



**CANADA'S SHOPPING CENTRE
FOR OVER **THIRTY YEARS****

2024 FIRST QUARTER REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS.

Section I — Introduction

- 1 About this Management's Discussion and Analysis
- 1 Key Operational, Development and Financial Information
- 3 Highlights for the Quarter
- 5 Presentation of Certain Terms Including Non-GAAP Measures
- 12 Forward-Looking Statements

Section II — Business Overview, Strategic Direction, ESG and Outlook

- 13 Business Overview
- 13 Strategic Direction
- 13 Environmental, Social and Governance ("ESG")
- 15 Outlook

Section III - Development Activities

- 16 Mixed-Use Development Initiatives
- 21 Residential Development Inventory
- 21 Properties Under Development
- 22 Completed and Future Earnouts and Developments on Existing Properties

Section IV — Business Operations and Performance

- 24 Results of Operations - Income Statements, NOI, SPNOI, Adjusted EBITDA
- 27 Other Measures of Performance - FFO, AFFO, Weighted Average Units, Distributions
- 31 General and Administrative Expense
- 32 Interest Income and Interest Expense
- 33 Quarterly Results and Trends

Section V — Leasing Activities and Lease Expiries

- 34 Retail, Office and Industrial
- 39 Self-Storage Rental Facilities

Section VI — Asset Profile

- 40 Proportionately Consolidated Balance Sheets
- 41 Investment Properties
- 43 Maintenance Capital Requirements
- 44 Equity Accounted Investments
- 46 Amounts Receivable and Other, Prepaid Expenses, Deposits and Deferred Financing Costs
- 47 Mortgage, Loans and Notes Receivable

Section VII — Financing and Capital Resources

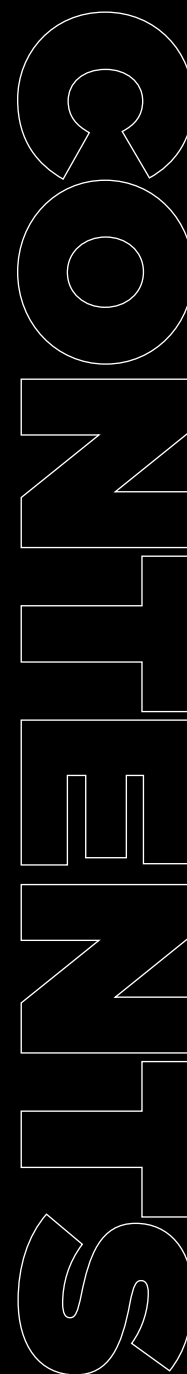
- 49 Capital Resources and Liquidity
- 51 Debt
- 55 Financial Covenants
- 56 Unitholders' Equity

Section VIII — Related Party Transactions

Section IX — Accounting Policies, Risk Management and Compliance

- 61 Material Accounting Estimates and Policies
- 61 Risks and Uncertainties
- 62 Income Taxes and the REIT Exception
- 62 Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Section X — Glossary of Terms



MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED MARCH 31, 2024

Section I – Introduction

About this Management's Discussion and Analysis

This Management's Discussion and Analysis ("MD&A") sets out SmartCentres Real Estate Investment Trust's ("SmartCentres" or the "Trust") business overview and strategic direction, and provides an analysis of the financial performance and financial condition as at March 31, 2024 and for the three months ended March 31, 2024, management's outlook and the risks facing the business.

This MD&A should be read in conjunction with the Trust's audited consolidated financial statements for the year ended December 31, 2023, and the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024, the notes contained therein, and the Trust's annual information form for the year ended December 31, 2023 ("AIF"). Such interim condensed consolidated financial statements have been prepared in accordance with IFRS Accounting Standards applicable to the preparation of interim condensed consolidated financial statements, International Accounting Standard ("IAS 34"), "Interim Financial Reporting", as issued by the International Accounting Standards Board ("IASB"). The Canadian dollar is the functional and reporting currency for purposes of preparing the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

This MD&A is dated May 8, 2024, which is the date of the press release announcing the Trust's results for the three months ended March 31, 2024. Disclosure contained in this MD&A is current to that date, unless otherwise noted.

Key Operational, Development and Financial Information

(in thousands of dollars, except per Unit and other non-financial data)	March 31, 2024	December 31, 2023	March 31, 2023
Portfolio Information (Number of properties)			
Retail properties	155	155	155
Office properties	4	4	4
Self-storage properties	9	8	8
Residential properties	3	3	1
Industrial properties	1	1	—
Properties under development	21	20	20
Total number of properties with an ownership interest	193	191	188
Leasing and Operational Information⁽¹⁾			
Gross leasable retail, office and industrial area (in thousands of sq. ft.)	35,109	35,045	34,777
In-place and committed occupancy rate	97.7 %	98.5 %	98.0 %
Average lease term to maturity (in years)	4.3	4.3	4.2
Net annualized retail rental rate excluding Anchors (per occupied sq. ft.)	\$23.07	\$22.59	\$22.47
Financial Information			
Total assets ⁽²⁾	11,850,182	11,905,422	11,719,131
Investment properties ⁽²⁾⁽⁶⁾	10,491,638	10,564,269	10,344,596
Total unencumbered assets ⁽³⁾	9,176,421	9,170,121	8,653,321
Debt ⁽²⁾	5,043,206	4,999,522	4,956,957
Debt to Aggregate Assets ⁽³⁾⁽⁴⁾⁽⁵⁾	43.8 %	43.1 %	43.2 %
Adjusted Debt to Adjusted EBITDA ⁽³⁾⁽⁴⁾⁽⁵⁾	9.8X	9.6X	10.0X
Weighted average interest rate ⁽³⁾⁽⁴⁾	4.17 %	4.15 %	3.89 %
Weighted average term of debt (in years)	3.4	3.6	3.9
Interest coverage ratio ⁽³⁾⁽⁴⁾	2.6X	2.7X	2.9X

(1) Excluding residential and self-storage area.

(2) Represents a Generally Accepted Accounting Principles ("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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(4) Includes the Trust's proportionate share of equity accounted investments.

(5) As at March 31, 2024, cash-on-hand of \$33.3 million was excluded for the purposes of calculating the applicable ratios (December 31, 2023 - \$31.4 million, March 31, 2023 - \$29.7 million).

(6) The balance as at March 31, 2023 includes a reclassification of straight-line rents receivable and tenant incentives to investment properties in an amount of \$80.3 million.

(in thousands of dollars, except per Unit information)	Three Months Ended	
	March 31, 2024	March 31, 2023
Financial Information		
Rentals from investment properties and other ⁽¹⁾	217,239	210,594
Net income (loss) and comprehensive income (loss) ⁽¹⁾	(21,175)	112,861
Cash flows provided by operating activities ⁽¹⁾	69,719	81,931
Net rental income and other ⁽¹⁾	130,728	124,821
NOI ⁽²⁾⁽³⁾	136,075	133,468
NOI from condo and townhome closings and other adjustments ⁽²⁾⁽³⁾	127	4,078
SPNOI ⁽²⁾⁽³⁾	135,282	131,304
Change in SPNOI ⁽²⁾⁽³⁾	3.0 %	4.3 %
FFO ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	86,812	97,133
FFO with adjustments ⁽²⁾⁽³⁾⁽⁴⁾	92,762	91,013
AFFO ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	81,242	88,601
AFFO with adjustments ⁽²⁾⁽³⁾⁽⁴⁾	87,192	82,481
Distributions declared	82,412	82,405
Units outstanding ⁽⁶⁾	178,188,148	178,176,825
Weighted average - basic	178,188,148	178,159,373
Weighted average - diluted ⁽⁷⁾	180,265,745	179,891,028
Per Unit Information (Basic/Diluted)		
Net income (loss) and comprehensive income (loss) ⁽¹⁾	\$(0.12)/\$(0.12)	\$0.63/\$0.63
FFO ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	\$0.49/\$0.48	\$0.55/\$0.54
FFO with adjustments ⁽²⁾⁽³⁾⁽⁴⁾	\$0.52/\$0.52	\$0.51/\$0.51
AFFO ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	\$0.46/\$0.45	\$0.50/\$0.49
AFFO with adjustments ⁽²⁾⁽³⁾⁽⁴⁾	\$0.49/\$0.48	\$0.46/\$0.46
Distributions declared	\$0.463	\$0.463
Payout Ratio Information		
Payout Ratio to AFFO with adjustments ⁽²⁾⁽³⁾⁽⁴⁾	94.5 %	99.9 %
Payout Ratio to AFFO ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾	101.4 %	93.0 %
Payout Ratio to cash flows provided by operating activities	118.2 %	100.6 %

(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" and "Non-GAAP Measures" in this MD&A.

(3) Includes the Trust's proportionate share of equity accounted investments.

(4) See "Other Measures of Performance" in this MD&A for a reconciliation of these measures to the nearest consolidated financial statement measure.

(5) The calculation of the Trust's FFO and AFFO and related payout ratios, including comparative amounts, are financial metrics that were determined based on the REALpac White Paper on FFO and AFFO issued in January 2022 ("REALpac White Paper"). Comparison with other reporting issuers may not be appropriate. The payout ratio to AFFO is calculated as declared distributions divided by AFFO.

(6) Total Units outstanding include Trust Units and LP Units (each as defined below), including Units classified as liabilities. LP Units classified as equity in the unaudited interim condensed 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.

Highlights for the Quarter

Operational

- Same Property NOI⁽¹⁾ for the three months ended March 31, 2024 increased by \$4.0 million or 3.0% compared to the same period in 2023. The increase was driven by lease-up activities and lease extensions at improved rental rates.
- Strong leasing momentum continued with 160,860 square feet of vacant space leased in the quarter, and 209,617 square feet leased for new build.
- Our largest tenants are expanding store sizes in major markets, with executed new deals during the quarter from tenants such as Winners, HomeSense, Dollarama, Shoppers Drug Mart, Mark's and Scotiabank.
- Extended or finalized 82% of space maturing in 2024, with strong rent growth of 8.9% (excluding anchors).

Development

- Significant development pipeline will provide constant portfolio expansion and decades of profitable growth from the approximately 56 million square feet (at the Trust's share) of zoned mixed-use development permissions, including 0.9 million square feet of sites currently under construction.
- Millway, a 458-unit purpose-built rental, was completed in Q4 2023. Leasing activity is on track with 76% of the units leased by quarter-end and significant leasing progress subsequent to the quarter-end with rental rates ahead of expectations. We expect to reach close to 90% by Q2.
- Self-storage facility in Whitby opened in March 2024. This portfolio continues to expand with the addition of two new locations in the process of obtaining municipal approvals: one within the Trust's shopping centre at Laval East, Quebec, and a new strategic site that was acquired with SmartStop subsequent to the quarter-end in Victoria, British Columbia. This portfolio has now increased to nine operating facilities with five additional sites currently under construction.
- Construction of Phase I of the Vaughan NW townhomes is underway, with the first two units completed and closed in March 2024, and approximately 83% of the phase one townhomes have been pre-sold.
- Second phase of the purpose-built residential rental project in Laval, Quebec, comprising 211 units, opened in July 2023 and has now reached stabilization with over 98% of the units leased and reserved. The overall in-place and committed occupancy for both phases (382 units), has also reached 98% by quarter-end.
- The Trust has completed the construction of the structure of the 402-unit apartment and seniors' residence project at Ottawa's Laurentian Place shopping centre in Q1 2024. Discussions are ongoing with the new joint venture partner regarding the next steps towards the project's completion.
- Siteworks at ArtWalk condo Phase I are well underway, with approximately 85% of the 373 units in Tower A pre-sold.
- Siteworks for the 224,000 square foot Canadian Tire and ancillary retail units project on Laird Drive in Toronto continues, and possession is expected within approximately 18 to 20 months.

Financial

- Rentals from investment properties and other⁽²⁾ for the three months March 31, 2024 was \$217.2 million representing an increase of \$6.6 million or 3.2% compared to the same period in 2023. The increase was primarily due to the increase in base rent resulting from lease-up activities and lease extension at improved rental rates.
- Net rental income and other increased by \$5.9 million or 4.7% for the three months ended March 31, 2024 compared to the same period in 2023, mainly attributable to the increase in base rent resulting from lease-up activities and rental renewals with higher rates.
- Net income and comprehensive income⁽²⁾ decreased by \$134.0 million for the three months ended March 31, 2024 compared to the same period in 2023. The decrease was mainly due to a \$157.5 million decrease in fair value adjustment on investment properties primarily due to a write down of \$135 million as a result of changes in market conditions for certain future development properties, partially offset a \$27.5 million increase in fair value adjustments on interest rate swaps and other financial instruments.
- Net income (loss) and comprehensive income (loss) per Unit⁽²⁾ was \$(0.12) for the three months ended March 31, 2024 (three months ended March 31, 2023 - \$0.63). The decrease was primarily due to a loss in fair value adjustment on investment properties which included a write down of \$135.0 million as a result of changes in market conditions for certain future development properties.
- FFO per Unit⁽¹⁾ for the three months ended March 31, 2024 was \$0.48 compared to \$0.54 for the same period in 2023. This decline is primarily due to a decrease in fair value adjustment on TRS as a result of fluctuations in the Trust's unit price, and the change in condo and townhome closings. FFO per Unit with adjustments⁽¹⁾ for the three month ended March 31, 2024 was \$0.52 compared to \$0.51 for the same period in 2023. The increase was primarily due to the increase in net rental income from lease-up activities and rental renewals with higher rates.
- As at March 31, 2024, the Trust's unsecured/secured debt ratio⁽¹⁾⁽³⁾ was 82%/18% (December 31, 2023 - 81%/19%).
- The Trust's fixed rate/variable rate debt ratio⁽¹⁾⁽³⁾ was 81%/19% as at March 31, 2024 (December 31, 2023 - 82%/18%).
- As at March 31, 2024, this unencumbered portfolio of investment properties was valued at \$9.2 billion (December 31, 2023 - \$9.2 billion).

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(2) Represents a GAAP measure.

(3) Net of cash-on-hand of \$33.3 million as at March 31, 2024 for the purposes of calculating the applicable ratios.

Presentation of Certain Terms Including Non-GAAP Measures

Readers are cautioned that certain terms used in this MD&A include non-GAAP measures and other terms. The following terms are non-GAAP measures used in this MD&A: Adjusted Debt, Adjusted Funds From Operations ("AFFO"), AFFO with adjustments, AFFO per Unit, AFFO with adjustments per Unit, Net Debt, Adjusted Debt to Adjusted EBITDA, Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization Expense ("Adjusted EBITDA"), Adjusted Interest Expense including Capitalized Interest, Debt Service Expense, Aggregate Assets, Gross Book Value, Debt to Aggregate Assets, Debt to Aggregate Assets excluding TRS debt and receivable, Debt to Gross Book Value, Fixed Charge Coverage Ratio, Fixed Rate to Variable Rate Debt Ratio, Annualized NOI, Funds From Operations ("FFO"), FFO with adjustments, FFO per Unit, FFO with adjustments per Unit, Interest Coverage Ratio, Net Operating Income ("NOI"), Investment Properties – non-GAAP, Payout Ratio to AFFO, Payout Ratio to AFFO with adjustments, Proportionate Share Reconciliation, Recovery Ratio, Same Properties NOI ("SPNOI"), Total Proportionate Share, Transactional FFO, Unencumbered Assets, Unencumbered Assets to Unsecured Debt, and Unsecured to Secured Debt Ratio. These non-GAAP measures are defined in this MD&A and non-GAAP financial measures have been reconciled to the closest IFRS measure in the unaudited interim condensed consolidated financial statements of the Trust for the three months ended March 31, 2024 in "Non-GAAP Measures". Readers should refer to "Non-GAAP Measures" in this MD&A for definitions and reconciliations of the Trust's non-GAAP financial measures.

The following are other terms used in this MD&A: Net Asset Value ("NAV"), any related measure per Variable Voting Unit of the Trust (a "Trust Unit") and per unit of the Trust's subsidiary limited partnerships (an "LP Unit") (where management discloses the combination of Trust Units and LP Units, combined units are referred to as a "Unit" or "Units").

These non-GAAP measures and other terms are used by management to measure, compare and explain the operating results and financial performance of the Trust and do not have any standardized meaning prescribed under IFRS and, therefore, should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS where applicable. Such terms do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures disclosed by other issuers. For further details of these terms, see "Other Measures of Performance", "Net Operating Income", "Debt", "Financial Covenants", and "Non-GAAP Measures" in this MD&A.

Non-GAAP Measures

The following table details the Trust's non-GAAP measures. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable.

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Adjusted Debt and Net Debt	<p>Adjusted Debt is defined as Debt, inclusive of the Trust's share of debt in equity accounted investments, net of loans receivable and cash-on-hand. Net Debt is defined as Debt, inclusive of the Trust's share of debt in equity accounted investments, net of cash-on-hand.</p> <p>Adjusted Debt and Net Debt are intended to be used by investors as measures of the level of indebtedness of the Trust and its ability to meet its obligations, as liquid assets are used to reduce outstanding liabilities. Management uses Adjusted Debt and Net Debt to calculate certain covenant ratios, and to assess the Trust's level of indebtedness.</p>	Section VII – Financing and Capital Resources, "Debt", "Financial Covenants"
Adjusted Debt to Adjusted EBITDA	<p>Adjusted Debt to Adjusted EBITDA is defined as Adjusted Debt divided by Adjusted EBITDA.</p> <p>The ratio is intended to be used by investors as a measure of the level of the Trust's debt versus the Trust's ability to service that debt. Management uses the ratio to assess the Trust's level of leverage and its capacity to borrow.</p>	Section VII – Financing and Capital Resources, "Financial Covenants"
Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization Expense ("Adjusted EBITDA")	<p>Adjusted EBITDA is defined as the Trust's total proportionate share of net income and comprehensive income adjusted by income taxes, interest expense net of interest income ("net interest expense"), amortization expense and depreciation expense, as well as adjustments for gains and losses on disposal of investment properties including transactional gains and losses on the sale of investment properties to a joint venture that are expected to be recurring, and the fair value changes associated with investment properties and financial instruments, and excludes extraordinary items such as, but not limited to, yield maintenance on redemption of unsecured debentures and Transactional FFO – gain (loss) on sale of land to co-owners.</p> <p>The measure is intended to be used by investors to help determine the Trust's ability to service its debt, finance capital expenditures and provide for distributions to its unitholders ("Unitholders"). Management uses this measure to assess the Trust's profitability, as it removes the non-cash impact of the fair value changes and gains and losses on investment property dispositions.</p>	Section IV – Business Operations and Performance, "Results of Operations"

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Adjusted Interest Expense including Capitalized Interest and Debt Service Expense	<p>Adjusted Interest Expense including Capitalized Interest is defined as the Trust's total proportionate share of interest expense, less distributions on vested deferred units and Units classified as liabilities and interest income from mortgages and loans receivable, plus capitalized interest. Debt Service Expense is defined as the Trust's total proportionate share of interest expense, less distributions on vested deferred units and Units classified as liabilities and interest income from mortgages and loans receivable, plus capitalized interest and mortgage principal amortization payments.</p> <p>Adjusted Interest Expense including Capitalized Interest and Debt Service Expense are intended to be used by investors as measures of the interest expense on the Trust's debt. Management uses these to calculate certain covenant ratios, and to assess the Trust's ability to service its debt.</p>	Section VII – Financing and Capital Resources, "Financial Covenants"
Adjusted Funds From Operations ("AFFO") and AFFO with adjustments and AFFO per Unit and AFFO with adjustments per Unit	<p>AFFO is a non-GAAP financial measure of operating performance widely used by the real estate industry in Canada. AFFO is calculated as FFO less straight-line rent, normalized capital expenditures and leasing costs. The Trust calculates AFFO in accordance with the recommendations of the guidance set out in the REALpac White Paper. AFFO with adjustments is calculated as AFFO less non-recurring items such as TRS gain (loss), FFO sourced from condo and townhome closings, and gain (loss) on sale of land to co-owners.</p> <p>AFFO per Unit and AFFO with adjustments per Unit, are defined as AFFO and AFFO with adjustments divided by weighted average number of Units.</p> <p>Management considers AFFO, AFFO with adjustments, AFFO per Unit, and AFFO with adjustments per Unit as meaningful measures of recurring economic earnings and relevant in understanding the Trust's ability to service its debt, funding capital expenditures and determining an appropriate level of distributions.</p> <p>Management also considers these measures to be useful measures of operating performance as they further adjust FFO for capital expenditures that sustain income producing properties and eliminates the impact of straight-line rent.</p>	Section IV – Business Operations and Performance, "Other Measures of Performance"
Aggregate Assets and Gross Book Value	<p>Aggregate Assets is defined as the Trust's total proportionate share of assets, less cash-on-hand. Gross Book Value is defined as the total proportionate share of assets, less cash-on-hand and fair value adjustments on investment properties net of accumulated amortization.</p> <p>Aggregate Assets and Gross Book Value, are intended to be used by investors as measures of the total value of assets managed by the Trust. Management uses Aggregate Assets, and Gross Book Value, to calculate certain covenant ratios, and to assess the Trust's ability to continue to grow.</p>	Section VII – Financing and Capital Resources, "Financial Covenants"

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Debt to Aggregate Assets and	Debt to Aggregate Assets is defined as Net Debt divided by Aggregate Assets. Debt to Aggregate Assets (excluding TRS debt and receivable) is defined as Net Debt (excluding TRS debt) divided by Aggregate Assets (excluding TRS receivable).	Section VII – Financing and Capital Resources, “Financial Covenants”
Debt to Aggregate Assets (excluding TRS debt and receivable)	The ratios are intended to be used by investors to assess the leverage of the Trust on a consolidated basis. Management uses the ratios to assess an acceptable level of leverage for the Trust.	
Debt to Gross Book Value	Debt to Gross Book Value is defined as Net Debt divided by Gross Book Value. The ratio is intended to be used by investors to assess the leverage of the Trust on a consolidated basis, while using the Trust’s cost basis for assets. Management uses this ratio to assess an acceptable level of leverage for the Trust.	Section VII – Financing and Capital Resources, “Financial Covenants”
Fixed Charge Coverage Ratio	Fixed Charge Coverage Ratio is defined as Adjusted EBITDA divided by Debt Service Expense. The ratio is intended to be used by investors to assess the Trust’s ability to service its fixed charges. Management uses this ratio to manage the Trust’s cash flows and fixed obligations.	Section VII – Financing and Capital Resources, “Financial Covenants”
Fixed Rate to Variable Rate Debt Ratio	Fixed Rate to Variable Rate Debt Ratio is defined as the percentage of Fixed Rate Debt out of total Debt compared with the percentage of Variable Rate Debt (excluding interest rate swap agreements with fixed interest rates) out of total Debt. The ratio is intended to be used by investors to assess the Trust’s ability to service its debt against the fluctuation of interest rates.	Section VII – Financing and Capital Resources, “Debt”
Annualized NOI	Annualized NOI is defined as estimated NOI for the next 12 months, based on the current period’s NOI. The measure is intended to be used by investors to project the next year’s operating income of the Trust. Management uses this measure as a benchmark of the Trust’s future profitability.	Section VII – Financing and Capital Resources, “Debt”

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Funds From Operations ("FFO") and FFO with adjustments and FFO per Unit and FFO with adjustments per Unit	<p>FFO is a measure of operating performance widely used by the Canadian real estate industry based on the definition set forth by REALpac White Paper.</p> <p>It is the Trust's view that IFRS net income does not necessarily provide a complete measure of the Trust's economic earnings. This is primarily because IFRS net income includes items such as fair value changes of investment property that are subject to market conditions and capitalization rate fluctuations and gains and losses on the disposal of investment properties, including associated transaction costs and taxes, which are not representative of a company's economic earnings. For these reasons, the Trust has adopted the REALpac White Paper's definition of FFO, which was created by the real estate industry as a supplemental measure of economic earnings.</p> <p>FFO is defined as net income and comprehensive income attributable to Unitholders adjusted for items such as, but not limited to, unrealized changes in the fair value of investment properties and financial instruments and transaction gains and losses on the acquisition or disposal of investment properties. FFO with adjustments is defined as FFO less TRS gain (loss), FFO sourced from condo and townhome closings, and gain (loss) on sale of land to co-owners.</p> <p>FFO per Unit and FFO with adjustments per Unit, are defined as FFO, and FFO with adjustments, divided by weighted average number of Units.</p> <p>These measures are intended to be used by investors to assess the operating performance of the Trust. Management uses these measures to assess profitability and performance of the Trust.</p>	<p>Section IV — Business Operations and Performance, "Other Measures of Performance"</p>
Interest Coverage Ratio	<p>Interest Coverage Ratio is defined as Adjusted EBITDA divided by Adjusted Interest Expense including Capitalized Interest.</p> <p>The ratio is intended to be used by investors to measure the Trust's ability to make interest payments on its existing debt. Management uses this ratio to measure an acceptable level of interest expense relative to available earnings.</p>	<p>Section VII — Financing and Capital Resources, "Financial Covenants"</p>
Investment Properties - non-GAAP	<p>Investment Properties - non-GAAP is defined as the Trust's total proportionate share of investment properties, inclusive of the Trust's share of investment properties in equity accounted investments.</p> <p>The measure is intended to be used by investors to measure the amount of the Trust's entire portfolio.</p>	<p>Section VI — Asset Profile, "Investment Properties"</p>
Net Operating Income ("NOI")	<p>NOI from continuing operations is defined as: i) rentals from investment properties and other less property operating costs and other, and ii) net profit from condo sales. In the consolidated statements of income and comprehensive income, NOI is presented as "net rental income and other".</p> <p>The measure is intended to be used by investors to assess the Trust's profitability. Management uses NOI as a meaningful measure of economic performance and profitability from continuing operations, as it excludes changes in fair value of investment properties and financial instruments.</p>	<p>Section IV — Business Operations and Performance, "Results of Operations"</p>

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Payout Ratio to AFFO and Payout Ratio to AFFO with adjustments	<p>Payout Ratio to AFFO and Payout Ratio to AFFO with adjustments, are defined as distributions declared divided by AFFO, and AFFO with adjustments. It is the proportion of earnings paid out as dividends to Unitholders.</p> <p>The measures are intended to be used by investors to assess the distribution rate of the Trust. Management determines the Trust's Unit cash distribution rate by, among other considerations, its assessment of cash flow as determined using certain non-GAAP measures. As such, management believes the cash distributions are not an economic return of capital, but a distribution of sustainable cash flow from operations.</p>	Section IV — Business Operations and Performance, "Other Measures of Performance"
Proportionate Share Reconciliation and Total Proportionate Share	<p>References made to a "total proportionate share" or "the Trust's proportionate share of EAI" represent the Trust's proportionate interest in the financial position and operating activities of its entire portfolio, which reflect the difference in accounting treatment between joint ventures using proportionate consolidation and equity accounting.</p> <p>"Proportionate Share Reconciliation" represents the adjustment to account for the Trust's proportionate share of equity accounted investments.</p> <p>The presentation is intended to be used by investors to assess the Trust's financial position and performance on a consolidated basis because it represents how the Trust and its partners manage the net assets and operating performance for each of the Trust's co-owned properties. The Trust accounts for its investments in both associates and joint ventures using the equity method of accounting.</p>	Section IV — Business Operations and Performance, "Results of Operations"
Recovery Ratio	<p>The Recovery Ratio is defined as property operating cost recoveries divided by recoverable costs.</p> <p>The measure is intended to be used by investors and management to assess the Trust's ability to manage recoverable operating expenses for its investment properties.</p>	Section IV — Business Operations and Performance, "Results of Operations"

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Same Properties NOI ("SPNOI")	<p>To facilitate a more meaningful comparison of NOI between periods, SPNOI amounts are defined as the NOI attributable to those income properties that were owned by the Trust during the current period and the same period in the prior year. Any NOI from properties either acquired, Earnouts, developed or disposed of, outside of the periods mentioned above, are excluded from Same Properties NOI. Certain non-cash items including straight-line rent and amortization of tenant incentives are also excluded to present the SPNOI on a cash basis.</p> <p>Same Properties NOI is intended to be used by investors and management as profitability growth indicators on the Trust's existing investment property portfolio.</p>	Section IV — Business Operations and Performance, "Results of Operations"
Transactional FFO	<p>Transactional FFO represents the net financial/economic gain resulting from a partial sale of an investment property. Transactional FFO is calculated as the difference between the actual selling price and actual costs incurred for the subject investment property.</p> <p>Because the Trust intends to establish numerous joint ventures with partners in which it plans to co-develop mixed-use development initiatives, the Trust expects such gains to be recurring and therefore represent part of the Trust's overall distributable earnings.</p> <p>The measure is intended to be used by investors to assist in assessing the profitability of the Trust. Management uses this measure to calculate FFO with adjustments and Transactional FFO, a profitability measure.</p>	Section IV — Business Operations and Performance, "Other Measures of Performance"
Unencumbered Assets	<p>Unencumbered Assets is defined as the Trust's assets that are free and clear of any encumbrances.</p> <p>The measure is intended to be used by investors and management to assess the Trust's ability to secure additional financing. Management uses this measure to calculate Unencumbered Assets to Unsecured Debt Ratio.</p>	Section VII — Financing and Capital Resources, "Debt"
Unencumbered Assets to Unsecured Debt Ratio	<p>Unencumbered Assets to Unsecured Debt Ratio is defined as the Trust's unencumbered assets divided by the Trust's unsecured debt.</p> <p>The ratio is intended to be used by investors to assess the Trust's ability to use investment properties to satisfy unsecured debt obligations. This ratio is a significant financial covenant pursuant to the terms of the Trust's revolving operating facilities and other credit facilities.</p>	Section VII — Financing and Capital Resources, "Financial Covenants"
Unsecured to Secured Debt Ratio	<p>Unsecured to Secured Debt Ratio is defined as the Trust's unsecured debt (including on equity accounted investments) divided by the Trust's secured debt (including on equity accounted investments).</p> <p>The ratio is intended to be used by investors to assess the Trust's composition of debt. Management uses this ratio to determine the Trust's ability to borrow additional unsecured debt.</p>	Section VII — Financing and Capital Resources, "Financial Covenants"

Forward-Looking Statements

Certain statements in this MD&A are “forward-looking statements”, including forward-looking information within the meaning of applicable Canadian securities laws, that reflect management’s expectations regarding the Trust’s future growth, results of operations, performance, business prospects and opportunities, including those statements outlined under the headings, “Highlights for the Quarter”, “Key Operational, Development and Financial Information”, “Business Overview”, “Strategic Direction”, “Environmental, Social and Governance”, “Outlook”, “Mixed-Use Development Initiatives”, “Residential Development Inventory”, “Properties Under Development”, “Completed and Future Earnouts and Developments on Existing Properties”, “Results of Operations”, “Other Measures of Performance”, “Leasing Activities and Lease Expiries”, “Investment Properties”, “Equity Accounted Investments”, “Amounts Receivable and Other, and Prepaid Expenses, Deposits and Deferred Financing Costs”, “Mortgages, Loans and Notes Receivable”, “Capital Resources and Liquidity”, “Maintenance Capital Requirements”, “Debt” (which includes “Unencumbered Assets”), and “Risks and Uncertainties”.

More specifically, certain statements contained in this MD&A, including the Trust’s plans, expectations and intentions with respect to the collection of rent from tenants, the operation, maintenance and development of its properties and its expectations with respect to liquidity; the Trust’s future growth potential and the identification of development opportunities; future occupancy levels; plans to extract additional sources of FFO and NAV; expected replacement income to be generated by backfilling existing vacant space over time; the Trust’s maintenance capital requirements, estimated future development plans and joint venture projects, including the described type, scope, costs and other financial metrics related thereto; the Trust’s expectations regarding future potential mixed-use development opportunities, the timing of construction and costs thereof and returns therefrom; the Trust’s ability to pay future distributions to Unitholders and expectations regarding monthly cash distribution levels, view of term mortgage renewals, including rates and refinancing amounts, timing of future payments of obligations, intentions to obtain additional secured and unsecured financing and potential financing sources; the Trust’s potential future pipeline and uncommitted pipeline; Annualized NOI; vacancy and leasing assumptions; and statements that contain words such as “could”, “should”, “can”, “anticipate”, “expect”, “believe”, “plan”, “potential”, “propose”, “schedule”, “estimate”, “intend”, “project”, “will”, “may”, “continue”, “forecast”, “outlook”, “direction”, “come” and similar expressions or negative variations thereof 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 Unitholders to understand 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. These risks include real property ownership and leasing/tenant risk; liquidity risk; capital requirements and access to capital; environmental and climate change risk; potential conflicts of interest; cyber security; debt financing; interest and financing risk; inflation risk; joint venture risk; development and construction risk; credit risk; litigation and regulatory risks; potential volatility of Unit prices; cash distributions are not guaranteed and will fluctuate with the Trust’s performance; availability of cash flow; significant Unitholder risk; tax-related risks; and public health crises risks. These risks and others are more fully discussed under the heading “Risks and Uncertainties” and elsewhere in this MD&A, as well as under the heading “Risk Factors” in the Trust’s most recent AIF. The Trust has attempted to identify important factors that could cause actual results, performance or achievements to be other than as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. These factors are not intended to represent a complete list of the factors that could affect the Trust. Although the forward-looking statements contained in this MD&A are based on what management believes to be reasonable assumptions, including those discussed under the heading “Outlook” and elsewhere in this MD&A, the Trust cannot assure investors that actual results will be consistent with these forward-looking statements.

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 rising interest rate environment; a continuing trend toward land use intensification, including residential development in urban and suburban markets; access to equity and debt capital markets, and to bank and mortgage financing, to fund, at acceptable costs, future capital requirements and to enable the refinancing of debts as they mature on acceptable terms; the availability of investment opportunities for growth in Canada; the timing and ability of the Trust to sell certain properties; the timing and ability of the Trust and its joint venture partners to pre-sell and close on the sale of condo and townhome units as well as lease available residential rental units; and the valuations to be realized on property sales relative to current IFRS values. Certain statements included in this MD&A may be considered “financial outlook” for purposes of applicable Canadian securities laws and, as such, the financial outlook may not be appropriate for purposes other than this MD&A. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement and readers should not place undue reliance on such forward-looking statements. These forward-looking statements are made as at the date of this MD&A and the Trust assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

All amounts in the MD&A are expressed in millions of Canadian dollars, except where otherwise stated. Per Unit amounts are expressed on a diluted basis, except where otherwise stated. Additional information relating to the Trust, including the AIF, can be found on the System for Electronic Document Analysis and Retrieval+ (“SEDAR+”) (www.sedarplus.ca).

Section II – Business Overview, Strategic Direction, ESG and Outlook

Business Overview

The Trust is an unincorporated open-ended mutual fund trust governed by the laws of the Province of Alberta created under a declaration of trust, dated December 4, 2001, subsequently amended and last restated on December 9, 2020 (“the Declaration of Trust”).

The Trust develops, leases, constructs, owns and manages shopping centres, office buildings, high-rise and low-rise condos and rental residences, seniors' housing, townhome units, self-storage rental facilities, and industrial facilities in Canada.

As of March 31, 2024, the Trust owned mixed-use portfolio featuring 193 strategically located properties in communities across the country. The Trust has approximately \$11.9 billion in assets and owns 35.1 million square feet of income producing value-oriented retail and office properties at key intersections across Canada with a 97.7% in-place and committed occupancy rate.

Strategic Direction

The Trust holds a unique portfolio of large open-format shopping centre with significant land holdings, and as a result is evolving by diversifying its real estate with recurring revenue from two major sources:

- i) core rental income from retail, office, apartments, industrial and self-storage properties, and
- ii) income from condo and townhome sales.

As SmartCentres expands its major mixed-use real estate development, it has partnered with experienced industry experts in many real estate categories, including: rental apartments, condos, self-storage centres, seniors' housing and office buildings. This focus on mixed-use development provides the Trust with a foundation for growth of both NAV and FFO with a development pipeline of 85.6 million square feet, all located in Canada's major markets.

To enhance the stability and growth of its income, creating entire city centres has become a major new growth avenue for the Trust and, together with Penguin, the Trust has designed and commenced the development of over 100 acres in its flagship Vaughan Metropolitan Centre in Vaughan, Ontario (“SmartVMC”). SmartVMC is a master-planned community that, once completed, is expected to have over 20 million square feet of mixed-use space. The Trust has a 50% interest in the approximately 52 acres comprising the eastern portion of SmartVMC and, in December 2021, the Trust acquired a two-thirds interest from unrelated parties in approximately 53 acres of development lands in the western part of SmartVMC. By virtue of this transaction, the Trust has become the largest landowner in SmartVMC, Vaughan's rapidly growing downtown.

The Trust maintains sufficient liquidity and manages its balance sheet and capital structure conservatively. The Trust sets goals to maintain leverage within target ranges and staggers its debt maturities with a mix of unsecured and secured debt to provide continued financial flexibility and liquidity. This provides the Trust with the financial strength needed to thrive and continue its growth.

Environmental, Social and Governance (“ESG”)

The Trust was founded with the economic realities of the average Canadian household in mind: bringing value and convenience-oriented retail to the Canadian market. That market is evolving as Canadians seek a more integrated lifestyle that seamlessly combines work with home life. These changes are at the heart of the SmartLiving transformation plan, one that is driven by ESG opportunities such as diverse housing forms, accessibility to urban amenities, transit connections, and green space.

The core values of the Trust have always been to build value-oriented affordable centres in the midst of communities to help people live better lives. The principles of ESG, and sustainability, are aligned with its core values. In addition to being the right thing to do, it creates value for the business. The Trust continues to think about the future and how it will operate and respond to increased concern about our environment, like climate change, especially with an eye to the next generation of employees and investors.

The Trust continues to embed ESG considerations into its business strategy to create value, today and well into the future. That strategy underpins the Trust's decision-making processes across all levels of the business.

The Trust has continued incorporating ESG and sustainability considerations into its business by:

- Embedding ESG considerations into 2024 corporate targets to link ESG achievements to the remuneration of executives and all associates;
- Developed a future looking three-year ESG plan that will align with the Trust's business plan;
- Completed an engagement with external consultants to assess how to address anticipated future ESG and climate related-related reporting requirements;

- Furthering the alignment of the Trusts activities to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”) framework by increasing understanding of acute physical climate risk exposure, formalizing greenhouse gas (“GHG”) assessment and management plans and disclosing competencies related to the oversight of sustainability and climate-related risk and opportunities;
- Investigating how new ESG initiatives, including geothermal, solar power, district energy, and green bond issuance, could support the business;
- Engaging with investors to identify material ESG topics and corresponding framework alignments and reporting requirements;
- Working with tenants to meet mutual climate and ESG-related goals by incorporating green lease provisions in its leases; and
- Commencing the development of portfolio-wide community and tenant engagement framework.

To date, the Trust has made progress on its key sustainability and ESG initiatives, as follows:

- Completed a materiality assessment to identify and prioritize the ESG factors that have the potential to drive value in its business;
- Established a Diversity, Equity, Inclusion and Belonging Policy;
- Exceeding its diversity target of 30% female independent Trustees with 50% of its current independent Trustees and 37.5% of total Board of Trustees members being female;
- Integrated Penguin Pick-Up into its centres as a convenient one-stop shop for customers and the neighbouring community, creating transportation efficiencies with positive environmental impacts;
- Enhanced governance through improved enterprise resource planning (“ERP”) systems and updated segregation of duties and authority levels; and
- Increased collaboration with tenants for utility data collection in tenant-controlled spaces.

The Trust continues to use the Global Real Estate Sustainability Benchmark (“GRESB”), a global benchmark for sustainability for real estate companies, as a tool to measure its ESG progress relative to its peers. In 2023, the Trust submitted its second submission to the GRESB and significantly increased its score over its previous submission in 2022.

On the social pillar, the Trust continued to create lasting value for the towns and cities in which it operates, as well as for its tenants, neighbours, associates and for its Unitholders. The Trust is focused on community engagement through its developments and expanding the SmartLiving brand. Through the SmartCentres volunteer program called “Helping People, Changing Lives”, Associates across Canada are encouraged to donate volunteer hours to local charities. The Trust continues to strengthen its partnerships with tenants, and employees, through engagement surveys and working to create a formal tenant and employee engagement framework.

In 2024, the Trust continues to support its wellness and support programs for associates, and has hosted events to honour International Women’s Day, support local banks and local charities. Building on the success of the ESG education session that the Trust hosted for all associates in 2023, the Trust is hosting ESG education sessions for all new associates as part of the onboarding process to increase awareness and understanding of ESG-related matters that are material to its business. The Trust is proud to be pre-approved by CPA Ontario to offer a 15-month rotation for accounting professionals to receive their Chartered Professional Accountant designation.

With regard to governance, the Trust has successfully upgraded its ERP system to support growth and increase processes productivity and completed an enterprise risk management update to integrate sustainability-related risks and opportunities into its general risk management process. In alignment with the recommendations of the TCFD, the Board of Trustees is responsible for governance and oversight of the ESG strategy, through the ESG Sub-committee of the Audit Committee. The ESG Sub-committee is regularly informed of material ESG-related matters and provides oversight and direction on ESG-related matters. The EVP, Portfolio Management & Investments holds senior executive responsibility for the management and implementation of the Trust’s ESG strategy and is supported by an internal cross-functional ESG Taskforce. The Trust monitors its progress relative to peers through benchmarks including GRESB and by its inclusion in the Globe and Mail’s Board Games rankings.

The Trust has published its 2022–2023 ESG report, which can be found on the Trust’s website (www.smartcentres.com). The information on the Trust’s website does not form part of this MD&A.

Outlook

The Trust is focused on delivering stability with growing cash flows and net asset value appreciation, all with a long-term focus. The Trust expects continued stability and strong occupancy across its retail portfolio and growth through its mixed-use initiatives. The Trust expects to continue to fortify its balance sheet and limit new financing initiatives primarily to refinance upcoming maturities and those required to advance the Trust's development initiatives, particularly those where construction is expected to commence in the upcoming year.

Although the Trust cannot predict the impacts of the broader economic environment on its 2024 financial results, the Trust remains confident that its business model, stable tenant base and strong balance sheet will continue to position it for long-term success. The Trust's retail portfolio continues to act as the anchor to cash flow. 81% of the Trust's debt is fixed, with a staggered ladder of manageable maturities and the Trust has strong relationships with Canada's lending community that are expected to continue to provide strong levels of liquidity for the future. In 2024, several projects, all having financing in place, will continue under construction over the course of the year. New development initiatives will only commence when market conditions permit and when appropriate financing has been arranged.

The Trust has an unparalleled development pipeline of mixed-use development initiatives, and a significant underutilized landbank, that present exceptional mixed-use intensification potential in major cities across Canada. By focusing on the quality of our portfolio and the build out of our development pipeline, we will continue to generate resilient income and grow FFO to support sustainable distributions and increase net asset value.

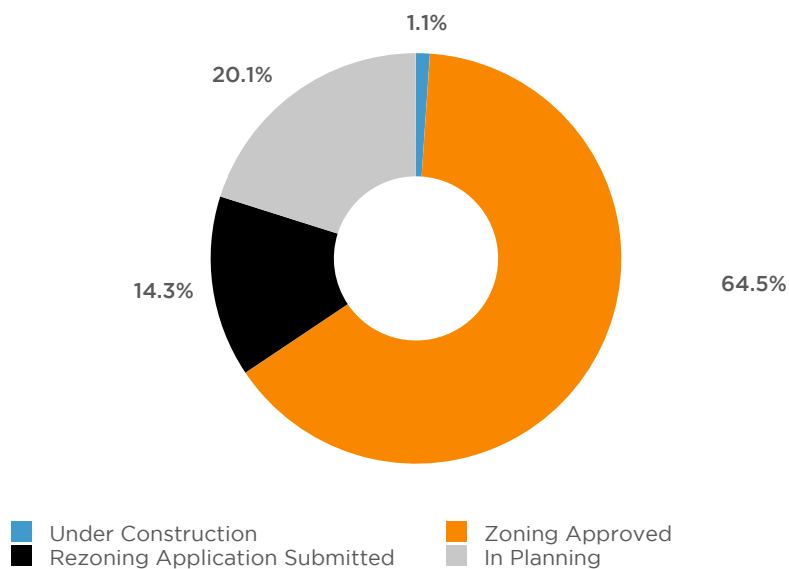
Section III – Development Activities

Mixed-Use Development Initiatives

The following table summarizes the Trust's projected future mixed-use development pipeline, which consists principally of residential projects but also includes seniors housing, self-storage, office and industrial projects as part of the portfolio's expected future buildout. This pipeline will be implemented based on market conditions and upon securing appropriate financing.

(in millions of square feet)	Area at 100%	Area at Trust's Share
Under Construction	1.8	0.9
Zoning Approved	60.9	55.2
Rezoning Application Submitted	14.4	12.3
In Planning	21.9	17.2
Total Square Feet	99.0	85.6

The following graph presents the projected future mixed-use development pipeline area at Trust's Share:



Status of Current Development Initiatives

This section contains forward-looking statements related to expected milestones and completion dates of various development initiatives. Completion, milestone or occupancy dates of each of the projects described below may be delayed or adversely impacted. Please refer to the "Forward-Looking Statements" section in this MD&A for more information.

The Trust's development initiatives have resulted in the Trust participating in various construction development projects. This includes construction at: i) SmartVMC; ii) a retail project in Toronto (Laird), Ontario; iii) seniors' apartments and retirement residences in Ottawa, Ontario; iv) self-storage locations throughout Ontario and Quebec; and v) a townhome project in Vaughan, Ontario. In addition, the Trust is currently working on development initiatives for many other properties that will primarily consist of residential developments located in Ontario and Quebec.

The following table provides additional details on the Trust's 10 development initiatives that are currently under construction or where initial siteworks have begun (in order of estimated initial occupancy/closing date):

Projects under construction (Location/Project Name)	Type	Trust's share	Actual / estimated initial occupancy / closing date	% of capital spend	GFA ⁽¹⁾ (sq. ft.)	No. of units
Mixed-use Developments						
Vaughan NW	Townhomes	50 %	Q1 2024	47 %	366,000	174
Markham East / Boxgrove	Self-Storage	50 %	Q2 2024	90 %	133,000	910
Stoney Creek Self-Storage	Self-Storage	50 %	Q4 2024	55 %	138,000	973
Toronto (Gilbert Ave.) Self-Storage	Self-Storage	50 %	Q1 2025	56 %	177,000	1,540
Dorval (St-Regis Blvd.) Self-Storage	Self-Storage	50 %	Q2 2025	31 %	164,000	1,165
Toronto (Jane St.) Self-Storage	Self-Storage	50 %	Q3 2025	40 %	143,000	1,404
Ottawa SW ⁽²⁾	Retirement Residence	50 %	Q2 2026	29 %	376,000	402
Ottawa SW ⁽²⁾	Seniors' Apartments	50 %	Q2 2026	29 %	376,000	402
Vaughan / ArtWalk (40-Storey)	Condo	50 %	Q2 2027	16 %	320,000	373
Total Mixed-use Developments					1,817,000	6,941
Retail Development						
Toronto (Laird)	Retail	50 %	Q2 2026	22 %	224,000	—

In millions of dollars

Total Capital Spend to Date at 100%⁽³⁾	\$320.0
Estimated Cost to Complete at 100%	703.4
Total Expected Capital Spend by Completion at 100%⁽³⁾	\$1,023.4
Total Capital Spend to Date at Trust's Share⁽³⁾	\$160.0
Estimated Cost to Complete at Trust's Share	351.7
Total Expected Capital Spend by Completion at Trust's Share⁽³⁾	\$511.7

(1) GFA represents Gross Floor Area.

(2) Figure represents capital spend of both retirement residence and seniors' apartments projects.

(3) Total capital spend to date and total expected capital spend by completion including land value.

SmartVMC Development Initiatives

In December 2021, the Trust acquired a two-thirds interest in approximately 53 acres in SmartVMC valued at \$513.0 million. Existing permissions on the property include multi-residential, condo, seniors' housing, office, retail, schools, recreational, entertainment and other uses, although further entitlements or permissions may be required as specific developments are planned.

The Trust now has an ownership interest in approximately 105 acres in the Vaughan Metropolitan Centre. When completed, SmartVMC is planned to consist of approximately 20.0 million square feet (11.5 million square feet at the Trust's share) of mixed-use development, anchored by public transit infrastructure spending by the various levels of government of over \$3.0 billion, including the VMC subway station. SmartVMC currently includes:

- i) the 360,000 square foot KPMG tower, with 100% of the office space leased;
- ii) the 225,000 square foot PwC-YMCA office and community-use complex, with fully occupied office space and community-use space, including a new world-class YMCA facility and municipal library, both of which opened in 2022;
- iii) the 140,000 square foot Walmart store which opened in 2020;
- iv) the 458-unit rental apartment project, The Millway;
- v) 2.6 million square feet of condo units (Transit City 1, 2, 3, 4 & 5).

The Trust is actively pursuing additional initiatives at SmartVMC, which include:

- i) the development of more than 4.0 million square feet (4,600 units) of residential density on the land at SmartVMC previously occupied by a Walmart store, with zoning and site plan applications submitted in 2020 for approval of Phase I of 550,000 square feet. Zoning was approved by the City of Vaughan in September 2021. Pre-sale of the first phase condo, ArtWalk, is underway, with 85% of the 373-unit Tower A pre-sold. Siteworks has commenced;
- ii) 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 & 5 towers, with the rezoning and site plan applications submitted in September 2020; and
- iii) Park Place condo pre-development is underway on the 53-acre SmartVMC West lands strategically acquired in December 2021. Pre-sales for this development have commenced.

Residential and Other Mixed-Use Development Initiatives

In addition to the Trust's 10 development initiatives that are currently under construction, the following table shows the mixed-use development initiatives which have been completed during the last two years:

Project	Type	Estimated Total GFA (sq. ft./units)	Year of Construction Completion ⁽¹⁾	Trust's Share (%)
Aurora SmartStop (ON)	Self-storage facility	141,000 sq. ft. (960 units)	2022	50
Mascouche N Phase I (QC)	Residential rental	238 units	2022	80
Brampton (Kingspoint Plaza) SmartStop (ON)	Self-storage facility	138,000 sq. ft. (1,000 units)	2023	50
Laval Centre (QC)	Residential rental	211 units	2023	50
Transit City 4 & 5 (ON)	Condo	1,026 units	2023	25
The Millway (ON)	Residential rental	458 units	2023	50
Pickering (Seaton Lands) (ON)	Industrial	229,000 sq. ft.	2024	100
Whitby SmartStop (ON)	Self-storage facility	126,000 sq. ft. (900 units)	2024	50

(1) Economic stabilization is achieved at 92% to 98% occupancy which varies by asset class and unique project-based factors. Residential rental and seniors' housing projects are generally expected to achieve economic stabilization in 2-3 years after construction completion. Self-storage projects are generally expected to achieve economic stabilization in 4-5 years after construction completion.

In addition, 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. Completion, milestone or occupancy dates of each of the projects described below may be delayed or adversely impacted. Please refer to the "Forward-Looking Statements" section in this MD&A for more information.

Residential

- i. the development of a new residential block consisting of three phases totalling 500 units at Laval Centre in Quebec. The application for architecture approval for the first two phases was submitted in Q4 2021 and approved in Q3 2022. The application for the construction permit was made in Q4 2022. Construction permit for Phase I (163 units) and Phase 2 (178 units) is ready to be issued;
- ii. the development of a 35-storey high-rise purpose-built residential rental tower containing 442 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. Zoning approval was received in July 2022 and site plan approval is expected in Q3 2024;
- iii. 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 which opened in July 2022. More than 224 units have been leased and current lease-up activity is ongoing at a favourable pace. Construction of a second phase is expected to commence in 2024;
- iv. 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 & Highway 7 Secondary Plan;
- v. the development of up to 5.5 million square feet of predominately residential space, in various forms, at Oakville North in Oakville, Ontario, with an initial two-tower 587-unit residential phase, with 6,000 square feet of retail, which is now permitted following a decision by the Ontario Land Tribunal in settlement of our May 2023 zoning appeal.
- vi. 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. The municipal approval on draft plan was received for 174 townhomes to be developed in three phases, of which approximately 83% of the first phase comprising 120 townhomes have been pre-sold. Construction is well underway with phased closings beginning in March 2024 and anticipated to continue through to January 2025. Official Plan and Zoning Approval were obtained in June 2022 for five mid-rise buildings, of which site plan approval was obtained for the Phase I development of two mid-rise buildings;

- vii. 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, but subject to the urban planning revision process by the city of Pointe-Claire;
- viii. the development of residential density at the Trust's shopping centre at 1900 Eglinton Avenue East in Scarborough, Ontario, with Official Plan Approval obtained in August 2022 for 4.65 million square feet of density. Approval was also obtained in August 2022 of a Phase I development to include two residential towers (46 and 48 storeys), permitting 975 residential units comprising up to 806,000 square feet. Site plan application and approvals for Phase I are ongoing. In addition, applications for Phase 2, consisting of approximately 1.4 million square feet were submitted in September 2022 and continue to be processed with the City;
- ix. 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 are expected to be submitted in 2024. Master plan of development for the site is subject to approval;
- x. the development of up to 900,000 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 I in July 2021 and resubmitted in April 2022 and an appeal filed to the Ontario Land Tribunal in March 2023. Entire site zoning is anticipated in Q2 2024;
- xi. 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 submitted and deemed complete in Q4 2021 and work is ongoing on a second submission to respond to agency comments on the application;
- xii. the development of approximately 404,000 square feet of residential space in various forms on the Trust's undeveloped lands situated in Owen Sound, Ontario, with a Phase I application submitted on January 31, 2023, that will permit two four-storey apartment form buildings totalling 156 units, along with 87 traditional townhouses. Phase II is proposed to accommodate three four-storey apartment form buildings totalling 234 units. The entire 404,000 square foot project was approved by Owen Sound City Council in May 2023. Conditional site plan approval was granted in August 2023;
- xiii. the Q4 2020 acquisition of a 50% interest in a property in downtown Markham, Ontario, for the development of a 243,000 square foot retirement residence planned with Revera. The rezoning application was submitted in December 2020, and an appeal was filed in July 2022 for the initial Official Plan Amendment & Zoning By-law Amendment submission. In Q1 2023 Revera agreed to sell its interests in the proposed retirement living projects in Markham (which closed in October 2023) and Vaughan NW (which closed in October 2023) that were subject to site-specific joint venture agreements with Revera to SmartCentres. A settlement agreement was entered into with the City of Markham and formally approved by the Ontario Land Tribunal in June 2023. The zoning by-law now approved by Ontario Land Tribunal permits the development of a residential mixed-use project (apartment or condo) of approximately 260,000 square feet as-of-right;
- xiv. the development of approximately 980,000 square feet of mixed-use density on the Trust's Parkway Plaza Centre in Stoney Creek, Ontario, with a Phase I development consisting of two towers (each 20 storeys), totalling approximately 420,000 square feet and 494 residential units. The 980,000 square foot proposal was approved by Hamilton City Council on August 18, 2023. A Site Plan Application is underway with an anticipated submission by mid 2024;
- xv. 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 I by Barrie City Council in June 2021. An application for a building permit was submitted in July 2021. Environmental Risk Assessment was approved for the entire site in September 2021 and the application of Certificate of Property Use was submitted in February 2022 and approved in September 2022;
- xvi. the development of the Phase I, a 46-unit rental building, which is part of a multi-phase master plan in Alliston, Ontario, with a rezoning application approved by town council in December 2020, a site plan application approved in July 2022, and the full building permit received in December 2022;
- xvii. the development of up to 200,000 square feet of residential townhomes at Oakville South in Oakville, Ontario;

Office Buildings / Industrial

- xviii. during the second quarter of 2022, the Trust completed the purchase of approximately 38 acres of industrial lands in Pickering, adjacent to Hwy 407. The first phase construction of a 229,000 square feet industrial building is now completed after a second tenant took occupancy of the remaining 103,000 square feet in March 2024;
- xix. the intensification of the Toronto StudioCentre in Toronto, Ontario (zoning allows for up to 1.2 million square feet);

Seniors' Housing

- xx. the development of a retirement residential building at the Trust's shopping centre at Bayview and Major Mackenzie in Richmond Hill, Ontario, with a rezoning application for a nine-storey building submitted in Q1 2021 and a site plan application submitted in Q4 2021. The application was appealed to the Ontario Land Tribunal and a hearing on the matter took place in July 2023. The Tribunal approved the Trust's application. The Trust is working on the Official Plan and Zoning instruments, which will be returned to the Tribunal for formal approval in Q2 2024 at which time zoning would be in full force and effect;

Self-storage

- xxi. all of the nine operating self-storage facilities (Toronto (Leaside), Vaughan NW, Brampton (Bramport), Oshawa South, Toronto (Dupont), Scarborough East, Aurora, Brampton (Kingspoint Plaza) and Whitby) have been very well received by their local communities, with current combined occupancy levels at these facilities ahead of expectations, at over 90% for facilities which have been operating for more than one year;
- xxii. five self-storage facilities are currently under construction in Markham, Stoney Creek, Toronto (Gilbert Ave.), Toronto (Jane St.), and Dorval (St-Regis Blvd.), Quebec. The Trust is in the process of obtaining municipal approvals for five sites outside of Ontario in New Westminster, Burnaby, and Victoria, British Columbia, and in Montreal (Notre Dame St. W), and Laval E, Quebec;

Mixed-Use

- xxiii. the development of up to 2.6 million square feet of predominately residential space, in various forms, at the Westside Mall in Toronto, Ontario, with a zoning application for the first 35-storey mixed-use tower submitted in 2021 and work continuing collaboratively with the City. A complete Official Plan application and revised Zoning application were submitted to the City in October 2023. The Official Plan and Zoning By-law is anticipated to be presented at City Council in June 2024;
- xxiv. the Trust is planning the redevelopment of a portion of its 73-acre Cambridge, Ontario, retail property (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 on the overall property once completed. Work is underway to start the site plan approval process for an initial mid-rise apartment. Discussions with City staff continue with a site plan application submission anticipated in Q2 2024; and
- xxv. 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 initial zoning for five towers with a gross floor area of approximately 1,400,000 square feet and site plan application for a three-tower mixed-use phase, approximating 700,000 square feet, approved by the City Council in June 2022.

Residential Development Inventory

Vaughan NW Residential Development

Residential development inventory consists of development lands, co-owned with Fieldgate and another partner, located at Vaughan NW, Ontario, for the purpose of developing and selling residential townhome units. The municipally approved draft plan consists of 174 townhomes to be developed in three phases within 31 townhomes blocks. A phased sales program for the Vaughan NW Townhomes was launched in December 2021, with Phase I comprising 120 townhomes situated within 20 townhouse blocks. As of March 31, 2024, approximately 83% of the Phase I townhomes have been pre-sold. Construction of Phase I is underway with two townhome closings completed in the quarter contributing \$0.3 million to FFO (the Trust's share). Closing of the remaining townhomes in Phase I will continue every quarter until Q1 2025.

The following table summarizes the activity in residential development inventory (the Trust's share):

(in thousands of dollars)	Three Months Ended March 31, 2024	Year Ended December 31, 2023
Balance - beginning of period	\$51,719	\$40,373
Development costs	7,993	9,824
Capitalized interest for the period	436	1,522
Cost of sales	(1,285)	—
Balance - end of period	\$58,863	\$51,719

Properties Under Development

As at March 31, 2024, the fair value of properties under development, including properties under development recorded in equity accounted investments, totalled \$2.2 billion, resulting in a net decrease of \$104.8 million as compared to December 31, 2023, as presented in the following table. The net decrease was primarily due to the fair value adjustment loss of \$135.3 million primarily as a result of changes in market conditions for certain future development properties, and transfer of completed constructions to income properties during the three months ended March 31, 2024. See "Investment Properties" in this MD&A for further discussion.

(in thousands of dollars)	March 31, 2024	December 31, 2023	Variance
Developments	\$1,648,780	\$1,758,774	\$(109,994)
Earnouts subject to option agreements ⁽¹⁾	61,424	61,687	(263)
Total	\$1,710,204	\$1,820,461	\$(110,257)
Equity accounted investments	453,907	448,446	5,461
Total including equity accounted investments⁽²⁾	\$2,164,111	\$2,268,907	\$(104,796)

(1) Earnout development costs during the development period are paid by the Trust and funded through interest-bearing secured debt provided by the vendors to the Trust. On completion of the development and the commencement of lease payments by a tenant, the Earnouts will be acquired from the vendors based on predetermined or formula-based capitalization rates ranging from 6.00% to 7.40%, net of land and development costs incurred. Penguin has contractual options to acquire Trust Units and LP Units on completion of Earnouts as shown in Note 10(b) of the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024. Effective December 9, 2020, pursuant to the Omnibus Agreement (defined below) between the Trust and Penguin (see also "Related Party Transactions"), Penguin has the option to extend all Earnouts by two years from the previous expiry date, and the Trust has been given a right of first offer in connection with the sale of the economic and financial benefits and rights of any such development parcel during any extended period. For further details, see the Trust's management information circular dated November 6, 2020, filed on SEDAR+.

(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" and "Non-GAAP Measures" in this MD&A.

Future Retail Developments, Earnouts and Mezzanine Financing

Total future Retail Developments, Earnouts and Mezzanine Financing could increase the existing Trust portfolio by an additional 2.1 million square feet. With respect to the future pipeline, commitments have been negotiated on 0.3 million square feet. The Trust continues to revise its estimates and adjust its plans towards mixed-use developments.

The following table summarizes the expected potential future retail pipeline in properties under development as at March 31, 2024:

(in thousands of square feet)	Committed	Years 0-2	Years 3-5	Beyond Year 5	Total ⁽¹⁾
Developments	314	456	673	65	1,508
Earnouts	24	13	127	—	164
	338	469	800	65	1,672
Mezzanine Financing	—	—	—	387	387
	338	469	800	452	2,059

(1) The estimated timing of development is based on management's best estimates and can be adjusted based on changes in business conditions.

During the three months ended March 31, 2024, the future retail properties under development pipeline decreased by 30,000 square feet to a total of 1.7 million square feet. The change is summarized in the following table:

(in thousands of square feet)	Total Area
Future retail properties under development pipeline – January 1, 2024	1,642
Add:	
Transferred from investment properties to properties under development	100
Net adjustment to project densities	93
Less:	
Completion of Earnouts and Developments	(163)
Net change	30
Future retail properties under development pipeline – March 31, 2024	1,672

Uncommitted Retail Pipeline

The following table summarizes the estimated future investment by the Trust in retail properties under development. It is expected the future development costs will be spent over the next five years and beyond:

(in thousands of dollars)	Years 0-2	Years 3-5	Beyond Year 5	Total Estimated Costs	Costs Incurred	Future Development Costs
Developments	\$137,677	\$276,836	\$30,588	\$445,101	\$141,563	\$303,538
Earnouts	3,455	40,152	—	43,607	4,076	39,531
	\$141,132	\$316,988	\$30,588	\$488,708	\$145,639	\$343,069

Approximately 7.9% of the retail properties under development, representing a proportion of gross investment cost (committed and uncommitted) relating to Earnouts (\$52.8 million, divided by total estimated costs of \$665.1 million), representing 164,000 square feet are lands that are under contract by vendors to develop and lease for additional proceeds when developed. In certain events, the developer may sell the portion of undeveloped land to accommodate the construction plan that provides the best use of the property. It is management's intention to finance the costs of construction through interim financing or operating facilities and, once rental revenue is stabilized, long-term financing will be arranged. With respect to the remaining gross leasable area, it is expected that 1.5 million square feet of future space will be developed as the Trust leases space and finances the related construction costs.

Completed and Future Earnouts and Developments on Existing Properties

For the three months ended March 31, 2024, \$63.4 million of Earnouts and developments (including developments recorded in equity accounted investments, and of which \$52.3 million at the Trust's share) were completed and transferred to income properties, as compared to \$33.4 million (\$21.5 million at the Trust's share) in the same period in 2023.

	Three Months Ended March 31, 2024		Three Months Ended March 31, 2023	
	Area (sq. ft.)	Investment (\$ millions)	Area (sq. ft.)	Investment (\$ millions)
Earnouts ⁽¹⁾	—	\$—	6,642	\$3.2
Redevelopment – transfers from properties under development to income properties	162,858	41.1	41,829	6.4
Self-storage facilities – equity accounted investments	126,000	22.3	98,956	23.8
Total Earnout and developments	288,858	\$63.4	147,427	\$33.4
Total Trust's share of Earnout and developments	225,858	\$52.3	97,949	\$21.5

(1) The Earnouts for the three months ended March 31, 2023 excluded one land parcel sale totalling \$2.4 million of investment and the area for this parcel sale is not reflected in the table above.

The following table summarizes future retail developments, Earnouts and Mezzanine Financing as at March 31, 2024:

(in thousands of dollars)	Area (sq. ft.)	Total Area	Income	Gross Commitment	Invested To Date	Net Commitment	Yield / Cap Rate
Developments							
Committed Developments							
2024	138,570	8.3 %	\$3,719	\$63,461 ⁽²⁾	\$39,376 ⁽²⁾	\$24,085	5.9 % ⁽³⁾
2025 and beyond	175,416	10.5 %	5,595	103,770 ⁽²⁾	15,798 ⁽²⁾	87,972	5.4 % ⁽³⁾
Total Committed Developments	313,986	18.8 %	\$9,314	\$167,231	\$55,174	\$112,057	5.6 %
Uncommitted Developments							
2024	15,132	0.9 %	339	7,177 ⁽²⁾	3,363 ⁽²⁾	3,814	4.7 % ⁽³⁾
2025 and beyond	1,179,200	70.5 %	25,165	437,924 ⁽²⁾	138,200 ⁽²⁾	299,724	5.7 % ⁽³⁾
Total Uncommitted Developments	1,194,332	71.4 %	\$25,504	\$445,101	\$141,563	\$303,538	5.7 %
Total Developments	1,508,318	90.2 %	\$34,818	\$612,332	\$196,737 ⁽¹⁾	\$415,595	5.7 %
Earnouts							
Committed Earnouts							
2024	6,782	0.4 %	221	3,586	1,190	2,396	6.2 %
2025 and beyond	17,248	1.0 %	374	5,615	174	5,441	6.7 %
Total Committed Earnouts	24,030	1.4 %	\$595	\$9,201	\$1,364	\$7,837	6.5 %
Uncommitted Earnouts							
2024	—	— %	—	—	—	—	— %
2025 and beyond	139,720	8.4 %	3,029	43,607	4,077	39,530	6.9 %
Total Uncommitted Earnouts	139,720	8.4 %	\$3,029	\$43,607	\$4,077	\$39,530	6.9 %
Total Earnouts	163,750	9.8 %	\$3,624	\$52,808	\$5,441 ⁽¹⁾	\$47,367	6.9 %
Total Before Non-cash Development Cost	1,672,068	100.0 %	\$38,442	\$665,140	\$202,178	\$462,962	5.8 %
Non-cash development cost ⁽⁴⁾					86,782 ⁽¹⁾		
Land / Intensification projects					1,421,244 ⁽¹⁾		
Equity accounted investments					453,907 ⁽¹⁾		
Total	1,672,068	100.0 %	\$38,442	\$665,140	\$2,164,111 ⁽¹⁾	\$462,962	5.8 %
Options through Mezzanine Financing	386,575						
Total Potential Pipeline	2,058,643						

(1) Under "Completed and Future Earnouts and Developments, on Existing Properties" in this MD&A, Earnouts of \$61.4 million, developments of \$1,648.8 million and equity accounted investments of \$453.9 million comprise the total amount of \$2,164.1 million. The amounts in the table above have been adjusted for Earnouts that are expected to be completed after the expiry of the Earnout options being reclassified as developments.

(2) Includes fair value adjustment for land.

(3) On a cost basis, the yield would be 5.6%, 5.1%, 4.6%, and 5.0%, respectively.

(4) Represents net liability currently recorded.

Section IV – Business Operations and Performance

Results of Operations

Below is a summary of selected financial information concerning the Trust's operations for the three months ended March 31, 2024. This information should be read in conjunction with the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

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

The following tables present the proportionately consolidated statements of income (loss) and comprehensive income (loss), which include a reconciliation of the Trust's proportionate share of equity accounted investments:

(in thousands of dollars)	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023			Variance of Total Proportionate Share ⁽¹⁾
	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share ⁽¹⁾	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share ⁽¹⁾	
Net rental income and other							
Rentals from investment properties and other	\$215,637	\$10,922	\$226,559	\$210,594	\$8,056	\$218,650	\$7,909
Property operating costs and other	(85,153)	(5,458)	(90,611)	(85,123)	(4,137)	(89,260)	(1,351)
	\$130,484	\$5,464	\$135,948	\$125,471	\$3,919	\$129,390	\$6,558
Residential sales revenue and other ⁽²⁾	1,602	29	1,631	—	24,833	24,833	(23,202)
Residential cost of sales and other	(1,358)	(146)	(1,504)	(650)	(20,105)	(20,755)	19,251
	\$244	\$(117)	\$127	\$(650)	\$4,728	\$4,078	\$(3,951)
NOI	\$130,728	\$5,347	\$136,075	\$124,821	\$8,647	\$133,468	\$2,607
Other income and expenses							
General and administrative expense, net	(8,602)	—	(8,602)	(8,754)	(253)	(9,007)	405
Earnings (loss) from equity accounted investments	(4,030)	4,030	—	9,443	(9,443)	—	—
Fair value adjustment on investment properties	(118,868)	(3,185)	(122,053)	29,166	6,249	35,415	(157,468)
Gain (loss) on sale of investment properties	(142)	—	(142)	22	—	22	(164)
Interest expense	(44,556)	(5,978)	(50,534)	(39,507)	(2,865)	(42,372)	(8,162)
Interest income	3,929	655	4,584	4,828	390	5,218	(634)
Supplemental costs	—	(869)	(869)	—	(2,725)	(2,725)	1,856
Fair value adjustment on financial instruments	20,366	—	20,366	(7,158)	—	(7,158)	27,524
Net income (loss) and comprehensive income (loss)	\$(21,175)	\$—	\$(21,175)	\$112,861	\$—	\$112,861	\$(134,036)

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(2) Includes additional partnership profit and other revenues.

For the three months ended March 31, 2024, net income (loss) and comprehensive income (loss) decreased by \$134.0 million as compared to the same period in 2023. This decrease was primarily attributed to the following:

- \$157.5 million decrease in the fair value adjustment on investment properties, primarily as a result of changes in market conditions for certain future development properties, partially offset by improved leasing activities during the three months ended March 31, 2024; and
- \$8.2 million increase in interest expense primarily due to higher interest rates, higher debt balance to fund development activities and lower capitalization (see "Interest Income and Interest Expense" section in this MD&A for further discussion);

Partially offset by the following:

- \$27.5 million increase in fair value adjustment on financial instruments primarily due to \$19.3 million fair value gains on interest rate swaps (see further details in the "Debt" subsection of this MD&A), and \$8.2 million fair value gains on other financial instruments due to fluctuation in the Trust's Unit price; and
- \$2.6 million increase in NOI primarily due to higher rental income, partially offset by the decrease in condo and townhome closing (see "Net Operating Income" subsection in this MD&A for further discussion).

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, 2024			Three Months Ended March 31, 2023			Variance of Total Proportionate Share ⁽¹⁾
	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share ⁽¹⁾	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share ⁽¹⁾	
Net base rent	\$134,384	\$7,290	\$141,674	\$128,807	\$5,200	\$134,007	\$7,667
Property tax and insurance recoveries	45,882	656	46,538	44,541	765	45,306	1,232
Property operating cost recoveries	29,364	1,221	30,585	29,535	1,193	30,728	(143)
Miscellaneous revenue	2,795	1,674	4,469	3,141	1,205	4,346	123
Rentals from investment properties	\$212,425	\$10,841	\$223,266	\$206,024	\$8,363	\$214,387	\$8,879
Service and other revenues	3,293	—	3,293	4,263	—	4,263	(970)
Earnings (loss) from other	(81)	81	—	307	(307)	—	—
Rentals from investment properties and other ⁽²⁾	\$215,637	\$10,922	\$226,559	\$210,594	\$8,056	\$218,650	\$7,909
Recoverable tax and insurance costs	(46,938)	(750)	(47,688)	(45,664)	(748)	(46,412)	(1,276)
Recoverable CAM costs	(31,821)	(1,189)	(33,010)	(31,774)	(1,198)	(32,972)	(38)
Property management fees and costs	(1,408)	(390)	(1,798)	(1,110)	(294)	(1,404)	(394)
Non-recoverable operating costs	(1,683)	(3,093)	(4,776)	(1,753)	(1,793)	(3,546)	(1,230)
ECL	(9)	(36)	(45)	(559)	(104)	(663)	618
Property operating costs	\$(81,859)	\$(5,458)	\$(87,317)	\$(80,860)	\$(4,137)	\$(84,997)	\$(2,320)
Other expenses	(3,294)	—	(3,294)	(4,263)	—	(4,263)	969
Property operating costs and other ⁽²⁾	\$(85,153)	\$(5,458)	\$(90,611)	\$(85,123)	\$(4,137)	\$(89,260)	\$(1,351)
Net rental income and other	\$130,484	\$5,464	\$135,948	\$125,471	\$3,919	\$129,390	\$6,558
Residential sales closings revenue	1,602	29	1,631	—	24,833	24,833	(23,202)
Residential cost of sales and marketing costs	(1,358)	(146)	(1,504)	(650)	(20,105)	(20,755)	19,251
Net profit (loss) on condo and townhome closings	\$244	\$(117)	\$127	\$(650)	\$4,728	\$4,078	\$(3,951)
NOI⁽³⁾	\$130,728	\$5,347	\$136,075	\$124,821	\$8,647	\$133,468	\$2,607
Net rental income and other as a percentage of net base rent	97.1 %	75.0 %	96.0 %	97.4 %	75.4 %	96.6 %	(0.6)%
Net rental income and other as a percentage of rentals from investment properties	61.4 %	50.4 %	60.9 %	60.9 %	46.9 %	60.4 %	0.5 %
Net rental income and other as a percentage of rentals from investment properties and other	60.5 %	50.0 %	60.0 %	59.6 %	48.6 %	59.2 %	0.8 %
Recovery Ratio (including prior year adjustments)	95.5 %	96.8 %	95.6 %	95.7 %	100.6 %	95.8 %	(0.2)%
Recovery Ratio (excluding prior year adjustments)	95.0 %	102.9 %	95.2 %	95.5 %	97.8 %	95.5 %	(0.3)%

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

NOI for the three months ended March 31, 2024 increased by \$2.6 million or 2.0% as compared to the same period in 2023. This increase was primarily attributed to the following:

- \$7.7 million net increase in base rent, of which \$5.4 million relates to lease-up activities and rental renewals with higher rates for retail properties, and \$2.3 million relates to self-storage facilities and apartment rentals;

Partially offset by the following:

- \$4.0 million decrease in condo and townhome closings due to 194 units closing in Transit City 4 condo in 2023, compared to two units closing in Vaughan NW townhome in 2024; and
- \$1.2 million increase in non-recoverable operating expenses mainly related to newly developed rental apartments and self-storage facilities.

Same Properties NOI

(in thousands of dollars)	Three Months Ended	
	March 31, 2024	March 31, 2023
Net rental income	\$130,729	\$124,821
Service and other revenues	3,293	4,263
Other expenses	(3,294)	(4,263)
Net rental income and other	\$130,728	\$124,821
NOI from equity accounted investments ⁽¹⁾	5,347	8,647
Total portfolio NOI before adjustments ⁽¹⁾	\$136,075	\$133,468
Adjustments:		
Lease termination	—	(412)
Net profit on condo and townhome closings	(127)	(4,078)
Non-recurring items and other adjustments ⁽²⁾	929	2,519
Total portfolio NOI after adjustments ⁽¹⁾	\$136,877	\$131,497
NOI sourced from acquisitions, dispositions, Earnouts and developments	(1,595)	(193)
Same Properties NOI⁽¹⁾	\$135,282	\$131,304

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(2) Includes non-recurring items such as one-time adjustments relating to royalties, straight-line rent and amortization of tenant incentives.

The Same Properties NOI for the three months ended March 31, 2024 increased by \$4.0 million or 3.0% as compared to the same period in 2023, primarily due to lease-up activities and rental renewals with higher rates on existing leases.

Adjusted EBITDA

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

(in thousands of dollars)	Rolling 12 Months Ended		
	March 31, 2024	March 31, 2023	Variance
Net income and comprehensive income	\$376,068	\$378,711	\$(2,643)
Add (deduct) the following items:			
Net interest expense	166,958	142,243	24,715
Amortization of equipment, intangible assets and tenant improvements	11,500	11,370	130
Fair value adjustments on investment properties and financial instruments	(24,114)	(37,412)	13,298
Adjustment for supplemental costs	3,853	4,709	(856)
Loss (gain) on sale of investment properties	120	(219)	339
Acquisition-related costs	—	298	(298)
Adjusted EBITDA⁽¹⁾	\$534,385	\$499,700	\$34,685

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

Other Measures of Performance

The following measures of performance are sometimes used by Canadian REITs and other reporting entities as indicators of financial performance. Because these measures are not standardized as prescribed by IFRS, they may not be comparable to similar measures presented by other reporting entities. Management uses these measures to analyze operating performance. Because one of the factors that may be considered relevant by prospective investors is the cash distributed by the Trust relative to the price of the Units, management believes these measures are useful supplemental measures that may assist prospective investors in assessing an investment in Units. The Trust analyzes its cash distributions against these measures to assess the stability of the monthly cash distributions to Unitholders. These measures are not intended to represent operating profits for the year; nor should they be viewed as an alternative to net income and comprehensive income, cash flows from operating activities or other measures of financial performance calculated in accordance with IFRS. The calculations are derived from the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024 and March 31, 2023, unless otherwise stated, do not include any assumptions and forward-looking information, and are consistent with prior reporting years.

Funds From Operations (“FFO”)

FFO is a non-GAAP financial measure of operating performance widely used by the Canadian real estate industry based on the definition set forth by the REALpac White Paper. It is the Trust's view that IFRS net income does not necessarily provide a complete measure of the Trust's recurring operating performance. This is primarily because IFRS net income includes items such as fair value changes of investment property that are subject to market conditions and capitalization rate fluctuations and gains and losses on the disposal of investment properties, including associated transaction costs and taxes, which management believes are not representative of a company's economic earnings. For these reasons, the Trust has adopted the REALpac White Paper's definition of FFO, which was created by the real estate industry as a supplemental measure of operating performance. FFO is computed as IFRS consolidated net income and comprehensive income attributable to Unitholders adjusted for items such as, but not limited to, unrealized changes in the fair value of investment properties and financial instruments and transaction gains and losses on the acquisition or disposal of investment properties calculated on a basis consistent with IFRS.

Adjusted Funds From Operations (“AFFO”)

AFFO is a non-GAAP financial measure of operating performance widely used by the Canadian real estate industry based on the definition set forth by the REALpac White Paper. AFFO is a supplemental measure historically used by many in the real estate industry to measure operating cash flow generated from the business. In calculating AFFO, the Trust adjusts FFO for actual costs incurred relating to leasing activities, major maintenance costs (both recoverable and non-recoverable) and straight-line rent in excess of contractual rent paid by tenants (a receivable). Working capital changes, viewed as short-term cash requirements or surpluses, are deemed financing activities pursuant to the methodology and are not considered when calculating AFFO. Capital expenditures that are excluded and not deducted in the calculation of AFFO comprise those which generate a new investment stream, such as erecting a new pylon sign that generates sign rental income, constructing a new retail pad during property expansion or intensification, development activities or acquisition activities. Accordingly, AFFO differs from FFO in that AFFO excludes from its definition certain non-cash revenues and expenses recognized under IFRS, such as straight-line rent and the amortization of financing costs, but also includes capital and leasing costs incurred during the period that are capitalized for IFRS purposes. Management is of the view that AFFO is a useful measure of recurring economic earnings generated from operations after providing for operating capital requirements and as a result is also useful in evaluating the ability of the Trust to fund distributions to Unitholders. A reconciliation of AFFO to IFRS net income and comprehensive income can be found below.

Management considers both FFO and AFFO as key performance indicators to assess the Trust's operating performance and the sustainability of the Trust's distribution level. FFO and AFFO should not be construed as an alternative to net income and comprehensive income or cash flows provided by or used in operating activities determined in accordance with IFRS. The Trust's method of calculating FFO and AFFO is in accordance with the recommendations in the REALpac White Paper, but may differ from other issuers' methods and, accordingly, may not be comparable to FFO and AFFO reported by other issuers.

Reconciliation of FFO

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Net income (loss) and comprehensive income (loss)	\$(21,175)	\$112,861	\$(134,036)
Add (deduct):			
Fair value adjustment on investment properties and financial instruments ⁽¹⁾	98,502	(22,008)	120,510
(Loss) gain on derivative – TRS	(6,150)	1,296	(7,446)
Loss (gain) on sale of investment properties	142	(22)	164
Amortization of intangible assets and tenant improvement allowance	2,180	2,395	(215)
Distributions on Units classified as liabilities and vested deferred units	4,596	2,004	2,592
Salaries and related costs attributed to leasing activities ⁽²⁾	2,407	2,080	327
Adjustments relating to equity accounted investments ⁽³⁾	6,310	(1,473)	7,783
FFO⁽⁴⁾	\$86,812	\$97,133	\$(10,321)
Add (deduct) non-recurring adjustments:			
Loss (gain) on derivative – TRS	6,150	(1,296)	7,446
FFO sourced from condo and townhome closings	(200)	(3,816)	3,616
Transactional FFO – loss on sale of land to co-owner	—	(1,008)	1,008
FFO with adjustments⁽⁴⁾	\$92,762	\$91,013	\$1,749

(1) Includes fair value adjustments on investment properties and financial instruments. Fair value adjustment on investment properties is described in "Investment Properties" in the Trust's MD&A. Fair value adjustment on financial instruments comprises the following financial instruments: units classified as liabilities, Deferred Unit Plan ("DUP"), Equity Incentive Plan ("EIP"), TRS, and interest rate swap agreements. The significant assumptions made in determining the fair value are more thoroughly described in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024. For details, please see discussion in "Results of Operations" section in this MD&A.

(2) Salaries and related costs attributed to leasing activities of \$2.4 million were incurred in the three months ended March 31, 2024 (three months ended March 31, 2023 – \$2.1 million) and were eligible to be added back to FFO based on the definition of FFO, in the REALpac White Paper, 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.

(3) Includes tenant improvement amortization, indirect interest with respect to the development portion, fair value adjustment on investment properties, loss (gain) on sale of investment properties, and adjustment for supplemental costs.

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

For the three months ended March 31, 2024, FFO decreased by \$10.3 million or 10.6% to \$86.8 million as compared to the same period in 2023. This decrease was primarily attributable to:

- \$7.4 million decrease in fair value adjustment on TRS resulting from fluctuations in the Trust's Unit price;
- \$6.0 million increase in net interest expense due to higher debt balance and interest rates, lower capitalization relating to completion of development properties; and
- \$3.6 million decrease in condo and townhome closings;

Partially offset by:

- \$6.6 million increase in net rental income due to lease-up activities and rental renewals with higher rates.

For the three months ended March 31, 2024, FFO with adjustments increased by \$1.7 million to \$92.8 million as compared to the same period in 2023. The increase was primarily due to increase in net rental income resulted from lease-up activities and rental renewals with higher rates.

Reconciliation of AFFO

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
FFO⁽¹⁾	\$86,812	\$97,133	\$(10,321)
Add (Deduct):			
Straight-line rents	(737)	50	(787)
Adjusted salaries and related costs attributed to leasing	(2,407)	(2,080)	(327)
Capital expenditures, leasing commissions, and tenant improvements ⁽²⁾⁽³⁾	(2,426)	(6,502)	4,076
AFFO⁽¹⁾	\$81,242	\$88,601	\$(7,359)
Add (deduct) non-recurring adjustments:			
Loss (gain) on derivative - TRS	6,150	(1,296)	7,446
FFO sourced from condo and townhome closings	(200)	(3,816)	3,616
Transactional FFO - loss on sale of land to co-owner	—	(1,008)	1,008
AFFO with adjustments⁽¹⁾	\$87,192	\$82,481	\$4,711

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

(2) Please see the "Maintenance Capital Requirements" section in this MD&A for details of actual capital expenditures, actual leasing commissions and actual tenant improvements.

(3) Balance as of March 31, 2024 includes capital expenditures, leasing commissions, and tenant improvements related to equity accounted investments of \$0.1 million.

For the three months ended March 31, 2024, AFFO decreased by \$7.4 million to \$81.2 million as compared to the same period in 2023. The decrease was primarily due to the decrease in FFO, partially offset by lower capital expenditures, leasing commissions and tenant improvements.

The following table presents per Unit FFO and per Unit AFFO with adjustments (non-GAAP measures):

Per Unit - basic/diluted ⁽¹⁾ :	Three Months Ended March 31		
	2024	2023	Variance
FFO ⁽²⁾	\$0.49/\$0.48	\$0.55/\$0.54	(\$0.06)/(\$0.06)
FFO with adjustments ⁽²⁾	\$0.52/\$0.52	\$0.51/\$0.51	\$0.01/\$0.01
AFFO ⁽²⁾	\$0.46/\$0.45	\$0.50/\$0.49	(\$0.04)/(\$0.04)
AFFO with adjustments ⁽²⁾	\$0.49/\$0.48	\$0.46/\$0.46	\$0.03/\$0.02
Payout Ratio to AFFO ⁽²⁾	101.4 %	93.0 %	8.4 %
Payout Ratio to AFFO with adjustments ⁽²⁾	94.5 %	99.9 %	(5.4)%

(1) Diluted FFO and AFFO is adjusted for the dilutive effect of vested deferred units, which are not dilutive for net income purposes. The calculation of diluted FFO and AFFO is a non-GAAP measure and does not consider the impact of unvested deferred units. To calculate diluted FFO and AFFO for the three months ended March 31, 2024, 2,077,597 vested deferred units are added back to the weighted average Units outstanding (three months ended March 31, 2023 - 1,731,655 vested deferred units).

(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" and "Non-GAAP Measures" in this MD&A.

Weighted Average Number of Units

The weighted average number of Trust Units and exchangeable LP Units is used in calculating the Trust's net income and comprehensive income per Unit, net income and comprehensive income excluding fair value adjustments per Unit, and FFO/AFFO per Unit. The corresponding diluted per Unit amounts are adjusted for the dilutive effect of the vested portion of deferred units granted under the Trust's DUP unless they are anti-dilutive. To calculate diluted FFO/AFFO per Unit for the three months ended March 31, 2024 and 2023, vested deferred units are added back to the weighted average Units outstanding because they are dilutive.

The following table sets forth the weighted average number of Units outstanding for the purposes of FFO/AFFO per Unit and net income and comprehensive income per Unit calculations in this MD&A:

(number of Units)	Three Months Ended March 31	
	2024	2023
Trust Units	144,625,322	144,625,322
Class B LP Units	16,424,430	16,424,430
Class D LP Units	311,022	311,022
Class F LP Units	8,708	8,708
Class B LP II Units	756,525	756,525
Class B LP III Units	4,117,096	4,088,321
Class B LP IV Units	3,112,565	3,112,565
Class B Oshawa South LP Units	710,416	710,416
Class D Oshawa South LP Units	260,417	260,417
Class B Oshawa Taunton LP Units	374,223	374,223
Class D Series 1 VMC West LP Units	3,623,188	3,623,188
Class D Series 2 VMC West LP Units	2,173,913	2,173,913
Class B Boxgrove LP Units	170,000	170,000
Class B Series ONR LP Units	1,248,140	1,248,140
Class B Series 1 ONR LP I Units	132,881	132,881
Class B Series 2 ONR LP I Units	139,302	139,302
Total Exchangeable LP Units	33,562,826	33,534,051
Total Units - Basic	178,188,148	178,159,373
Vested deferred units	2,077,597	1,731,655
Total Units and vested deferred units - Diluted	180,265,745	179,891,028

Determination of Distributions

Pursuant to the Trust's declaration of trust (the "Declaration of Trust") the Trust endeavours to distribute annually such amount as is necessary to ensure the Trust will not be subject to tax on its net income under Part I of the *Income Tax Act* (Canada).

The Board of Trustees determines the Trust's Unit cash distribution rate by, among other considerations, its assessment of cash flow as determined using certain non-GAAP measures. As such, management believes the cash distributions are not an economic return of capital, but a distribution of sustainable cash flow from operations. Given both existing AFFO and distribution levels, and current facts and assumptions, the Board of Trustees has indicated that barring any unexpected events, the Trust currently intends to maintain its monthly cash distribution levels.

In any given period, the distributions declared may differ from cash provided by operating activities, primarily due to seasonal fluctuations in non-cash operating items (amounts receivable, prepaid expenses, deposits, accounts payable and accrued liabilities). These seasonal or short-term fluctuations are funded, if necessary, by the Trust's revolving operating facility. In addition, the distributions declared previously included a component funded by the DRIP which was suspended by the Board of Trustees effective April 13, 2020. The Board of Trustees anticipates that distributions declared will, in the foreseeable future, continue to vary from net income and comprehensive income because net income and comprehensive income include fair value adjustments to investment properties, fair value changes in financial instruments, and other adjustments, and also because distributions are determined based on non-GAAP cash flow measures, which include consideration of the maintenance capital requirements. Accordingly, the Trust does not use IFRS net income and comprehensive income as a proxy for distributions.

Distributions and AFFO Highlights

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Cash flows provided by operating activities	\$69,719	\$81,931	\$(12,212)
Distributions declared	82,412	82,405	7
AFFO ⁽¹⁾	81,242	88,601	(7,359)
AFFO with adjustments ⁽¹⁾	87,192	82,481	4,711
Shortfall of cash flows provided by operating activities over distributions declared	(12,693)	(474)	(12,219)
(Shortfall) surplus of AFFO ⁽¹⁾ over distributions declared	(1,170)	6,196	(7,366)
Surplus of AFFO ⁽¹⁾ with adjustments over distributions declared	4,780	76	4,704

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

For the three months ended March 31, 2024, there was an \$12.7 million shortfall of cash flows provided by operating activities over distribution declared as compared to a \$0.5 million shortfall in 2023. The shortfall is mainly as result of timing differences in working capital and interest accruals which are reported under cash flows from operating activities in the financial statements.

For the three months ended March 31, 2024, there was a \$1.2 million shortfall of AFFO over distributions declared as compared to a \$6.2 million surplus during the respective period in 2023.

For the three months ended March 31, 2024, there was a \$4.8 million surplus of AFFO with adjustments over distributions declared as compared to a \$0.1 million surplus during the respective period in 2023.

The following tables illustrate: i) the annualized (shortfall)/surplus of cash flows provided by operating activities over distributions declared, ii) AFFO, and iii) AFFO-related payout ratios, for the rolling 12 months ended March 31, 2024 and March 31, 2023:

(in thousands of dollars)	Rolling 12 Months Ended	
	March 31, 2024	March 31, 2023
Cash flows provided by operating activities	\$318,641	\$357,580
Distributions declared	329,646	329,558
AFFO ⁽¹⁾	347,065	337,233
(Shortfall) surplus of cash flows provided by operating activities over distributions declared	(11,005)	28,022
Surplus of AFFO ⁽¹⁾ over distributions declared	17,419	7,675
Payout Ratio to Cash flows provided by operating activities	103.5 %	92.2 %
Payout Ratio to AFFO ⁽¹⁾	95.0 %	97.7 %

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

General and Administrative Expense

The following tables summarize general and administrative expense for the three months ended March 31, 2024:

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Salaries and benefits	\$6,199	\$4,753	\$1,446
Professional fees	1,355	1,899	(544)
Public company costs	364	382	(18)
Amortization of intangible assets	333	333	—
Other costs including office rent, information technology, marketing, communications, and other employee expenses	351	1,387	(1,036)
General and administrative expense	\$8,602	\$8,754	\$(152)

General and administrative expense for the three months ended March 31, 2024 remained relatively flat compared to the same period in 2023. The \$1.4 million increase in salaries and benefits was mainly due to the growth of the platform and inflation adjustments, offset by lower costs associated with discontinued development projects and professional fees compared to the same period in 2023.

Interest Income and Interest Expense

Interest Income

The following table summarizes the components of interest income:

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Mortgage interest	\$303	\$672	\$(369)
Loan interest	3,002	3,589	(587)
Notes receivable interest	65	65	—
Bank interest	559	502	57
	\$3,929	\$4,828	\$(899)

For the three months ended March 31, 2024, interest income decreased by \$0.9 million as compared to the same period in 2023, mainly as a result of the repayment of mortgages receivable and loans receivable.

Interest Expense

The following table summarizes the components of interest expense:

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Mortgage interest	\$7,246	\$8,800	\$(1,554)
Debenture interest	23,083	21,060	2,023
Operating line interest and other	18,542	15,331	3,211
Interest at stated rates	\$48,871	\$45,191	\$3,680
Amortization of acquisition date fair value adjustments on assumed debt	(42)	(89)	47
Amortization of deferred financing costs	959	913	46
Distributions on Units classified as liabilities and vested deferred units	4,596	4,439	157
Total interest expense before capitalized interest	\$54,384	\$50,454	\$3,930
Less:			
Interest capitalized to properties under development	(9,392)	(10,621)	1,229
Interest capitalized to residential development inventory	(436)	(326)	(110)
Total capitalized interest	\$(9,828)	\$(10,947)	\$1,119
Interest expense net of capitalized interest expense	\$44,556	\$39,507	\$5,049
Capitalized interest as a percentage of interest expense	18.1 %	21.7 %	(3.6)%

For the three months ended March 31, 2024, interest expense net of capitalized interest increased by \$5.0 million as compared to the same period in 2023. The increase was mainly attributable to higher interest rates, higher debt balance to fund development activities and lower capitalization compared to the prior year period.

Quarterly Results and Trends

(in thousands of dollars, except percentage, square footage, Unit and per Unit amounts)

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Results of operations								
Net income (loss) and comprehensive income (loss)	\$(21,175)	\$14,165	\$215,175	\$167,902	\$112,861	\$100,310	\$3,548	\$161,997
Per Unit								
Basic	\$(0.12)	\$0.08	\$1.21	\$0.94	\$0.63	\$0.56	\$0.02	\$0.91
Diluted ⁽³⁾	\$(0.12)	\$0.08	\$1.19	\$0.93	\$0.63	\$0.56	\$0.02	\$0.90
Net base rent ⁽¹⁾⁽²⁾	\$141,674	\$140,442	\$138,119	\$135,617	\$134,007	\$133,201	\$132,303	\$131,543
Rentals from investment properties and other	\$215,637	\$211,021	\$206,016	\$206,950	\$210,594	\$206,223	\$196,962	\$198,585
NOI ⁽¹⁾⁽²⁾	\$136,075	\$136,349	\$143,834	\$147,105	\$133,468	\$133,632	\$130,986	\$130,034
Other measures of performance								
FFO ⁽²⁾	\$86,812	\$106,893	\$98,405	\$98,534	\$97,133	\$102,471	\$88,403	\$88,464
Per Unit								
Basic ⁽²⁾	\$0.49	\$0.60	\$0.55	\$0.55	\$0.55	\$0.58	\$0.50	\$0.50
Diluted ⁽²⁾⁽³⁾	\$0.48	\$0.59	\$0.55	\$0.55	\$0.54	\$0.57	\$0.49	\$0.49
FFO with adjustments ⁽²⁾	\$92,762	\$91,362	\$96,969	\$97,247	\$91,013	\$104,090	\$93,520	\$95,207
Per Unit								
Basic ⁽²⁾	\$0.52	\$0.51	\$0.54	\$0.55	\$0.51	\$0.58	\$0.53	\$0.53
Diluted ⁽²⁾⁽³⁾	\$0.52	\$0.51	\$0.54	\$0.54	\$0.51	\$0.58	\$0.52	\$0.53
Cash flows provided by operating activities	\$69,719	\$93,745	\$93,855	\$61,322	\$81,931	\$134,668	\$97,011	\$43,970
AFFO ⁽²⁾	\$81,242	\$92,187	\$85,788	\$87,848	\$88,601	\$86,102	\$81,094	\$81,436
AFFO with adjustments ⁽²⁾	\$87,192	\$76,656	\$84,352	\$86,561	\$82,481	\$87,723	\$86,210	\$88,179
Distributions declared	\$82,412	\$82,413	\$82,411	\$82,410	\$82,405	\$82,386	\$82,382	\$82,385
Payout ratio to AFFO	101.4 %	89.4 %	96.1 %	93.8 %	93.0 %	95.7 %	101.6 %	101.2 %
Units outstanding⁽⁴⁾	178,188,148	178,188,148	178,188,148	178,181,722	178,176,825	178,133,853	178,126,285	178,122,655
Weighted average Units outstanding								
Basic	178,188,148	178,188,148	178,184,795	178,179,652	178,159,373	178,129,000	178,123,918	178,122,655
Diluted ⁽³⁾	180,265,745	180,086,748	180,069,508	180,045,789	179,891,028	179,696,944	179,678,009	179,662,689
Total assets	\$11,850,182	\$11,905,422	\$12,013,103	\$11,833,262	\$11,719,131	\$11,702,153	\$11,862,633	\$11,905,066
Total unencumbered assets ⁽²⁾	\$9,176,421	\$9,170,121	\$9,067,121	\$8,844,821	\$8,653,321	\$8,415,900	\$8,383,900	\$8,413,000
Debt	\$5,043,206	\$4,999,522	\$5,052,722	\$5,010,331	\$4,956,957	\$4,983,265	\$5,159,860	\$5,128,604
Total leasable area (sq. ft.)	35,108,588	35,044,850	35,033,430	34,922,198	34,777,002	34,750,379	34,685,033	34,660,693
In-place occupancy rate	97.3 %	98.1 %	98.1 %	97.8 %	97.4 %	97.6 %	97.6 %	97.2 %
In-place and committed occupancy rate	97.7 %	98.5 %	98.5 %	98.2 %	98.0 %	98.0 %	98.1 %	97.6 %

(1) Includes the Trust's proportionate share of equity accounted investments.

(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" and "Non-GAAP Measures" in this MD&A.

(3) Diluted metrics are adjusted for the dilutive effect of the vested Earnout options and vested portion of deferred units, unless they are anti-dilutive.

(4) Total Units outstanding include Trust Units and LP Units, including Units classified as financial liabilities.

Section V – Leasing Activities and Lease Expiries

Retail, Office and Industrial

Leasing Activities

Occupancy

The Trust's value-oriented portfolio continued to provide an attractive place to shop and tenants' confidence continued to grow with the improving customer traffic resulting in demand for new locations in all markets and for all store sizes. In addition to the regular staple of value-oriented tenants continuing to seek more space in Walmart-anchored sites, new uses are also enhancing each centre's offering with entertainment/experiential, pet supplies, furniture and specialty and takeout food all growing their store counts. U.S.-based tenants are also re-engaging their search for new store openings in Canada.

As at March 31, 2024, the Trust's in-place and committed occupancy rate was 97.7% (December 31, 2023 - 98.5%). The decrease in occupancy was primarily due to two unrelated vacancies. The Trust is in advanced discussions to release these two spaces in the coming quarters to strong creditworthy tenants.

Occupancy⁽¹⁾

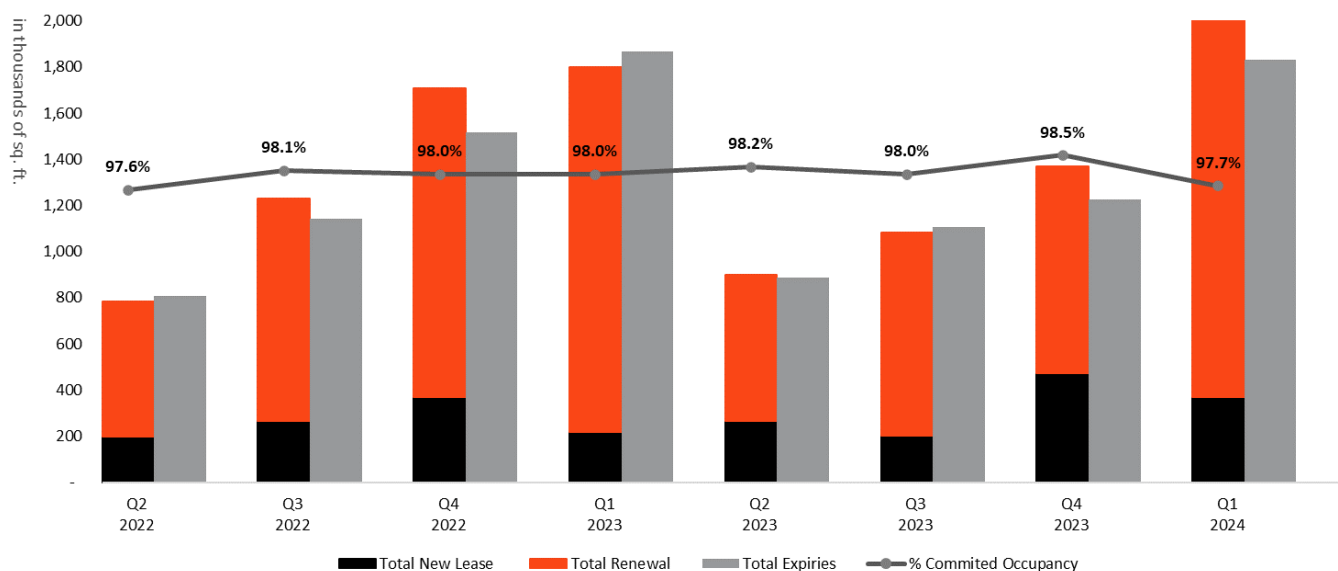
	March 31, 2024	December 31, 2023	Variance
Total leasable area (in sq. ft.)	35,108,588	35,044,850	63,738
In-place occupancy rate	97.3 %	98.1 %	(0.8)%
In-place and committed occupancy rate	97.7 %	98.5 %	(0.8)%

(1) Excluding residential and self-storage area.

New Leasing Activity

During the three months ended March 31, 2024, the Trust completed new leases with a wide variety of tenants, with uses such as sporting goods and apparel, pet stores, and food service uses. Many of the Trust's existing tenants continued their growth plans with retailers in furniture, general merchandise and pet stores expanding their brick-and-mortar footprint nationally. During the first quarter of 2024, the Trust executed 160,860 square feet of new leasing on existing vacant built space. In addition, the Trust executed 209,617 square feet of new leasing for future newly built space.

The following graph presents the Trust's leasing activity for the past eight consecutive quarters ending March 31, 2024:



The following table presents a continuity of the Trust's in-place occupancy rate (excluding residential and self-storage area) for the three months ended March 31, 2024:

(in square feet)	Vacant Area	Occupied Area	Leasable Area	In-place Occupancy Rate
Beginning balance - January 1, 2024	655,881	34,388,969	35,044,850	98.1 %
New vacancies	424,260	(424,260)	—	
Taking Occupancy in the period	(120,990)	120,990	—	
Subtotal	959,151	34,085,699	35,044,850	
Transferred from properties under development to income properties	—	164,451	164,451	
Transferred from income properties to properties under development	(2,589)	(97,439)	(100,028)	
Other including unit area remeasurements	(801)	116	(685)	
Ending balance - March 31, 2024	955,761	34,152,827	35,108,588	97.3 %
Committed new leases for future occupancy	(144,164)	144,164	—	
Ending balance - March 31, 2024, including committed leases for future occupancy	811,597	34,296,991	35,108,588	97.7 %

Renewal Activity

For the three months ended March 31, 2024, the Trust achieved a tenant renewal rate of 81.7% (three months ended March 31, 2023 - 60.3%) for tenants with expiring leases in 2024.

Renewal Summary⁽¹⁾

	March 31, 2024	March 31, 2023	Variance
Space expiring in calendar year (in sq. ft.)	5,424,326	5,090,016	334,310
Renewed (in sq. ft.)	3,944,419	2,585,297	1,359,122
Near completion (in sq. ft.)	486,003	484,599	1,404
Total renewed and near completion (in sq. ft.)	4,430,422	3,069,896	1,360,526
Renewal rate (including near completion)	81.7 %	60.3 %	21.4 %
Renewed rental rate (per sq. ft.) - including Anchors	\$14.70	\$16.85	\$(2.15)
Renewed rental rate (per sq. ft.) - excluding Anchors	\$21.32	\$22.00	\$(0.68)
Renewed rent change (including Anchors)	6.3 %	3.5 %	2.8 %
Renewed rent change (excluding Anchors)	8.9 %	4.3 %	4.6 %

(1) Excluding residential and self-storage area.

Tenant Profile

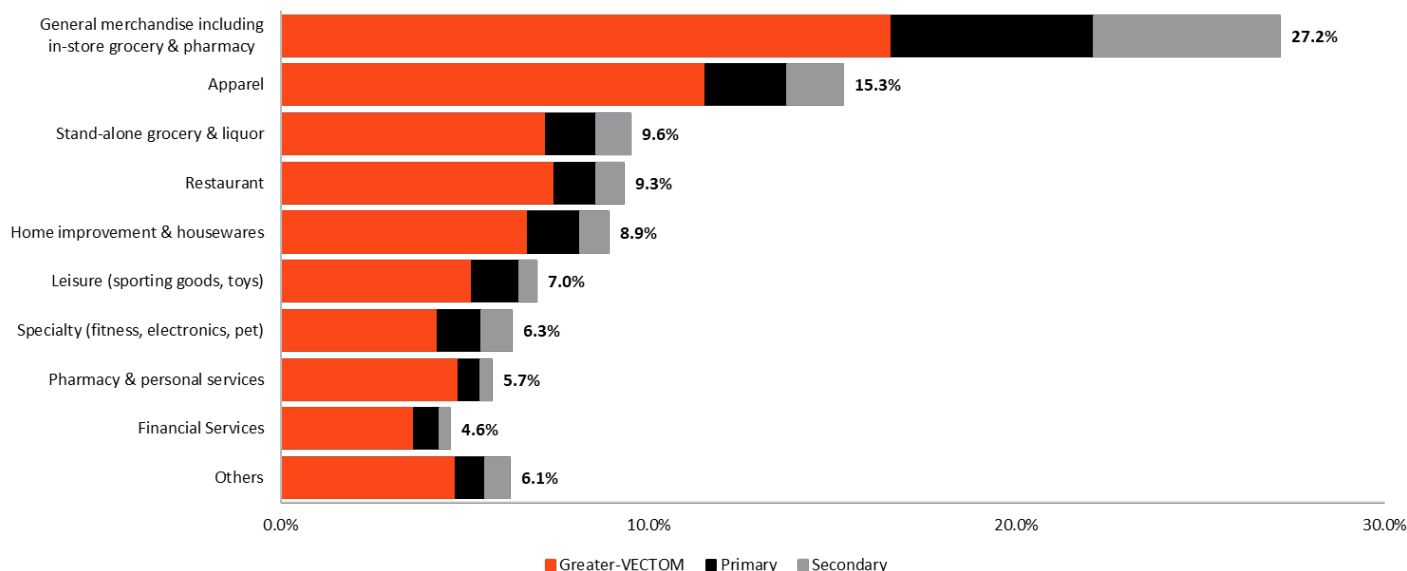
The Trust's portfolio is represented in all major markets across Canada particularly in the Greater-VECTOM markets (Vancouver, Edmonton, Calgary, Toronto, Ottawa and Montreal). The Greater-VECTOM and primary markets account for 88.4% of revenue and 89.6% of fair value, and have in-place occupancy of 97.4% and 97.5%, respectively.

Portfolio Summary by Market Type

Market	Number of Income Producing Properties	Area (000 sq. ft.)	Gross Revenue	Income Property Fair Value	In-place Occupancy
Greater-VECTOM	113	23,373	72.2 %	76.5 %	97.4 %
Primary	31	6,758	16.2 %	13.1 %	97.5 %
Secondary	28	4,978	11.6 %	10.4 %	96.6 %
Total	172	35,109	100.0 %	100.0 %	97.3 %

Tenant Categories

The portfolio is represented by strong individual shopping centres in every major market in Canada, with a diverse mix of tenant and service offerings, reflecting almost every retail category. The following graph represents the Trust's portfolio exposure by annualized gross rent by category as at March 31, 2024:



Top 25 Tenants

The 25 largest tenants (by annualized gross rental revenue among retail, office and industrial tenants) accounted for 60.4% of portfolio revenue as at March 31, 2024 and are presented in the following table:

#	Tenant	Number of Stores	Annualized Gross Rental Revenue (\$ millions)	Percentage of Total Annualized Gross Rental Revenue	Leased Area (sq. ft.)	Leased Area as a % of Total Gross Leasable Area
1	Walmart ⁽¹⁾	100	\$197.2	23.7%	14,182,181	40.4 %
2	Winners, HomeSense, Marshalls	56	37.4	4.5%	1,464,401	4.2 %
3	Canadian Tire, Mark's and FGL Sports	74	36.3	4.4%	1,448,196	4.1 %
4	Loblaws, Shoppers Drug Mart	25	23.1	2.8%	909,054	2.6 %
5	Sobeys	16	17.9	2.2%	721,142	2.1 %
6	Dollarama	61	17.0	2.0%	585,606	1.7 %
7	LCBO	39	14.0	1.7%	363,674	1.0 %
8	Lowe's, Rona	7	13.5	1.6%	773,106	2.2 %
9	Michaels	25	13.2	1.6%	493,851	1.4 %
10	Best Buy	18	12.2	1.5%	437,074	1.2 %
11	Recipe Unlimited	55	11.9	1.4%	272,330	0.8 %
12	Staples	21	10.6	1.3%	449,599	1.3 %
13	Gap Inc.	25	9.2	1.1%	264,711	0.8 %
14	Reitmans	59	9.1	1.1%	309,397	0.9 %
15	Toys R Us	8	8.8	1.1%	304,515	0.9 %
16	Bulk Barn	49	8.0	1.0%	229,252	0.7 %
17	Bonnie Togs	42	7.7	0.9%	195,903	0.6 %
18	CIBC	27	7.5	0.9%	149,560	0.4 %
19	The Brick	9	7.3	0.9%	258,244	0.7 %
20	Dollar Tree, Dollar Giant	26	7.0	0.8%	217,286	0.6 %
21	Metro	9	6.9	0.8%	315,438	0.9 %
22	Sleep Country	38	6.9	0.8%	181,572	0.5 %
23	GoodLife Fitness Clubs	11	6.7	0.8%	255,759	0.7 %
24	PetSmart	16	6.7	0.8%	209,678	0.6 %
25	Bank of Nova Scotia	23	6.2	0.7%	123,002	0.4 %
		839	\$502.3	60.4%	25,114,531	71.7 %

(1) The Trust has a total of 100 Walmart locations under lease, of which 98 are Supercentres that represent stores that carry all merchandise that Walmart department stores offer including a full assortment of groceries. The Trust also has another 13 shopping centres with Walmart as Shadow Anchors, all of which are Supercentres.

Lease Expiries

The following table presents total retail, office and industrial lease expiries for the portfolio as at March 31, 2024:

Year of Expiry	Total Area (sq. ft.)	Percentage of Total Area	Annualized Base Rent	Average Base Rent psf ⁽¹⁾
Month-to-month and holdovers	513,740	1.5 %	\$12,874	\$25.06
2024	1,363,454	3.9 %	27,609	20.25
2025	4,698,538	13.4 %	68,006	14.47
2026	4,219,906	12.0 %	64,317	15.24
2027	5,402,647	15.4 %	78,169	14.47
2028	4,802,484	13.5 %	81,776	17.03
2029	5,685,203	16.2 %	81,721	14.37
2030	1,137,472	3.2 %	23,387	20.56
2031	1,081,442	3.1 %	20,245	18.72
2032	1,898,507	5.4 %	31,190	16.43
2033	1,185,572	3.4 %	24,500	20.67
2034	829,727	2.4 %	13,630	16.43
Beyond	880,714	2.6 %	12,933	14.68
Vacant	955,761	2.7 %	—	—
Total retail	34,655,167	98.7 %	\$540,357	\$16.03
Total office	350,651	1.0 %		
Total industrial	102,770	0.3 %		
Total retail, office and industrial	35,108,588	100.0 %		

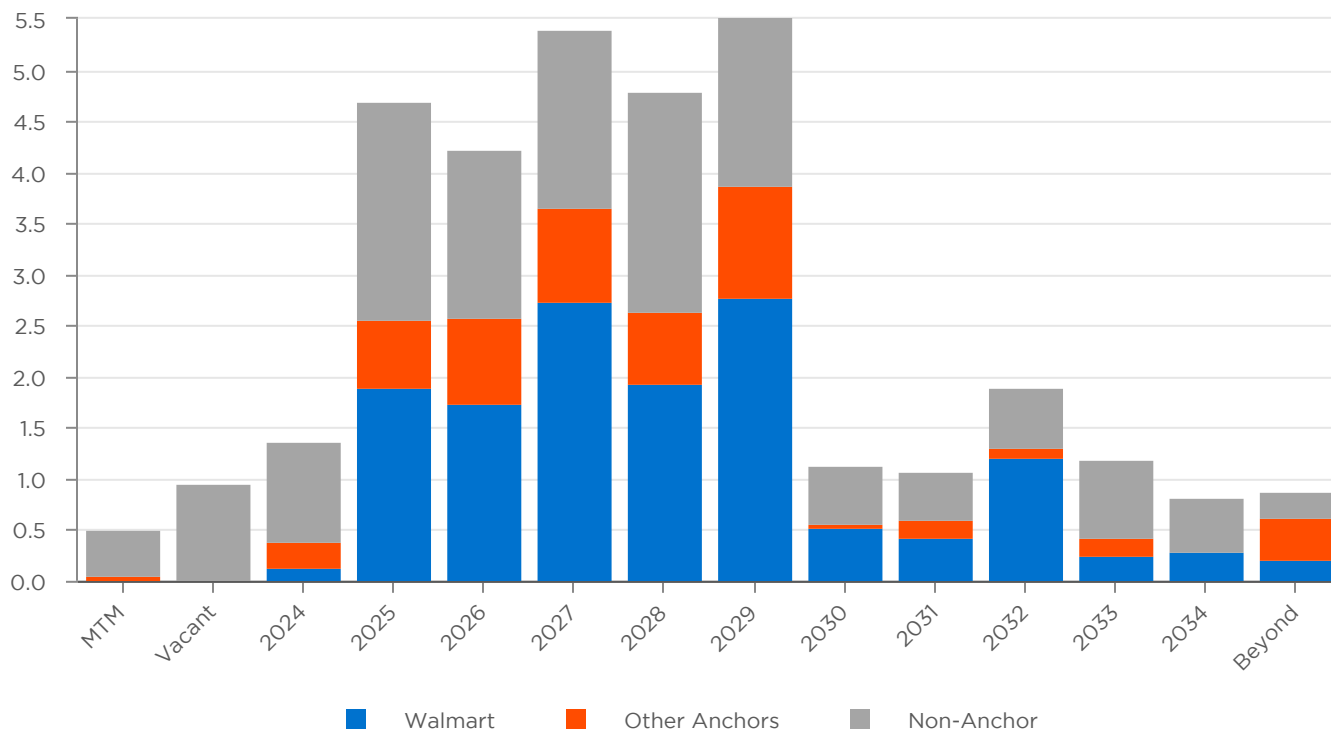
(1) The total average base rent per square foot excludes vacant space of 955,761 square feet.

The following table presents total retail, office and industrial lease expiries for the portfolio excluding Anchor tenants as at March 31, 2024:

Year of Expiry	Total Area (excluding Anchor tenants) (sq. ft.)	Percentage of Total Area (including Anchor tenants)	Percentage of Total Area (excluding Anchor tenants)	Annualized Base Rent	Average Base Rent psf ⁽¹⁾
Month-to-month and holdovers	461,853	1.3 %	3.0 %	\$11,950	\$25.87
2024	973,602	2.8 %	6.4 %	21,997	22.59
2025	2,140,031	6.1 %	14.0 %	45,277	21.16
2026	1,641,902	4.7 %	10.7 %	38,390	23.38
2027	1,747,231	5.0 %	11.4 %	41,175	23.57
2028	2,152,066	6.1 %	14.0 %	51,189	23.79
2029	1,815,410	5.2 %	11.8 %	40,905	22.53
2030	574,275	1.6 %	3.7 %	14,730	25.65
2031	465,620	1.3 %	3.0 %	11,519	24.74
2032	579,846	1.7 %	3.8 %	14,273	24.62
2033	761,273	2.2 %	5.0 %	19,361	25.43
2034	544,735	1.6 %	3.6 %	10,002	18.36
Beyond	259,003	0.7 %	1.7 %	4,900	18.92
Vacant	955,761	2.7 %	6.2 %	—	—
Total retail	15,072,608	43.0 %	98.3 %	\$325,668	\$23.07
Total office	258,934	0.7 %	1.7 %		
Total retail, office and industrial	15,331,542	43.7 %	100.0 %		

(1) The total average base rent per square foot excludes vacant space of 955,761 square feet.

Retail Lease Expiries (in millions of square feet)



Self-storage Rental Facilities

The following table provides information on the self-storage rental facilities completed as at March 31, 2024:

Self-storage location	Open date	Number of units ⁽¹⁾	Leasable area ⁽¹⁾	Total rental revenue YTD ⁽²⁾
Toronto (Dupont)	October 2019	720	46,800	\$265
Toronto (Leaside)	June 2020	1,000	100,000	335
Brampton (Bramport)	November 2020	1,050	101,300	290
Vaughan NW	January 2021	880	85,300	228
Oshawa South	August 2021	950	95,300	275
Scarborough East	November 2021	950	98,900	291
Aurora	December 2022	960	99,700	198
Brampton (Kingspoint Plaza)	March 2023	1,000	95,900	180
Whitby	March 2024	900	87,700	2
		8,410	810,900	\$2,064

(1) Figures are shown at 100% ownership.

(2) Total rental figures are for the three months ended March 31, 2024 and shown at the Trust's share.

As at March 31, 2024, the average occupancy rate for the self-storage rental facilities, which have been operating for more than one year, was over 90%.

Section VI – Asset Profile

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, 2024			December 31, 2023		
	GAAP Basis	Proportionate Share Reconciliation ⁽¹⁾	Total Proportionate Share ⁽²⁾	GAAP Basis	Proportionate Share Reconciliation ⁽¹⁾	Total Proportionate Share ⁽²⁾
Assets						
Non-current assets						
Investment properties	\$10,491,638	\$1,098,619	\$11,590,257	\$10,564,269	\$1,083,865	\$11,648,134
Equity accounted investments	723,863	(723,863)	—	756,919	(756,919)	—
Mortgages, loans and notes receivable	87,487	(56,493)	30,994	80,532	(54,145)	26,387
Other financial assets	152,536	—	152,536	152,162	—	152,162
Other assets	11,807	1,836	13,643	4,167	2,243	6,410
Intangible assets	42,143	—	42,143	42,476	—	42,476
	\$11,509,474	\$320,099	\$11,829,573	\$11,600,525	\$275,044	\$11,875,569
Current assets						
Residential development inventory	58,863	36,385	95,248	51,719	30,300	82,019
Current portion of mortgages, loans and notes receivable	134,209	—	134,209	129,777	—	129,777
Amounts receivable and other	87,103	429	87,532	73,610	1,862	75,472
Prepaid expenses, deposits and deferred financing costs	21,121	19,553	40,674	15,048	18,103	33,151
Cash and cash equivalents	39,412	58,918	98,330	34,743	50,850	85,593
	\$340,708	\$115,285	\$455,993	\$304,897	\$101,115	\$406,012
Total assets	\$11,850,182	\$435,384	\$12,285,566	\$11,905,422	\$376,159	\$12,281,581
Liabilities						
Non-current liabilities						
Debt	4,208,973	342,862	4,551,835	4,394,044	301,375	4,695,419
Other financial liabilities	14,037	—	14,037	17,314	—	17,314
Other payables	18,228	—	18,228	17,727	—	17,727
	\$4,241,238	\$342,862	\$4,584,100	\$4,429,085	\$301,375	\$4,730,460
Current liabilities						
Current portion of debt	834,233	(11,621)	822,612	605,478	(11,607)	593,871
Current portion of other financial liabilities	249,178	—	249,178	258,069	—	258,069
Accounts payable and current portion of other payables	266,165	104,143	370,308	253,486	86,391	339,877
	\$1,349,576	\$92,522	\$1,442,098	\$1,117,033	\$74,784	\$1,191,817
Total liabilities	\$5,590,814	\$435,384	\$6,026,198	\$5,546,118	\$376,159	\$5,922,277
Equity						
Trust Unit equity	5,188,165	—	5,188,165	5,272,334	—	5,272,334
Non-controlling interests	1,071,203	—	1,071,203	1,086,970	—	1,086,970
	\$6,259,368	\$—	\$6,259,368	\$6,359,304	\$—	\$6,359,304
Total liabilities and equity	\$11,850,182	\$435,384	\$12,285,566	\$11,905,422	\$376,159	\$12,281,581

(1) Represents the Trust's proportionate share of assets and liabilities in equity accounted investments.

(2) 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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

Investment Properties

The following table summarizes the changes in fair values of investment properties including the Trust's proportionate share of equity accounted investments:

(in thousands of dollars)	Three Months Ended March 31, 2024			Year Ended December 31, 2023		
	Income Properties	Properties Under Development	Total Investment Properties	Income Properties	Properties Under Development	Total Investment Properties
Investment properties						
Opening balance	\$8,743,808	\$1,820,461	\$10,564,269	\$8,575,713	\$1,753,499	\$10,329,212
Transfer from properties under development to income properties	35,316	(35,316)	—	64,318	(64,318)	—
Transfer from income properties to properties under development	(19,100)	19,100	—	(7,308)	7,308	—
Transfer from properties under development to equity accounted investments	—	—	—	—	(1,500)	(1,500)
Transfer to properties under development from equity accounted investments	—	—	—	—	47,440	47,440
Acquisitions, Earnouts, and related adjustments of investment properties	—	21,555	21,555	—	2,435	2,435
Straight-line rents and tenant incentives	362	—	362	7,213	—	7,213
Dispositions	—	(6,753)	(6,753)	—	(50,208)	(50,208)
Fair value adjustment	16,445	(135,313)	(118,868)	65,771	25,677	91,448
Capital expenditures and other	4,603	26,470	31,073	38,101	100,128	138,229
Ending balance	\$8,781,434	\$1,710,204	\$10,491,638	\$8,743,808	\$1,820,461	\$10,564,269
Opening balance	635,419	448,446	1,083,865	396,239	583,898	980,137
Transfer from properties under development to income properties	12,442	(12,442)	—	198,033	(198,033)	—
Transfer from properties under development to equity accounted investments	—	—	—	—	750	750
Transfer to properties under development from equity accounted investments	—	—	—	—	(23,720)	(23,720)
Acquisitions, Earnouts, and related adjustments of investment properties	—	7,530	7,530	—	7,174	7,174
Straight-line rents and tenant incentives	(120)	—	(120)	(388)	—	(388)
Dispositions	—	—	—	—	(13,624)	(13,624)
Fair value adjustment	(3,185)	—	(3,185)	41,004	4,892	45,896
Capital expenditures and other	156	10,373	10,529	531	87,109	87,640
Ending balance	\$644,712	\$453,907	\$1,098,619	\$635,419	\$448,446	\$1,083,865
Total balance (including investment properties classified as equity accounted investments) – end of period (Investment Properties – non-GAAP)⁽¹⁾	\$9,426,146	\$2,164,111	\$11,590,257	\$9,379,227	\$2,268,907	\$11,648,134

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

The gross leasable retail, office and industrial area consists of 35.1 million square feet. In addition, the Trust may acquire 1.7 million square feet of future potential gross leasable retail area and has the option to acquire an additional 50.0% interest in three investment properties and a 25.0% interest in another investment property (0.4 million square feet) on their completion pursuant to the terms of Mezzanine Financing. The portfolio is located across Canada, with assets in each of the ten provinces. By selecting well-located centres, the Trust seeks to attract high-quality tenants at market rental rates.

Valuation Methodology

Management internally appraises the entire portfolio of properties each quarter. In addition, the determination of which properties are externally appraised to support management's internal valuation process is based on a combination of factors, including property size, property type, tenant mix, strength and type of retail node, age of property and location. The Trust, on an annual basis, has had external appraisals performed on 15%-20% of the portfolio, rotating properties to ensure that at least 50% (by value) of the portfolio is valued externally over a three-year period. From April 1, 2021 to March 31, 2024, the Trust had approximately 66.3% (by value) or 63.3% (by number of properties) of its operating portfolio appraised externally by independent national real estate appraisal firms with representation and expertise across Canada.

The portfolio is valued internally by management utilizing valuation methodologies that are consistent with the external appraisals. Management performed these valuations by updating cash flow information reflecting current leases, renewal terms, ECL and market rents and applying updated discount rates determined, in part, through consultation with various external appraisers and available market data. In addition, the fair value of properties under development reflects the impact of development agreements.

Fair values were primarily determined through the discounted cash flows approach, which is an estimate of the present value of future cash flows over a specified horizon. For land, development and construction costs recorded at market value, fair values were marked to market, factoring in development risks such as planning, zoning, timing and market conditions.

Investment properties as recorded in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024, with a total carrying value of \$0.5 billion (December 31, 2023 - \$1.3 billion) were valued by external national appraisers, and investment properties with a total carrying value of \$10.0 billion (December 31, 2023 - \$9.3 billion) were internally valued by the Trust.

Based on these valuations, the weighted average discount rate on the Trust's income properties portfolio as at March 31, 2024 was 6.53% (December 31, 2023 - 6.51%) and the weighted average terminal capitalization rate as at March 31, 2024 was 6.00% (December 31, 2023 - 5.98%).

Management's reassessment of the valuation of certain investment properties based on the Trust's continued ability to lease and generate NOI in the foreseeable future, has resulted in a net fair value adjustment loss on investment properties of \$118.9 million (excluding investment properties recorded in equity accounted investments) for the three months ended March 31, 2024, which was primarily attributed to changes in market conditions for certain future development properties.

Dispositions of Investment Properties

Dispositions of investment properties during the three months ended March 31, 2024

(in thousands of dollars)					
Location	Date of Disposition	Type	Area	Ownership Interest	Disposition Proceeds
Bradford, Ontario	January	Land parcel	3.29 acres	100 %	\$6,786

Maintenance Capital Requirements

Differentiating those costs incurred to achieve the Trust's longer-term goals to produce increased cash flows and Unit distributions, from those costs incurred to maintain the level and quality of the Trust's existing cash flows is key in the Trust's consideration of capital expenditures. Acquisitions of investment properties and the development of new and existing investment properties are the two main areas of capital expenditures that are associated with increasing or enhancing the productive capacity of the Trust (revenue enhancing capital expenditures). In addition, there are capital expenditures incurred on existing investment properties to maintain the productive capacity of the Trust ("sustaining capital expenditures").

The sustaining capital expenditures are those of a capital nature that are not considered to increase or enhance the productive capacity of the Trust, but rather maintain the productive capacity of the Trust. Leasing and related costs, which include tenant improvements, leasing commissions and related costs, vary with the timing of new leases, renewals, vacancies, tenant mix and market conditions. Leasing and related costs are generally lower for renewals of existing tenants when compared to new leases. Leasing and related costs also include internal expenses for leasing activities, primarily salaries, which are eligible to be added back to FFO based on the definition of FFO in the REALpac White Paper. The sustaining capital expenditures and leasing costs are based on actual costs incurred during the period and are adjusted for AFFO. FFO and AFFO are non-GAAP measures (see "Presentation of Certain Terms Including Non-GAAP Measures", "Non-GAAP Measures" and "Other Measures of Performance" in this MD&A).

The following table and discussion present an analysis of capital expenditures of a maintenance nature (actual sustaining recoverable and non-recoverable capital expenditures and leasing costs). Earnouts, acquisitions and developments are discussed elsewhere in this MD&A. Given that a significant proportion of the Trust's portfolio is relatively new, management does not believe that sustaining capital expenditures will have an impact on the Trust's ability to pay distributions at their current level.

(in thousands of dollars)	Three Months Ended March 31		
	2024	2023	Variance
Leasing commissions	\$346	\$382	\$(36)
Tenant improvements	(395)	2,730	(3,125)
Sustaining capital expenditures (recoverable and non-recoverable)	2,475	3,390	(915)
AFFO adjustment for sustaining capital expenditures, leasing commissions, and tenant improvements⁽¹⁾	\$2,426	\$6,502	\$(4,076)
Value enhancing capital expenditures ⁽¹⁾	2,602	—	2,602
Total capital expenditures, leasing commissions, and tenant improvements	\$5,028	\$6,502	\$(1,474)
Adjusted salaries and related costs attributed to leasing	\$2,407	\$2,080	\$327

(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 definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

For the three months ended March 31, 2024, the total capital expenditures, leasing commissions, and tenant improvements were \$5.0 million, as compared to \$6.5 million in the same period in 2023, representing a decrease of \$1.5 million. This decrease is primarily due to costs associated with lower tenant improvements, landlord's work, and building improvements. These capital expenditures were incurred to sustain rental revenue from income properties and may vary widely from period to period and from year to year.

Equity Accounted Investments

The following table summarizes key components relating to the Trust's equity accounted investments:

	Three Months Ended March 31, 2024			Year Ended December 31, 2023		
	Investment in Associates	Investment in Joint Ventures	Total	Investment in Associates	Investment in Joint Ventures	Total
Investment - beginning of period	\$466,089	\$290,830	\$756,919	\$458,772	\$222,227	\$680,999
Operating Activities:						
(Loss) earnings	(4,871)	841	(4,030)	15,545	59,625	75,170
Distributions - VMC Residences condo unit closings ⁽¹⁾	(37,886)	—	(37,886)	(653)	—	(653)
Distributions - operating activities	(1,487)	—	(1,487)	(3,505)	(2,666)	(6,171)
Financing Activities:						
Fair value adjustment on loan	708	—	708	2,875	—	2,875
Investing Activities:						
Cash contribution	1,421	9,706	11,127	11,062	46,643	57,705
Transfer from equity accounted investments to properties under development	—	—	—	—	(47,440)	(47,440)
Transfer from equity accounted investments to debt and other	—	—	—	—	11,267	11,267
Property contribution	—	—	—	—	1,500	1,500
Development distributions	(1,488)	—	(1,488)	(18,007)	(326)	(18,333)
Investment - end of period	\$422,486	\$301,377	\$723,863	\$466,089	\$290,830	\$756,919

(1) For the three months ended March 31, 2024, the distributions in the amount of \$37.9 million were satisfied by a non-cash settlement of the VMC Residences loan payable (for the year ended December 31, 2023 - the distributions in the amount of \$0.7 million were satisfied by a non-cash settlement of the VMC Residences loan payable) See also Note 9(b)(iv) in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

The following table summarizes the asset profile (at 100%) of the Trust's equity accounted investments, grouped by their business focus:

As at March 31, 2024	Income Properties	Properties Under Development	Residential Development Inventory	Other Assets	Total Assets
(in thousands of dollars)					
Rental					
Residential	\$540,639	\$125,244	\$—	\$11,742	\$677,625
Self-storage facilities	289,071	104,618	—	10,893	404,582
Retail	148,832	4,255	—	3,438	156,525
Office	190,719	—	—	19,964	210,683
Mixed-use	120,215	641,475	—	118,197 ⁽¹⁾	879,887
Condo and townhome residential development inventory	—	—	73,896	97,501 ⁽²⁾	171,397
	\$1,289,476	\$875,592	\$73,896	\$261,735	\$2,500,699

(1) Consists of loans receivable of \$111.1 million in connection with the 700 Applewood purchase (see also Note 9, "Debt", in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024), and cash and cash equivalents of \$2.7 million.

(2) Consists of cash and cash equivalents of \$96.4 million.

As at December 31, 2023	Income Properties	Properties Under Development	Residential Development Inventory	Other Assets	Total Assets
(in thousands of dollars)					
Rental					
Residential	\$540,775	\$122,551	\$—	\$7,459	\$670,785
Self-storage facilities	266,387	97,701	—	8,588	372,676
Retail	143,743	7,505	—	2,224	153,472
Office	190,448	—	—	20,188	210,636
Mixed-use	127,259	638,210	—	120,739 ⁽¹⁾	886,208
Condo and townhome residential development inventory	—	—	61,837	229,385 ⁽²⁾	291,222
	\$1,268,612	\$865,967	\$61,837	\$388,583	\$2,584,999

(1) Consists of loans receivable of \$112.5 million in connection with the 700 Applewood purchase (see also Note 9, "Debt", in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024), and cash and cash equivalents of \$3.7 million.

(2) Consists of notes receivable of \$135.5 million in connection with the Transit City closing, and cash and cash equivalents of \$62.8 million.

Summary of development credit facilities

Investment in associates

As at March 31, 2024, PCVP had credit facilities in the amount of \$560.0 million (December 31, 2023 - \$460.0 million), bearing annual interest rate of CORRA + 1.75% with maturity date of June 2027. As at March 31, 2024, deducting amount drawn on such development credit facilities of \$393.4 million (December 31, 2023 - \$391.4 million) and outstanding letters of credit of \$29.7 million (December 31, 2023 - \$29.7 million), the remaining unused development credit facilities were \$136.9 million (December 31, 2023 - \$38.9 million), of which the Trust's share was \$68.4 million (December 31, 2023 - \$19.4 million).

The development financing relating to PCVP comprises pre-development, construction and letters of credit facilities. With respect to the development credit facilities relating to PCVP, the obligations are joint and several to each of the PCVP limited partners; however, by virtue of an indemnity agreement between the PCVP limited partners, the obligations are effectively several. From time to time, the original facility amounts are reduced through repayments and through amended agreements with the financial institutions from which the facilities were obtained.

Investment in joint ventures

As at March 31, 2024, the Trust's joint ventures had credit facilities in the amount of \$169.5 million (December 31, 2023 - \$171.8 million), bearing annual interest rates from BA + 1.35% to 2.45% or CORRA + 1.75%, with maturity dates between May 2024 and August 2025. As at March 31, 2024, deducting amount drawn on such credit facilities of \$162.5 million (December 31, 2023 - \$155.1 million), and outstanding letters of credit of \$2.6 million (December 31, 2023 - \$2.6 million), the remaining unused development credit facilities were \$4.4 million (December 31, 2023 - \$14.1 million), of which the Trust's share was \$2.8 million (December 31, 2023 - \$8.2 million).

Development financing includes credit facilities relating to Laval C Apartments and Mascouche residential, comprising pre-development and construction facilities, and a construction facility relating to additional self-storage facilities. From time to time, the facilities amounts may be reduced through repayments and through amended agreements with the financial institutions from which the facilities were obtained.

Amounts Receivable and Other, Prepaid Expenses, Deposits and Deferred Financing Costs

The timely collection of amounts receivable is a critical component associated with the Trust's cash and treasury management functions. The following table presents the components of amounts receivable and other, deferred financing costs, and prepaid expenses and deposits:

(in thousands of dollars)	March 31, 2024	December 31, 2023	Variance
Amounts receivable and other			
Tenant receivables	\$26,909	\$26,794	\$115
Unbilled other tenant receivables	16,307	9,526	6,781
Receivables from related party - excluding equity accounted investments	14,688	12,923	1,765
Receivables from related party - equity accounted investments	18,328	15,052	3,276
Other non-tenant receivables	2,499	2,410	89
Other ⁽¹⁾	17,136	15,888	1,248
	\$95,867	\$82,593	\$13,274
Allowance for ECL	(8,764)	(8,983)	219
Amounts receivable and other, net of allowance for ECL	\$87,103	\$73,610	\$13,493
Prepaid expenses, deposits and deferred financing costs	21,121	15,048	6,073
	\$108,224	\$88,658	\$19,566

(1) The amount includes a related party amount of \$9.4 million (December 31, 2023 - \$8.7 million).

As at March 31, 2024, total amounts receivable and other, net of allowance for ECL, prepaid expenses, deposits and deferred financing costs increased by \$19.6 million as compared to December 31, 2023. This increase was primarily attributed to the following:

- \$6.8 million increase in unbilled other tenant receivables, primarily due to the timing of CAM and tax recovery billing from the prior year;
- \$6.1 million increase in prepaid expenses, deposits and deferred financing costs, mainly due to prepaid realty tax;
- \$5.1 million increase in non-tenant receivables due to outstanding balance with EAI projects and Penguin; and
- \$1.2 million increase in other amounts receivable, due to timing of collection.

Tenant receivables

Approximately 60% of the Trust's tenant base are businesses offering "essential" services and approximately 98% of the Trust's tenant billings for the three months ended March 31, 2024 have been collected. The Trust and its tenants are well positioned for continued strength in demand for retail space and, as the Trust identifies tenants for its vacant space, it also continues to work with its existing tenants on rent collections and payment solutions.

The table below represents a summary of total tenant receivables and ECL balances as at March 31, 2024 and December 31, 2023:

(in thousands of dollars)	March 31, 2024	December 31, 2023
Tenant receivables	\$26,909	\$26,794
Unbilled other tenant receivables	16,307	9,526
Total tenant receivables	\$43,216	\$36,320
Allowance for ECL	(8,764)	(8,983)
Total tenant receivables net of allowance for ECL	\$34,452	\$27,337

Mortgages, Loans and Notes Receivable

The following table summarizes mortgages, loans and notes receivable:

(in thousands of dollars)	March 31, 2024	December 31, 2023	Variance
Mortgages, loans and notes receivable			
Mortgages receivable (Mezzanine Financing) ⁽¹⁾	\$17,851	\$17,548	\$303
Loans receivable ⁽²⁾	200,921	189,837	11,084
Notes receivable ⁽¹⁾	2,924	2,924	—
	\$221,696	\$210,309	\$11,387

(1) The amount is due from Penguin.

(2) Includes \$76.0 million due from Penguin (December 31, 2023 - \$76.4 million), see "Loans Receivable" subsection in this MD&A.

Mortgages Receivable (Mezzanine Financing)

The following table presents the details of the mortgages receivable provided to Penguin:

Property	Amount Outstanding	Committed	Amount Guaranteed by Penguin	Maturity Date including Extension Period	Annualized Variable Interest Rate at Period End	Potential Area Upon Exercising Purchase Option (sq. ft.)
Pitt Meadows, BC ⁽²⁾⁽³⁾	\$17,850	\$68,153	\$17,850	August 2028	6.90 %	25,003
Toronto (StudioCentre), ON ⁽¹⁾⁽²⁾⁽³⁾	1	22,778	1	August 2028	6.90 %	227,831
Salmon Arm, BC ⁽¹⁾	—	13,398	—	August 2028	6.50 %	—
Aurora (South), ON ⁽³⁾	—	15,155	—	August 2028	6.75 %	57,741
Vaughan (7 & 427), ON ⁽³⁾	—	15,781	—	August 2028	6.75 %	76,000
	\$17,851	\$135,265	\$17,851		6.90 %	386,575

(1) The Trust owns a 50% interest in these properties, with the other 50% interest owned by Penguin. These loans are secured against Penguin's interest in the property.

(2) The weighted average interest rate on this mortgage is subject to an upper limit of 6.90%.

(3) The Trust has a purchase option from the borrower in these properties upon a certain level of development and leasing being achieved. As at March 31, 2024, it is management's expectation that the Trust will exercise these purchase options. The purchase option for Aurora (South), ON, Pitt Meadows, BC, and Vaughan (7 & 427), ON are each 50%. The purchase option for Toronto (StudioCentre), ON is 25%.

In February 2024, a committed mortgage receivable of \$15.5 million with respect to a property located at Caledon (Mayfield), ON was discharged. The outstanding balance at the time of discharge was \$nil.

The mortgage security includes a first or second charge on properties, assignments of rents and leases and general security agreements. In addition, the outstanding balance is guaranteed by Penguin. The loans are subject to individual loan guarantee agreements that provide additional guarantees for all interest and principal advanced on outstanding amounts. The amounts that are guaranteed decrease on achievement of certain specified value-enhancing events. Management considers all mortgages receivable to be fully collectible.

The following table illustrates the activity in mortgages receivable:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Balance - beginning of period	\$17,548	\$39,456
Interest accrued	303	672
Interest payments	—	(275)
Principal repayments	—	(212)
Balance - end of period	\$17,851	\$39,641

Loans Receivable

The following table summarizes loans receivable:

(in thousands of dollars)	March 31, 2024	December 31, 2023
Issued to		
Penguin	\$75,959	\$76,392
Equity accounted investments	112,984	108,815
Unrelated parties	11,978	4,630
	\$200,921	\$189,837

See also Note 5(b) in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024 for more details about loans receivable, including committed facilities, maturity dates and interest rates.

The following table illustrates the activity in loans receivable:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Balance - beginning of period	\$189,837	\$282,312
Loans issued	7,939	—
Principal advances	2,438	2,471
Interest accrued	2,177	2,032
Fair value adjustments ⁽¹⁾	791	836
Repayments	(2,261)	(11,698)
Balance - end of period	\$200,921	\$275,953

(1) \$0.8 million recorded during the three months ended March 31, 2024 (three months ended March 31, 2023 - \$0.8 million) in connection with the loan issued as part of the 700 Applewood purchase.

Notes Receivable

Notes receivable of \$2.9 million (December 31, 2023 - \$2.9 million) have been granted to Penguin (see also, "Related Party Transactions"). These secured demand notes bear interest at 9.00% per annum (December 31, 2023 - 9.00%).

Section VII – Financing and Capital Resources

Capital Resources and Liquidity

The following table presents the Trust's capital resources available:

(in thousands of dollars)	March 31, 2024	December 31, 2023	Variance
Cash and cash equivalents	\$39,412	\$34,743	\$4,669
Remaining operating facilities ⁽¹⁾	408,097	488,160	(80,063)
	\$447,509	\$522,903	\$(75,394)
Operating facility – accordion feature	250,000	250,000	—
	\$697,509	\$772,903	\$(75,394)

(1) Excludes the Trust's development facilities which have been arranged to fund project-specific development and related costs.

On the assumption that cash flow levels permit the Trust to obtain financing on reasonable terms, the Trust anticipates meeting all current and future obligations. Management expects to finance future acquisitions, committed Earnouts, developments, Mezzanine Financing commitments and maturing debt from: i) existing cash balances; ii) funds received from the closings of mixed-use development initiatives, including condo and townhome sales; iii) a mix of mortgage debt secured by investment properties, operating facilities and issuances of equity and unsecured debentures; iv) repayments of mortgages receivable; and v) the sale of non-core assets. The Trust's ability to meet these future obligations may be impacted by the liquidity risk associated with receiving repayments of its mortgages, loans, and notes receivable, amounts receivable and other, deposits, and cash equivalents on time and in full, and, infrequently, the realization of fair value on the disposition of the Trust's non-core assets. Cash flow generated from operating activities is the primary source of liquidity to pay Unit distributions and sustain capital expenditures and leasing costs. See also the "Distributions and AFFO Highlights" subsection in this MD&A.

As at March 31, 2024, the Trust's capital resources available decreased by \$75.4 million as compared to December 31, 2023. The decrease was mainly attributable to the additional amount drawn on the Trust's operating facilities.

The Trust manages its cash flow from operating activities by maintaining a conservative debt level. As at March 31, 2024, the Debt to Gross Book Value was 52.1% (December 31, 2023 – 51.9%).

Other than contractual maturity dates, the timing of payment of these obligations is management's best estimate based on assumptions with respect to the timing of leasing, construction completion, occupancy and Earnout dates at March 31, 2024.

The following table presents the estimated amount and timing of certain of the Trust's future obligations, including development obligations as at March 31, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured debt	\$786,775	\$143,928	\$432,595	\$109,452	\$6,878	\$22,548	\$71,374
Unsecured debt	3,990,158	118,307	939,775	593,667	850,000	600,000	888,409
Revolving operating facilities	179,850	80,000	99,850	—	—	—	—
Interest obligations ⁽¹⁾	459,338	111,206	109,269	83,648	67,496	44,440	43,279
Accounts payable	264,341	264,341	—	—	—	—	—
Other payable	37,290	1,594	11,088	10,928	1,840	1,840	10,000
	\$5,717,752	\$719,376	\$1,592,577	\$797,695	\$926,214	\$668,828	\$1,013,062
Mortgage receivable advances (repayments) ⁽²⁾	117,414	—	—	(11,184)	(723)	129,321	—
Development obligations (commitments)	55,773	55,773	—	—	—	—	—
Total	\$5,890,939	\$775,149	\$1,592,577	\$786,511	\$925,491	\$798,149	\$1,013,062

(1) Interest obligations represent expected interest payments on secured debt, unsecured debt, and revolving operating facilities under the assumption that the balances are repaid at maturity, and do not represent a separate contractual obligation.

(2) Mortgages receivable of \$17.9 million at March 31, 2024, and further forecasted commitments of \$117.4 million, mature over a period extending to 2028 if the Trust does not exercise its option to acquire the investment properties. Refer to Note 5, "Mortgages, loans and notes receivable", in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024, for timing of principal repayments.

The following table presents the estimated amount and timing of certain of the equity accounted investments' future obligations, including development obligations, as at March 31, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured and unsecured debt	\$765,322	\$54,008	\$130,125	\$7,452	\$445,405	\$4,980	\$123,352
Development obligations (commitments) ⁽¹⁾	85,062	46,906	29,120	7,361	1,675	—	—
Total	\$850,384	\$100,914	\$159,245	\$14,813	\$447,080	\$4,980	\$123,352

(1) The Trust is in the process of refining its estimates of development obligations for the years subsequent to 2023. This total does not include expected costs associated with the Trust's mixed-use development initiatives except for current amounts outstanding for active projects currently underway.

The following table presents the estimated amount and timing of certain of the Trust's proportionate share of equity accounted investments' future obligations, including development obligations, as at March 31, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured and unsecured debt	\$387,573	\$26,616	\$80,413	\$3,163	\$213,215	\$2,490	\$61,676
Development obligations (commitments) ⁽¹⁾	42,700	23,494	14,607	3,728	871	—	—
Total Trust's share	\$430,273	\$50,110	\$95,020	\$6,891	\$214,086	\$2,490	\$61,676

(1) The Trust is in the process of refining its estimates of development obligations for the years subsequent to 2023. This total does not include expected costs associated with the Trust's mixed-use development initiatives except for current amounts outstanding for active projects currently underway.

The following table presents the Trust's net working capital deficiency:

(in thousands of dollars)	March 31, 2024	December 31, 2023
Current assets	\$340,708	\$304,897
Less: Current liabilities	(1,349,576)	(1,117,033)
Working capital deficiency	\$(1,008,868)	\$(812,136)
Adjusted by:		
Current portion of debt	(834,233)	(605,478)
Current portion of other financial liabilities	(249,178)	(258,069)
Net working capital surplus	\$74,543	\$51,411

As at March 31, 2024, the Trust had a net working capital surplus of \$74.5 million (December 31, 2023 - \$51.4 million surplus). This surplus excludes mortgages, unsecured debentures and operating lines of credit of \$834.2 million (December 31, 2023 - \$605.5 million) that mature within 12 months of the balance sheet date. It also excludes the current portion of other financial liabilities amounting to \$249.2 million (December 31, 2023 - \$258.1 million), which relates to Units classified as liabilities, vested deferred units, and earned EIP units expected to vest within 12 months. Management intends to either repay or refinance the mortgages, unsecured debentures and operating lines of credit with cash and cash equivalents, newly issued secured or unsecured debt, equity or, in certain circumstances not expected to occur frequently, the disposition of certain assets. Regarding the current portion of other liabilities, management does not expect a significant portion of these liabilities to be settled within 12 months of the balance sheet date. Including such mortgages, unsecured debentures, operating lines of credit and other financial liabilities, the Trust has a working capital deficiency of \$1.0 billion as at March 31, 2024 (December 31, 2023 - \$812.1 million deficiency).

As at March 31, 2024, the Trust has unencumbered assets (a non-GAAP financial measure) with an approximate fair value totalling \$9.2 billion (December 31, 2023 - \$9.2 billion), which could generate gross financing proceeds on income properties of approximately \$5.9 billion (December 31, 2023 - \$5.9 billion) using a 65% loan-to-value ratio. It is anticipated that requirements for secured and unsecured debt, mortgage receivable advances and development obligations will be funded by additional term mortgages, net proceeds on the sale of certain assets, existing cash or operating lines, the issuances of unsecured debentures, and equity, as necessary.

Debt

The following table summarizes total debt including debt associated with equity accounted investments:

As at	March 31, 2024			December 31, 2023		
	Balance	Weighted Average Term of Debt (in years)	Weighted Average Interest Rate of Debt	Balance	Weighted Average Term of Debt (in years)	Weighted Average Interest Rate of Debt
(in thousands of dollars)						
Secured debt	\$785,865	2.4	3.82 %	\$807,602	2.6	3.98 %
Unsecured debt	3,966,426	3.4	4.01 %	3,891,294	3.7	3.96 %
Unsecured loan from equity accounted investments	111,065	N/A	— %	150,689	N/A	— %
Revolving operating facilities	179,850	2.7	6.65 %	149,937	0.4	6.67 %
Total debt before equity accounted investments	\$5,043,206	N/A	— %	\$4,999,522	N/A	— %
Less: Unsecured loan from equity accounted investments ⁽¹⁾	(56,332)	N/A	— %	(94,997)	N/A	— %
Subtotal	\$4,986,874	3.3	4.03 %	\$4,904,525	3.4	4.00 %
Share of secured debt (equity accounted investments)	190,894	7.2	5.22 %	189,088	7.5	5.22 %
Share of unsecured debt (equity accounted investments)	196,679	3.2	6.77 %	195,677	3.4	6.85 %
Share of debt classified as equity accounted investments	\$387,573	5.2	6.01 %	\$384,765	5.4	6.05 %
Total debt including equity accounted investments	\$5,374,447	3.4	4.17 %	\$5,289,290	3.6	4.15 %

(1) This represents the Trust's share of a loan from equity accounted investments.

Approximately 19% of the Trust's debt is at variable rates, with a significant portion of that being linked to development projects.

The following table summarizes the activities in debt, including debt recorded in equity accounted investments, for the three months ended March 31, 2024:

(in thousands of dollars)	Secured Debt	Unsecured Debt	Revolving Operating Facilities	Equity Accounted Investments	Loan from Equity Accounted Investments	Total
Balance - January 1, 2024	\$807,602	\$3,891,294	\$149,937	\$384,765	\$55,692	\$5,289,290
Borrowings	10,400	50,000	70,000	4,319	—	134,719
Scheduled amortization	(8,540)	—	—	(722)	—	(9,262)
Repayments	—	—	(41,500)	(690)	(1,750)	(43,940)
Amortization of acquisition fair value adjustments	(41)	—	—	(31)	791	719
Financing costs incurred, net of additions	111	342	—	(68)	—	385
Currency translation	—	1,123	1,413	—	—	2,536
Refinancing	(23,667)	23,667	—	—	—	—
Balance - March 31, 2024	\$785,865	\$3,966,426	\$179,850	\$387,573	\$54,733	\$5,374,447

Secured Debt

The Trust believes it will have continued access to secured debt due to its strong tenant base and high occupancy levels at mortgage loan levels ranging from 60% to 70% of loan-to-value.

The following table summarizes future principal payments as a percentage of total secured debt:

(in thousands of dollars)	Instalment Payments	Lump Sum Payments at Maturity	Total	% of total	Weighted Average Interest Rate of Maturing Debt
2024	\$25,232	\$118,696	\$143,928	18.3 %	3.63 %
2025	23,224	409,371	432,595	54.9 %	3.54 %
2026	12,572	96,880 ⁽¹⁾	109,452	13.9 %	3.98 %
2027	6,878	—	6,878	0.9 %	— %
2028	6,795	15,753	22,548	2.9 %	5.39 %
Thereafter	17,728	53,646	71,374	9.1 %	4.97 %
Total	\$92,429	\$694,346	\$786,775	100.0 %	3.77 %
Acquisition date fair value adjustment			227		
Unamortized financing costs			(1,137)		
			\$785,865		3.82 %

(1) Includes vendor take-back loan of \$10.0 million, which bears fixed interest rate of 5.00%. Refer to Note 3(b) in the Trust's unaudited interim condensed consolidated financial statements.

Unsecured Debt

The following table summarizes the components of unsecured debt:

(in thousands of dollars)	March 31, 2024	December 31, 2023
Unsecured debentures (a)	\$2,753,246	\$2,752,816
Credit facilities (b)	1,069,948	995,246
	\$3,823,194	\$3,748,062
TRS debt	143,232	143,232
Other unsecured debt from equity accounted investments (c)	111,065	150,689
	\$4,077,491	\$4,041,983

a) Unsecured debentures

As at March 31, 2024, unsecured debentures totalled \$2,753.2 million (December 31, 2023 - \$2,752.8 million). The unsecured debentures mature at various dates between 2024 and 2030, with interest rates ranging from 1.74% to 5.35%, and a weighted average interest rate of 3.35% as at March 31, 2024 (December 31, 2023 - 3.35%).

Credit rating of unsecured debentures

Dominion Bond Rating Services ("DBRS") provides credit ratings of debt securities for commercial issuers that indicate the risk associated with a borrower's capabilities to fulfill its obligations. An investment-grade rating must exceed "BB", with the highest rating being "AAA". In December 2023, DBRS kept the Trust's credit rating at BBB and maintained a stable trend.

b) Credit facilities

The following table summarizes the activity for unsecured credit facilities:

(in thousands of dollars) (Issued in)	Maturity Date	Annual Interest Rate	Facility Amount	March 31, 2024	December 31, 2023
Non-revolving:					
August 2018 ⁽¹⁾	January 31, 2025	2.98 %	\$80,000	\$80,000	\$80,000
December 2022 ⁽¹⁾	December 1, 2025	4.37 %	100,000	100,000	100,000
December 2022 ⁽¹⁾	December 1, 2025	4.88 %	100,000	100,000	100,000
December 2022 ⁽²⁾	December 20, 2025	SOFR + 1.70%	150,000	149,775	98,653
May 2019 ⁽¹⁾	June 24, 2026	3.15 %	170,000	170,000	170,000
March 2019 ⁽¹⁾	July 31, 2026	3.52 %	150,000	150,000	150,000
January 2022 ⁽³⁾	January 19, 2027	CORRA + 1.75%	300,000	300,000	300,000
Revolving:					
May 2020	May 11, 2024	BA + 1.45%	100,000	—	—
March 2024 ⁽⁴⁾	March 8, 2026	CORRA + 1.75%	40,000	23,667	—
				\$1,073,442	\$998,653
Less:					
Unamortized financing costs				(1,534)	(1,447)
Unamortized debt modification adjustments				(1,960)	(1,960)
				\$1,069,948	\$995,246

(1) The Trust entered into interest rate swap agreements to convert the variable interest rate into a weighted average fixed interest rate of 3.71% per annum. The weighted average term to maturity of the interest rate swaps is 2.21 years. Hedge accounting has not been applied to the interest rate swap agreements. See additional details in the table below.

(2) The Trust entered into cross currency swaps to exchange the U.S. dollar borrowings into Canadian dollar borrowings.

(3) The proceeds of this loan were mainly used for the acquisition of SmartVMC West in December 2021.

(4) On March 8, 2024, the Trust amended its \$40.0 million secured variable rate credit facility to an unsecured revolving facility and extended the maturity by two years to March 2026. As at March 31, 2024, the drawn amount was \$23.7 million (December 31, 2023 - \$nil). In connection with the unsecured revolving facility, as at March 31, 2024, the Trust had a \$23.3 million letter of credit facility.

The following table summarizes the fair value gain as at March 31, 2024 and December 31, 2023, relating to the mark to market adjustments associated with the interest rate swap agreements:

Facility Amount	Maturity Date	Fixed Interest Rate	Variable Interest Rate	March 31, 2024	December 31, 2023
\$80,000	January 31, 2025	2.98 %	BA + 1.20%	\$5,125	\$4,575
11,403	November 3, 2025	3.47 %	BA + 1.50%	455	444
100,000	December 1, 2025	4.37 %	BA + 1.20%	1,915	64
170,000	June 24, 2026	3.15 %	BA + 1.20%	14,679	11,692
150,000	July 31, 2026	3.52 %	BA + 1.20%	9,219	7,143
100,000	December 1, 2027	4.88 %	BA + 1.45%	1,848	424
				\$33,241	\$24,342

c) Other unsecured debt from equity accounted investments

Other unsecured debt net of fair value adjustments totalling \$111.1 million (December 31, 2023 - \$150.7 million) pertains to loans received from equity accounted investments in connection with contribution agreements relating to joint ventures. The loans are non-interest-bearing with repayment terms based on the distributions that are to be paid pursuant to the limited partnership agreements. The balances of the loans are expected to be paid at the end of their respective terms.

Revolving Operating Facilities

The following table summarizes components of the Trust's revolving operating facilities:

	Annual Interest Rate	Facility Amount	Amount Drawn	Outstanding Letters of Credit	Remaining Undrawn Facilities	
					March 31, 2024	December 31, 2023
Revolving facility maturing March 2028	BA + 1.45%	\$500,000	\$80,000	\$11,903	\$408,097	\$478,097
Revolving facility maturing December 2025 ⁽¹⁾	SOFR + 1.55%	100,000	99,850	—	—	10,063
				\$179,850	\$408,097	\$488,160

(1) The Trust has fully drawn the \$100.0 million US dollar dominated facility, which was translated to \$99.8 million as at March 31, 2024 (December 31, 2023 - drawn in US\$105.7 million which was translated to \$139.9 million).

In addition to the letters of credit outstanding on the Trust's revolving operating facilities (see above), as at March 31, 2024, the Trust also had \$33.9 million of letters of credit outstanding with other financial institutions (December 31, 2023 - \$33.9 million).

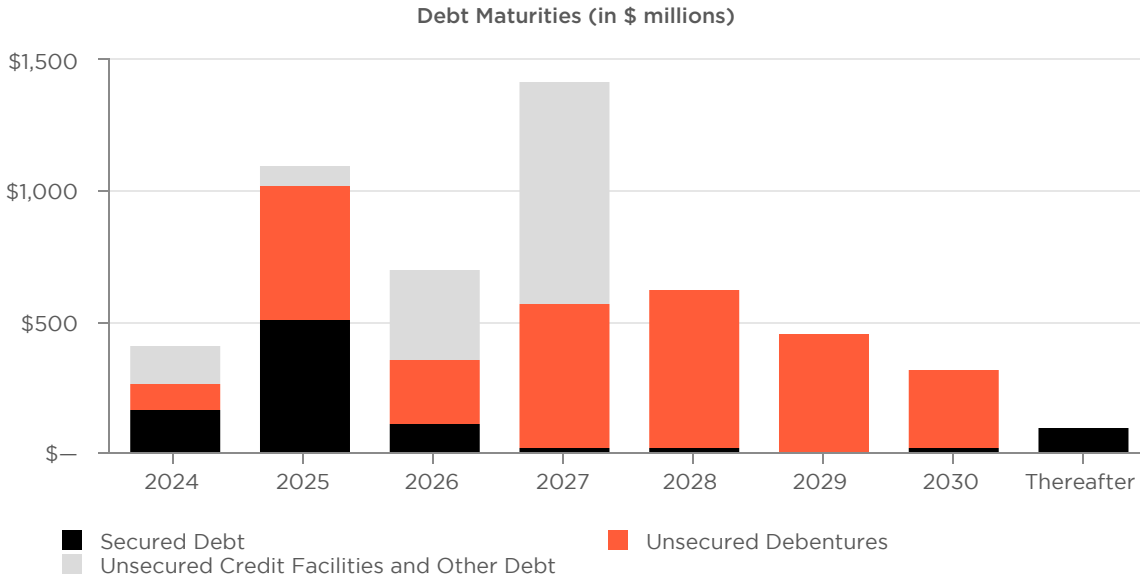
Unencumbered Assets

As at March 31, 2024, the Trust had \$9.2 billion of unencumbered assets (a non-GAAP financial measure) (December 31, 2023 - \$9.2 billion), which reflects the Trust's share of the value of investment properties. Expressed as a percentage, the Trust earned approximately 77.4% of its NOI from unencumbered assets (December 31, 2023 - 72.4%).

In connection with this pool of unencumbered assets, management estimates the total Annualized NOI for 2024 to be \$421.0 million (December 31, 2023 - \$406.2 million). Annualized NOI is computed by annualizing the current quarter NOI for the Trust's income properties that are not encumbered by secured debt, and is a forward-looking non-GAAP measure. See "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

Debt Maturities

The following graph illustrates the debt maturities⁽¹⁾⁽²⁾⁽³⁾ as at March 31, 2024:



(1) Includes the Trust's proportionate share of debt in equity accounted investments.
 (2) Excludes revolving operating facility of \$179.9 million, which matures between December 2025 and March 2028.
 (3) For facilities where the initial maturity date can be extended at the sole option of the Trust, the final maturity date is assumed.

Financial Covenants

The Trust's revolving operating facilities and unsecured debt contain numerous terms and covenants that limit the discretion of management with respect to certain business matters. These covenants could in certain circumstances place restrictions on, among other things, the ability of the Trust to create liens or other encumbrances, to pay distributions on its Units or make certain other payments, investments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity.

In addition, the Trust's revolving operating facilities and unsecured debt contain a number of financial covenants that require the Trust to meet certain financial ratios and financial condition tests. A failure to comply with the financial covenants in the revolving operating facilities and unsecured debt could result in a default, which, if not cured or waived, could result in a reduction, suspension or termination of distributions by the Trust and permit acceleration of the relevant indebtedness.

The following table presents ratios which the Trust monitors. These ratios are either requirements stipulated by the Declaration of Trust or significant financial covenants pursuant to the terms of revolving operating facilities and other credit facilities or indentures, or indicators monitored by the Trust to manage an acceptable level of leverage. These ratios are not considered measures in accordance with IFRS; nor is there an equivalent IFRS measure and may not be comparable to similarly titled measures presented by other publicly traded entities. See "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

As at and for the three months ended March 31, 2024, the Trust was in compliance with all financial covenants.

Ratio	Calculation	Threshold	March 31, 2024	December 31, 2023
Interest coverage ratio ⁽¹⁾	<i>Adjusted EBITDA / Adjusted interest expense including capitalized interest</i> ⁽⁶⁾	≥ 1.65X	2.6X	2.7X
Fixed charge coverage ratio ⁽³⁾	<i>Adjusted EBITDA / Debt service expense</i> ⁽⁷⁾	≥ 1.5X	2.1X	2.2X
Debt to aggregate assets ⁽³⁾⁽⁴⁾⁽⁵⁾	<i>Net debt / Aggregate assets</i> ⁽⁸⁾	≤ 65%	43.8 %	43.1 %
Debt to aggregate assets (excluding TRS debt and receivable) ⁽²⁾⁽⁵⁾	<i>Net debt (excluding TRS debt) / Aggregate assets (excluding TRS receivable)</i> ⁽⁸⁾	≤ 65%	43.0 %	42.4 %
Debt to Gross Book Value (excluding convertible debentures) ⁽¹⁾⁽⁴⁾⁽⁵⁾	<i>Net debt / Gross book value</i> ⁽⁹⁾	≤ 60%	52.1 %	51.9 %
Debt to Gross Book Value (including convertible debentures) ⁽¹⁾⁽⁴⁾⁽⁵⁾	<i>Net debt / Gross book value</i> ⁽¹⁰⁾	≤ 65%	52.1 %	51.9 %
Adjusted Debt to Adjusted EBITDA ⁽²⁾⁽⁵⁾	<i>Adjusted debt / Adjusted EBITDA</i> ⁽¹¹⁾	N/A	9.8X	9.6X
Secured debt to aggregate assets ⁽³⁾⁽⁵⁾	<i>Secured debt including EAI / Aggregate assets</i> ⁽¹²⁾	≤ 40%	8.0 %	8.2 %
Unsecured to secured debt ratio ⁽²⁾⁽⁵⁾	<i>Unsecured debt including EAI / Secured debt including EAI</i> ⁽¹³⁾	N/A	82%/18%	81%/19%
Unencumbered assets to unsecured debt ⁽³⁾⁽⁵⁾	<i>Unencumbered assets / Unsecured debt including EAI</i> ⁽¹⁴⁾	≥ 1.3X	2.1X	2.2X
Unitholders' equity (in thousands) ⁽¹⁾⁽³⁾		≥ \$2,000,000	\$6,259,368	\$6,359,304
Units classified as liabilities (in thousands)		N/A	\$183,461	\$196,571
Total Unitholders' equity including Units classified as liabilities (in thousands)		N/A	\$6,442,829	\$6,555,875

(1) This ratio is required by the Trust's indentures.

(2) This ratio is disclosed for informational purposes only.

(3) This ratio is a significant financial covenant pursuant to the terms of the Trust's revolving operating facilities and other credit facilities.

(4) This ratio is stipulated by the Declaration of Trust.

(5) As at March 31, 2024, cash-on-hand of \$33.3 million (December 31, 2023 – \$31.4 million) was excluded for the purposes of calculating the ratios.

(6) This ratio is calculated as: Adjusted EBITDA/Adjusted interest expense including capitalized interest. The calculation of Adjusted EBITDA and Adjusted interest expense including capitalized interest are referenced in the "Non-GAAP Measures" section in this MD&A.

(7) This ratio is calculated as: Adjusted EBITDA/Debt service expense. The calculation of Adjusted EBITDA is referenced in the "Non-GAAP Measures" section in this MD&A. Debt service expense is calculated as total interest expense as per the proportionate income statement, less distributions on vested deferred units and Units classified as liabilities and interest income from mortgages and loans receivable, plus capitalized interest and mortgage principal amortization payments.

(8) This ratio is calculated as: Net debt/Aggregate assets. Net debt is calculated as total debt including equity accounted investments as referenced in "Debt," less excess cash-on-hand. Aggregate assets is calculated as total assets as per the proportionate balance sheet, less excess cash-on-hand.

When calculating this ratio excluding TRS receivable and debt, Net debt as calculated above, further minus debt borrowed concurrent with entering the TRS agreement as referenced in "Debt". Aggregate assets as calculated above further minus TRS receivable.

(9) This ratio is calculated as: Net debt/Gross book value. Net debt is calculated as total debt including equity accounted investments as referenced in "Debt," less excess cash-on-hand. Gross book value is calculated as total assets as per the proportionate balance sheet, less excess cash-on-hand and fair value adjustment net of accumulated amortization.

(10) This ratio is calculated as: Net debt/Gross book value. Net debt is calculated as total debt including equity accounted investments as referenced in "Debt," less excess cash-on-hand. Gross book value is calculated as total assets as per the proportionate balance sheet, less excess cash-on-hand and fair value adjustment net of accumulated amortization.

(11) This ratio is calculated as: Adjusted Debt/Adjusted EBITDA. Adjusted debt is calculated as total debt including equity accounted investments as referenced in "Debt," less excess cash-on-hand and less loans receivable. The calculation of Adjusted EBITDA is referenced in the "Non-GAAP Measures" section in this MD&A.

(12) This ratio is calculated as: Secured debt including EAI/Aggregate assets. Secured debt is calculated as the Trust's secured debt plus secured debt on equity accounted investments as referenced in "Debt". Aggregate assets is calculated as total assets as per the proportionate balance sheet, less excess cash-on-hand.

(13) This ratio is calculated as: Unsecured debt including EAI/Secured debt including EAI. Unsecured debt is calculated as the Trust's unsecured debt plus unsecured debt on equity accounted investments as referenced in "Debt". Secured debt is calculated as the Trust's secured debt plus secured debt on equity accounted investments as referenced in "Debt".

(14) This ratio is calculated as: Unencumbered assets/Unsecured debt including EAI. Unencumbered assets is calculated as referenced in "Debt." Unsecured debt is calculated as the Trust's unsecured debt plus unsecured debt on equity accounted investments as referenced in "Debt". The calculation of Unencumbered Assets is referenced in the "Non-GAAP Measures" section in this MD&A.

Unitholders' Equity

The Unitholders' equity of the Trust is calculated based on the equity attributable to the holders of Trust Units and LP Units ("Exchangeable Securities") that are exchangeable into Trust Units on a one-for-one basis. The Exchangeable Securities consist of certain Class B Units of the Trust's subsidiary limited partnerships. Certain of the Trust's subsidiary limited partnerships also have Units classified as liabilities that are exchangeable on a one-for-one basis for the Trust's Units. The following table is a summary of the number of Units outstanding:

Type	Class	March 31, 2024	December 31, 2023	Variance
Trust Units	N/A	144,625,322	144,625,322	—
Smart Limited Partnership	Class B	16,424,430	16,424,430	—
Smart Limited Partnership II	Class B	756,525	756,525	—
Smart Limited Partnership III	Class B	4,117,096	4,117,096	—
Smart Limited Partnership IV	Class B	3,112,565	3,112,565	—
Smart Oshawa South Limited Partnership	Class B	710,416	710,416	—
Smart Oshawa Taunton Limited Partnership	Class B	374,223	374,223	—
Smart Boxgrove Limited Partnership	Class B	170,000	170,000	—
Total Units classified as equity		170,290,577	170,290,577	—
Smart Limited Partnership	Class D	311,022	311,022	—
Smart Limited Partnership	Class F	8,708	8,708	—
Smart Oshawa South Limited Partnership	Class D	260,417	260,417	—
ONR Limited Partnership	Class B	1,248,140	1,248,140	—
ONR Limited Partnership I	Class B	272,183	272,183	—
SmartVMC West Limited Partnership	Class D	5,797,101	5,797,101	—
Total Units classified as liabilities		7,897,571	7,897,571	—
Total Units		178,188,148	178,188,148	—

As of May 8, 2024, the Trust has 170,290,577 Units outstanding which are classified as equity, and 7,897,571 Units outstanding which are classified as liabilities. The following table is a summary of the activities having an impact on Unitholders' equity:

(in thousands of dollars)	Three Months Ended	Year Ended
	March 31, 2024	December 31, 2023
Unitholders' Equity - beginning of period	\$6,359,304	\$6,163,101
Issuance of LP Units classified as equity	—	1,471
Net income (loss) and comprehensive income (loss)	(21,175)	510,103
Distributions	(78,761)	(315,371)
Unitholders' Equity - end of period	\$6,259,368	\$6,359,304
LP Units classified as liabilities - beginning of period	196,571	211,497
Change in carrying value	(13,110)	(14,926)
LP Units classified as liabilities - end of period	\$183,461	\$196,571
Unitholders' Equity and LP Units classified as liabilities - end of period	\$6,442,829	\$6,555,875

Distributions

The Trust's Board of Trustees is responsible for approving distributions. See also details in the "Determination of Distributions" subsection in this MD&A.

For the three months ended March 31, 2024, the Trust paid \$82.4 million in cash distributions (for the three months ended March 31, 2023 - \$82.4 million in cash distributions). The following table summarizes declared distributions:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Distributions declared on:		
Trust Units	\$66,891	\$66,889
LP Units	11,870	11,865
Distributions on Units classified as equity	\$78,761	\$78,754
Distributions on LP Units classified as liabilities - excluding SmartVMC West	970	970
Distributions on LP Units classified as liabilities - SmartVMC West	2,681	2,681
Distributions on LP Units classified as liabilities	\$3,651	\$3,651
Total distributions declared	\$82,412	\$82,405

Section VIII – Related Party Transactions

Transactions with related parties are conducted in the normal course of operations.

Transactions and Agreements with Penguin

a) Penguin's Ownership Interest and Voting Right

Pursuant to the Declaration of Trust, provided certain ownership thresholds are met, the Trust is required to issue such number of additional Special Voting Units to Penguin that will entitle Penguin to cast 25.0% of the aggregate votes eligible to be cast at a meeting of the Unitholders and Special Voting Unitholders ("Voting Top-Up Right"). As at March 31, 2024, there were 9,729,886 additional Special Voting Units outstanding (December 31, 2023 - 9,729,886). These Special Voting Units are not entitled to any interest or share in the distributions or net assets of the Trust, nor are they convertible into any Trust securities. There is no value assigned to the Special Voting Units. A five-year extension of the Voting Top-Up Right was approved by Unitholders at the Trust's annual general and special meeting held on December 9, 2020. For further discussion, see the Trust's management information circular dated November 6, 2020, filed on SEDAR+.

As at March 31, 2024, Penguin owned 21.1% of the aggregate issued and outstanding Trust Units in addition to the Special Voting Units previously noted above. Penguin's ownership of Trust Units would increase to 24.9% if Penguin exercised all remaining options to purchase Units pursuant to existing development and exchange agreements (Earnouts). In addition, the Trust has entered into property management, leasing, development and exchange, and co-ownership agreements with Penguin. Pursuant to its rights under the Declaration of Trust, as at March 31, 2024, Penguin has appointed two of the eight trustees on the Board of Trustees.

b) Agreements with Penguin entered into on November 6, 2020

The Trust entered into various agreements with Penguin in November 2020 coincident with the extension of the term of the Voting Top-Up Right. For further discussion, see below and the Trust's management information circular dated November 6, 2020, filed on SEDAR+.

Supplement to Development Services Agreement between the Trust and its Affiliates and Penguin ("Development and Services Agreement")

The following represent the key elements of the Development and Services Agreement with Penguin which is effective from July 1, 2020 until December 31, 2025:

- i) Penguin shall be reimbursed for 50% of disposition fees otherwise payable pursuant to the Development and Services Agreement related to Penguin's interest in properties sold by the Trust,
- ii) for future SmartVMC commercial phases and certain properties currently owned by Penguin (for which the Trust has historically assisted with development and planning requirements), all development fees are payable to Penguin and all other fees (management, leasing, etc.) are payable to the Trust,
- iii) when Penguin utilizes employees of the Trust to assist with its development projects, Penguin will pay for these services provided by employees of the Trust based on annual estimates of time billings related to these projects, charged at estimated total cost, including compensation,
- iv) for Penguin's 50% interest in a property in Toronto co-owned with Revera to develop a retirement home, Penguin will pay 50% of the development fees it earns to the Trust for the development services provided by the Trust, and
- v) the Trust will continue to manage and develop all other Penguin properties.

Support services are provided for a fee based on an allocation of the Trust's relevant costs of the support services to Penguin. Such relevant costs include: office administration, human resources, information technology, insurance, legal and marketing.

Penguin Services Agreement

The amended and restated services agreement entered into on November 5, 2020 (the "Penguin Services Agreement"), and effective from February 2018 reflects the additional services provided by Penguin since that time. Under the agreement, Penguin provides specified services to the Trust in connection with the development of its projects. In return for those services, Penguin is entitled to receive: i) a fixed quarterly fee of \$1.0 million (subject to inflation-related increments after 2018) and ii) an annual variable fee between \$1.5 million and \$3.5 million (also inflation-adjusted after 2018) that is based on the achievement of the Trust-level targets for "New Development Initiatives" and "New Projects" that the Trust uses to measure the performance of its executive officers and other annual targets (other than such Trust-level targets) of a similar nature that the Trust uses to measure the performance of its executive officers as determined by the Board of Trustees from time to time.

Omnibus Agreement between the Trust and Penguin

Effective December 9, 2020, pursuant to an Omnibus Agreement between the Trust and Penguin (the "Omnibus Agreement"), Penguin has the option to extend all Earnouts by two years from the previous expiry date, and the Trust has been given a right of first offer in connection with the sale of the economic and financial benefits and rights of any such development parcel during any extended period. In addition, this agreement provides for the payment of certain outstanding amounts between the parties.

Mezzanine Loan Amending Agreements between the Trust and its Affiliates and Penguin ("Mezzanine Loan Agreements")

Effective November 5, 2020, all loan maturity dates have been extended to August 31, 2028, with a new rate structure for the extension period of each mortgage receivable (see also Note 5, "Mortgages, loans and notes receivable" in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024). The Trust's purchase option periods have been extended and because these properties may now be subject to mixed-use development projects, the agreements provide that the parties establish a new framework for the purchase options for the Trust related to mixed-use development.

Non-Competition Agreement

A non-competition agreement with Penguin entered into in 2020 replaced and superseded the previous non-competition agreement extending the term by five years and broadening restricted competing initiatives to include various forms of mixed-use development.

Executive Employment Agreement

This agreement confirms Mr. Goldhar's position as Executive Chairman of the Trust for the period from February 14, 2018, to December 31, 2025, for which Mr. Goldhar receives a salary, bonus, customary benefits, and is eligible to participate in the Trust's DUP and the EIP (see below).

Equity Incentive Plan

In January 2021, the Trust granted 900,000 performance units to Mitchell Goldhar pursuant to the EIP adopted by Unitholders effective December 9, 2020, which are subject to the achievement of Unit price thresholds (ranging from \$26.00 to \$34.00). The performance period for this award granted under the EIP is from January 1, 2021 to December 31, 2027. The vesting period for these performance units will commence on the date that the applicable performance measure is achieved, and will end on the earlier of the third anniversary of the date that the applicable performance measure is achieved and the end of the performance period. Distributions on these performance units will accumulate from January 1, 2021. Provided the various performance measures are achieved, the performance units will be exchanged for Trust Units or paid out in cash (see also Note 19, "Related party transactions", in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024). Under the award granted to Mitchell Goldhar, the \$26.00 Unit price threshold was achieved on April 5, 2021, and the \$28.00 Unit price threshold was achieved on May 18, 2021, and under the awards granted to Mitchell Goldhar and other eligible associates in 2021, the \$30.00 Unit price threshold was achieved on September 22, 2021, and the \$32.00 Unit price threshold was achieved on April 5, 2022. The performance units for these Unit price thresholds will vest on April 5, 2024, May 18, 2024, September 22, 2024 and April 5, 2025, respectively.

The following table summarizes the change in the carrying value of the EIP award granted to Mitchell Goldhar:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Balance - beginning of period	\$17,917	\$13,380
Amortization costs capitalized to properties under development ⁽¹⁾	1,378	1,347
Fair value adjustment to financial instruments	(357)	281
Balance - end of period	\$18,938	\$15,008

(1) These amounts were capitalized to properties under development in connection with Mitchell Goldhar's role in leading and completing development activities.

c) Summary of transactions and balances with Penguin

The following table summarizes related party transactions and balances with Penguin and other related parties, including amounts relating to the Trust's share in equity accounted investments:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Related party transactions with Penguin		
Acquisitions and Earnouts:		
Earnouts	\$—	\$5,664
Revenues:		
Service and other revenues:		
Management fee and other services revenue pursuant to the Development Services Agreement	1,912	3,628
Support services	348	298
	\$2,260	\$3,926
Interest income from mortgages and loans receivable	708	1,323
Rents and operating cost recoveries included in rentals from income properties (includes rental income from Penguin Pick-Up of \$93 (three months ended March 31, 2023 - \$190))	619	771
	\$3,587	\$6,020
Expenses and other payments:		
Fees paid pursuant to the Penguin Services Agreement - capitalized to properties under development	1,706	1,341
EIP - capitalized to properties under development	1,378	1,347
Development fees and interest expense - capitalized to investment properties	74	41
Opportunity fees pursuant to the development management agreements - capitalized to properties under development ⁽¹⁾	15	15
Marketing and other costs - included in general and administrative expense and property operating costs	12	19
Disposition fees pursuant to the Development and Services Agreement - included in general and administrative expense	—	418
	\$3,185	\$3,181

(1) These amounts include prepaid land costs that will offset the purchase price of future Earnouts.

(in thousands of dollars)	March 31, 2024	December 31, 2023
Related party balances with Penguin disclosed elsewhere in the financial statements		
Receivables:		
Amounts receivable and other ⁽¹⁾	\$24,068	\$21,647
Mortgages receivable	17,851	17,548
Loans receivable	75,959	76,392
Notes receivable	2,924	2,924
Total receivables	\$120,802	\$118,511
Payables and other accruals:		
Accounts payable and accrued liabilities	1,729	3,723
Future land development obligations	18,186	18,075
Total payables and other accruals	\$19,915	\$21,798

(1) Excludes amounts receivable presented below as part of balances with equity accounted investments. This amount includes amounts receivable of \$14.7 million and other of \$9.4 million (December 31, 2023 - amounts receivable of \$12.9 million and other of \$8.7 million).

Transactions and Agreements with the Trust's equity accounted investments

a) Supplemental Development Fee Agreements

In accordance with the Supplemental Development Fee Agreements, the Trust invoiced PCVP (as defined below) and certain joint ventures a net amount related to associated development fees. See Note 4, "Equity accounted investments", in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

b) Loans receivable issued

A loan receivable was provided to PCVP pursuant to a loan agreement. "PCVP" is a partnership in which each of SmartCentres and a Penguin group company owns a 50% interest. Loans receivable were issued to certain joint ventures partnered with SmartStop pursuant to a master credit loan agreement. See Note 5(b) in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

c) Other unsecured debt

Other unsecured debt pertains to loans received from equity accounted investments in connection with either the 700 Applewood purchase or contribution agreements relating to joint ventures. See Note 9(b)(iv) in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024.

d) Summary of transactions and balances with the Trust's equity accounted investments

The following table summarizes related party transactions and balances with the Trust's equity accounted investments:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Related party transactions with the Trust's equity accounted investments		
Revenues:		
Supplemental Development Fee	\$1,738	\$5,449
Interest income from mortgages and loans receivable	1,955	2,637
Expenses and other payments:		
Rent and operating costs (included in general and administrative expense and property operating costs)	715	701

The following table summarizes the related party balances with the Trust's equity accounted investments:

(in thousands of dollars)	March 31, 2024	December 31, 2023
Related party balances disclosed elsewhere in the financial statements		
Amounts receivable ⁽¹⁾	\$18,328	\$15,052
Loans receivable ⁽²⁾	112,984	108,815
Other unsecured debt ⁽³⁾	111,065	150,689

(1) Amounts receivable includes Penguin's portion, which represents \$6.6 million (December 31, 2023 - \$5.1 million) relating to Penguin's 50% investment in the PCVP and Residences (One) LP.

(2) Loans receivable includes Penguin's portion, which represents \$26.1 million (December 31, 2023 - \$25.7 million) relating to Penguin's 50% investment in PCVP.

(3) Other unsecured debt does not consist of Penguin's portion as at March 31, 2024 (December 31, 2023 - nil).

Other related party transactions

The following table summarizes other related party transactions:

(in thousands of dollars)	Three Months Ended March 31	
	2024	2023
Legal fees incurred from a law firm in which a partner is a Trustee:		
Capitalized to investment properties	\$124	\$235
Included in general and administrative expense	211	472
	\$335	\$707

Section IX – Accounting Policies, Risk Management and Compliance

Material Accounting Estimates and Policies

In preparing the Trust's unaudited interim condensed consolidated financial statements and accompanying notes, it is necessary for management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses during the period. The significant items requiring estimates are discussed in the Trust's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024, and the Notes contained therein.

The Trust's MD&A for the year ended December 31, 2023 also contains a discussion of the significant accounting policies most affected by estimates and judgments used in the preparation of the audited consolidated financial statements for the year ended December 31, 2023. Management determined that as at March 31, 2024, there is no change to the assessment of significant accounting policies most affected by estimates and judgments described in the Trust's MD&A for the year ended December 31, 2023, except as noted below:

Amendments to IAS 1, Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1 to clarify the requirements for classifying liabilities as current or non-current. The amendments clarify the classification of liabilities as current or non-current based on rights that are in existence at the end of the reporting period and unaffected by the likelihood that an entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting period. The amendments also clarify the definition of "settlement" of a liability. In October 2022, revised amendments in respect of non-current liabilities with covenants were issued. Both amendments are effective on January 1, 2024 and should be applied retrospectively.

On January 1, 2024, the Trust adopted the amendments to IAS 1 described above. The application of these amendments has no impact on the measurement or recognition of any item in the Trust's unaudited interim condensed consolidated financial statements, but only on the presentation of certain financial statement line items as outline at the table below:

As at	January 1, 2023			December 31, 2023		
	Before reclassification	Classification	After reclassification	Before reclassification	Classification	After reclassification
Non-current liabilities						
Other financial liabilities	277,400	(254,559)	22,841	275,383	(258,069)	17,314
Current liabilities						
Current portion of other financial liabilities	—	254,559	254,559	—	258,069	258,069

Risks and Uncertainties

The ability of the Trust to meet its performance targets is dependent on its success in mitigating the various forms of risks that it has identified. For a comprehensive list of risks and uncertainties pertinent to the Trust, please see the risk factors disclosed in the AIF under the headings "Risk Factors" and the Trust's MD&A for the year ended December 31, 2023 under the heading "Risks and Uncertainties".

Income Taxes and the REIT Exception

In accordance with the Declaration of Trust, distributions to Unitholders are declared at the discretion of the Board of Trustees. The Trust endeavours to distribute to Unitholders, in cash or in Units, in each taxation year its taxable income to such an extent that the Trust will not be liable to income tax under Part I of the *Income Tax Act* (Canada) (the "Tax Act"). For specified investment flow-through trusts (each a "SIFT"), the Tax Act imposes a special taxation regime (the "SIFT Rules"). A SIFT includes a trust resident in Canada with publicly traded units that holds one or more "non-portfolio properties". "Non-portfolio properties" include certain investments in real properties situated in Canada and certain investments in corporations and trusts resident in Canada and in partnerships with specified connections in Canada. Under the SIFT Rules, a SIFT is subject to tax in respect of certain distributions that are attributable to the SIFT's "non-portfolio earnings" (as defined in the Tax Act), at a rate substantially equivalent to the combined federal and provincial corporate tax rate on certain types of income. The SIFT Rules are not applicable to a SIFT that meets certain specified criteria relating to the nature of its revenues and investments in order to qualify as a real estate investment trust for purposes of the Tax Act (the "REIT Exception"). The Trust qualifies for the REIT Exception as at March 31, 2024.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

The Trust's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting, as defined in Canadian Securities Administrators' National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings.

No changes were made to the Trust's internal controls over financial reporting during the three months ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

Inherent Limitations

Notwithstanding the foregoing, because of its inherent limitations a control system can provide only reasonable assurance that the objectives of the control system are met and may not prevent or detect misstatements. Management's estimates may be incorrect, or assumptions about future events may be incorrect, resulting in varying results. In addition, management has attempted to minimize the likelihood of fraud. However, any control system can be circumvented through collusion, unauthorized override of controls and processes, and other illegal acts.

Section X – Glossary of Terms

Term	Definition
Anchors or Anchor tenants	Anchors or Anchor tenants are defined as tenants within a retail or office property with gross leasable area greater than 30,000 square feet.
CAM	Defined as common area maintenance expenses.
ECL	Refers to expected credit losses.
Exchangeable Securities	Exchangeable Securities are securities issued by the limited partnership subsidiaries of the Trust that are convertible or exchangeable directly for Units without the payment of additional consideration, including Class B Smart Limited Partnership Units ("Class B Smart LP Units") and Units classified as liabilities. Such Exchangeable Securities are economically equivalent to Units as they are entitled to distributions equal to those on the Units and are exchangeable for Units on a one-for-one basis. The issue of a Class B Smart LP Unit and Units classified as liabilities is accompanied by a Special Voting Unit that entitles the holder to vote at meetings of Unitholders.
Net Asset Value ("NAV")	NAV represents the total assets less total liabilities of the Trust.
Penguin	Penguin refers to entities controlled by Mitchell Goldhar, a Trustee, Executive Chairman, Chief Executive Officer and significant Unitholder of the Trust.
Shadow Anchor	A Shadow Anchor is a store or business that satisfies the criteria for an Anchor tenant, but may be located at an adjoining property or on a portion.
Total Return Swap ("TRS")	A contractual agreement to exchange payments based on a specified notional amount and the underlying financial assets for a specific period. The Trust has a total return swap agreement with a Canadian financial institution to exchange returns based on a notional amount of up to 6.5 million Trust Units with a notional value of approximately \$156.0 million for a 48-month period, which, subject to certain conditions, may be unwound prior to its maturity, either in whole or in part.
Voting Top-Up Right	Mitchell Goldhar (either directly or indirectly through Penguin) is entitled to have a minimum of 25.0% of the votes eligible to be cast at any meeting of Unitholders provided certain ownership thresholds are met. Pursuant to the Voting Top-Up Right, the Trust may issue additional Special Voting Units of the Trust to Mitchell Goldhar and/or Penguin to increase his voting rights to 25.0% in advance of a meeting of Unitholders. The total number of Special Voting Units is adjusted for each meeting of the Unitholders based on changes in Mitchell Goldhar's, and Penguin's, ownership interest. At the Trust's annual meeting of Unitholders in December 2020, Unitholders approved an extension of the Voting Top-Up Right to December 31, 2025.