**
- **631 presold condominium units at Transit City 3 commence closings today; and**
- **Health authorities using approximately 150,000 square feet of SmartCentres' donated space in Cambridge, Rimouski, Chilliwack, and Maple Ridge as vaccination centres; discussions continue on additional locations to assist to fast-track the vaccination process for all Canadians.**

TORONTO, ONTARIO - (May 12, 2021) SmartCentres Real Estate Investment Trust ("SmartCentres" or the "Trust") (TSX: SRU.UN) is pleased to report its financial and operating results for the quarter ended March 31, 2021.

"We continue the rapid repositioning of our portfolio," said Mitchell Goldhar, Executive Chairman of SmartCentres." Transit City Condominium Tower 3 at SmartVMC in Vaughan will start to contribute to FFO in the second quarter, while the large wave of earnings and FFO growth from our $13.5b development program is even closer to shore. This is the backdrop to our existing unique national retail portfolio tenanted mostly by essential services, with its stable source of recurring income including quality companies such as Wal-Mart. We will continue to protect our solid balance sheet with its debt to total assets of 44.7% and an interest coverage multiple of 3.2X and ended the quarter with a rolling 12 month payout ratio of 89%. With respect to the pandemic, helping all Canadians will continue to be a priority, and in this regard we are in direct dialogue with federal and provincial authorities offering to donate to them the use of space in our properties to assist with the acceleration of the vaccination process", added Mr. Goldhar.

"SmartVMC in Vaughan, like many of our properties in Canada, is a good example of our 'shopping centres to city centres' transformation and our Team continues to work on our growing mixed-use development platform and now has some 284 projects identified for our pipeline, the majority of which will provide recurring income. We understand how to build entire city centres and have more in the planning stages at major centres across Canada. Additionally, our retail portfolio continues to demonstrate its stability, evidenced by our 97.3% occupancy level when factoring in committed leases" said Peter Forde, President and CEO.

Our experience with the collection of tenant billings has continued to improve. The following table presents the monthly collection experience since the pandemic began:

Month[(1)]	% of Gross Monthly Billings Collected Before Application of CECRA Related Arrangements[(2)]	% of Gross Monthly Billings Collected After Application of CECRA Related Arrangements[(2)]
April 2020	78.8	85.3
May 2020	79.5	85.9
June 2020	82.6	89.1
July 2020	88.1	94.5
August 2020	89.6	96.1
September 2020[(2)]	89.6	96.2
October 2020	95.9	95.9
November 2020	95.8	95.8
December 2020	95.3	95.3
January 2021	93.8	93.8
February 2021	93.9	93.9
March 2021	94.5	94.5

(1) Represents the Trust's collection experience up to May 5, 2021.
(2) The CECRA program ended on September 30, 2020.

As of May 5, 2021, the Trust has collected 93.0% of gross monthly billings for the month of April 2021.

The following table provides some additional details on the Trust's tenant billings, amounts received, abatements and deferral arrangements up to April 23, 2021, and the remaining balance outstanding subject to deferral arrangements under negotiation and before expected credit loss ("ECL") provision:

(in thousands of dollars)	**Three Months Ended March 31, 2021**	**As a %**	Nine Months Ended December 31, 2020[(1)]	As a %
Total recurring tenant billings	**200,061**	**100.0**	601,251	100.0
Less: Amounts received directly from tenants to date	**187,677**	**93.8**	530,530	88.2
Balance outstanding	**12,384**	**6.2**	70,721	11.8
Less:				
Recovery from governments for CECRA	**—**	**—**	15,412	2.6
Amounts forgiven by the Trust for CECRA	**—**	**—**	7,706	1.3
Sales tax on CECRA	**—**	**—**	2,976	0.5
Rent abatements provided to tenants	**19**	**—**	5,184	0.9
Balance outstanding	**12,365**	**6.2**	39,443	6.6
Less: Deferral arrangements negotiated	**446**	**0.2**	7,213	1.2
Rents to be collected subject to rent deferral arrangements under negotiation and before ECL provision	**11,919**	**6.0**	32,230	5.4

(1) The Trust identifies the nine months ended December 31, 2020 as the beginning of the COVID-19 pandemic period.

The table below represents a summary of total tenant receivables and ECL balances as at March 31, 2021 and December 31, 2020:

(in thousands of dollars)	**March 31, 2021**	December 31, 2020
Tenant receivables	**53,466**	57,563
Unbilled other tenant receivables	**13,186**	8,287
Total tenant receivables	**66,652**	65,850
Less: Allowance for ECL	**20,758**	19,742
Balance outstanding subject to deferral arrangements	**45,894**	46,108

Highlights

Mixed-Use Development and Intensification at SmartVMC

- Construction of the 55-storey Transit City 3 condo tower representing 631 residential units continues to be ahead of schedule and ahead of budget. The tower is topped-off, cranes have been dismantled, and closings are expected to commence in May 2021.
- Construction continues on Transit City 4 (45 storeys) and 5 (50 storeys) condo towers, representing 1,026 sold residential units. Construction is complete on the multi-level underground parking garage. Above grade, concrete and formwork is well underway.
- Construction is well underway on the 36-storey, 362-unit purpose-built residential rental building at SmartVMC, with concrete and formwork for the multi-level underground parking garage complete. There are also an additional 92 purpose-built rental units located within a portion of the Transit City 4 and Transit City 5 podiums.
- As part of the Transit City 1 and 2 projects, construction is well underway and delivery is expected in late 2021 of the 22 townhomes, which are 100% pre-sold.
- Preparing for the launch of the next phase of high-rise condominium development in 2021 expected to include 620 units.

Other Business Development

The completed first phase of the two-phase, purpose-built residential rental project in Laval, Quebec, which had initial occupancy by tenants commencing in March 2020 and, to date, approximately 90% of the 171-unit building has been leased. Construction of the next phase is expected to commence in Q3 2021.

- The Trust completed construction of its first three self-storage facilities in Toronto (Leaside), Brampton, and Vaughan NW, each of which has been very well received by the local communities, with current occupancy levels ahead of expectations.
- Planning approvals are now in place to permit the Trust to commence construction of a new retirement home in Q2 2021 with its joint venture partner Selection Group in Ottawa.
- Two additional self-storage facilities in Oshawa and Scarborough are currently under construction and are expected to be completed in 2021. Additional self-storage facilities have been approved by the Board and the Trust is in the process of obtaining municipal approvals in Aurora, Whitby, Markham and an additional location in Brampton.
- With the Minister's Zoning Order issued in Q4 2020, the Trust has commenced the redevelopment of its 73-acre Cambridge retail property with various forms of residential, retail, office, institutional, and commercial uses to create a complete vibrant urban community with the potential for over 12.0 million square feet of development. The initial phase of the redevelopment will include various forms of residential development including townhouses as well as mid-rise and high-rise residential buildings.
- During the COVID-19 pandemic, the Trust has been aggressively pursuing final municipal approvals for mixed-use density on many of its shopping centres.

Financial

- Net income and comprehensive income[(1)] was $60.6 million as compared to $64.2 million in the same period in 2020, representing a decrease of $3.6 million. This decrease was primarily attributed to: i) $49.1 million increase in unfavourable fair value adjustments on financial instruments principally due to the increase in the Trust's Unit Price, ii) $7.4 million decrease in net operating income principally due to lower rent and higher bad debt expense, iii) $3.0 million higher interest expense, and iv) $1.9 million higher G&A expense (net), and partially offset by i) $55.6 million decrease in unfavourable fair value adjustments on revaluation of investment properties and ii) $2.2 million lower acquisition-related costs.
- The Trust further improved its unsecured/secured debt ratio[(2)] to 69%/31% (December 31, 2020 – 68%/32%).
- The Trust continues to add to its unencumbered pool of high-quality assets. As at March 31, 2021, this unencumbered portfolio consisted of income properties valued at $5.9 billion (March 31, 2020 – $5.7 billion).

- In January 2021, the Trust completed the redemption of its 3.730% Series M senior unsecured debentures and 2.876% Series Q senior unsecured debentures, in aggregate principal amounts of $150.0 million and $150.0 million, respectively.

- In February 2021, the Trust repaid an aggregate of $57.8 million in respect of secured mortgage debt upon their maturities.

- Debt metrics continue to demonstrate the Trust's commitment to its balance sheet, including Debt to Total Assets(2)(3) of 44.7%, Interest Coverage Ratio multiple(2) of 3.2X, Interest Coverage net of capitalized interest multiple(2) of 3.6X, and Adjusted Debt to Adjusted EBITDA multiple(2)(3) of 8.6X.

- FFO(2) decreased by $11.7 million or 12.2% to $84.3 million as compared to the same period in 2020, primarily due to a $7.4 million decrease in net operating income, principally resulting from the impact of the COVID-19 pandemic and related ECL provisions of $2.3 million (2020 – $0.2 million).

- ACFO(2) decreased by $7.6 million or 8.2% to $85.2 million as compared to the same period in 2020 primarily due to the impact of the COVID-19 pandemic.

- ACFO(2) exceeded distributions declared by $5.5 million (2020 – $12.9 million).

- The Payout Ratio relating to ACFO with one-time adjustment(2) for the rolling 12 months ended March 31, 2021 increased by 3.8% to 89.0%, as compared to the same period in 2020.

Operational

- Rentals from investment properties and other(1) was $198.8 million, as compared to $206.7 million in the same period in 2020, representing a decrease of $7.9 million or 3.8%. This decrease was primarily due to lower: i) rent and percentage rent, ii) short-term rental revenue, iii) parking and other miscellaneous revenues, and iv) recoverable costs, principally resulting from the COVID-19 pandemic.

- Committed and in-place occupancy rates were 97.3% and 97.0%, respectively, as at March 31, 2021 which were unchanged from December 31, 2020.

- Same Properties NOI(2) decreased by $6.0 million or 4.8% as compared to the same period in 2020. This decrease was primarily due to: i) an increase in ECL, ii) decreases in net rental income, and iii) increases in CAM and realty tax recovery shortfalls, all resulting from the COVID-19 pandemic. Excluding the ECL of $2.3 million recorded in the three months ended March 31, 2021, Same Properties NOI(2) would have been $123.1 million representing a decrease of $4.7 million or 3.7% as compared to the same period in 2020.

Subsequent Events

- The Trust, through its joint venture with SmartStop, acquired a property on Jane Street in Toronto, Ontario in April 2021 which it intends to develop a self-storage facility.

- The Trust, through PCVP, has entered into a $340.0 million construction credit facility agreement in May 2021 with a syndicate of four highly rated Canadian financial institutions. This facility replaces the $48.5 million development credit facility maturing in June 2021 and the $270.0 million construction credit facility maturing in August 2022, both related to PCVP development.

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" in the Trust's MD&A.
(3) Net of cash-on-hand of $397.7 million as at March 31, 2021 for the purposes of calculating the ratio.

Selected Consolidated Operational, 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, 2021**	December 31, 2020	March 31, 2020
Portfolio Information			
Number of retail and other properties	**146**	148	150
Number of properties under development	**11**	10	9
Number of office properties	**1**	1	1
Number of mixed-use properties	**10**	8	6
Total number of properties with an ownership interest	**168**	167	166
Leasing & Operational Information			
Gross leasable area including retail and office space (in thousands of sq. ft.)	**34,037**	34,056	34,174
Occupied area including retail and office space (in thousands of sq. ft.)	**32,999**	33,039	33,404
Vacant area including retail and office space (in thousands of sq. ft.)	**1,038**	1,017	770
Committed occupancy rate (%)	**97.3**	97.3	98.0
In-place occupancy rate (%)	**97.0**	97.0	97.8
Average lease term to maturity (in years)	**4.6**	4.6	5.0
Net retail rental rate (per occupied sq. ft.) ($)	**15.40**	15.37	15.53
Net retail rental rate excluding Anchors (per occupied sq. ft.) ($)	**22.00**	21.89	22.26
Mixed-use Development Information			
Future development area (in thousands of sq. ft.)	**32,500**	32,500	27,900
Total number of residential rental projects	**96**	96	88
Total number of seniors' housing projects	**40**	40	45
Total number of self-storage projects	**50**	50	48
Total number of office building projects	**7**	7	10
Total number of hotel projects	**4**	4	5
Total number of condominium developments	**72**	72	46
Total number of townhome developments	**15**	15	14
Total number of future projects currently in development planning stage	**284**	284	256
Trust's share of estimated costs of future projects currently under construction, or for which construction is expected to commence within the next 5 years	**7,900,000**	7,900,000	5,500,000

(in thousands of dollars, except per Unit and other non-financial data)	**March 31, 2021**	December 31, 2020	March 31, 2020
Financial Information			
Total assets[(1)]	**10,321,117**	10,724,492	10,430,793
Investment properties[(2)(3)]	**9,434,999**	9,400,584	9,485,883
Total unencumbered assets[(2)]	**5,910,900**	5,835,600	5,647,800
Debt[(2)(3)]	**4,924,116**	5,261,360	4,841,249
Debt to Aggregate Assets (%)[(2)(3)(4)]	**44.7**	44.6	43.3
Debt to Gross Book Value (%)[(2)(3)(4)]	**50.2**	50.1	49.7
Unsecured to Secured Debt Ratio[(2)(3)(4)]	**69%/31%**	68%/32%	64%/36%
Unencumbered assets to unsecured debt[(2)(3)(4)]	**1.9X**	1.9X	2.0X
Weighted average interest rate (%)[(2)(3)]	**3.26**	3.28	3.41
Weighted average term of debt (in years)	**5.1**	5.0	4.8
Interest Coverage Ratio[(2)(3)(4)]	**3.2X**	3.2X	3.5X
Interest coverage (net of capitalized interest expense)[(2)(3)(4)]	**3.6X**	3.7X	4.1X
Adjusted Debt to Adjusted EBITDA (net of cash)[(2)(3)(4)]	**8.6X**	8.5X	8.2X
Equity (book value)[(1)]	**5,149,986**	5,166,975	5,370,335
Weighted average number of units outstanding – diluted	**173,417,020**	172,971,603	172,515,723

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(3) Includes the Trust's proportionate share of equity accounted investments.
(4) As at March 31, 2021, cash-on-hand of $397.7 million was excluded for the purposes of calculating the applicable ratios (December 31, 2020 – $754.4 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, 2021 and March 31, 2020:

(in thousands of dollars, except per Unit information)	**March 31, 2021**	March 31, 2020	Variance
	(A)	(B)	(A–B)
Financial Information			
Rentals from investment properties and other[1]	**198,838**	206,727	(7,889)
Net base rent[1]	**121,330**	126,342	(5,012)
Total recoveries[1]	**71,782**	74,831	(3,049)
Miscellaneous revenue[1]	**2,841**	2,845	(4)
Service and other revenues[1]	**2,885**	2,709	176
Net income and comprehensive income[1]	**60,559**	64,201	(3,642)
Net income and comprehensive income excluding fair value adjustments[2][3]	**76,553**	86,669	(10,116)
Cash flows provided by operating activities[1]	**79,485**	79,162	323
NOI[2]	**118,981**	126,397	(7,416)
Change in SPNOI[2]	**(4.8)%**	0.3 %	(5.1)%
FFO[2][3][4][5]	**84,275**	95,964	(11,689)
FFO with Transactional FFO[2][3][4][5]	**85,862**	95,964	(10,102)
ACFO[2][3][4][5]	**85,153**	92,790	(7,637)
Distributions declared	**79,660**	79,918	(258)
Surplus of ACFO over distributions declared[2]	**5,493**	12,872	(7,379)
Units outstanding[6]	**172,267,483**	171,865,757	401,726
Weighted average – basic	**172,237,982**	171,566,750	671,232
Weighted average – diluted[7]	**173,417,020**	172,515,723	901,297
Per Unit Information (Basic/Diluted)			
Net income and comprehensive income[1]	**$0.35/$0.35**	$0.37/$0.37	-$0.02/-$0.02
Net income and comprehensive income excluding fair value adjustments[2][3]	**$0.44/$0.44**	$0.51/$0.50	-$0.07/-$0.06
FFO[2][3][4][5]	**$0.49/$0.49**	$0.56/$0.56	-$0.07/-$0.07
FFO with Transactional FFO[2][3][4]	**$0.50/$0.50**	$0.56/$0.56	-$0.06/-$0.06
Distributions declared	**$0.463**	$0.463	$0.000
Payout Ratio Information			
Payout Ratio to ACFO with one-time adjustment (rolling 12-months)[2][3][4][5]	**89.0 %**	85.2 %	3.8 %
Payout Ratio to ACFO[2][3][4][5]	**93.5 %**	86.1 %	7.4 %

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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 February 2019 REALpac White Paper on FFO and ACFO, 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, 2021, net income and comprehensive income (as noted in the table above) decreased by $3.6 million or 5.7% as compared to the same period last year. This decrease was primarily attributed to the following:

- $49.1 million increase in unfavourable fair value adjustment on financial instruments principally due to the Trust's Unit price changes;
- $7.4 million decrease in NOI (see further details in the "Net Operating Income" subsection in the Trust's MD&A);
- $3.0 million net increase in interest expense;
- $1.9 million increase in general and administrative expenses (net); and
- $0.4 million decrease in interest income;

Partially offset by the following:

- $55.6 million decrease in unfavourable fair value adjustments on revaluation of investment properties principally due to the higher revaluation loss recorded during the same period in 2020, which reflected the changes in leasing and cash flow assumptions at the inception of the COVID-19 pandemic;
- $2.2 million decrease in acquisition-related costs; and
- $0.4 million decrease in supplemental costs.

FFO Highlights

For the three months ended March 31, 2021, FFO decreased by $11.7 million or 12.2% to $84.3 million. This decrease was primarily attributed to:

- $7.4 million decrease in NOI (see further details in the "Net Operating Income" subsection in the Trust's MD&A);
- $3.0 million net increase in interest expense, which was primarily due to a higher debt level;
- $1.9 million increase in net general and administrative expense;
- $0.4 million decrease in interest income; and
- $0.4 million decrease in adjustment for supplemental contribution;

Partially offset by:

- $0.8 million increase in FFO add back for tenant incentives amortization and distributions on Units classified as liabilities;
- $0.5 million gain relating to TRS recognized during the three months ended March 31, 2021; and
- $0.1 million decrease in FFO add back for salaries and related costs attributed to leasing activities.

ACFO Highlights

For the three months ended March 31, 2021, ACFO decreased by $7.6 million or 8.2% to $85.2 million compared to the same period in 2020, which was primarily due to the items previously identified (see "Results of Operations" in the Trust's MD&A).

The Payout Ratio relating to ACFO for the three months ended March 31, 2021 increased by 7.4% to 93.5% as compared to the same period in 2020, which was primarily due to the items previously identified.

Development and Intensification Summary

Included in the Trust's large development pipeline are 284 identified mixed-use development initiatives, which are summarized in the following table:

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	17	28	51	96
Seniors' Housing	9	14	17	40
Self-storage	14	17	19	50
Office Buildings	—	1	6	7
Hotels	—	—	4	4
Subtotal – Recurring income initiatives	40	60	97	197
Condominium developments	13	21	38	72
Townhome developments	4	1	10	15
Subtotal – Development income initiatives	17	22	48	87
Total	**57**	**82**	**145**	**284**
Trust's share of project area (in thousands of sq. ft.)				
Recurring income initiatives	3,900	5,900	9,300	19,100
Development income initiatives	2,800	3,600	7,000	13,400
Total Trust's share of project area (in thousands of sq. ft.)	**6,700**	**9,500**	**16,300**	**32,500**
Trust's share of such estimated costs (in millions of dollars)	**3,200**	**4,700**	**–** (1)	**7,900**

(1) The Trust does not fully determine 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, including the following mixed-use development initiatives for which final municipal approvals have been or are being actively pursued:

a. 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 buildings totalling 1,742 units submitted in October 2020;

b. the development of more than four million square feet (4,600 units) of residential density on the land at SmartVMC previously occupied by a Walmart store, with rezoning and site plan applications submitted in 2020 for approval of Phase 1 of 550,000 square feet;

c. the development of 1.2 million square feet of mixed-use density – office, retail and residential – on the SmartVMC lands immediately south of the Transit City 4 and 5 towers, with the rezoning and site plan applications submitted in September 2020;

d. 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;

e. 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;

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

g. the development of up to 1.7 million square feet of residential space in various forms on the Trust's undeveloped lands at the Vaughan NW property in Vaughan, Ontario. Residential development includes townhomes, to be developed in partnership with Fieldgate; a seniors' apartment building and separate retirement residence to be developed in partnership with Revera, along with condominiums and residential rental buildings. Applications for these six towers have been submitted. In addition, an 85,000 square-foot self-storage facility opened early in 2021;

h. 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;

i. the development of up to 318,000 square feet of residential space at Oakville South in Oakville, Ontario, including 170 units in a retirement residence project with Revera and townhomes with a third party home builder;

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

k. the development of four high-rise purpose-built residential rental buildings comprising approximately 1,800 units with Greenwin, in Barrie, Ontario, for which a zoning application was approved by Barrie Council in January 2021. A site plan was submitted in August 2020 for Phase 1 with anticipated approval in Spring 2021;

l. the development of a 35-storey high-rise purpose-built residential rental tower containing 449 units, on Balliol Street in midtown Toronto, Ontario, with zoning and site plan applications submitted in September 2020;

m. 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 the closing of units is anticipated to commence in July 2022;

n. the development of residential density at the Trust’s shopping centre at 1900 Eglinton in Scarborough with rezoning applications for the first two residential towers (38 and 40 storeys) submitted in January 2021;

o. the development of up to 275,000 square feet of residential space in 150 townhomes at London Fox Hollow in London, Ontario, with site plan approval applications submitted in December 2020;

p. the development of the first phase, 46-unit rental building, which is part of a multi-phase masterplan 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 with approvals expected by Q3 2021;

q. the development of six additional self-storage facilities with the Trust’s partner, SmartStop, in Markham, Ontario, New Westminster, B.C., Stoney Creek, Ontario, Surrey, B.C., Toronto, Ontario, and Whitby, Ontario, with zoning and/or site plan applications either well underway or to be submitted in 2021;

r. the 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 for the ultimate development of residential density of up to 4,500 units;

s. the development of a rental project of 168 units on adjacent land in Mirabel, QC zoning applications to be submitted in Q4 2021;

t. the development of residential density of 450 condo units (in two phases) at Laval Centre in Quebec, with the zoning application for the first tower of 225 units expected to be submitted in the third quarter of 2021;

u. the development of residential density at the Trust’s shopping centre at Bayview and Major Mackenzie in Richmond Hill, with a rezoning application for a 10-storey retirement residences building submitted in the first quarter of 2021, to be developed in partnership with Revera;

v. the development of 1.25 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 building with 240 units to be submitted in Q3 2021;

w. the Q1 2021 acquisition of 8 acres of land in Aurora (Yonge and Murray) adjacent to the Trust’s shopping centre and the preparation of a rezoning application for 425 residential units;

x. 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

y. the development of approximately 1 million square feet of residential density on the Trust’s Parkway Plaza centre in Stoney Creek, ON with an application for a Phase 1 development for a 26-storey, 233,500 square foot, 290-unit condo expected to be submitted in May 2021.

Non-GAAP Measures

The non-GAAP measures used in this Press Release, including but not limited FFO, Transactional FFO, ACFO, NOI, Same Property NOI, average yield rates, and payout ratio 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. These non-GAAP measures are more fully defined and discussed in 'Management's Discussion and Analysis' ("MD&A") of the Trust for the three months ended March 31, 2021, available on SEDAR at www.sedar.com.

Full reports of the financial results of the Trust for the three months ended March 31, 2021 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, 2021, which are available on SEDAR at www.sedar.com.

Conference Call

SmartCentres will hold a conference call on Thursday, May 13, 2021 at 2:00 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 93397#. 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 13, 2021 beginning at 8:30 p.m. (ET) through to 8:30 p.m. (ET) on Thursday, May 20, 2021. To access the recording, please call 1-855-201-2300, enter the Conference Reference Number 1253038# and then key in the participant access code 93397#.

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 $10.3 billion in assets and owns 33.8 million square feet of income producing value-oriented retail space with over 97% 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 $13.5 billion intensification program ($7.9 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 55.4 million square feet (32.5 million square feet at SmartCentres' share) of space, 27.7 million square feet (16.2 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 11.0 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 two phases of Transit City Condominiums began ahead of budget and ahead of schedule in August 2020 and all 1,110 units in the first and second phases had closed. In addition, the presold 631 units in the third phase along with 22 townhomes, all of which are sold out and currently under construction, are expected to close in 2021. 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 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, 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.