SMARTCENTRES®
REAL ESTATE INVESTMENT TRUST

MANAGEMENT'S DISCUSSION AND ANALYSIS AND UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024

CANADA'S SHOPPING CENTRE FOR OVER THIRTY YEARS

2024 THIRD QUARTER REPORT

CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 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 September 30, 2024 and for the three and nine months ended September 30, 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 and nine months ended September 30, 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 and nine months ended September 30, 2024.

This MD&A is dated November 13, 2024, which is the date of the press release announcing the Trust's results for the three and nine months ended September 30, 2024. Disclosure contained in this MD&A is current to that date, unless otherwise noted. Certain terms defined in this MD&A are defined in the Glossary of Terms.

Key Operational, Development and Financial Information

(in thousands of dollars, except per Unit and other non-financial data)	September 30, 2024	December 31, 2023	September 30, 2023
Portfolio Information (Number of properties)			
Retail properties	**155**	155	155
Office properties	**4**	4	4
Self-storage properties	**10**	8	8
Residential properties	**3**	3	2
Industrial properties	**1**	1	1
Properties under development	**22**	20	20
Total number of properties with an ownership interest	**195**	191	190
Leasing and Operational Information(1)			
Gross leasable retail, office and industrial area (in thousands of sq. ft.)	**35,282**	35,045	35,033
In-place and committed occupancy rate	**98.5 %**	98.5 %	98.5 %
Average lease term to maturity (in years)	**4.3**	4.3	4.3
In-place net retail rental rate excluding Anchors (per occupied sq. ft.)	**$23.13**	$22.59	$22.43
Financial Information			
Total assets(2)	**11,909,410**	11,905,422	12,013,103
Investment properties(2)(6)	**10,606,288**	10,564,269	10,518,429
Total unencumbered assets(3)	**9,366,921**	9,170,121	9,067,121
Debt(2)	**5,027,500**	4,999,522	5,052,722
Debt to Aggregate Assets(3)(4)(5)	**43.6 %**	43.1 %	43.0 %
Adjusted Debt to Adjusted EBITDA(3)(4)(5)	**9.8X**	9.6X	9.7X
Weighted average interest rate(3)(4)	**4.09 %**	4.15 %	4.13 %
Weighted average term of debt (in years)	**3.2**	3.6	3.7
Interest coverage ratio(3)(4)	**2.4X**	2.7X	2.8X

(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 September 30, 2024, cash-on-hand of $31.4 million was excluded for the purposes of calculating the applicable ratios (December 31, 2023 – $31.4 million, September 30, 2023 – $45.3 million).
(6) The balance as at September 30, 2023 includes a reclassification of straight-line rents receivable and tenant incentives to investment properties in an amount of $85.2 million.

(in thousands of dollars, except per Unit information)	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Financial Information				
Rentals from investment properties and other[1]	**243,326**	206,016	**688,616**	623,560
Net income and comprehensive income[1]	**42,479**	215,175	**150,220**	495,938
Cash flows provided by operating activities[1]	**105,380**	93,855	**252,090**	237,108
Net rental income and other[1]	**141,978**	130,402	**405,928**	385,110
NOI[2][3]	**148,785**	143,834	**423,922**	424,407
NOI from residential sales and other adjustments[2][3]	**5,998**	7,186	**8,429**	22,496
SPNOI[2][3]	**140,458**	133,892	**410,384**	400,878
Change in SPNOI[2][3]	**4.9 %**	1.9 %	**2.4 %**	3.2 %
Change in SPNOI excluding Anchors[2][3]	**8.2 %**	3.1 %	**4.0 %**	5.4 %
FFO[2][3][4][5]	**128,174**	98,405	**305,911**	294,072
FFO with adjustments[2][3][4]	**96,355**	96,969	**281,682**	285,229
AFFO[2][3][4][5]	**109,619**	85,788	**274,392**	262,237
AFFO with adjustments[2][3][4]	**77,800**	84,352	**250,163**	253,394
Distributions declared	**82,415**	82,411	**247,240**	247,226
Units outstanding[6]	**178,201,075**	178,188,148	**178,201,075**	178,188,148
Units outstanding - diluted [7]	**181,166,356**	180,108,234	**181,166,356**	180,108,234
Weighted average – basic	**178,189,287**	178,184,795	**178,188,602**	178,174,700
Weighted average – diluted[8]	**180,858,726**	180,069,508	**180,602,179**	180,002,762
Per Unit Information (Basic/Diluted)				
Net income and comprehensive income[1]	**$0.24/$0.23**	$1.21/$1.19	**$0.84/$0.83**	$2.78/$2.76
FFO[2][3][4][5]	**$0.72/$0.71**	$0.55/$0.55	**$1.72/$1.69**	$1.65/$1.64
FFO with adjustments[2][3][4]	**$0.54/$0.53**	$0.54/$0.54	**$1.58/$1.56**	$1.60/$1.59
AFFO[2][3][4][5]	**$0.61/$0.61**	$0.48/$0.48	**$1.54/$1.52**	$1.47/$1.46
AFFO with adjustments[2][3][4]	**$0.44/$0.43**	$0.47/$0.47	**$1.40/$1.39**	$1.42/$1.41
Distributions declared	**$0.463**	$0.463	**$1.388**	$1.388
Payout Ratio Information				
Payout Ratio to AFFO[2][3][4][5]	**75.2 %**	96.1 %	**90.1 %**	94.3 %
Payout Ratio to AFFO with adjustments[2][3][4]	**105.9 %**	97.7 %	**98.8 %**	97.6 %
Payout Ratio to cash flows provided by operating activities	**78.2 %**	87.8 %	**98.1 %**	104.3 %

(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) Total diluted 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, vested portion of the deferred issued pursuant to the deferred unit plan and vested EIPs granted pursuant to the equity incentive plan.
(8) The diluted weighted average includes the vested portion of the deferred issued pursuant to the deferred unit plan and vested EIPs granted pursuant to the equity incentive plan.

Highlights for the Quarter

Operational

- Same Properties NOI excluding Anchors[1] for the three months ended September 30, 2024 increased by 8.2% (4.9% including Anchors) compared to the same period in 2023. The increase was primarily driven by lease-up activities and lease renewals at higher rental rates.
- Leasing momentum remained strong, with 186,589 square feet of vacant space leased during the quarter, resulting in an in-place and committed occupancy rate of 98.5% as of September 30, 2024 (June 30, 2024 – 98.2%).
- Extended or finalized 88.1% of all leases set to mature in 2024, with a strong rent growth of 8.9% (excluding anchors).

Development

- Significant development pipeline is expected to provide long-term portfolio expansion and profitable growth from the approximately 57.9 million square feet (at the Trust's share) of zoned mixed-use development permissions, including 0.8 million square feet of sites currently under construction.
- The Millway, a 458-unit purpose-built rental, was completed in Q4 2023. Leasing activity is on track with 93% of the units leased and committed by quarter-end. Leased and reserved units are expected to exceed 95% by year-end from continuing strong leasing momentum.
- Construction of the self-storage facility in Stoney Creek is nearing completion with possession expected in Q4 2024. Three other self-storage facilities are under construction and on schedule to open in 2025.
- Construction of Phase I of the Vaughan NW townhomes is progressing well, with 47 units completed and closed in Q3 2024. As at September 30, 2024, approximately 83% of the 120 units in Phase I have been pre-sold.
- The Trust has completed the construction of the structure of the 402-unit residential apartment project at Ottawa's Laurentian Place shopping centre. Discussions are ongoing with the joint venture partner regarding next steps towards the project's completion.
- Siteworks and excavation are now complete at ArtWalk condo Phase I and construction is advancing, with approximately 93% of the 340 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 in approximately 18 months.

Financial

- Rentals from investment properties and other[2] for the three months ended September 30, 2024, totalled $243.3 million representing an increase of $37.3 million or 18.1% compared to the same period in 2023. The increase was primarily due to higher base rent from lease-up activities and increased residential closing revenue from townhome closings.

- Net rental income and other[2] increased by $11.6 million or 8.9% for the three months ended September 30, 2024 compared to the same period in 2023, primarily due to lease-up activities and increase in residential closing revenue from townhome closings.

- Net income and comprehensive income[1] decreased by $172.7 million for the three months ended September 30, 2024 compared to the same period in 2023. The decrease was mainly driven by a $93.7 million decrease in fair value adjustments on revaluation of properties due to updated valuation parameters and leasing activities in prior year period, and a $72.9 million decrease in fair value adjustment on financial instruments due to mark-to-market adjustments for interest rate swap agreements and fair value change in units classified as liabilities due to fluctuation in unit price.

- Net income and comprehensive income per Unit[2] was $0.23 for the three months ended September 30, 2024 (three months ended September 30, 2023 – $1.19). The decrease was mainly driven by a decrease in fair value adjustments on revaluation of properties due to updated valuation parameters and leasing activities in prior year period, and a decrease in fair value adjustment on financial instruments due to mark-to-market adjustments for interest rate swap agreements and fair value change in units classified as liabilities due to fluctuation in unit price.

- FFO per Unit[1] for the three months ended September 30, 2024, was $0.71 compared to $0.55 for the same period in 2023. This increase was primarily due to an increase in fair value adjustment on TRS resulting from fluctuations in the Trust's Unit price. FFO per Unit with adjustments[1] for the three months ended September 30, 2024, was $0.53 compared to $0.54 for the same period in 2023. The decrease was primarily attributed to higher interest rates and lower capitalization following the completion of development projects compared to the prior year period, partially offset by increased net rental income driven by lease-up activities for retail properties, self-storage facilities and apartment rentals.

- The Trust's fixed rate/variable rate debt ratio[1][3] was 85%/15% as at September 30, 2024 (December 31, 2023 – 82%/18%).

- As at September 30, 2024, this unencumbered portfolio of investment properties was valued at $9.4 billion (December 31, 2023 – $9.2 billion).

- In August 2024, the Trust issued $350.0 million principal amount of Series AA senior unsecured debentures by way of a private placement (the "Series AA Debentures"). The Series AA Debentures bear interest at a rate of 5.162% per annum, with a maturity date of August 1, 2030. The Trust used the proceeds from the Series AA Debentures primarily to repay the $100.0 million aggregate principal of Series O senior unsecured debentures in full upon their maturity, and the outstanding floating rate debt on its operating lines.

- In September 2024, the Trust entered into a secured non-revolving construction facility for the project on Laird Drive, Toronto, totaling $135.0 million. The non-revolving facility bears interest at Adjusted CORRA plus 1.45%, with a maturity date of September 27, 2027. As at September 30, 2024, no amount was drawn.

(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 $31.4 million as at September 30, 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"), Same Properties NOI excluding Anchors ("SPNOI excluding Anchors"), 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 and nine months ended September 30, 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**	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. 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.	Section VII — Financing and Capital Resources, "Debt", "Financial Covenants"
Adjusted Debt to Adjusted EBITDA	Adjusted Debt to Adjusted EBITDA is defined as Adjusted Debt divided by Adjusted EBITDA. 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.	Section VII — Financing and Capital Resources, "Financial Covenants"
Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization Expense ("Adjusted EBITDA")	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. 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.	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**	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. 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.	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**	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. AFFO per Unit and AFFO with adjustments per Unit, are defined as AFFO and AFFO with adjustments divided by weighted average number of Units. 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. 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.	Section IV — Business Operations and Performance, "Other Measures of Performance"
Aggregate Assets **and** **Gross Book Value**	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. 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.	Section VII — Financing and Capital Resources, "Financial Covenants"

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
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"
Debt to Aggregate Assets **and** **Debt to Aggregate Assets (excluding TRS debt and receivable)**	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). 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.	Section VII — Financing and Capital Resources, "Financial Covenants"
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"

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**	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. 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. 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. FFO per Unit and FFO with adjustments per Unit, are defined as FFO, and FFO with adjustments, divided by weighted average number of Units. 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.	Section IV — Business Operations and Performance, "Other Measures of Performance"
Interest Coverage Ratio	Interest Coverage Ratio is defined as Adjusted EBITDA divided by Adjusted Interest Expense including Capitalized Interest. 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.	Section VII — Financing and Capital Resources, "Financial Covenants"
Investment Properties – non-GAAP	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. The measure is intended to be used by investors to measure the amount of the Trust's entire portfolio.	Section VI — Asset Profile, "Investment Properties"
Net Operating Income ("NOI")	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". 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.	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
Payout Ratio to AFFO and **Payout Ratio to AFFO with adjustments**	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. 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.	Section IV — Business Operations and Performance, "Other Measures of Performance"
Proportionate Share Reconciliation and **Total Proportionate Share**	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. "Proportionate Share Reconciliation" represents the adjustment to account for the Trust's proportionate share of equity accounted investments. 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.	Section IV — Business Operations and Performance, "Results of Operations"
Recovery Ratio	The Recovery Ratio is defined as property operating cost recoveries divided by recoverable costs. 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.	Section IV — Business Operations and Performance, "Results of Operations"

MANAGEMENT'S DISCUSSION AND ANALYSIS

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Same Properties NOI ("SPNOI") and **SPNOI excluding Anchors**	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. Same Properties NOI is intended to be used by investors and management as profitability growth indicators on the Trust's existing investment property portfolio.	Section IV — Business Operations and Performance, "Results of Operations"
Transactional FFO	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. 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. 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.	Section IV — Business Operations and Performance, "Other Measures of Performance"
Unencumbered Assets	Unencumbered Assets is defined as the Trust's assets that are free and clear of any encumbrances. 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.	Section VII — Financing and Capital Resources, "Debt"
Unencumbered Assets to Unsecured Debt Ratio	Unencumbered Assets to Unsecured Debt Ratio is defined as the Trust's unencumbered assets divided by the Trust's unsecured debt. 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.	Section VII — Financing and Capital Resources, "Financial Covenants"
Unsecured to Secured Debt Ratio	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). 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.	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, 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 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 September 30, 2024, the Trust owned mixed-use portfolio featuring 195 strategically located properties in communities across the country. The Trust has approximately $11.9 billion in assets and owns 35.3 million square feet of income producing value-oriented retail and office properties at key intersections across Canada with a 98.5% 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 85.7 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.

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. 85% 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 — Environmental, Social and Governance ("ESG")

ESG at SmartCentres

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 expectations of employees, tenants, and investors.

The Trust embeds 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 incorporates ESG and sustainability considerations into its business by:

- Developing a future looking three-year ESG plans that align with the Trust's business plan;
- Embedding ESG specific targets into its annual corporate targets;
- Linking ESG achievements to the remuneration of executives and all associates;
- Engaging with investors to identify material ESG topics and corresponding framework alignments and reporting requirements;
- Investigating how new ESG initiatives, including geothermal, solar power, district energy, and green bond issuance, could support the business;
- Working with tenants to meet mutual climate and ESG-related goals by incorporating green lease provisions in its leases.

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

- Completed a materiality assessment to identify and prioritize ESG factors that have the potential to drive value in its business;
- Completed Scenario Analysis to identify climate change-related risk and opportunities;
- Commenced work to develop a Net Zero Strategy and supporting action plan;
- Completed embodied carbon studies on two archetype developments and communicated results to management team;
- Established a Diversity, Equity, Inclusion and Belonging Policy;
- Maintained 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;
- Commenced development of a portfolio-wide community and tenant engagement framework;
- Increased collaboration with tenants for utility data collection in tenant-controlled spaces;
- Improved data management processes through formalized controls and actioned review of ESG data collection processes; and
- Enhanced governance through improved enterprise resource planning ("ERP") systems and updated segregation of duties and authority levels.

ESG Report

In Q3 2024, the Trust issued its annual ESG report for 2023 ("2023 ESG Report"), which reflects the considerable progress, actions, and performance taken on ESG topics by the Trust, its subsidiaries and business units for the calendar year ended December 31, 2023, and relates to the Trust's fiscal year ending December 31, 2023 as presented in its 2023 Annual Report.

The 2023 ESG Report increased ESG disclosures and improved alignment with relevant industry-specific Sustainability Accounting Board Standards. In addition to disclosing the Trust's Scope 1 and Scope 2 emissions from landlord-controlled sources, the 2023 ESG Report included increased disclosures for Scope 3 emissions from tenant-controlled energy consumption. The 2023 ESG Report details the Trust's approach to measuring greenhouse gas emissions. The operational control approach for Greenhouse Gas ("GHG") reporting, as defined by the "Greenhouse Gas Protocol", was used for the Report. Operational control was determined by whether the organization had the authority to introduce and implement operating policies at the operation. The Trust's chose this approach as it reflective of market practices, consistent with peer approaches for calculating GHG emission estimates, and aligned with widely accepted energy management conventions.

GRESB

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 Q3 2024, the Trust submitted its third submission to the GRESB in advance of the June 30, 2024, filing deadline and is pleased to report that it has improved its score relative to its first submission in 2022 by 31 points. The Trust scored above the Benchmark Group Average for Leadership, Policies, Reporting, Risk Management, Risk Assessment, Tenants and Community, Stakeholder Engagement, and Building Certifications.

IFRS ISSB Alignment

In support of the IFRS International Sustainability Standards Board ("ISSB") S1 and S2, the Trust continues to action the recommendations identified by an external third-party assessment on the Trusts sustainability disclosures relative to expected regulated sustainability reporting requirements. In support of the IFRS S1 and S2 sustainability disclosures, the Trust has increased its understanding of acute physical climate risk exposure, formalized its GHG assessment and management plans, and increased disclosure of board competencies related to the oversight of sustainability and climate-related risk and opportunities. The Trust continues to formalize its internal controls and processes for ESG data collection and disclosure.

Environmental

In Q3 2024, the Trust completed Scenario Analysis to identify sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects over the short, medium, and long term. The Trust completed Scenario Analysis to inform its identification of climate-related risks for two future climate scenarios of a Climate Action Failure scenario and a Net Zero by 2050 scenario, for current operations and for expected development pipeline. Under the Climate Action Failure, global commitments to climate dissolve, temperatures increase to over 6˚C in Canada, and physical risks are highest. This scenario was guided by IPCC RCP6.0 and RCP8.5. Under the Net Zero by 2050 scenario, climate policies and investments increase significantly, advanced economies meet net zero by 2050, and temperatures do not increase above 2˚C. This scenario was guided by: IEA NZE, IPCC RCP 2.6. Both scenarios considered climate-related transition and physical climate risk impacts.

To complete the Scenario Analysis, the Trust engaged leading external consultants to provide expert guidance on appropriate climate-related scenarios as relevant to assessing its resilience to climate-related changes for the Trusts business. Following the Scenario Analysis workshop exercise that was completed in Q2 2024 with senior-level executives, a summary of the identified climate-related risks and opportunities and recommendations for a three-year risk mitigation strategy were communicated to Management and the ESG Sub Committee of the Board. The results from Scenario Analysis will be used to identify, assess, prioritize, and monitor climate-related risk and opportunities, and will be incorporated into the Trust's ESG future strategy, and inform the entity's overall risk management process.

Additionally, in Q3 2024, the Trust continued its work on preparing a strategy to address net zero considerations by working with an external consultant to identify material GHG emission sources, estimate a baseline of emissions and completing two archetype building, embodied carbon assessments to estimate GHG emissions associated with development activities.

Social

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. This quarter, the Trust partnered with the York Region School Board to provide school supplies to low-income communities, participated in the Princess Margaret Road Hockey to Conquer Cancer and supported Tree Canada's National Tree Day. To recognize and honour the National Day of Truth and Reconciliation and reflect on the legacy of the residential school system in Canada, the Trust donated to the Indigo Love of Reading Foundation and arranged for a pause of recognition. 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.

The Trust continues to support its wellness and support programs for associates. 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 has launched its Chartered Professional Accountant ("CPA") Ontario-approved program to offer a 15-month rotation for accounting professionals to receive their CPA designation.

Governance

Risk management practices are ingrained in the Trust's corporate culture, and the Trust works to maintain a high level of competency through ongoing staff training and routine assessment of areas ERP. The Trust 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.

To demonstrate the importance of oversight of ESG-related matters to the Trust, 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 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.

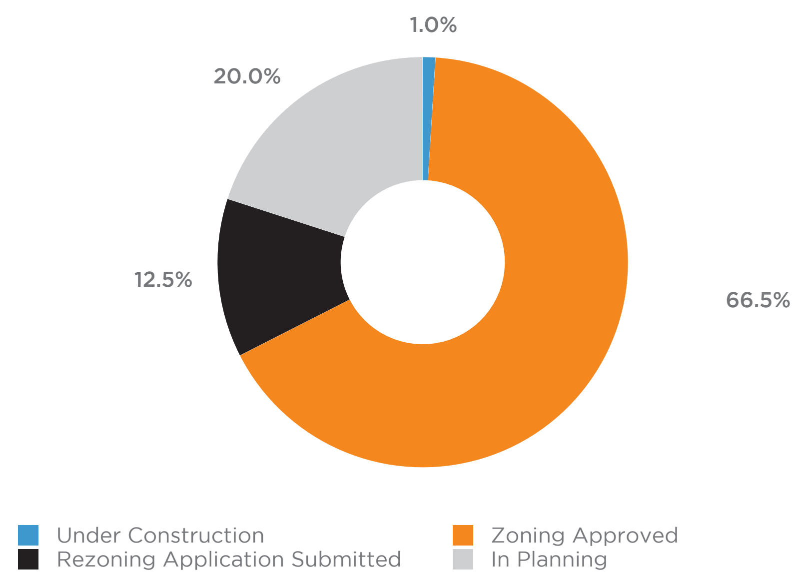
Section IV — Development Activities

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	1.7	0.8
Zoning Approved	66.4	57.1
Rezoning Application Submitted	12.5	10.7
In Planning	20.5	17.1
Total Square Feet	**101.1**	**85.7**

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) residential apartments 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 8 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	59 %	366,000	174
Stoney Creek Self-Storage	Self-Storage	50 %	Q4 2024	83 %	138,000	973
Toronto (Gilbert Ave.) Self-Storage	Self-Storage	50 %	Q1 2025	70 %	177,000	1,540
Dorval (St-Regis Blvd.) Self-Storage	Self-Storage	50 %	Q2 2025	56 %	164,000	1,165
Toronto (Jane St.) Self-Storage	Self-Storage	50 %	Q3 2025	68 %	143,000	1,404
Ottawa SW	Residential apartments	50 %	Q4 2026	29 %	376,000	402
Vaughan / ArtWalk	Condo	50 %	Q2 2027	35 %	295,000	340
Total Mixed-use Developments					**1,659,000**	**5,998**
Retail Development						
Toronto (Laird)	Retail	50 %	Q2 2026	31 %	224,000	—

	In millions of dollars
Total Capital Spend to Date at 100% [2]	**$413.1**
Estimated Cost to Complete at 100%	**550.1**
Total Expected Capital Spend by Completion at 100%[2]	**$963.2**
Total Capital Spend to Date at Trust's Share[2]	**$206.5**
Estimated Cost to Complete at Trust's Share	**275.1**
Total Expected Capital Spend by Completion at Trust's Share[2]	**$481.6**

(1) GFA represents Gross Floor Area.
(2) 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 98% 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 purpose-built rental, 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. The first phase condo, ArtWalk, is underway, with 93% of the 340-unit Tower A pre-sold. Siteworks and excavation are completed and construction 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. The Zoning By-law and Official Plan amendments were approved in June 2022. Pre-sales for this development have commenced.

Residential and Other Mixed-Use Development Initiatives

In addition to the Trust's 9 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. (1,070 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. (870 units)	2024	50 %
Markham Boxgrove SmartStop (ON)	Self-storage facility	133,000 sq. ft. (930 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 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 Q1 2025;

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. This first phase purpose-built rental reached stabilization, with 99% of the units leased and reserved by quarter-end;

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 previously submitted and a site plan application for the first four residential buildings totalling 1,742 units. Currently working with the City of Vaughan on advancement of Weston & Highway 7 Secondary Plan, as a path to achieving these permissions;

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 two phases, of which approximately 83% of the first phase comprising 120 townhomes have been pre-sold. Construction is well underway with phased closings commenced in March 2024 and anticipated to continue through to March 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. Master plan of development for the site is subject to municipal 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 Q4 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 in January 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 redevelopment of the Trust's property in downtown Markham, Ontario, with a rezoning application submitted in December 2020. An appeal was filed in July 2022 for the initial Official Plan Amendment & Zoning By-law Amendment submission. 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 in August 2023. A Site Plan Application is underway with an anticipated submission by Q4 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;

xviii. the Trust is progressing with the development approvals for approximately 215,000 square feet of residential space at the Bayview and Major Mackenzie shopping centre in Richmond Hill, Ontario. Work is underway on the development approvals application, which is anticipated to be submitted in Q1 2025.

Mixed-Use

xix. 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 were presented at City Council and subsequently approved in June 2024. A Site Plan Application is underway with an anticipated submission by Q4 2024;

xx. the Trust is planning the redevelopment of a portion of its 73-acre Cambridge, Ontario, retail property (includes 68 acres that are 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. The site plan approval process for an initial mid-rise apartment is underway with site plan application submitted in Q3 2024;

xxi. 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;

Office Buildings / Industrial

xxii. during the second quarter of 2022, the Trust completed the purchase of approximately 38 acres of industrial lands in Pickering, Ontario adjacent to Highway 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;

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

Self-storage

xxiv. all of the ten operating self-storage facilities (Toronto (Leaside), Vaughan NW, Brampton (Bramport), Oshawa South, Toronto (Dupont), Scarborough East, Aurora, Brampton (Kingspoint Plaza), Whitby, and Markham) 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; and

xxv. four self-storage facilities are currently under construction in 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 one site in Toronto and five sites outside of Ontario in New Westminster, Burnaby, Victoria, British Columbia, Montreal (Notre Dame St. W), and Laval E, Quebec.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 two phases. A phased sales program for the Vaughan NW Townhomes was launched in December 2021, with Phase I comprising 120 townhomes. As of September 30, 2024, approximately 83% of the Phase I townhomes have been pre-sold. Construction of Phase I is underway with 47 townhome closings completed in the quarter contributing $9.2 million to FFO (the Trust's share). Closing of the remaining townhomes in Phase I is anticipated to be completed by the end of Q1 2025.

The following table summarizes the status of the Vaughan NW townhome closing Phase I:

	Total
Total units in development - Phase I	120
Townhomes closed in Q1 2024	2
Townhomes closed in Q2 2024	25
Townhomes closed in Q3 2024	**47**
Total units closed	**74**
Total units remaining	**46**
% of townhomes closed	**61.7 %**

The following table summarizes the net profits from the Vaughan NW townhome closing:

(in thousands of dollars)	For the Three Months Ended September 30, 2024		For the Nine Months Ended September 30, 2024	
	Total	**Trust's Share**	**Total**	**Trust's Share**
Townhome sales revenue	$63,624	$31,812	$100,733	$50,367
Cost of sales	(48,288)	(24,144)	(76,268)	(38,134)
Net Profit from Co-Tenancy	**15,336**	**7,668**	**24,465**	**12,233**
Interest and other		(2,003)		(3,009)
Net profit	**$15,336**	**$5,665**	**$24,465**	**$9,224**

Properties Under Development

As at September 30, 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 $81.5 million as compared to December 31, 2023, as presented in the following table. The net decrease was mainly driven by a fair value adjustment loss of $155.1 million compared to a $30.6 million gain in the prior year period, primarily as a result of changes in market conditions for certain future development properties, and a decrease in development costs of $64.7 million during the nine months ended September 30, 2024, due to completion of projects, partially offset by $168.2 million transfers to income properties. See "Investment Properties" in this MD&A for further discussion.

(in thousands of dollars)	September 30, 2024	December 31, 2023	Variance
Developments	$1,656,667	$1,758,774	$(102,107)
Earnouts subject to option agreements[1]	60,387	61,687	(1,300)
Total	$1,717,054	$1,820,461	$(103,407)
Equity accounted investments	470,383	448,446	21,937
Total including equity accounted investments[2]	$2,187,437	$2,268,907	$(81,470)

(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, 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 and nine months ended September 30, 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's portfolio by an additional 2.0 million square feet. With respect to the future pipeline, commitments have been negotiated on 0.2 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 September 30, 2024:

(in thousands of square feet)	Committed	Years 0–2	Years 3–5	Beyond Year 5	Total[1]
Developments	202	255	880	120	**1,457**
Earnouts	24	20	96	—	**140**
	226	275	976	120	**1,597**
Mezzanine Financing	—	—	—	387	**387**
	226	275	976	507	**1,984**

(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 nine months ended September 30, 2024, the future retail properties under development pipeline decreased by 45,000 square feet to a total of 1.6 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	135
Less:	
Completion of Earnouts and Developments	(280)
Net change	(45)
Future retail properties under development pipeline – September 30, 2024	**1,597**

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	$59,545	$350,111	$55,160	$464,816	$148,270	$316,546
Earnouts	5,800	31,527	—	37,327	2,836	34,491
	$65,345	**$381,638**	**$55,160**	**$502,143**	**$151,106**	**$351,037**

Approximately 7.5% of the retail properties under development, representing a proportion of gross investment cost (committed and uncommitted) relating to Earnouts ($46.5 million, divided by total estimated costs of $624.0 million), representing 140,000 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 September 30, 2024, $13.7 million of Earnouts and Developments (including Developments relating to equity accounted investments, and of which $13.7 million at the Trust's share) were completed and transferred to income properties, as compared to $88.4 million ($59.6 million at the Trust's share) in the same period in 2023.

	Three Months Ended September 30, 2024		Three Months Ended September 30, 2023	
	Area (sq. ft.)	Investment ($ millions)	Area (sq. ft.)	Investment ($ millions)
Earnouts	2,232	$1.0	2,053	$0.5
Redevelopment – transfers from properties under development to income properties	27,528	12.7	115,074	30.3
Developments – equity accounted investments	—	—	164,974	57.6
Total Earnout and developments	29,760	$13.7	282,101	$88.4
Total Trust's share of Earnout and developments	29,760	$13.7	199,614	$59.6

For the nine months ended September 30, 2024, $131.0 million of Earnouts and developments (including developments recorded in equity accounted investments, and of which $106.5 million at the Trust's share) were completed and transferred to income properties, as compared to $160.9 million ($120.2 million at the Trust's share) in the same period in 2023.

	Nine Months Ended September 30, 2024		Nine Months Ended September 30, 2023	
	Area (sq. ft.)	Investment ($ millions)	Area (sq. ft.)	Investment ($ millions)
Earnouts[1]	2,232	$1.0	12,610	$5.8
Redevelopment – transfers from properties under development to income properties	277,565	80.9	310,079	73.7
Self-storage facilities – equity accounted investments	179,500	49.1	98,956	23.8
Developments – equity accounted investments	—	—	164,974	57.6
Total Earnout and developments	459,297	$131.0	586,619	$160.9
Total Trust's share of Earnout and developments	369,547	$106.5	454,654	$120.2

(1) The Earnouts for the nine months ended September 30, 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 September 30, 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	28,174	1.8 %	$807	$13,481 (2)	$4,881 (2)	$8,600	6.0 % (3)
2025 and beyond	173,796	10.9 %	5,537	99,201 (2)	22,083 (2)	77,118	5.6 % (3)
Total Committed Developments	**201,970**	**12.7 %**	**$6,344**	**$112,682**	**$26,964**	**$85,718**	**5.6 %**
Uncommitted Developments							
2024	3,703	0.2 %	104	1,798 (2)	397 (2)	1,401	5.8 % (3)
2025 and beyond	1,251,529	78.3 %	28,455	463,018 (2)	147,873 (2)	315,145	6.1 % (3)
Total Uncommitted Developments	**1,255,232**	**78.5 %**	**$28,559**	**$464,816**	**$148,270**	**$316,546**	**6.1 %**
Total Developments	**1,457,202**	**91.2 %**	**$34,903**	**$577,498**	**$175,234** (1)	**$402,264**	**6.0 %**
Earnouts							
Committed Earnouts							
2024	6,782	0.4 %	221	3,586	1,210	2,376	6.2 %
2025 and beyond	17,248	1.1 %	374	5,615	625	4,990	6.7 %
Total Committed Earnouts	**24,030**	**1.5 %**	**$595**	**$9,201**	**$1,835**	**$7,366**	**6.5 %**
Uncommitted Earnouts							
2024	9,181	0.6 %	147	2,209	429	1,780	6.7 %
2025 and beyond	106,418	6.7 %	2,464	35,118	2,407	32,711	7.0 %
Total Uncommitted Earnouts	**115,599**	**7.3 %**	**$2,611**	**$37,327**	**$2,836**	**$34,491**	**7.0 %**
Total Earnouts	**139,629**	**8.8 %**	**$3,206**	**$46,528**	**$4,671** (1)	**$41,857**	**6.9 %**
Total Before Non-cash Development Cost	**1,596,831**	**100.0 %**	**$38,109**	**$624,026**	**$179,905**	**$444,121**	**6.1 %**
Non-cash development cost (4)					78,768 (1)		
Land / Intensification projects					1,458,381 (1)		
Equity accounted investments					470,383 (1)		
Total	**1,596,831**	**100.0 %**	**$38,109**	**$624,026**	**$2,187,437** (1)	**$444,121**	**6.1 %**
Options through Mezzanine Financing	386,575						
Total Potential Pipeline	**1,983,406**						

(1) Under "Completed and Future Earnouts and Developments on Existing Properties" in this MD&A, Earnouts of $60.4 million, developments of $1,656.7 million and equity accounted investments of $470.4 million comprise the total amount of $2,187.4 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 5.2%, 5.3%, 5.2%, and 5.2%, respectively.

(4) Represents net liability currently recorded.

Section V — Business Operations and Performance

Results of Operations

Below is a summary of selected financial information concerning the Trust's operations for the three and nine months ended September 30, 2024. This information should be read in conjunction with the Trust's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2024.

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

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

Quarterly Comparison to Prior Year

(in thousands of dollars)	Three Months Ended September 30, 2024			Three Months Ended September 30, 2023			
	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share(1)	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share(1)	Variance of Total Proportionate Share(1)
Net rental income and other							
Rentals from investment properties and other	$211,737	$12,001	$223,738	$206,016	$9,580	$215,596	$8,142
Property operating costs and other	(75,763)	(5,188)	(80,951)	(74,551)	(4,397)	(78,948)	(2,003)
	$135,974	$6,813	$142,787	$131,465	$5,183	$136,648	$6,139
Residential sales revenue and other(2)	31,589	16	31,605	—	37,934	37,934	(6,329)
Residential cost of sales and other	(25,585)	(22)	(25,607)	(1,063)	(29,685)	(30,748)	5,141
	$6,004	$(6)	$5,998	$(1,063)	$8,249	$7,186	$(1,188)
NOI	$141,978	$6,807	$148,785	$130,402	$13,432	$143,834	$4,951
Other income and expenses							
General and administrative expense, net	(9,088)	—	(9,088)	(7,761)	(4)	(7,765)	(1,323)
Earnings from equity accounted investments	3,120	(3,120)	—	62,396	(62,396)	—	—
Fair value adjustment on revaluation of investment properties	(615)	2,460	1,845	42,734	52,798	95,532	(93,687)
Gain on sale of investment properties	22	—	22	—	—	—	22
Interest expense	(47,679)	(6,026)	(53,705)	(42,193)	(3,502)	(45,695)	(8,010)
Interest income	3,343	490	3,833	5,268	628	5,896	(2,063)
Supplemental costs	—	(611)	(611)	—	(956)	(956)	345
Fair value adjustment on financial instruments	(48,602)	—	(48,602)	24,329	—	24,329	(72,931)
Net income and comprehensive income	**$42,479**	**$—**	**$42,479**	$215,175	$—	$215,175	$(172,696)

(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".

(2) Includes additional partnership profit and other revenues.

For the three months ended September 30, 2024, net income and comprehensive income decreased by $172.7 million as compared to the same period in 2023. This decrease was primarily attributable to the following:

- $1.8 million fair value gain on investment properties for the period was lower by $93.7 million, primarily due to updated valuation parameters and leasing activities in prior year period;
- $48.6 million fair value loss on financial instruments for the period was higher by $72.9 million, primarily due to mark-to-market adjustments for interest rate swaps and fair value change in units classified as liabilities due to an increase in unit price; and
- $8.0 million increase in interest expense primarily due to higher interest rates and lower capitalization due to completion of development projects compared to the prior year period (see "Interest Income and Interest Expense" section in this MD&A for further discussion).

Year-to-Date Comparison to Prior Year

(in thousands of dollars)	Nine Months Ended September 30, 2024			Nine Months Ended September 30, 2023			
	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share(1)	GAAP Basis	Proportionate Share Reconciliation	Total Proportionate Share(1)	Variance of Total Proportionate Share(1)
Net rental income and other							
Rentals from investment properties and other	$638,755	$34,195	$672,950	$623,560	$26,105	$649,665	$23,285
Property operating costs and other	(241,384)	(16,073)	(257,457)	(235,074)	(12,680)	(247,754)	(9,703)
	$397,371	$18,122	$415,493	$388,486	$13,425	$401,911	$13,582
Residential sales revenue and other(2)	49,861	82	49,943	—	125,401	125,401	(75,458)
Residential cost of sales and other	(41,304)	(210)	(41,514)	(3,376)	(99,529)	(102,905)	61,391
	$8,557	$(128)	$8,429	$(3,376)	$25,872	$22,496	$(14,067)
NOI	$405,928	$17,994	$423,922	$385,110	$39,297	$424,407	$(485)
Other income and expenses							
General and administrative expense, net	(26,878)	—	(26,878)	(25,828)	(259)	(26,087)	(791)
Earnings from equity accounted investments	11,013	(11,013)	—	85,277	(85,277)	—	—
Fair value adjustment on investment properties	(92,303)	12,165	(80,138)	106,335	58,849	165,184	(245,322)
Loss on sale of investment properties	(120)	—	(120)	(23)	—	(23)	(97)
Interest expense	(137,754)	(18,432)	(156,186)	(121,855)	(9,631)	(131,486)	(24,700)
Interest income	11,085	1,821	12,906	15,268	1,495	16,763	(3,857)
Supplemental costs	—	(2,535)	(2,535)	—	(4,474)	(4,474)	1,939
Fair value adjustment on financial instruments	(20,751)	—	(20,751)	51,654	—	51,654	(72,405)
Net income and comprehensive income	$150,220	$—	$150,220	$495,938	$—	$495,938	$(345,718)

(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 nine months ended September 30, 2024, net income and comprehensive income decreased by $345.7 million as compared to the same period in 2023. This decrease was primarily attributed to the following:

- $80.1 million fair value loss on investment properties, compared to a gain of $165.2 million in prior year period, primarily as a result of changes in market conditions for certain future development properties, partially offset by improved leasing activities during the nine months ended September 30, 2024;
- $20.8 million fair value loss on financial instruments for the period was higher by $72.4 million, primarily due to mark-to-market adjustments for interest rate swaps and fair value change in units classified as liabilities due to an increase in unit price; and
- $24.7 million increase in interest expense primarily due to higher interest rates and lower capitalization due to completion of development projects compared to the prior year period (see "Interest Income and Interest Expense" section 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:

Quarterly Comparison to Prior Year

(in thousands of dollars)	Three Months Ended September 30, 2024			Three Months Ended September 30, 2023			
	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share(1)	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share(1)	Variance of Total Proportionate Share(1)
Net base rent	$137,074	$8,420	$145,494	$131,548	$6,571	$138,119	$7,375
Property tax and insurance recoveries	43,899	667	44,566	43,297	748	44,045	521
Property operating cost recoveries	22,181	1,188	23,369	22,902	1,332	24,234	(865)
Miscellaneous revenue	5,215	1,670	6,885	4,547	1,236	5,783	1,102
Rentals from investment properties	$208,369	$11,945	$220,314	$202,294	$9,887	$212,181	$8,133
Service and other revenues	3,424	—	3,424	3,415	—	3,415	9
Earnings from other	(56)	56	—	307	(307)	—	—
Rentals from investment properties and other(2)	$211,737	$12,001	$223,738	$206,016	$9,580	$215,596	$8,142
Recoverable tax and insurance costs	(44,956)	(785)	(45,741)	(44,247)	(781)	(45,028)	(713)
Recoverable CAM costs	(24,630)	(1,163)	(25,793)	(23,645)	(1,288)	(24,933)	(860)
Property management fees and costs	(1,397)	(438)	(1,835)	(1,405)	(345)	(1,750)	(85)
Non-recoverable operating costs	(1,507)	(2,859)	(4,366)	(1,419)	(1,895)	(3,314)	(1,052)
ECL	150	57	207	(419)	(88)	(507)	714
Property operating costs	$(72,340)	$(5,188)	$(77,528)	$(71,135)	$(4,397)	$(75,532)	$(1,996)
Other expenses	(3,423)	—	(3,423)	(3,416)	—	(3,416)	(7)
Property operating costs and other(2)	$(75,763)	$(5,188)	$(80,951)	$(74,551)	$(4,397)	$(78,948)	$(2,003)
Net rental income and other	$135,974	$6,813	$142,787	$131,465	$5,183	$136,648	$6,139
Residential sales closings revenue	31,589	16	31,605	—	37,934	37,934	(6,329)
Residential cost of sales and marketing costs	(25,585)	(22)	(25,607)	(1,063)	(29,685)	(30,748)	5,141
Net profit (loss) on residential sales	$6,004	$(6)	$5,998	$(1,063)	$8,249	$7,186	$(1,188)
NOI(3)	$141,978	$6,807	$148,785	$130,402	$13,432	$143,834	$4,951
Net rental income and other as a percentage of rentals from investment properties and other	64.2 %	56.8 %	63.8 %	63.8 %	54.1 %	63.4 %	0.4 %
Recovery Ratio	95.0 %	95.2 %	95.0 %	97.5 %	100.5 %	97.6 %	(2.6)%

(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 September 30, 2024, increased by $5.0 million or 3.4% as compared to the same period in 2023. This increase was primarily attributable to the following:

- $7.4 million increase in base rent, of which $4.2 million relates to retail properties, and $3.2 million relates to self-storage facilities and apartment rentals.

Partially offset by the following:

- $1.2 million due to condo closing in the prior year which is not recurred in 2024.

Year-to-Date Comparison to Prior Year

(in thousands of dollars)	Nine Months Ended September 30, 2024			Nine Months Ended September 30, 2023			
	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share[1]	Trust portion excluding EAI	Equity Accounted Investments	Total Proportionate Share[1]	Variance of Total Proportionate Share[1]
Net base rent	$407,347	$23,399	$430,746	$390,328	$17,415	$407,743	$23,003
Property tax and insurance recoveries	134,825	1,978	136,803	131,793	2,270	134,063	2,740
Property operating cost recoveries	74,651	3,552	78,203	76,013	3,635	79,648	(1,445)
Miscellaneous revenue	12,169	5,037	17,206	13,090	3,687	16,777	429
Rentals from investment properties	$628,992	$33,966	$662,958	$611,224	$27,007	$638,231	$24,727
Service and other revenues	9,992	—	9,992	11,434	—	11,434	(1,442)
Earnings (loss) from other	(229)	229	—	902	(902)	—	—
Rentals from investment properties and other[2]	$638,755	$34,195	$672,950	$623,560	$26,105	$649,665	$23,285
Recoverable tax and insurance costs	(138,351)	(2,306)	(140,657)	(134,814)	(2,364)	(137,178)	(3,479)
Recoverable CAM costs	(83,882)	(3,527)	(87,409)	(80,268)	(3,617)	(83,885)	(3,524)
Property management fees and costs	(4,324)	(1,254)	(5,578)	(3,459)	(962)	(4,421)	(1,157)
Non-recoverable operating costs	(4,935)	(8,935)	(13,870)	(4,777)	(5,486)	(10,263)	(3,607)
ECL	100	(51)	49	(321)	(255)	(576)	625
Property operating costs	$(231,392)	$(16,073)	$(247,465)	$(223,639)	$(12,684)	$(236,323)	$(11,142)
Other expenses	(9,992)	—	(9,992)	(11,435)	4	(11,431)	1,439
Property operating costs and other[2]	$(241,384)	$(16,073)	$(257,457)	$(235,074)	$(12,680)	$(247,754)	$(9,703)
Net rental income and other	$397,371	$18,122	$415,493	$388,486	$13,425	$401,911	$13,582
Residential sales closings revenue	49,861	82	49,943	—	125,401	125,401	(75,458)
Residential cost of sales and marketing costs	(41,304)	(210)	(41,514)	(3,376)	(99,529)	(102,905)	61,391
Net profit (loss) on residential sales	$8,557	$(128)	$8,429	$(3,376)	$25,872	$22,496	$(14,067)
NOI[3]	$405,928	$17,994	$423,922	$385,110	$39,297	$424,407	$(485)
Net rental income and other as a percentage of rentals from investment properties and other	62.2 %	53.0 %	61.7 %	62.3 %	51.4 %	61.9 %	(0.2)%
Recovery Ratio	94.3 %	94.8 %	94.3 %	96.6 %	98.7 %	96.7 %	(2.4)%

(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 nine months ended September 30, 2024 decreased by $0.5 million or 0.1% as compared to the same period in 2023. This decrease was primarily attributed to the following:

- $14.1 million due to condo closing in the prior year which is not recurred in 2024;
- $5.7 million decrease in net recoveries compared to the same period in prior year primarily due to timing of certain operating costs and incremental amortization costs related to capital expenditures in up keeping the high standard of the portfolio;
- $3.6 million higher non-recoverable expenses mainly from residential apartments which were not reflected in prior year period;

Partially offset by the following:

- $23.0 million increase in base rent, of which $12.8 million relates to retail properties, and $10.2 million relates to self-storage facilities and apartment rentals.

Same Properties NOI

	Three Months Ended		Nine Months Ended	
(in thousands of dollars)	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net rental income and other	$141,978	$130,402	$405,928	$385,110
NOI from equity accounted investments[1]	6,807	13,432	17,994	39,297
Total portfolio NOI before adjustments[1]	$148,785	$143,834	$423,922	$424,407
Adjustments:				
Lease termination	(476)	(230)	(1,068)	(691)
Net profit on condo and townhome closings	(5,998)	(7,186)	(8,429)	(22,496)
Non-recurring items and other adjustments[2]	1,431	646	4,024	2,723
Total portfolio NOI after adjustments[1]	$143,742	$137,064	$418,449	$403,943
NOI sourced from acquisitions, dispositions, Earnouts and developments	(3,284)	(3,172)	(8,065)	(3,065)
Same Properties NOI[1]	$140,458	$133,892	$410,384	$400,878

(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 and nine months ended September 30, 2024, increased by $6.6 million or 4.9% and $9.5 million or 2.4%, respectively, as compared to the respective periods in 2023, primarily due to lease-up activities.

The Same Properties NOI excluding Anchors for the three and nine months ended September 30, 2024, increased by 8.2% and 4.0% as compared to the respective periods in 2023.

Adjusted EBITDA

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

	Rolling 12 Months Ended		
(in thousands of dollars)	September 30, 2024	September 30, 2023	Variance
Net income and comprehensive income	$164,385	$596,309	$(431,924)
Add (deduct) the following items:			
Net interest expense	186,607	151,810	34,797
Amortization of equipment, intangible assets and tenant improvements	12,069	11,367	702
Fair value adjustments on investment properties and financial instruments	170,039	(236,093)	406,132
Adjustment for supplemental costs	3,770	5,212	(1,442)
Loss (gain) on sale of investment properties	53	(509)	562
Adjusted EBITDA[1]	$536,923	$528,096	$8,827

(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 and nine months ended September 30, 2024 and September 30, 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

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2024**	2023	Variance	**2024**	2023	Variance
Net income and comprehensive income	**$42,479**	$215,175	$(172,696)	**$150,220**	$495,938	$(345,718)
Add (deduct):						
Fair value adjustment on investment properties and financial instruments[(1)]	**49,217**	(67,063)	116,280	**113,054**	(157,989)	271,043
Gain (loss) on derivative – TRS	**25,815**	(5,482)	31,297	**15,672**	(13,519)	29,191
Gain (loss) on sale of investment properties	**(22)**	—	(22)	**120**	23	97
Amortization of intangible assets and tenant improvement allowance	**2,384**	2,085	299	**6,821**	6,730	91
Distributions on Units classified as liabilities and vested deferred units and EIP	**4,844**	2,172	2,672	**14,218**	6,321	7,897
Salaries and related costs attributed to leasing activities[(2)]	**2,562**	1,776	786	**7,270**	5,810	1,460
Adjustments relating to equity accounted investments[(3)]	**895**	(50,258)	51,153	**(1,464)**	(49,242)	47,778
FFO[(4)]	**$128,174**	$98,405	$29,769	**$305,911**	$294,072	$11,839
Add (deduct) non-recurring adjustments:						
Gain (loss) on derivative – TRS	**(25,815)**	5,482	(31,297)	**(15,672)**	13,519	(29,191)
FFO sourced from condo and townhome closings	**(6,004)**	(6,918)	914	**(8,557)**	(21,354)	12,797
Transactional FFO – loss on sale of land to co-owner	**—**	—	—	**—**	(1,008)	1,008
FFO with adjustments[(4)]	**$96,355**	$96,969	$(614)	**$281,682**	$285,229	$(3,547)

(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 and nine months ended September 30, 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 $7.3 million were incurred in the nine months ended September 30, 2024 (nine months ended September 30, 2023 – $5.8 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 September 30, 2024, FFO increased by $29.8 million or 30.3% to $128.2 million as compared to the same period in 2023. This increase was primarily attributable to a $31.3 million increase in fair value adjustment on TRS resulting from fluctuations in the Trust's Unit price.

For the nine months ended September 30, 2024, FFO increased by $11.8 million or 4.0% to $305.9 million as compared to the same period in 2023. This increase was primarily attributable to:

- $29.2 million increase in fair value adjustment on TRS resulting from fluctuations in the Trust's Unit price; and

Partially offset by:

- $20.1 million increase in net interest expense due to higher interest rates and lower capitalization due to completion of development projects compared to the prior year period.

For the three and nine months ended September 30, 2024, FFO with adjustments decreased by $0.6 million to $96.4 million and by $3.5 million to $281.7 million, respectively, as compared to the respective periods in 2023. The decrease was primarily due to higher interest rates and lower capitalization due to completion of development projects compared to the prior year periods, partially offset by an increase in net rental income due to lease-up activities for retail properties, self-storage facilities and apartment rentals.

Reconciliation of AFFO

(in thousands of dollars)	Three Months Ended September 30			Nine Months Ended September 30		
	2024	2023	Variance	**2024**	2023	Variance
FFO[1]	**$128,174**	$98,405	$29,769	**$305,911**	$294,072	$11,839
Add (Deduct):						
Straight-line rents	**(1,154)**	(410)	(744)	**(2,854)**	(211)	(2,643)
Adjusted salaries and related costs attributed to leasing	**(2,562)**	(1,776)	(786)	**(7,270)**	(5,810)	(1,460)
Capital expenditures, leasing commissions, and tenant improvements[2][3]	**(14,839)**	(10,431)	(4,408)	**(21,395)**	(25,814)	4,419
AFFO[1]	**$109,619**	$85,788	$23,831	**$274,392**	$262,237	$12,155
Add (deduct) non-recurring adjustments:						
Gain (loss) on derivative – TRS	**(25,815)**	5,482	(31,297)	**(15,672)**	13,519	(29,191)
FFO sourced from condo and townhome closings	**(6,004)**	(6,918)	914	**(8,557)**	(21,354)	12,797
Transactional FFO – loss on sale of land to co-owner	**—**	—	—	**—**	(1,008)	1,008
AFFO with adjustments[1]	**$77,800**	$84,352	$(6,552)	**$250,163**	$253,394	$(3,231)

(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 September 30, 2024 includes capital expenditures, leasing commissions, and tenant improvements related to equity accounted investments of $0.4 million.

For the three and nine months ended September 30, 2024, AFFO increased by $23.8 million to $109.6 million and $12.2 million to $274.4 million, respectively, as compared to the respective periods in 2023. The increase was primarily due to the increase in FFO, with the three month ended September 30, 2024 being partially offset by higher capital expenditures, leasing commissions and tenant improvements costs.

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

	Three Months Ended September 30			Nine Months Ended September 30		
	2024	2023	Variance	**2024**	2023	Variance
Per Unit – basic/diluted[1]:						
FFO[2]	**$0.72/$0.71**	$0.55/$0.55	$0.17/$0.16	**$1.72/$1.69**	$1.65/$1.64	$0.07/$0.05
FFO with adjustments[2]	**$0.54/$0.53**	$0.54/$0.54	($0.00)/($0.01)	**$1.58/$1.56**	$1.60/$1.59	($0.02)/($0.03)
AFFO[2]	**$0.61/$0.61**	$0.48/$0.48	$0.13/$0.13	**$1.54/$1.52**	$1.47/$1.46	$0.07/$0.06
AFFO with adjustments[2]	**$0.44/$0.43**	$0.47/$0.47	($0.03)/($0.04)	**$1.40/$1.39**	$1.42/$1.41	($0.02)/($0.02)
Payout Ratio to AFFO[2]	**75.2 %**	96.1 %	(20.9)%	**90.1 %**	94.3 %	(4.2)%
Payout Ratio to AFFO with adjustments[2]	**105.9 %**	97.7 %	8.2 %	**98.8 %**	97.6 %	1.2 %

(1) Diluted FFO and AFFO is adjusted for the dilutive effect of vested deferred and EIP 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 September 30, 2024, 2,669,439 vested deferred and EIP units are added back to the weighted average Units outstanding (three months ended September 30, 2023 – 1,884,713 vested deferred units). To calculate diluted FFO and AFFO for the nine months ended September 30, 2024, 2,413,577 vested deferred and EIP units are added back to the weighted average Units outstanding (nine months ended September 30, 2023 – 1,828,062 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 and nine months ended September 30, 2024 and 2023, vested EIP and 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 September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Trust Units	**144,687,634**	144,625,322	**144,649,469**	144,625,322
Class B LP Units	**16,424,430**	16,424,430	**16,424,430**	16,424,430
Class D LP Units	**311,022**	311,022	**311,022**	311,022
Class F LP Units	**8,708**	8,708	**8,708**	8,708
Class B LP II Units	**756,525**	756,525	**756,525**	756,525
Class B LP III Units	**4,117,632**	4,113,743	**4,117,276**	4,103,648
Class B LP IV Units	**3,112,565**	3,112,565	**3,112,565**	3,112,565
Class B Oshawa South LP Units	**710,416**	710,416	**710,416**	710,416
Class D Oshawa South LP Units	**260,417**	260,417	**260,417**	260,417
Class B Oshawa Taunton LP Units	**374,223**	374,223	**374,223**	374,223
Class D Series 1 VMC West LP Units	**3,623,188**	3,623,188	**3,623,188**	3,623,188
Class D Series 2 VMC West LP Units	**2,173,913**	2,173,913	**2,173,913**	2,173,913
Class B Boxgrove LP Units	**170,000**	170,000	**170,000**	170,000
Class B Series ONR LP Units	**1,186,431**	1,248,140	**1,224,267**	1,248,140
Class B Series 1 ONR LP I Units	**132,881**	132,881	**132,881**	132,881
Class B Series 2 ONR LP I Units	**139,302**	139,302	**139,302**	139,302
Total Exchangeable LP Units	**33,501,653**	33,559,473	**33,539,133**	33,549,378
Total Units – Basic	**178,189,287**	178,184,795	**178,188,602**	178,174,700
Vested deferred units	**2,294,247**	1,884,713	**2,209,557**	1,828,062
Vested EIP units	**375,192**	—	**204,020**	—
Total Units, vested EIP and deferred units – Diluted	**180,858,726**	180,069,508	**180,602,179**	180,002,762

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 September 30 2024	2023	Variance	Nine Months Ended September 30 2024	2023	Variance
Cash flows provided by operating activities	**$105,380**	$93,855	$11,525	**$252,090**	$237,108	$14,982
Distributions declared	**82,415**	82,411	4	**247,240**	247,226	14
AFFO[1]	**109,619**	85,788	23,831	**274,392**	262,237	12,155
AFFO with adjustments[1]	**77,800**	84,352	(6,552)	**250,163**	253,394	(3,231)
Surplus (shortfall) of cash flows provided by operating activities over distributions declared	**22,965**	11,444	11,521	**4,850**	(10,118)	14,968
Surplus of AFFO[1] over distributions declared	**27,204**	3,377	23,827	**27,152**	15,011	12,141
Surplus (shortfall) of AFFO[1] with adjustments over distributions declared	**(4,615)**	1,941	(6,556)	**2,923**	6,168	(3,245)

(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 and nine months ended September 30, 2024, there was a $23.0 million and $4.9 million surplus of cash flows provided by operating activities over distribution declared, respectively, as compared to $11.4 million surplus and $10.1 million shortfall in 2023. The surplus was primarily driven by higher net rental income and other, due to residential closing profits and increase in base rent compared to the respective periods in 2023.

For the three and nine months ended September 30, 2024, there was a $27.2 million surplus of AFFO over distributions declared, respectively, as compared to a $3.4 million surplus and $15.0 million surplus during the respective period in 2023, primarily due to TRS adjustment.

For the three and nine months ended September 30, 2024, there was a $4.6 million shortfall and $2.9 million surplus of AFFO with adjustments over distributions declared, respectively, as compared to a surplus of $6.2 million and $1.9 million during the respective periods of 2023. The shortfall for the three months ended September 30, 2024, primarily resulted from an increase in capital expenditures.

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 September 30, 2024 and September 30, 2023:

(in thousands of dollars)	Rolling 12 Months Ended September 30, 2024	September 30, 2023
Cash flows provided by operating activities	**$345,835**	$371,776
Distributions declared	**329,653**	329,612
AFFO[1]	**366,434**	348,339
Surplus of cash flows provided by operating activities over distributions declared	**16,182**	42,164
Surplus of AFFO[1] over distributions declared	**36,781**	18,727
Payout Ratio to Cash flows provided by operating activities	**95.3 %**	88.7 %
Payout Ratio to AFFO[1]	**90.0 %**	94.6 %

(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 and nine months ended September 30, 2024:

(in thousands of dollars)	Three Months Ended September 30 2024	2023	Variance	Nine Months Ended September 30 2024	2023	Variance
Salaries and benefits	**$6,440**	$5,695	$745	**$18,899**	$16,966	$1,933
Professional fees	**1,511**	925	586	**4,430**	4,364	66
Public company costs	**266**	332	(66)	**982**	1,086	(104)
Amortization of intangible assets	**332**	333	(1)	**998**	999	(1)
Other costs including office rent, information technology, marketing, communications, and other employee expenses	**539**	476	63	**1,569**	2,413	(844)
General and administrative expense	**$9,088**	$7,761	$1,327	**$26,878**	$25,828	$1,050

For the three and nine months ended September 30, 2024, general and administrative expense increased by $1.3 million and $1.1 million, respectively, compared to the same period in 2023. This increase was primarily driven by an increase in non-recurring professional fees and salaries and benefits due to the growth of the platform and inflation adjustments compared to the same periods 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 September 30 2024	2023	Variance	Nine Months Ended September 30 2024	2023	Variance
Mortgage interest	**$139**	$422	$(283)	**$723**	$1,721	$(998)
Loan interest	**2,042**	4,167	(2,125)	**7,909**	11,713	(3,804)
Notes receivable interest	**66**	66	—	**197**	197	—
Bank interest	**1,096**	613	483	**2,256**	1,637	619
	$3,343	$5,268	$(1,925)	**$11,085**	$15,268	$(4,183)

For the three and nine months ended September 30, 2024, interest income decreased by $1.9 million and $4.2 million, respectively, as compared to their respective periods in 2023, mainly due to 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 September 30			Nine Months Ended September 30		
	2024	2023	Variance	**2024**	2023	Variance
Mortgage interest	**$8,052**	$7,932	$120	**$22,610**	$24,966	$(2,356)
Debenture interest	**25,825**	23,083	2,742	**71,991**	65,836	6,155
Operating line interest and other	**17,206**	17,507	(301)	**55,064**	48,982	6,082
Interest at stated rates	**$51,083**	$48,522	$2,561	**$149,665**	$139,784	$9,881
Amortization of acquisition date fair value adjustments on assumed debt	**(31)**	(69)	38	**(114)**	(243)	129
Amortization of deferred financing costs	**1,036**	958	78	**2,957**	2,792	165
Distributions on Units classified as liabilities and vested deferred units	**4,844**	4,539	305	**14,218**	13,491	727
Total interest expense before capitalized interest	**$56,932**	$53,950	$2,982	**$166,726**	$155,824	$10,902
Less:						
Interest capitalized to properties under development	**(8,851)**	(11,363)	2,512	**(27,787)**	(32,877)	5,090
Interest capitalized to residential development inventory	**(402)**	(394)	(8)	**(1,185)**	(1,092)	(93)
Total capitalized interest	**$(9,253)**	$(11,757)	$2,504	**$(28,972)**	$(33,969)	$4,997
Interest expense net of capitalized interest expense	**$47,679**	$42,193	$5,486	**$137,754**	$121,855	$15,899
Capitalized interest as a percentage of interest expense	**16.3 %**	21.8 %	(5.5)%	**17.4 %**	21.8 %	(4.4)%

For the three and nine months ended September 30, 2024, interest expense net of capitalized interest increased by $5.5 million and $15.9 million, respectively, compared to the same periods in 2023. The increase was mainly attributable to higher interest rates and lower capitalization due to completion of development projects compared to the prior year periods.

Quarterly Results and Trends

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

	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
Results of operations								
Net income (loss) and comprehensive income (loss)	**$42,479**	$128,916	$(21,175)	$14,165	$215,175	$167,902	$112,861	$100,310
Per Unit								
Basic	**$0.24**	$0.72	$(0.12)	$0.08	$1.21	$0.94	$0.63	$0.56
Diluted(3)	**$0.23**	$0.71	$(0.12)	$0.08	$1.19	$0.93	$0.63	$0.56
Net base rent(1)(2)	**$145,494**	$143,578	$141,674	$140,442	$138,119	$135,617	$134,007	$133,201
Rentals from investment properties and other	**$211,737**	$211,381	$215,637	$211,021	$206,016	$206,950	$210,594	$206,223
NOI(1)(2)	**$148,785**	$139,062	$136,075	$136,349	$143,834	$147,105	$133,468	$133,632
Other measures of performance								
FFO(2)	**$128,174**	$90,780	$86,812	$106,893	$98,405	$98,534	$97,133	$102,471
Per Unit								
Basic(2)	**$0.72**	$0.51	$0.49	$0.60	$0.55	$0.55	$0.55	$0.58
Diluted(2)(3)	**$0.71**	$0.50	$0.48	$0.59	$0.55	$0.55	$0.54	$0.57
FFO with adjustments(2)	**$96,355**	$92,421	$92,762	$91,362	$96,969	$97,247	$91,013	$104,090
Per Unit								
Basic(2)	**$0.54**	$0.52	$0.52	$0.51	$0.54	$0.55	$0.51	$0.58
Diluted(2)(3)	**$0.53**	$0.51	$0.52	$0.51	$0.54	$0.54	$0.51	$0.58
Cash flows provided by operating activities	**$105,380**	$76,991	$69,719	$93,745	$93,855	$61,322	$81,931	$134,668
AFFO(2)	**$109,619**	$83,386	$81,242	$92,187	$85,788	$87,848	$88,601	$86,102
AFFO with adjustments(2)	**$77,800**	$85,027	$87,192	$76,656	$84,352	$86,561	$82,481	$87,723
Distributions declared	**$82,415**	$82,413	$82,412	$82,413	$82,411	$82,410	$82,405	$82,386
Payout ratio to AFFO	**75.2 %**	98.8 %	101.4 %	89.4 %	96.1 %	93.8 %	93.0 %	95.7 %
Units outstanding(4)	**178,201,075**	178,188,751	178,188,148	178,188,148	178,188,148	178,181,722	178,176,825	178,133,853
Weighted average Units outstanding								
Basic	**178,189,287**	178,178,870	178,188,148	178,188,148	178,184,795	178,179,652	178,159,373	178,129,000
Diluted(3)	**180,858,726**	180,664,749	180,265,745	180,086,748	180,069,508	180,045,789	179,891,028	179,696,944
Total assets	**$11,909,410**	$11,953,142	$11,850,182	$11,905,422	$12,013,103	$11,833,262	$11,719,131	$11,702,153
Total unencumbered assets(2)	**$9,366,921**	$9,309,221	$9,176,421	$9,170,121	$9,067,121	$8,844,821	$8,653,321	$8,415,900
Debt	**$5,027,500**	$5,093,321	$5,043,206	$4,999,522	$5,052,722	$5,010,331	$4,956,957	$4,983,265
Total leasable area (sq. ft.)	**35,281,759**	35,198,895	35,108,588	35,044,850	35,033,430	34,922,198	34,777,002	34,750,379
In-place occupancy rate	**98.3 %**	97.8 %	97.3 %	98.1 %	98.1 %	97.8 %	97.4 %	97.6 %
In-place and committed occupancy rate	**98.5 %**	98.2 %	97.7 %	98.5 %	98.5 %	98.2 %	98.0 %	98.0 %

(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 portion of EIP and deferred units, unless they are anti-dilutive.
(4) Total Units outstanding include Trust Units and LP Units, including Units classified as financial liabilities.

Section VI — 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 September 30, 2024, the Trust's in-place and committed occupancy rate was 98.5% (June 30, 2024 – 98.2%).

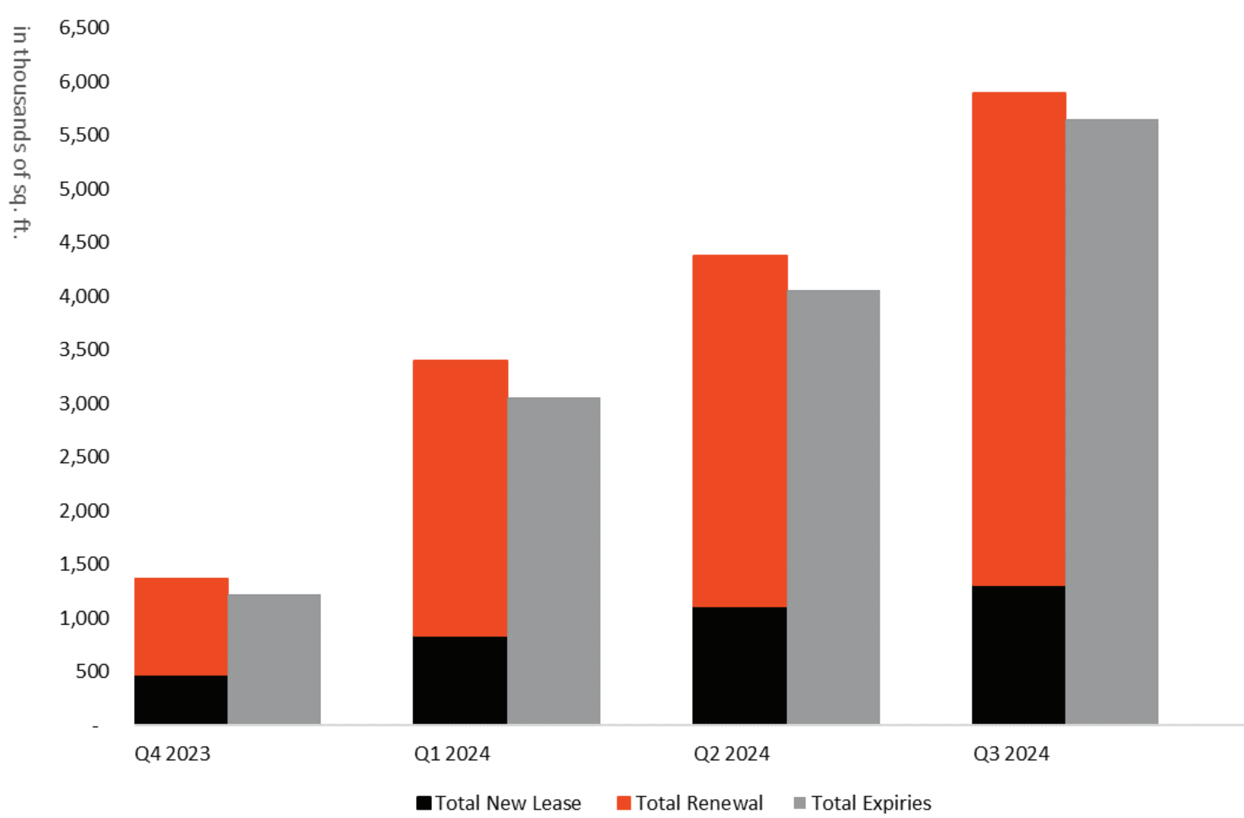
Occupancy(1)

	September 30, 2024	June 30, 2024	Variance
Total leasable area (in sq. ft.)	**35,281,759**	35,198,895	82,864
In-place occupancy rate	**98.3 %**	97.8 %	0.5 %
In-place and committed occupancy rate	**98.5 %**	98.2 %	0.3 %

(1) Excluding residential and self-storage area.

New Leasing Activity
During the nine months ended September 30, 2024, the Trust completed new leases with a wide array of tenants spanning diverse categories such as specialty goods and services, leisure retail, pharmacies, personal services, apparel, and general merchandise. Many of the Trust's existing tenants continued their growth plans with retailers in furniture, general merchandise and specialty stores expanding their brick-and-mortar footprint nationally. In the third quarter of 2024, the Trust executed 186,589 square feet of new leasing on existing vacant built space, demonstrating strong leasing momentum and tenant demand. In addition, during the nine months ended September 30, 2024, the Trust executed 223,955 square feet of new leasing for future newly built space.

The following graph presents the Trust's cumulative leasing activity for the twelve months ended on September 30, 2024(1):



(1) Commencing 2024, the Total New Lease balance includes new leasing for future newly built space.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following table presents a continuity of the Trust's in-place and committed occupancy rate (excluding residential and self-storage area) for the three months ended September 30, 2024:

(in square feet)	Vacant Area	Occupied Area	Leasable Area	Occupancy Rate
In place occupancy – July 1, 2024	786,433	34,412,462	35,198,895	97.8 %
New vacancies	66,024	(66,024)	—	
Taking Occupancy in the period	(240,493)	240,493	—	
Subtotal	611,964	34,586,931	35,198,895	
Earnouts	—	2,232	2,232	
Transferred from properties under development to income properties	—	27,528	27,528	
Other including unit area remeasurements	(1,443)	54,547	53,104	
In place occupancy – September 30, 2024	**610,521**	**34,671,238**	**35,281,759**	**98.3 %**
Committed new leases for future occupancy	(93,126)	93,126	—	
Ending balance – September 30, 2024, including committed leases for future occupancy	**517,395**	**34,764,364**	**35,281,759**	**98.5 %**

Renewal Activity
For the nine months ended September 30, 2024, the Trust achieved a tenant renewal rate of 88.1% (nine months ended September 30, 2023 – 84.2%) for tenants with expiring leases in 2024.

Renewal Summary(1)

	September 30, 2024	September 30, 2023	Variance
Space expiring in calendar year (in sq. ft.)	**5,488,557**	5,083,274	405,283
Renewed (in sq. ft.)	**4,619,056**	3,851,687	767,369
Near completion (in sq. ft.)	**215,049**	429,967	(214,918)
Total renewed and near completion (in sq. ft.)	**4,834,105**	4,281,654	552,451
Renewal rate (including near completion)	**88.1 %**	84.2 %	3.9 %
Renewed rental rate (per sq. ft.) – including Anchors	**$14.85**	$15.90	$(1.05)
Renewed rental rate (per sq. ft.) – excluding Anchors	**$22.02**	$21.15	$0.87
Renewed rent change (including Anchors)	**6.1 %**	6.2 %	(0.1)%
Renewed rent change (excluding Anchors)	**8.9 %**	8.4 %	0.5 %

(1) Excluding residential and self-storage area.

Tenant Profile

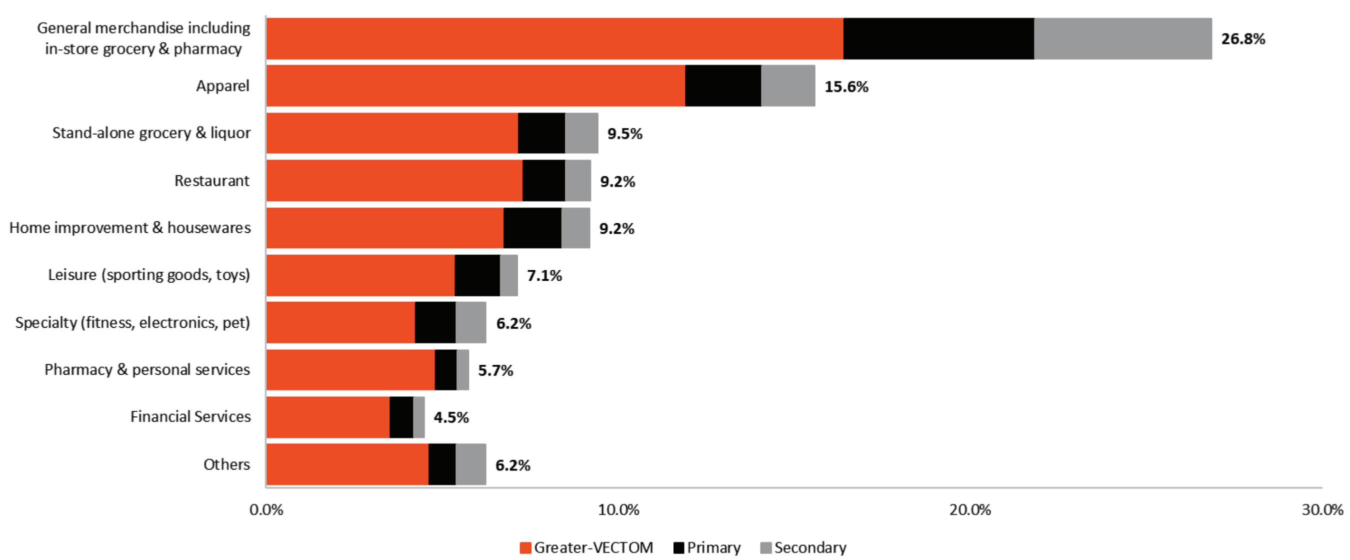
The Trust's portfolio is represented in all major markets across Canada particularly in the Greater-VECTOM markets (Vancouver, Edmonton, Calgary, Toronto, Ottawa and Montreal). The Greater-VECTOM and primary markets account for 88.5% of revenue and 89.7% of fair value, and have in-place occupancy of 98.1% and 98.3%, 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	114	23,502	72.3 %	76.5 %	98.1 %
Primary	31	6,790	16.2 %	13.2 %	98.3 %
Secondary	28	4,990	11.5 %	10.3 %	98.8 %
Total	**173**	**35,282**	**100.0 %**	**100.0 %**	**98.3 %**

Tenant Categories

The portfolio is represented by strong individual shopping centres strategically located in every major market in Canada, offering a diverse mix of tenants and services, reflecting almost every retail category. The following graph represents the Trust's portfolio exposure by annualized gross rent by category as at September 30, 2024:



Top 25 Tenants

The 25 largest tenants (by annualized gross rental revenue among retail, office and industrial tenants) accounted for 59.9% of portfolio revenue as at September 30, 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	$198.3	23.4%	14,182,084	40.2 %
2	Canadian Tire, Mark's and FGL Sports	76	38.8	4.6%	1,501,305	4.3 %
3	Winners, HomeSense, Marshalls	56	37.8	4.5%	1,464,401	4.2 %
4	Loblaws, Shoppers Drug Mart	25	23.0	2.7%	909,054	2.6 %
5	Sobeys	16	18.1	2.1%	721,142	2.0 %
6	Dollarama	64	17.5	2.1%	619,678	1.8 %
7	LCBO	39	14.1	1.7%	363,674	1.0 %
8	Lowes, Rona	7	13.6	1.6%	773,106	2.2 %
9	Michaels	25	13.4	1.6%	493,851	1.4 %
10	Best Buy	18	12.2	1.4%	437,074	1.2 %
11	Recipe Unlimited	55	11.9	1.4%	272,330	0.8 %
12	Staples	21	10.7	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%	307,535	0.9 %
15	Toys R Us	8	8.8	1.0%	304,515	0.9 %
16	Bulk Barn	49	8.0	0.9%	229,252	0.6 %
17	Bonnie Togs	41	7.5	0.9%	190,621	0.5 %
18	CIBC	27	7.5	0.9%	149,560	0.4 %
19	The Brick	9	7.4	0.9%	258,244	0.7 %
20	Dollar Tree, Dollar Giant	26	7.0	0.8%	217,286	0.6 %
21	Metro	9	7.0	0.8%	315,438	0.9 %
22	Sleep Country	38	6.9	0.8%	181,622	0.5 %
23	PetSmart	16	6.7	0.8%	209,678	0.6 %
24	GoodLife Fitness Clubs	11	6.7	0.8%	255,759	0.7 %
25	Bank of Nova Scotia	23	6.2	0.7%	123,002	0.3 %
		843	**$507.4**	**59.9%**	**25,194,521**	**71.4 %**

(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 September 30, 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	596,947	1.7 %	$14,976	$25.09
2024	388,272	1.1 %	6,284	16.18
2025	3,611,961	10.2 %	54,407	15.06
2026	4,110,142	11.6 %	63,784	15.52
2027	5,406,033	15.3 %	78,625	14.54
2028	4,814,966	13.6 %	83,055	17.25
2029	6,189,500	17.5 %	93,351	15.08
2030	2,138,470	6.1 %	35,139	16.43
2031	1,245,072	3.5 %	22,106	17.75
2032	1,904,680	5.4 %	31,432	16.50
2033	1,191,348	3.4 %	24,970	20.96
2034	1,222,876	3.5 %	21,596	17.66
Beyond	1,257,515	3.8 %	19,861	15.79
Vacant	610,648	1.7 %	—	—
Total retail	34,688,430	98.4 %	$549,586	$16.13
Total office	364,804	1.0 %		
Total industrial	228,525	0.6 %		
Total retail, office and industrial	**35,281,759**	**100.0 %**		

(1) The total average base rent per square foot excludes vacant space of 610,648 square feet.

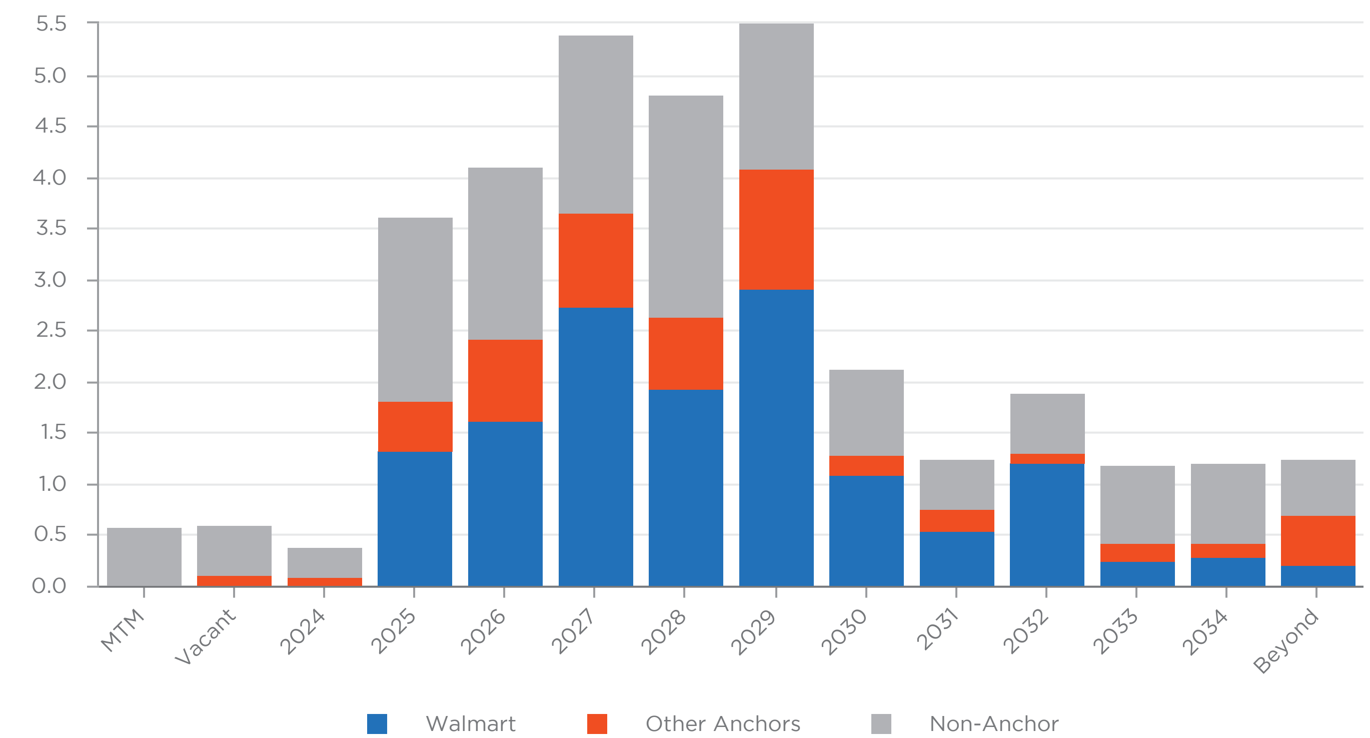
The following table presents total retail, office and industrial lease expiries for the portfolio excluding Anchor tenants as at September 30, 2024:

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	579,169	1.6 %	3.8 %	$14,683	$25.35
2024	292,666	0.8 %	1.9 %	5,226	17.86
2025	1,791,328	5.1 %	11.8 %	37,830	21.12
2026	1,689,359	4.8 %	11.2 %	39,197	23.20
2027	1,750,617	5.0 %	11.6 %	41,626	23.78
2028	2,164,548	6.1 %	14.3 %	52,439	24.23
2029	2,101,300	6.0 %	13.9 %	48,752	23.20
2030	837,399	2.4 %	5.5 %	20,329	24.28
2031	472,029	1.3 %	3.1 %	11,933	25.28
2032	586,019	1.7 %	3.9 %	14,515	24.77
2033	767,146	2.2 %	5.1 %	19,831	25.85
2034	788,609	2.2 %	5.2 %	16,550	20.99
Beyond	556,233	1.6 %	3.7 %	9,672	17.39
Vacant	485,608	1.4 %	3.2 %	—	—
Total retail	14,862,030	42.2 %	98.2 %	$332,583	$23.13
Total office	272,271	0.8 %	1.8 %		
Total retail, office and industrial	**15,134,301**	**43.0 %**	**100.0 %**		

(1) The total average base rent per square foot excludes vacant space of 485,608 square feet.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 September 30, 2024:

Self-storage location	Open date	Number of units [(1)]	Leasable area [(1)]	Total rental revenue YTD[(2)]
Toronto (Dupont)	October 2019	730	46,100	$835
Toronto (Leaside)	June 2020	1,000	99,500	1,068
Brampton (Bramport)	November 2020	1,050	100,200	887
Vaughan NW	January 2021	880	84,900	730
Oshawa South	August 2021	950	92,700	867
Scarborough East	November 2021	1,000	98,000	920
Aurora	December 2022	960	99,500	727
Brampton (Kingspoint Plaza)	March 2023	1,070	97,000	614
Whitby	January 2024	870	84,500	99
Markham Boxgrove	May 2024	930	95,000	42
		9,440	**897,400**	**$6,789**

(1) Figures are shown at 100% ownership.
(2) Total rental figures are for the nine months ended September 30, 2024 and shown at the Trust's share.

As at September 30, 2024, the average occupancy rate for self-storage rental facilities operating for more than one year, remained over 90%.

Residential Rentals

The following table provides information on the in-place and committed occupancy rate for residential rentals as at September 30, 2024:

Project	Location	Ownership Interest	Completion date	Number of units (1)	In-place and committed occupancy rate
Laval Centre Phase I	Laval, QC	50 %	May 2020	171	94.7 %
Mascouche N	Mascouche, QC	80 %	November 2022	238	99.6 %
Laval Centre Phase II	Laval, QC	50 %	July 2023	211	96.7 %
The Millway	Vaughan, ON	50 %	December 2023	458	93.0 %
				1,078	**95.5 %**

(1) Figures are shown at 100% ownership.

As at September 30, 2024, the weighted average occupancy rate for the residential rentals was 95.5%, based on the number of units.

Section VII — 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)	September 30, 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	**$10,606,288**	**$1,144,444**	**$11,750,732**	$10,564,269	$1,083,865	$11,648,134
Equity accounted investments	**738,385**	**(738,385)**	**—**	756,919	(756,919)	—
Mortgages, loans and notes receivable	**189,791**	**(58,977)**	**130,814**	80,532	(54,145)	26,387
Other financial assets	**101,716**	**—**	**101,716**	152,162	—	152,162
Other assets	**10,968**	**2,626**	**13,594**	4,167	2,243	6,410
Intangible assets	**41,477**	**—**	**41,477**	42,476	—	42,476
	$11,688,625	**$349,708**	**$12,038,333**	$11,600,525	$275,044	$11,875,569
Current assets						
Residential development inventory	**33,865**	**72,912**	**106,777**	51,719	30,300	82,019
Current portion of mortgages, loans and notes receivable	**8,295**	**—**	**8,295**	129,777	—	129,777
Amounts receivable and other	**86,897**	**(14,826)**	**72,071**	73,610	1,862	75,472
Prepaid expenses, deposits and deferred financing costs	**53,449**	**23,782**	**77,231**	15,048	18,103	33,151
Cash and cash equivalents	**38,279**	**35,111**	**73,390**	34,743	50,850	85,593
	$220,785	**$116,979**	**$337,764**	$304,897	$101,115	$406,012
Total assets	**$11,909,410**	**$466,687**	**$12,376,097**	$11,905,422	$376,159	$12,281,581
Liabilities						
Non-current liabilities						
Debt	**4,479,270**	**343,134**	**4,822,404**	4,394,044	301,375	4,695,419
Other financial liabilities	**14,642**	**—**	**14,642**	17,314	—	17,314
Other payables	**8,520**	**—**	**8,520**	17,727	—	17,727
	$4,502,432	**$343,134**	**$4,845,566**	$4,429,085	$301,375	$4,730,460
Current liabilities						
Current portion of debt	**548,230**	**27,839**	**576,069**	605,478	(11,607)	593,871
Current portion of other financial liabilities	**296,922**	**—**	**296,922**	258,069	—	258,069
Accounts payable and current portion of other payables	**286,935**	**95,714**	**382,649**	253,486	86,391	339,877
	$1,132,087	**$123,553**	**$1,255,640**	$1,117,033	$74,784	$1,191,817
Total liabilities	**$5,634,519**	**$466,687**	**$6,101,206**	$5,546,118	$376,159	$5,922,277
Equity						
Trust Unit equity	**5,194,675**	**—**	**5,194,675**	5,272,334	—	5,272,334
Non-controlling interests	**1,080,216**	**—**	**1,080,216**	1,086,970	—	1,086,970
	$6,274,891	**$—**	**$6,274,891**	$6,359,304	$—	$6,359,304
Total liabilities and equity	**$11,909,410**	**$466,687**	**$12,376,097**	$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)	Nine Months Ended September 30, 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	**67,624**	**(67,624)**	**—**	64,318	(64,318)	—
Transfer from income properties to properties under development	**(19,441)**	**19,441**	**—**	(7,308)	7,308	—
Transfer from properties under development to equity accounted investments	**—**	**(4,500)**	**(4,500)**	—	(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	**—**	**23,378**	**23,378**	—	2,435	2,435
Straight-line rents and tenant incentives	**7,371**	**—**	**7,371**	7,213	—	7,213
Dispositions	**—**	**(6,750)**	**(6,750)**	—	(50,208)	(50,208)
Fair value adjustment	**63,477**	**(155,780)**	**(92,303)**	65,771	25,677	91,448
Capital expenditures and other	**26,395**	**88,428**	**114,823**	38,101	100,128	138,229
Ending balance	**$8,889,234**	**$1,717,054**	**$10,606,288**	$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	**26,498**	**(26,498)**	**—**	198,033	(198,033)	—
Transfer from properties under development to equity accounted investments	**—**	**2,250**	**2,250**	—	750	750
Transfer to properties under development from equity accounted investments	**—**	**—**	**—**	—	(23,720)	(23,720)
Acquisitions, Earnouts, and related adjustments of investment properties	**—**	**11,381**	**11,381**	—	7,174	7,174
Straight-line rents and tenant incentives	**(181)**	**—**	**(181)**	(388)	—	(388)
Dispositions	**—**	**—**	**—**	—	(13,624)	(13,624)
Fair value adjustment	**11,455**	**710**	**12,165**	41,004	4,892	45,896
Capital expenditures and other	**870**	**34,094**	**34,964**	531	87,109	87,640
Ending balance	**$674,061**	**$470,383**	**$1,144,444**	$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)	**$9,563,295**	**$2,187,437**	**$11,750,732**	$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 35.3 million square feet. In addition, the Trust may acquire 1.6 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.

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 and nine months ended September 30, 2024, with a total carrying value of $2.5 billion (December 31, 2023 – $1.3 billion) were valued by external national appraisers, and investment properties with a total carrying value of $8.1 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 September 30, 2024 was 6.53% (December 31, 2023 – 6.51%) and the weighted average terminal capitalization rate as at September 30, 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 $92.3 million (excluding investment properties recorded in equity accounted investments) for the nine months ended September 30, 2024, which was primarily attributed to changes in market conditions for certain future development properties, partially offset by fair value gain due to leasing activities.

Earnouts and Acquisitions

Earnouts and acquisitions completed during the nine months ended September 30, 2024

The following table summarizes the Earnouts and acquisitions completed during the nine months ended September 30, 2024:

					Satisfied through			
	Date of Acquisition	**Type**	**Area**	**Purchase Price**	**Cash**	**Issuance of LP Units**	**Debt**	**Assumption of Debt and Other Adjustments**
Earnouts	September	Retail	2,232 sq. ft.	$1,071	$751	$320	$—	$—
Acquisitions								
51 Yonge Street, Toronto, Ontario	February	Property under development	10,650 sq. ft.	21,555	11,536	—	10,000	19
London, Ontario	July	Land	6 acres	1,823	816	—	—	1,007

Dispositions of Investment Properties

Dispositions of investment properties during the nine months ended September 30, 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
Laval, Quebec(1)	April	Land Parcel	1.80 acres	100 %	$4,500

(1) In April 2024, the Trust contributed its interest in a parcel of land located in Laval, Quebec to the joint venture with the intention to develop and operate self-storage facilities.

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.

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2024**	2023	Variance	**2024**	2023	Variance
Leasing commissions	**$943**	$689	$254	**$1,914**	$1,935	$(21)
Tenant improvements	**(126)**	3,229	(3,355)	**—**	8,972	(8,972)
Sustaining capital expenditures (recoverable and non-recoverable)	**14,022**	6,513	7,509	**19,481**	14,907	4,574
AFFO adjustment for sustaining capital expenditures, leasing commissions, and tenant improvements[1]	**$14,839**	$10,431	$4,408	**$21,395**	$25,814	$(4,419)
Value enhancing capital expenditures[1]	**4,612**	3,837	775	**10,573**	3,837	6,736
Total capital expenditures, leasing commissions, and tenant improvements	**$19,451**	$14,268	$5,183	**$31,968**	$29,651	$2,317
Adjusted salaries and related costs attributed to leasing	**$2,562**	$1,776	$786	**$7,270**	$5,810	$1,460

(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 and nine months ended September 30, 2024, the total capital expenditures, leasing commissions, and tenant improvements were $19.5 million and $32.0 million, respectively, as compared to $14.3 million and $29.7 million for the respective periods in 2023, representing an increase of $5.2 million and $2.3 million respectively. These increases were primarily due to costs associated with landlord's work, roof replacements 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:

	Nine Months Ended September 30, 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:						
Earnings	**(226)**	**11,239**	**11,013**	15,545	59,625	75,170
Distributions – VMC Residences condo unit closings[1]	**(37,886)**	**—**	**(37,886)**	(653)	—	(653)
Distributions – operating activities	**(2,478)**	**(432)**	**(2,910)**	(3,505)	(2,666)	(6,171)
Financing Activities:						
Fair value adjustment on loan	**2,119**	**—**	**2,119**	2,875	—	2,875
Investing Activities:						
Cash contribution	**3,739**	**36,883**	**40,622**	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	**—**	**4,500**	**4,500**	—	1,500	1,500
Development distributions	**(2,478)**	**(33,514)**	**(35,992)**	(18,007)	(326)	(18,333)
Investment – end of period	**$428,879**	**$309,506**	**$738,385**	$466,089	$290,830	$756,919

(1) For the nine months ended September 30, 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 and nine months ended September 30, 2024.

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

As at September 30, 2024 (in thousands of dollars)	**Income Properties**	**Properties Under Development**	**Residential Development Inventory**	**Other Assets**	**Total Assets**
Rental					
Residential	**$539,390**	**$126,040**	**$—**	**$10,239**	**$675,669**
Self-storage facilities	**335,790**	**133,270**	**—**	**14,328**	**483,388**
Retail	**149,542**	**1,722**	**—**	**3,703**	**154,967**
Office	**192,029**	**—**	**—**	**18,251**	**210,280**
Mixed-use	**131,792**	**646,487**	**—**	**144,673** [1]	**922,952**
Condo and townhome residential development inventory	**—**	**—**	**146,797**	**26,866** [2]	**173,663**
	$1,348,543	**$907,519**	**$146,797**	**$218,060**	**$2,620,919**

(1) Consists of loans receivable of $112.1 million in connection with the purchase of 700 Applewood (see also Note 9, "Debt", in the Trust's unaudited interim condensed consolidated financial statements), and cash and cash equivalents of $2.3 million.
(2) Consists of cash and cash equivalents of $50.5 million.

As at December 31, 2023 (in thousands of dollars)	Income Properties	Properties Under Development	Residential Development Inventory	Other Assets	Total Assets
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), 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 September 30, 2024, PCVP had credit facilities in the amount of $550.0 million (December 31, 2023 – $460.0 million), bearing annual interest rate based on the Adjusted Canadian Overnight Repo Rate ("Adjusted CORRA") rate plus 1.45% with maturity date of June 2027. As at September 30, 2024, deducting amount drawn on such development credit facilities of $437.7 million (December 31, 2023 – $391.4 million) and outstanding letters of credit of $29.1 million (December 31, 2023 – $29.7 million), the remaining unused development credit facilities were $83.2 million (December 31, 2023 – $38.9 million), of which the Trust's share was $41.6 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 September 30, 2024, the Trust's joint ventures had credit facilities in the amount of $163.5 million (December 31, 2023 – $171.8 million), bearing annual interest rates based on the Adjusted CORRA rate plus 1.35% to 2.70%, with maturity dates between November 2024 and May 2026. As at September 30, 2024, deducting amount drawn on such credit facilities of $112.7 million (December 31, 2023 – $155.1 million), and no outstanding letters of credit (December 31, 2023 – $2.6 million), the remaining unused development credit facilities were $50.8 million (December 31, 2023 – $14.1 million), of which the Trust's share was $25.4 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)	September 30, 2024	December 31, 2023	Variance
Amounts receivable and other			
Tenant receivables	**$17,955**	$26,794	$(8,839)
Unbilled other tenant receivables	**17,000**	9,526	7,474
Receivables from related party – excluding equity accounted investments	**19,565**	12,923	6,642
Receivables from related party – equity accounted investments	**14,814**	15,052	(238)
Other non-tenant receivables	**3,907**	2,410	1,497
Other(1)	**20,084**	15,888	4,196
	$93,325	$82,593	$10,732
Allowance for ECL	**(6,428)**	(8,983)	2,555
Amounts receivable and other, net of allowance for ECL	**$86,897**	$73,610	$13,287
Prepaid expenses, deposits and deferred financing costs(2)	**53,449**	15,048	38,401
	$140,346	$88,658	$51,688

(1) The amount includes a related party amount of $10.8 million (December 31, 2023 – $8.7 million).
(2) Includes prepaid realty tax of $40.4 million (December 31, 2023 – $1.3 million).

As at September 30, 2024, total amounts receivable and other, net of allowance for ECL, prepaid expenses, deposits and deferred financing costs increased by $51.7 million as compared to December 31, 2023. This increase was primarily attributed to the following:

- $38.4 million increase in prepaid expenses, deposits and deferred financing costs, mainly due to prepaid realty tax;
- $7.9 million increase in non-tenant receivables due to outstanding balance with EAI projects and Penguin; and
- $7.5 million increase in unbilled other tenant receivables, primarily due to the timing of CAM and tax recovery billing from the prior year.

Tenant receivables

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 September 30, 2024 and December 31, 2023:

(in thousands of dollars)	September 30, 2024	December 31, 2023
Tenant receivables	**$17,955**	$26,794
Unbilled other tenant receivables	**17,000**	9,526
Total tenant receivables	**$34,955**	$36,320
Allowance for ECL	**(6,428)**	(8,983)
Total tenant receivables net of allowance for ECL	**$28,527**	$27,337

Mortgages, Loans and Notes Receivable

The following table summarizes mortgages, loans and notes receivable:

(in thousands of dollars)	September 30, 2024	December 31, 2023	Variance
Mortgages, loans and notes receivable			
Loans receivable	$195,160	$189,837	$5,323
Mortgages receivable (Mezzanine Financing)	2	17,548	(17,546)
Notes receivable	2,924	2,924	—
	$198,086	$210,309	$(12,223)

Loans Receivable

The following table summarizes loans receivable:

(in thousands of dollars) Issued to	September 30, 2024	December 31, 2023
Penguin	$77,206	$76,392
Equity accounted investments	117,954	108,815
Unrelated parties	—	4,630
	$195,160	$189,837

See also Note 5(a) in the Trust's unaudited interim condensed consolidated financial statements for the nine months ended September 30, 2024 for more details about loans receivable, including committed facilities, maturity dates and interest rates.

The following table illustrates the activity in loans receivable:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	2024	2023	2024	2023
Balance – beginning of period	$196,781	$268,617	$189,837	$282,312
Loans issued	33,323	—	46,258	—
Principal advances	16,044	2,251	20,211	5,585
Interest accrued	1,932	2,062	6,346	6,405
Fair value adjustments(1)	794	787	2,369	2,404
Repayments	(53,714)	(15,907)	(69,861)	(38,896)
Balance – end of period	$195,160	$257,810	$195,160	$257,810

(1) $2.4 million recorded during the nine months ended September 30, 2024 (nine months ended September 30, 2023 – $2.4 million) in connection with the loan issued as part of the 700 Applewood purchase.

Mortgages Receivable (Mezzanine Financing)

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

(in thousands of dollars) Property	Committed	Maturity Date including Extension Period	Annualized Variable Interest Rate at Period End	Potential Area Upon Exercising Purchase Option (sq. ft.)	Amount Outstanding
Pitt Meadows, BC(2)(3)	$49,884	August 2028	6.90 %	25,003	$1
Toronto (StudioCentre), ON(1)(2)(3)	22,778	August 2028	6.90 %	227,831	1
Salmon Arm, BC(1)(2)	13,398	August 2028	6.90 %	—	—
Aurora (South), ON(2)(3)	15,155	August 2028	6.90 %	57,741	—
Vaughan (7 & 427), ON(2)(3)	15,781	August 2028	6.90 %	76,000	—
	$116,996		6.90 %	386,575	$2

(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 September 30, 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, and assignments of rents and leases. 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:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	2024	2023	2024	2023
Balance – beginning of period	$10,632	$24,818	$17,548	$39,456
Interest accrued	139	422	723	1,721
Interest payments	(177)	(57)	(927)	(1,688)
Principal repayments	(10,592)	(886)	(17,342)	(15,192)
Balance – end of period	$2	$24,297	$2	$24,297

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 VIII — Financing and Capital Resources

Capital Resources and Liquidity

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

(in thousands of dollars)	September 30, 2024	December 31, 2023	Variance
Cash and cash equivalents	$38,279	$34,743	$3,536
Remaining operating facilities[(1)]	825,157	488,160	336,997
	$863,436	$522,903	$340,533
Operating facility – accordion feature	250,000	250,000	—
	$1,113,436	$772,903	$340,533

(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 September 30, 2024, the Trust's capital resources available increased by $340.5 million as compared to December 31, 2023. The increase was mainly attributable to repayment of outstanding floating rate debt on its operating lines and an increase in the Trust's unsecured revolving operating facility amount.

The Trust manages its cash flow from operating activities by maintaining a conservative debt level. As at September 30, 2024, the Debt to Gross Book Value was 52.0% (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 September 30, 2024.

In August 2024, the Trust issued $350.0 million principal amount of Series AA senior unsecured debentures by way of a private placement (the "Series AA Debentures"). The Series AA Debentures bear interest at a rate of 5.162% per annum, with a maturity date of August 1, 2030. The Trust used the proceeds from the Series AA Debentures primarily to repay the $100.0 million aggregate principal of Series O senior unsecured debentures in full upon their maturity, and the outstanding floating rate debt on its operating lines.

The following table presents the estimated amount and timing of certain of the Trust's future obligations, including development obligations as at September 30, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured debt	$731,195	$19,125	$432,790	$109,918	$8,167	$23,899	$137,296
Unsecured debt	4,222,190	23,057	861,525	675,533	850,000	600,000	1,212,075
Revolving operating facilities	12,940	—	12,940	—	—	—	—
Interest obligations[(1)]	519,421	52,224	122,506	103,368	88,783	65,664	86,876
Accounts payable	286,935	71,734	215,201	—	—	—	—
Other payable	35,747	542	19,553	1,884	1,884	1,884	10,000
	$5,808,428	$166,682	$1,664,515	$890,703	$948,834	$691,447	$1,446,247
Mortgage receivable advances (repayments)	(2)	—	—	—	—	(2)	—
Development obligations (commitments)	67,697	67,697	—	—	—	—	—
Total	$5,876,123	$234,379	$1,664,515	$890,703	$948,834	$691,445	$1,446,247

(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.

The following table presents the estimated amount and timing of certain of the equity accounted investments' future obligations, including development obligations, as at September 30, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured and unsecured debt	$804,460	$50,692	$77,688	$8,000	$490,114	$5,577	$172,389
Development obligations (commitments)[(1)]	61,546	13,175	31,353	13,006	3,684	328	—
Total	$866,006	$63,867	$109,041	$21,006	$493,798	$5,905	$172,389

(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 September 30, 2024:

(in thousands of dollars)	Total	2024	2025	2026	2027	2028	Thereafter
Secured and unsecured debt	$429,942	$25,254	$61,464	$3,601	$235,780	$2,968	$100,875
Development obligations (commitments)[(1)]	30,921	6,598	15,720	6,547	1,885	171	—
Total Trust's share	$460,863	$31,852	$77,184	$10,148	$237,665	$3,139	$100,875

(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)	September 30, 2024	December 31, 2023
Current assets	$220,785	$304,897
Less: Current liabilities	(1,132,087)	(1,117,033)
Working capital deficiency	$(911,302)	$(812,136)
Adjusted by:		
Current portion of debt	(548,230)	(605,478)
Current portion of other financial liabilities	(296,922)	(258,069)
Net working capital surplus (deficiency)	$(66,150)	$51,411

As at September 30, 2024, the Trust had a net working capital deficiency of $66.2 million (December 31, 2023 – $51.4 million surplus). This deficiency excludes mortgages, unsecured debentures and operating lines of credit of $548.2 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 $296.9 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 $911.3 million as at September 30, 2024 (December 31, 2023 – $812.1 million deficiency). The deficiencies are mainly as result of timing differences in working capital and interest accruals which are reported under cash flows from operating activities in the Trust's financial statements.

As at September 30, 2024, the Trust has unencumbered assets (a non-GAAP financial measure) with an approximate fair value totalling $9.4 billion (December 31, 2023 – $9.2 billion), which could generate gross financing proceeds on income properties of approximately $6.0 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	September 30, 2024			December 31, 2023		
(in thousands of dollars)	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
Secured debt	$730,031	2.6	3.96 %	$807,602	2.6	3.98 %
Unsecured debt	4,170,239	3.1	4.02 %	3,891,294	3.7	3.96 %
Unsecured loan from equity accounted investments	114,290	N/A	— %	150,689	N/A	— %
Revolving operating facilities	12,940	1.2	5.83 %	149,937	0.4	6.67 %
Total debt before equity accounted investments	$5,027,500	N/A	— %	$4,999,522	N/A	— %
Less: Unsecured loan from equity accounted investments[(1)]	(58,969)	N/A	— %	(94,997)	N/A	— %
Subtotal	$4,968,531	3.1	3.97 %	$4,904,525	3.4	4.00 %
Share of secured debt (equity accounted investments)	211,193	6.7	4.66 %	189,088	7.5	5.22 %
Share of unsecured debt (equity accounted investments)	218,749	2.7	6.28 %	195,677	3.4	6.85 %
Share of debt classified as equity accounted investments	$429,942	4.7	5.48 %	$384,765	5.4	6.05 %
Total debt including equity accounted investments	$5,398,473	3.2	4.09 %	$5,289,290	3.6	4.15 %

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

Approximately 15% 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 nine months ended September 30, 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	401,866	125,000	93,180	—	630,446
Scheduled amortization	(25,611)	—	—	(2,254)	—	(27,865)
Repayments	(38,509)	(147,237)	(263,500)	(43,449)	(2,740)	(495,435)
Amortization of acquisition fair value adjustments	(114)	—	—	(31)	2,369	2,224
Financing costs incurred, net of additions	(70)	(8)	—	(2,269)	—	(2,347)
Currency translation	—	657	1,503	—	—	2,160
Refinancing	(23,667)	23,667	—	—	—	—
Balance – September 30, 2024	$730,031	$4,170,239	$12,940	$429,942	$55,321	$5,398,473

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	$8,195	$10,930	$19,125	2.6 %	4.29 %
2025	23,419	409,371	432,790	59.2 %	3.54 %
2026	13,037	96,881 [(1)]	109,918	15.0 %	3.98 %
2027	8,167	—	8,167	1.1 %	— %
2028	8,146	15,753	23,899	3.3 %	5.39 %
Thereafter	21,246	116,050	137,296	18.8 %	4.87 %
Total	$82,210	$648,985	$731,195	100.0 %	3.90 %
Acquisition date fair value adjustment			155		
Unamortized financing costs			(1,319)		
			$730,031		3.96 %

(1) Includes vendor take-back loan of $10.0 million, which bears fixed interest rate of 5.00%.

Secured Non-revolving Construction Facility
In September 2024, the Trust entered into a secured non-revolving construction facility for the project on Laird Drive, Toronto, totaling $135.0 million. The non-revolving facility bears interest at Adjusted CORRA plus 1.45%, with a maturity date of September 27, 2027. As at September 30, 2024, no amount was drawn.

Unsecured Debt
The following table summarizes the components of unsecured debt:

(in thousands of dollars)	September 30, 2024	December 31, 2023
Unsecured debentures (a)	$3,002,659	$2,752,816
Credit facilities (b)	1,071,585	995,246
	$4,074,244	$3,748,062
TRS debt	95,995	143,232
Other unsecured debt from equity accounted investments (c)	114,290	150,689
	$4,284,529	$4,041,983

a) *Unsecured debentures*

As at September 30, 2024, unsecured debentures totalled $3,002.7 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 3.57% as at September 30, 2024 (December 31, 2023 – 3.35%).

The following table summarizes unsecured debentures issued and outstanding:

Series	Maturity Date	Annual Interest Rate (%)	September 30, 2024	December 31, 2023
Series O[2]	August 28, 2024	2.987	$ —	$ 100,000
Series N	February 06, 2025	3.556	160,000	160,000
Series X	December 16, 2025	1.740	350,000	350,000
Series P	August 28, 2026	3.444	250,000	250,000
Series V	June 11, 2027	3.192	300,000	300,000
Series S	December 21, 2027	3.834	250,000	250,000
Series Z	May 29, 2028	5.354	300,000	300,000
Series Y	December 18, 2028	2.307	300,000	300,000
Series U	December 20, 2029	3.526	450,000	450,000
Series AA	August 1, 2030	5.162	350,000	—
Series W	December 11, 2030	3.648	300,000	300,000
		3.568 [1]	$ 3,010,000	$ 2,760,000
	Unamortized financing costs		(7,341)	(7,184)
			$ 3,002,659	$ 2,752,816

(1) Represents the weighted average annual interest rate and excludes deferred financing costs.
(2) The Series O debentures were repaid in full on the maturity date.

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	September 30, 2024	December 31, 2023
Non-revolving:					
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	149,310	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
August 2018[1]	August 31, 2026	2.98 %	80,000	80,000	80,000
January 2022[3]	January 19, 2027	Adjusted CORRA + 1.45%	300,000	300,000	300,000
Revolving:					
March 2024[4]	March 8, 2026	Adjusted CORRA + 1.45%	40,000	25,533	—
				$1,074,843	$998,653
	Less:				
	Unamortized financing costs			(1,298)	(1,447)
	Unamortized debt modification adjustments			(1,960)	(1,960)
				$1,071,585	$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 1.59 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 September 30, 2024, the drawn amount was $25.5 million (December 31, 2023 - $nil). In connection with the unsecured revolving facility, as at September 30, 2024, the Trust had a $23.3 million letter of credit facility.

The following table summarizes the fair value gain (loss) as at September 30, 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	September 30, 2024	December 31, 2023
$80,000	August 31, 2026	2.98 %	Adjusted CORRA + 1.20%	$2,271	$4,575
11,403	November 3, 2025	3.47 %	Adjusted CORRA + 1.50%	175	444
100,000	December 1, 2025	4.37 %	Adjusted CORRA + 1.20%	(1,909)	64
170,000	June 24, 2026	3.15 %	Adjusted CORRA + 1.20%	6,978	11,692
150,000	July 31, 2026	3.52 %	Adjusted CORRA + 1.20%	3,269	7,143
100,000	December 1, 2025	4.88 %	Adjusted CORRA + 1.45%	(1,443)	424
				$9,341	$24,342

c) *Other unsecured debt from equity accounted investments*

Other unsecured debt net of fair value adjustments totalling $114.3 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	Undrawn Facilities	Outstanding Letters of Credit	Drawn Amount September 30, 2024	Drawn Amount December 31, 2023
Revolving facility maturing December 2025[1]	SOFR + 1.55%	$ 100,000	$ 87,060	$ —	$ 12,940	$ 139,937
Revolving facility maturing June 2029	Adjusted CORRA + 1.45% or Canadian Prime Rate + 0.45%	750,000	738,097	11,903	—	10,000
			$825,157	$11,903	$12,940	$149,937

(1) The Trust has drawn in US$9.6 million which was translated to $12.9 million as at September 30, 2024 (December 31, 2023 – drawn in $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 September 30, 2024, the Trust also had $42.2 million of letters of credit outstanding with other financial institutions (December 31, 2023 – $33.9 million).

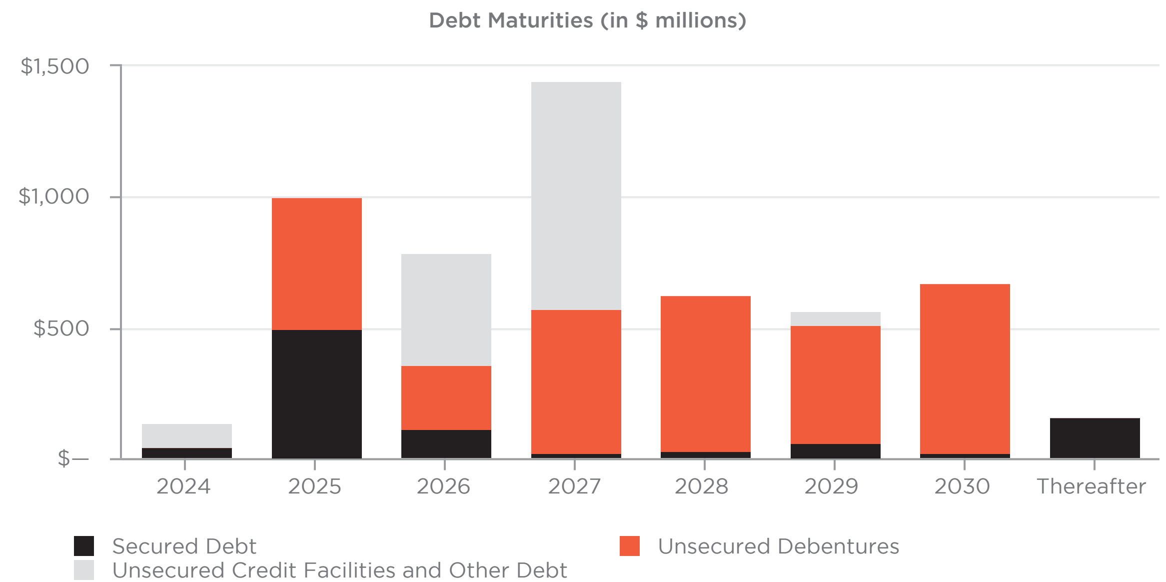
Unencumbered Assets

As at September 30, 2024, the Trust had $9.4 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 70.7% 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 $399.5 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 September 30, 2024:



(1) Includes the Trust's proportionate share of debt in equity accounted investments.
(2) Excludes revolving operating facility of $12.9 million, which matures in December 2025.
(3) For facilities where the initial maturity date can be extended at the sole option of the Trust, the final maturity date is assumed.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 nine months ended September 30, 2024, the Trust was in compliance with all financial covenants.

Ratio	Calculation	Threshold	September 30, 2024	December 31, 2023
Interest coverage ratio(1)	*Adjusted EBITDA / Adjusted interest expense including capitalized interest(6)*	≥ 1.65X	**2.4X**	2.7X
Fixed charge coverage ratio(3)	*Adjusted EBITDA / Debt service expense(7)*	≥ 1.5X	**2.1X**	2.2X
Debt to aggregate assets(3)(4)(5)	*Net debt / Aggregate assets(8)*	≤ 65%	**43.6 %**	43.1 %
Debt to aggregate assets (excluding TRS debt and receivable)(2)(5)	*Net debt (excluding TRS debt)/ Aggregate assets (excluding TRS receivable)(8)*	≤ 65%	**43.1 %**	42.4 %
Debt to Gross Book Value (excluding convertible debentures)(1)(4)(5)	*Net debt / Gross book value(9)*	≤ 60%	**52.0 %**	51.9 %
Debt to Gross Book Value (including convertible debentures)(1)(4)(5)	*Net debt / Gross book value(10)*	≤ 65%	**52.0 %**	51.9 %
Adjusted Debt to Adjusted EBITDA(2)(5)	*Adjusted debt / Adjusted EBITDA(11)*	N/A	**9.8X**	9.6X
Secured debt to aggregate assets(3)(5)	*Secured debt including EAI / Aggregate assets(12)*	≤ 40%	**7.6 %**	8.2 %
Unsecured to secured debt ratio(2)(5)	*Unsecured debt including EAI / Secured debt including EAI(13)*	N/A	**82%/18%**	81%/19%
Unencumbered assets to unsecured debt(3)(5)	*Unencumbered assets / Unsecured debt including EAI(14)*	≥ 1.3X	**2.1X**	2.2X
Unitholders' equity (in thousands)(1)(3)		≥ $2,000,000	**$6,274,891**	$6,359,304
Units classified as liabilities (in thousands)		N/A	**$208,512**	$196,571
Total Unitholders' equity including Units classified as liabilities (in thousands)		N/A	**$6,483,403**	$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 September 30, 2024, cash-on-hand of $31.4 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	September 30, 2024	December 31, 2023	Variance
Trust Units	N/A	144,687,634	144,625,322	62,312
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	4,129,420	4,117,096	12,324
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		170,365,213	170,290,577	74,636
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	1,186,431	1,248,140	(61,709)
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		7,835,862	7,897,571	(61,709)
Total Units		178,201,075	178,188,148	12,927

As of November 13, 2024, the Trust has 170,365,213 Units outstanding which are classified as equity, and 7,835,862 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)	Nine Months Ended September 30, 2024	Year Ended December 31, 2023
Unitholders' Equity – beginning of period	$6,359,304	$6,163,101
Issuance of LP Units classified as equity	1,691	1,471
Net income and comprehensive income	150,220	510,103
Distributions	(236,324)	(315,371)
Unitholders' Equity – end of period	$6,274,891	$6,359,304
LP Units classified as liabilities – beginning of period	196,571	211,497
Change in carrying value	13,298	(14,926)
Conversion of LP exchangeable units	(1,357)	—
LP Units classified as liabilities – end of period	$208,512	$196,571
Unitholders' Equity and LP Units classified as liabilities – end of period	$6,483,403	$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 nine months ended September 30, 2024, the Trust paid $247.2 million in cash distributions (for the nine months ended September 30, 2023 – $247.2 million in cash distributions). The following table summarizes declared distributions:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	2024	2023	2024	2023
Distributions declared on:				
Trust Units	$66,919	$66,891	$200,710	$200,672
LP Units	11,873	11,869	35,614	35,600
Distributions on Units classified as equity	$78,792	$78,760	$236,324	$236,272
Distributions on LP Units classified as liabilities – excluding SmartVMC West	941	969	2,872	2,910
Distributions on LP Units classified as liabilities – SmartVMC West	2,682	2,682	8,044	8,044
Distributions on LP Units classified as liabilities	$3,623	$3,651	$10,916	$10,954
Total distributions declared	$82,415	$82,411	$247,240	$247,226

Section IX — 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 September 30, 2024, there were 9,191,230 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 September 30, 2024, Penguin owned 21.2% 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 25.0% 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 September 30, 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 and nine months ended September 30, 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 and nine months ended September 30, 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 $26.00 and $28.00 Unit price thresholds have been vested on April 5, 2024, May 18, 2024, September 22, 2024, the remaining tranche will vest on April 5, 2025.

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

	Nine Months Ended September 30	
(in thousands of dollars)	2024	2023
Balance – beginning of period	$17,917	$13,380
Amortization costs capitalized to properties under development[1]	3,159	4,004
Reinvested distributions on vested EIPs	257	—
Fair value adjustment to financial instruments	3,263	(2,589)
Balance – end of period	$24,596	$14,795

(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:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	2024	2023	2024	2023
Related party transactions with Penguin				
Acquisitions and Earnouts:				
Earnouts	$1,071	$539	$1,071	$8,196
Revenues:				
Service and other revenues:				
Management fee and other services revenue pursuant to the Development Services Agreement	2,231	2,335	6,045	8,091
Support services	343	348	1,028	1,043
	$2,574	$2,683	$7,073	$9,134
Interest income from mortgages and loans receivable	555	967	1,974	3,592
Rents and operating cost recoveries included in rentals from income properties	640	603	1,797	2,155
	$3,769	$4,253	$10,844	$14,881
Expenses and other payments:				
Fees paid pursuant to the Penguin Services Agreement – capitalized to properties under development	1,989	1,949	5,683	5,239
EIP – capitalized to properties under development	800	1,359	3,159	4,004
Development fees and interest expense – capitalized to investment properties	151	53	310	121
Opportunity fees pursuant to the development management agreements – capitalized to properties under development[1]	15	15	45	45
Marketing and other costs – included in general and administrative expense and property operating costs	15	17	47	53
Disposition fees pursuant to the Development and Services Agreement – included in general and administrative expense	283	—	351	497
	$3,253	$3,393	$9,595	$9,959

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

(in thousands of dollars)	September 30, 2024	December 31, 2023
Related party balances with Penguin disclosed elsewhere in the financial statements		
Receivables:		
Amounts receivable and other[1]	$30,327	$21,647
Mortgages receivable	2	17,548
Loans receivable	77,206	76,392
Notes receivable	2,924	2,924
Total receivables	$110,459	$118,511
Payables and other accruals:		
Accounts payable and accrued liabilities	8,402	3,723
Future land development obligations	17,517	18,075
Total payables and other accruals	$25,919	$21,798

(1) Excludes amounts receivable presented below as part of balances with equity accounted investments. This amount includes amounts receivable of $19.6 million and other of $10.8 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 and nine months ended September 30, 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(a) in the Trust's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 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 and nine months ended September 30, 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:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	**2024**	2023	**2024**	2023
Related party transactions with the Trust's equity accounted investments				
Revenues:				
Supplemental Development Fee	**$1,223**	$1,911	**$5,071**	$8,947
Interest income from mortgages and loans receivable	**1,625**	3,191	**5,697**	8,779
Expenses and other payments:				
Rent and operating costs (included in general and administrative expense and property operating costs)	**830**	701	**2,400**	2,076

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

(in thousands of dollars)	**September 30, 2024**	December 31, 2023
Related party balances disclosed elsewhere in the financial statements		
Amounts receivable[1]	**$14,814**	$15,052
Loans receivable[2]	**117,954**	108,815
Other unsecured debt[3]	**114,290**	150,689

(1) Amounts receivable includes Penguin's portion, which represents $7.8 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 $27.0 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 September 30, 2024 (December 31, 2023 – nil).

Other related party transactions
The following table summarizes other related party transactions:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	**2024**	2023	**2024**	2023
Legal fees incurred from a law firm in which a partner is a Trustee:				
Capitalized to investment properties	**$130**	$218	**$760**	$374
Included in general and administrative expense	**108**	15	**394**	1,033
	$238	$233	**$1,154**	$1,407

Section X — 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 and nine months ended September 30, 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 September 30, 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

Future Changes in Accounting Policies
The Trust monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Trust's operations.

IFRS 18, Presentation and Disclosure in Financial Statements
In April 2024, IFRS 18, "Presentation and Disclosure in Financial Statements" was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.
The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Trust is currently assessing the impact of the new standard.

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 September 30, 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 and nine months ended September 30, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Section XI — Glossary of Terms

Term	Definition
Adjusted CORRA	Adjusted CORRA refers to the rate per annum comprising the Canadian Overnight Repo Rate Average ("CORRA") plus the applicable CORRA Adjustment. CORRA is administered and published by the Bank of Canada or its successor.
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.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.

SMARTCENTRES REAL ESTATE INVESTMENT TRUST

UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands of Canadian dollars)

As at	Note	September 30, 2024	December 31, 2023	January 1, 2023
Assets				
Non-current assets				
Investment properties	3	**$10,606,288**	$10,564,269	$10,286,891
Equity accounted investments	4	**738,385**	756,919	680,999
Mortgages, loans and notes receivable	5	**189,791**	80,532	238,099
Other financial assets	6	**101,716**	152,162	171,807
Other assets	7	**10,968**	4,167	4,410
Intangible assets		**41,477**	42,476	43,807
		$11,688,625	$11,600,525	$11,426,013
Current assets				
Assets held for sale		**—**	—	42,321
Residential development inventory		**33,865**	51,719	40,373
Current portion of mortgages, loans and notes receivable	5	**8,295**	129,777	86,593
Amounts receivable and other	8	**86,897**	73,610	57,124
Prepaid expenses, deposits and deferred financing costs	8	**53,449**	15,048	14,474
Cash and cash equivalents		**38,279**	34,743	35,255
		$220,785	$304,897	$276,140
Total assets		**$11,909,410**	$11,905,422	$11,702,153
Liabilities				
Non-current liabilities				
Debt	9	**$4,479,270**	$4,394,044	$4,523,987
Other financial liabilities	10	**14,642**	17,314	22,841
Other payables	11	**8,520**	17,727	17,265
		$4,502,432	$4,429,085	$4,564,093
Current liabilities				
Current portion of debt	9	**548,230**	605,478	459,278
Current portion of other financial liabilities	10	**296,922**	258,069	254,559
Accounts payable and current portion of other payables	11	**286,935**	253,486	261,122
		$1,132,087	$1,117,033	$974,959
Total liabilities		**$5,634,519**	$5,546,118	$5,539,052
Equity				
Trust Unit equity		**$5,194,675**	$5,272,334	$5,126,197
Non-controlling interests		**1,080,216**	1,086,970	1,036,904
		$6,274,891	$6,359,304	$6,163,101
Total liabilities and equity		**$11,909,410**	$11,905,422	$11,702,153

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

Approved by the Board of Trustees.

Michael Young
Trustee

Garry Foster
Trustee

SMARTCENTRES REAL ESTATE INVESTMENT TRUST

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(in thousands of Canadian dollars)

	Note	Three Months Ended September 30 2024	Three Months Ended September 30 2023	Nine Months Ended September 30 2024	Nine Months Ended September 30 2023
Net rental income and other					
Rentals from investment properties and other	15	**$243,326**	$206,016	**$688,616**	$623,560
Property operating costs and other	16	**(101,348)**	(75,614)	**(282,688)**	(238,450)
Net rental income and other		**141,978**	130,402	**405,928**	385,110
Other income and expenses					
General and administrative expense, net	17	**(9,088)**	(7,761)	**(26,878)**	(25,828)
Earnings from equity accounted investments	4	**3,120**	62,396	**11,013**	85,277
Fair value adjustment on investment properties	3	**(615)**	42,734	**(92,303)**	106,335
Gain (loss) on sale of investment properties		**22**	—	**(120)**	(23)
Interest expense	9(d)	**(47,679)**	(42,193)	**(137,754)**	(121,855)
Interest income		**3,343**	5,268	**11,085**	15,268
Fair value adjustment on financial instruments		**(48,602)**	24,329	**(20,751)**	51,654
Net income and comprehensive income		**$42,479**	$215,175	**$150,220**	$495,938
Net income and comprehensive income attributable to:					
Trust Units		**$34,408**	$174,565	**$121,680**	$402,295
Non-controlling interests		**8,071**	40,610	**28,540**	93,643
		$42,479	$215,175	**$150,220**	$495,938

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

SMARTCENTRES REAL ESTATE INVESTMENT TRUST

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of Canadian dollars)

	Note	Three Months Ended September 30 2024	Three Months Ended September 30 2023	Nine Months Ended September 30 2024	Nine Months Ended September 30 2023
Cash provided by (used in)					
Operating activities					
Net income and comprehensive income		**$42,479**	$215,175	**$150,220**	$495,938
Items not affecting cash and other items	18	**89,889**	(90,497)	**233,782**	(126,890)
Cash interest paid	9(d)	**(24,050)**	(24,426)	**(102,695)**	(98,024)
Interest received		**2,971**	2,807	**6,676**	8,645
Distributions from equity accounted investments	4	**375**	780	**2,910**	3,995
Expenditures on direct leasing costs and tenant incentives		**(2,858)**	(1,982)	**(6,739)**	(8,935)
Expenditures on tenant incentives for properties under development		**(557)**	(2,479)	**(5,067)**	(4,716)
Changes in other non-cash operating items	18	**(2,869)**	(5,523)	**(26,997)**	(32,905)
Cash flows provided by operating activities		**$105,380**	$93,855	**$252,090**	$237,108
Financing activities					
Proceeds from issuance of unsecured debentures, net of issuance costs		**348,758**	—	**348,758**	298,950
Proceeds from secured debt		**—**	466	**—**	2,733
Proceeds from unsecured debt		**2,045**	23,226	**57,375**	32,485
Proceeds from revolving operating facilities		**—**	125,027	**125,000**	218,027
Repayment of unsecured debentures		**(100,000)**	—	**(100,000)**	(200,000)
Repayments of secured debt		**(44,495)**	(34,589)	**(61,208)**	(113,180)
Repayments of unsecured debt		**(1,841)**	(780)	**(7,852)**	(21,127)
Repayments of revolving operating facility		**(222,023)**	(83,000)	**(261,997)**	(163,832)
Distributions paid on Trust Units		**(66,919)**	(66,891)	**(200,710)**	(200,672)
Distributions paid on non-controlling interests and Units classified as liabilities		**(15,496)**	(15,514)	**(46,530)**	(46,554)
Payment of lease liability		**(543)**	(471)	**(1,627)**	(1,420)
Cash flows used in financing activities		**$(100,514)**	$(52,526)	**$(148,791)**	$(194,590)
Investing activities					
Acquisitions and Earnouts of investment properties		**(1,567)**	(357)	**(13,122)**	(2,777)
Additions to investment properties		**(43,549)**	(32,467)	**(108,996)**	(95,976)
Additions to equity accounted investments	4	**(7,382)**	(17,940)	**(40,622)**	(43,646)
Additions to equipment	7	**(235)**	(719)	**(367)**	(1,320)
Advances of mortgages and loans receivable		**(49,367)**	(2,251)	**(66,469)**	(5,585)
Repayments of mortgages and loans receivable		**64,305**	16,372	**87,071**	53,352
Development distributions from equity accounted investments	4	**21,901**	—	**35,992**	18,009
Net proceeds from sale of investment properties		**—**	196	**6,750**	49,125
Cash flows used in investing activities		**$(15,894)**	$(37,166)	**$(99,763)**	$(28,818)
Increase (decrease) in cash and cash equivalents during the period		**(11,028)**	4,163	**3,536**	13,700
Cash and cash equivalents – beginning of period		**49,307**	44,792	**34,743**	35,255
Cash and cash equivalents – end of period		**$38,279**	$48,955	**$38,279**	$48,955

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

SMARTCENTRES REAL ESTATE INVESTMENT TRUST

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EQUITY

(in thousands of Canadian dollars)

		Attributable to Unitholders			Attributable to LP Units Classified as Non-Controlling Interests				
	Note	Trust Units (Note 13)	Retained Earnings	Trust Unit Equity	LP Units (Note 13)	Retained Earnings	LP Unit Equity	Other Non-Controlling Interest (Note 19)	Total Equity
Equity – January 1, 2024		**$3,090,118**	**$2,182,216**	**$5,272,334**	**$644,694**	**$438,628**	**$1,083,322**	**$3,648**	**$6,359,304**
Net income and comprehensive income		**—**	**121,680**	**121,680**	**—**	**28,213**	**28,213**	**327**	**150,220**
Units issued on exercise of deferred units	10, 13	**14**	**—**	**14**	**—**	**—**	**—**	**—**	**14**
Conversion of LP exchangeable units	10, 13	**1,357**	**—**	**1,357**	**—**	**—**	**—**	**—**	**1,357**
Issuance of Units	13	**—**	**—**	**—**	**320**	**—**	**320**	**—**	**320**
Distributions	14	**—**	**(200,710)**	**(200,710)**	**—**	**(35,614)**	**(35,614)**	**—**	**(236,324)**
Equity – September 30, 2024		**$3,091,489**	**$2,103,186**	**$5,194,675**	**$645,014**	**$431,227**	**$1,076,241**	**$3,975**	**$6,274,891**
Equity – January 1, 2023		$3,090,118	$2,036,079	$5,126,197	$643,223	$390,121	$1,033,344	$3,560	$6,163,101
Issuance of Units	13	—	—	—	1,471	—	1,471	—	1,471
Net income and comprehensive income		—	402,295	402,295	—	93,322	93,322	321	495,938
Distributions	14	—	(200,672)	(200,672)	—	(35,600)	(35,600)	—	(236,272)
Equity – September 30, 2023		$3,090,118	$2,237,702	$5,327,820	$644,694	$447,843	$1,092,537	$3,881	$6,424,238

The accompanying notes are an integral part of the unaudited interim condensed consolidated financial statements.

SMARTCENTRES REAL ESTATE INVESTMENT TRUST

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024 and September 30, 2023

(in thousands of Canadian dollars, except Unit, square foot and per Unit amounts)

1. Organization

SmartCentres Real Estate Investment Trust and its subsidiaries (collectively, "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, both directly and through its subsidiaries, Smart Limited Partnership, Smart Limited Partnership II, Smart Limited Partnership III, Smart Limited Partnership IV, Smart Oshawa South Limited Partnership, Smart Oshawa Taunton Limited Partnership, Smart Boxgrove Limited Partnership, ONR Limited Partnership, ONR Limited Partnership I, and SmartVMC West Limited Partnership. The exchangeable securities of these subsidiaries, which are presented as non-controlling interests or as a liability, as appropriate, are economically equivalent to voting trust units ("Trust Units") as a result of voting, exchange and distribution rights as more fully described in Note 13. The address of the Trust's registered office is 3200 Highway 7, Vaughan, Ontario, L4K 5Z5. The Units of the Trust are listed on the Toronto Stock Exchange ("TSX") under the ticker symbol "SRU.UN".

These unaudited interim condensed consolidated financial statements have been approved for issue by the Board of Trustees on November 13, 2024. The Board of Trustees has the power to amend the unaudited interim condensed consolidated financial statements after issue.

As at September 30, 2024, the Penguin Group of Companies ("Penguin"), owned by Mitchell Goldhar, owned approximately 21.2% (December 31, 2023 – 21.0%) of the issued and outstanding Units of the Trust and Limited Partnerships (see also Note 19, "Related party transactions").

2. Material accounting policy information

2.1 Basis of presentation

These unaudited interim condensed consolidated financial statements of the Trust 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 unaudited interim condensed consolidated financial statements contain disclosures that are supplemental to the Trust's annual consolidated financial statements. They do not include all the information and disclosures required by IFRS accounting standards applicable for annual consolidated financial statements and, therefore, they should be read in conjunction with the annual audited consolidated financial statements as at and for the year ended December 31, 2023.

2.2 Accounting policies

The accounting policies followed in these unaudited interim condensed consolidated financial statements are consistent with the policies and method of their application used in the preparation of the audited consolidated financial statements as at and 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

2.3 *Future changes in accounting policies*

The Trust monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Trust's operations.

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18, "Presentation and Disclosure in Financial Statements" was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Trust is currently assessing the impact of the new standard.

2.4 *Reclassification of comparative figures*

The comparative figures relating to "Additions to equity accounted investments", in the amount of $18,009 for the nine months ended September 30, 2023, has been reclassified from "Additions to equity accounted investments" to "Development distributions from equity accounted investments" to conform with the current period presentation.

3. Investment properties

The following table summarizes the activities in investment properties:

		Nine Months Ended September 30, 2024			Year Ended December 31, 2023		
	Note	Income Properties	Properties Under Development	Total	Income Properties	Properties Under Development	Total
Balance – beginning of period		$8,743,808	$1,820,461	$10,564,269	$8,575,713	$1,753,499	$10,329,212
Additions (deductions):							
Acquisitions, Earnouts and related adjustments of investment properties		—	23,378	23,378	—	2,435	2,435
Earnout Fees on properties subject to development management agreements	3(e)(ii)	998	—	998	1,666	—	1,666
Transfer to income properties from properties under development		67,624	(67,624)	—	64,318	(64,318)	—
Transfer from income properties to properties under development		(19,441)	19,441	—	(7,308)	7,308	—
Transfer from properties under development to equity accounted investments	3(c)	—	(4,500)	(4,500)	—	(1,500)	(1,500)
Transfer to properties under development from equity accounted investments		—	—	—	—	47,440	47,440
Capital and development expenditures		25,397	60,641	86,038	36,435	55,684	92,119
Capitalized interest	9(d)	—	27,787	27,787	—	44,444	44,444
Dispositions	3(c)	—	(6,750)	(6,750)	—	(50,208)	(50,208)
Straight-line rents and tenant incentives[(1)]		7,371	—	7,371	7,213	—	7,213
Fair value adjustment on investment properties		63,477	(155,780)	(92,303)	65,771	25,677	91,448
Balance – end of period		$8,889,234	$1,717,054	$10,606,288	$8,743,808	$1,820,461	$10,564,269

(1) The amount is net of amortization of straight-line rents and tenant incentives in the amount of $6,274 and $5,464, respectively (year ended December 31, 2023 – $7,475 and $7,662, respectively).

Secured debt with a carrying value of $730,031 (December 31, 2023 – $807,602) is secured by investment properties with a fair value of $2,383,811 (December 31, 2023 – $2,478,013).

a) Valuation methods underlying management's estimation of fair value

i) Income properties

The Trust applies the discounted cash flow valuation method to estimate the value of income properties, which include: freehold properties, properties with leasehold interests with purchase options, and properties with leasehold interests without purchase options. The Trust applies this valuation method as it believes that the discounted cash flow valuation method represents the Trust's estimate of fair values of income properties based on expectations of changes in rental rates, occupancy rates, lease renewal rates, leasing costs, expected credit losses and downtime on lease expiries, among others.

ii) Properties under development

Properties under development are valued using two primary methods: i) discounted cash flow method, factoring in future cash inflows and outflows such as construction costs to complete development, leasing costs and other fees, and Earnout Fees, if any; or ii) land, development and construction costs are recorded at market value, factoring in development risks such as planning, zoning, timing and market conditions.

The following table summarizes significant assumptions in Level 3 valuations:

	September 30, 2024			
	Terminal Capitalization Rate		Discount Rate	
Valuation Method	Weighted Average	Range	Weighted Average	Range
Income properties				
Discounted cash flow	**6.00 %**	**4.20% – 7.75%**	**6.53 %**	**4.60% – 8.25%**
Properties under development				
Land, development and construction costs recorded at market value	**N/A**	**N/A**	**N/A**	**N/A**
Discounted cash flow	**5.85 %**	**4.20% – 7.40%**	**6.47 %**	**4.60% – 7.90%**

	December 31, 2023			
	Terminal Capitalization Rate		Discount Rate	
Valuation Method	Weighted Average	Range	Weighted Average	Range
Income properties				
Discounted cash flow	5.98 %	4.20% – 7.70%	6.51 %	4.60% – 8.20%
Properties under development				
Land, development and construction costs recorded at market value	N/A	N/A	N/A	N/A
Discounted cash flow	5.97 %	4.20% – 7.40%	6.57 %	4.60% – 7.90%

The following table summarizes the fair value sensitivity for the portion of the Trust's investment properties that are sensitive to changes in discount rates as at September 30, 2024:

	Income Properties			Properties Under Development		
Discount Rate Sensitivity	Weighted Average Overall Discount Rate	Estimated Fair Value of Investment Properties	Fair Value Variance	Weighted Average Overall Discount Rate	Estimated Fair Value of Investment Properties	Fair Value Variance
(1.00)%	5.53 %	$10,707,749	$1,818,539	5.47 %	$172,162	$25,400
(0.50)%	6.03 %	$9,714,049	$824,839	5.97 %	$158,162	$11,400
(0.25)%	6.28 %	$9,283,949	$394,739	6.22 %	$152,262	$5,500
—%	6.53 %	$8,889,210	$—	6.47 %	$146,762	$—
0.25%	6.78 %	$8,530,349	$(358,861)	6.72 %	$141,762	$(5,000)
0.50%	7.03 %	$8,197,349	$(691,861)	6.97 %	$137,062	$(9,700)
1.00%	7.53 %	$7,605,249	$(1,283,961)	7.47 %	$129,062	$(17,700)

b) ***Earnouts and Acquisitions***

Earnouts and acquisitions completed during the nine months ended September 30, 2024

The following table summarizes the Earnouts and acquisitions completed during the nine months ended September 30, 2024:

					Satisfied through			
	Date of Acquisition	Type	Area	Purchase Price	Cash	Issuance of LP Units	Debt	Assumption of Debt and Other Adjustments
Earnouts	September	Retail	2,232 sq. ft.	$1,071	$751	$320	$—	$—
Acquisitions								
51 Yonge Street, Toronto, Ontario	February	Property under development	10,650 sq. ft.	21,555	11,536	—	10,000	19
London, Ontario	July	Land	6 acres	1,823	816	—	—	1,007

See also Note 4, "Equity accounted investments", for additional details on acquisitions reflected in equity accounted investments.

c) ***Dispositions***

Dispositions of investment properties during the nine months ended September 30, 2024

The following table summarizes the dispositions completed during the nine months ended September 30, 2024:

Location	Date of Disposition	Type	Area	Ownership Interest	Disposition Proceeds
Bradford, Ontario	January	Land parcel	3.29 acres	100 %	$6,786
Laval, Quebec[1]	April	Land Parcel	1.80 acres	100 %	$4,500

(1) In April 2024, the Trust contributed its interest in a parcel of land located in Laval, Quebec to the joint venture with the intention to develop and operate self-storage facilities.

d) ***Leasehold property interests***

At September 30, 2024, 15 (December 31, 2023 – 16) investment properties with a fair value of $956,200 (December 31, 2023 – $976,751) are leasehold property interests accounted for as leases.

i) ***Leasehold property interests without bargain purchase options***

The Trust previously prepaid its entire lease obligations for the 14 leasehold interests with Penguin (see also Note 19, "Related party transactions") in the amount of $889,931 (December 31, 2023 – $889,931), including prepaid land rent of $229,846 (December 31, 2023 – $229,846).

ii) ***Leasehold property interest with bargain purchase option***

A leasehold interest commenced in 2003 under the terms of a 35-year lease with Penguin (see also Note 19, "Related party transactions"). The lease requires a $10,000 payment at the end of the lease term in 2038 to exercise a purchase option, which is considered to be a bargain purchase option. The Trust prepaid its entire lease obligation for this property of $58,479 (December 31, 2023 – $57,997). As the Trust expects to exercise the purchase option in 2038, the purchase option price has been included in accounts payable in the amount of $2,758 (December 31, 2023 – $2,575), net of imputed interest at 9.18% of $7,242 (December 31, 2023 – $7,425) (see also Note 11, "Accounts and other payables").

In February 2024, the Trust exercised the purchase option in the amount of $6,000 on a second leasehold interest which was previously purchased on February 11, 2015, and consequently acquired the ownership of the land.

e) ***Properties under development***

The following table presents properties under development:

As at	September 30, 2024	December 31, 2023
Properties under development not subject to development management agreements i)	**$1,656,667**	$1,758,774
Properties under development subject to development management agreements ii)	**60,387**	61,687
	$1,717,054	$1,820,461

i) ***Properties under development not subject to development management agreements***

During the three and nine months ended September 30, 2024, the Trust completed the development and leasing of certain properties under development not subject to development management agreements, for which the fair value of the investment properties has been reclassified from properties under development to income properties.

For the three and nine months ended September 30, 2024, the Trust incurred land and development costs of $11,247 and $67,395, respectively (three and nine months ended September 30, 2023 – $16,564 and $59,697, respectively).

ii) ***Properties under development subject to development management agreements (Earnout agreements)***

These properties under development (including certain leasehold property interests) are subject to various development management agreements with Penguin and Walmart.

In certain events, the developer/vendor may sell a portion of undeveloped land to accommodate the construction plan that provides the best use of the property, reimbursing the Trust its costs related to such portion, and provides a profit based on a pre-negotiated formula. Pursuant to the development management agreements, the developers/vendors assume responsibility for managing the development of the land on behalf of the Trust and are granted the right for a period of up to 10 years to earn an Earnout Fee (subject to options and extensions in certain circumstances). On completion and rental of additional space on these properties, the Trust is obligated to pay the Earnout Fee and any additional development costs not previously incurred by the Trust, at a total price calculated by a formula using the net operating rents and predetermined negotiated capitalization rates, on the date rent becomes payable on the additional space ("Gross Cost"). The Earnout Fee is calculated as the Gross Cost less the associated land and development costs incurred by the Trust.

For certain of these properties under development, Penguin and others have been granted Earnout options that give them the right, at their option, to invest up to 40% of the Earnout Fee for one of the agreements and up to 30% to 40% of the Gross Cost for the remaining agreements in Trust Units, Class B, D and F Smart LP Units, Class B and D Smart LP III Units, Class B Smart LP IV Units, Class B and D Smart Oshawa South LP Units, Class B and D

Smart Oshawa Taunton LP Units, Class B Smart Boxgrove LP Units and Class B ONR LP I Units at predetermined option strike prices subject to a maximum number of Units. On December 9, 2020, the Trust entered into an Omnibus Agreement with Mitchell Goldhar that provided a right to extend the terms of certain Earnout agreements for an additional two years. As a result, the Earnout agreements for Earnout options that were originally set to expire between 2020 and 2025 may be extended up to 2027. See also Note 10, "Other financial liabilities".

The following table summarizes the development costs incurred (exclusive of the cost of land previously acquired) and Earnout Fees paid to vendors relating to the completed retail spaces that have been reclassified to income properties:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Development costs incurred	**$229**	$261	**$229**	$4,523
Earnout Fees paid	**998**	446	**998**	1,666
	$1,227	$707	**$1,227**	$6,189

4. Equity accounted investments

The Trust has entered into a number of arrangements with other parties for the purpose of jointly developing, owning and operating investment properties. The following table summarizes the Trust's ownership interest in each associate and joint venture investments grouped by their asset class:

As at		September 30, 2024		December 31, 2023	
Description of Equity Accounted Investments	**Partner(s)**	**Number of Investments**	**Ownership Interest**	Number of Investments	Ownership Interest
Investments in Associates:(1)					
Penguin-Calloway Vaughan Partnership ("PCVP")	Penguin	**1**	**50.0 %**	1	50.0 %
Residences LP – Transit City	Penguin, CentreCourt	**3**	**25.0 %**	3	25.0 %
Residences (One & Two) LP	Penguin	**2**	**50.0%-66.7%**	2	50.0%-66.7%
Investments in Joint Ventures:					
Retail investment properties	Fieldgate	**1**	**30.0 %**	1	30.0 %
Self-storage facilities	SmartStop	**19**	**50.0 %**	16	50.0 %
Residential apartments	Jadco	**1**	**50.0 %**	1	50.0 %
Residential apartments	Greenwin	**1**	**75.0 %**	1	75.0 %
Residential apartments	Cogir	**1**	**80.0 %**	1	80.0 %
Residential apartments	Other	**1**	**50.0 %** (2)	2	50.0 % (2)

(1) The Trust's investments in associates are partnered with Penguin. See also Note 19, "Related party transactions".
(2) According to the limited partnership agreement entered into by the Trust and Groupe Sélection in April 2020, the ownership of a joint venture partnership was 50%. During the years ended December 31, 2022 and 2023, the Trust contributed $24,412 and $6,413 to this partnership, respectively, of which $5,319 and $6,413 were characterized as special contributions. During the nine months ended September 30, 2024, the Trust received a net return of such special contributions of $11,732 from the partnership.

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

	Nine Months Ended September 30, 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:						
Earnings	**(226)**	**11,239**	**11,013**	15,545	59,625	75,170
Distributions – VMC Residences condo unit closings(1)	**(37,886)**	**—**	**(37,886)**	(653)	—	(653)
Distributions – operating activities	**(2,478)**	**(432)**	**(2,910)**	(3,505)	(2,666)	(6,171)
Financing Activities:						
Fair value adjustment on loan	**2,119**	**—**	**2,119**	2,875	—	2,875
Investing Activities:						
Cash contribution	**3,739**	**36,883**	**40,622**	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	**—**	**4,500**	**4,500**	—	1,500	1,500
Development distributions	**(2,478)**	**(33,514)**	**(35,992)**	(18,007)	(326)	(18,333)
Investment – end of period	**$428,879**	**$309,506**	**$738,385**	$466,089	$290,830	$756,919

(1) For the nine months ended September 30, 2024, the distributions in the amount of $37,886 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 $653 were satisfied by a non-cash settlement of the VMC Residences loan Payable) (see Note 9(b)(iv)).

a) *Summary of balance sheets*

The following table summarizes the balance sheets for investment in associates and joint ventures:

As at	September 30, 2024				December 31, 2023			
	Associates				Associates			
Equity accounted investments in:	**PCVP**	**VMC Residences**(1)	**Joint Ventures**	**Total**	PCVP	VMC Residences(1)	Joint Ventures	Total
Non-current assets	**$1,400,276**	**$—**	**$990,512**	**$2,390,788**	$1,382,727	$—	$881,208	$2,263,935
Current assets	**40,399**	**173,664**	**16,068**	**230,131**	15,240	291,222	12,643	319,105
Total assets	**$1,440,675**	**$173,664**	**$1,006,580**	**$2,620,919**	$1,397,967	$291,222	$893,851	$2,583,040
Non-current liabilities	**$587,466**	**$—**	**$326,101**	**$913,567**	$497,314	$—	$218,482	$715,796
Current liabilities(2)	**53,026**	**102,190**	**72,925**	**228,141**	103,471	94,898	128,369	326,738
Total liabilities	**$640,492**	**$102,190**	**$399,026**	**$1,141,708**	$600,785	$94,898	$346,851	$1,042,534
Net assets	**$800,183**	**$71,474**	**$607,554**	**$1,479,211**	$797,182	$196,324	$547,000	$1,540,506
Trust's share of net assets before adjustments	**400,091**	**27,444**	**309,506**	**737,041**	400,894	64,037	290,830	755,761
Fair value adjustment on loan	**716**	**628**	**—**	**1,344**	841	317	—	1,158
Trust's share of net assets	**$400,807**	**$28,072**	**$309,506**	**$738,385**	$401,735	$64,354	$290,830	$756,919

(1) VMC Residences LP, Residences III LP, East Block Residences LP, Residences (One) LP, and Residences (Two) LP, collectively, referred to as "VMC Residences", all of which are involved in residential condo development.
(2) As at September 30, 2024, the balance includes loan payable to the Trust of $54,054 in respect to its investments in associates (December 31, 2023 – $51,482), see also Note 5(a).

The investments in associates listed above have entered into various development construction contracts with existing commitments totalling $18,996 (December 31, 2023 – $17,517).

The joint ventures listed above have entered into various development construction contracts with existing commitments totalling $42,550 (December 31, 2023 – $51,217).

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. As of September 30, 2024, the investment in associates had development credit facilities with an outstanding balance of $437,700 (December 31, 2023 – $391,400), of which the Trust's share was $218,850 (December 31, 2023 – $195,700). The development credit facilities bearing interest based on the Adjusted Canadian Overnight Repo Rate ("Adjusted CORRA") plus 1.45%, maturing in June 2027.

As of September 30, 2024, the joint ventures had development credit facilities with an outstanding balance of $112,721 (December 31, 2023 – $155,066), of which the Trust's share was $56,360 (December 31, 2023 – $92,844). The development credit facilities bearing interest based on the Adjusted CORRA rate plus 1.35% to 2.70%, maturing between November 2024 and May 2026.

b) ***Summary of earnings*** **(losses)**

The following table summarizes the earnings (losses) for investment in associates and joint ventures:

	Three Months Ended September 30, 2024				Three Months Ended September 30, 2023			
	Associates				Associates			
Net Income from equity accounted investments in:	**PCVP**	**VMC Residences**	**Joint Ventures**	**Total**	PCVP	VMC Residences	Joint Ventures	Total
Revenue								
Rental revenue(1)	**$12,751**	**$—**	**$11,212**	**$23,963**	$10,086	$—	$9,135	$19,221
Residential sales revenue	**—**	**86**	**—**	**86**	—	146,294	—	146,294
Operating expense								
Rental operating costs	**(5,775)**	**—**	**(4,227)**	**(10,002)**	(5,192)	—	(3,294)	(8,486)
Residential cost of sales	**—**	**(81)**	**—**	**(81)**	—	(118,680)	—	(118,680)
Revenue net of operating expense	**$6,976**	**$5**	**$6,985**	**$13,966**	$4,894	$27,614	$5,841	$38,349
Fair value adjustment on investment properties	**(681)**	**—**	**5,872**	**5,191**	742	—	105,242	105,984
Interest (expense) income	**(7,244)**	**806**	**(4,434)**	**(10,872)**	(2,362)	1,231	(4,202)	(5,333)
Earnings (losses)	**$(949)**	**$811**	**$8,423**	**$8,285**	$3,274	$28,845	$106,881	$139,000
Trust's share of earnings before supplemental cost and additional profit sharing	**(474)**	**409**	**3,797**	**3,732**	1,637	7,438	52,887	61,962
Additional Trust's share of earnings(2)	**—**	**—**	**—**	**—**	—	1,390	—	1,390
Supplemental cost	**(470)**	**—**	**(142)**	**(612)**	(727)	—	(229)	(956)
Trust's share of earnings (losses)	**$(944)**	**$409**	**$3,655**	**$3,120**	$910	$8,828	$52,658	$62,396

(1) Includes office rental from the Trust in the amount of $830 for the three months ended September 30, 2024 (three months ended September 30, 2023 – $701).
(2) Additional profit allocated to the Trust for Transit City closing pursuant to the development agreement and limited partnership agreement.

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Nine Months Ended September 30, 2024				Nine Months Ended September 30, 2023			
	Associates				Associates			
Net Income from equity accounted investments in:	**PCVP**	**VMC Residences**	**Joint Ventures**	**Total**	PCVP	VMC Residences	Joint Ventures	Total
Revenue								
Rental revenue(1)	**$36,504**	**$—**	**$32,027**	**$68,531**	$27,895	$—	$24,205	$52,100
Residential sales revenue	**—**	**510**	**—**	**510**	—	491,474	—	491,474
Operating expense								
Rental operating costs	**(18,736)**	**—**	**(12,411)**	**(31,147)**	(14,174)	—	(10,180)	(24,354)
Residential cost of sales	**—**	**(747)**	**—**	**(747)**	—	(398,105)	—	(398,105)
Revenue net of operating expense	**$17,768**	**$(237)**	**$19,616**	**$37,147**	$13,721	$93,369	$14,025	$121,115
Fair value adjustment on investment properties	**4,475**	**—**	**19,769**	**24,244**	9,135	—	110,140	119,275
Interest (expense) income	**(22,031)**	**3,022**	**(13,505)**	**(32,514)**	(7,024)	3,245	(11,435)	(15,214)
Earnings	**$212**	**$2,785**	**$25,880**	**$28,877**	$15,832	$96,614	$112,730	$225,176
Trust's share of earnings before supplemental cost and additional profit sharing	**106**	**1,470**	**11,973**	**13,549**	7,916	24,771	54,427	87,114
Additional Trust's share of earnings(2)	**—**	**—**	**—**	**—**	—	2,637	—	2,637
Supplemental cost	**(1,802)**	**—**	**(734)**	**(2,536)**	(3,841)	—	(633)	(4,474)
Trust's share of earnings (losses)	**$(1,696)**	**$1,470**	**$11,239**	**$11,013**	$4,075	$27,408	$53,794	$85,277

(1) Includes office rental revenue from the Trust in the amount of $2,400 for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – $2,076).
(2) Additional profit allocated to the Trust for Transit City closing pursuant to the development agreement and limited partnership agreement.

In accordance with the VMC Supplemental Development Fee Agreement, the Trust invoiced PCVP a net amount of $3,604 related to associated development fees for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – $7,682).

In accordance with the Supplemental Development and Construction Fee Agreements, the Trust invoiced certain investments in joint ventures for a net amount of $1,467 related to associated supplemental development fees for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – $1,265).

Acquisitions completed during the nine months ended September 30, 2024

The following table summarizes the acquisitions completed in equity accounted investments:

	Type	Date	Segment	Area	Purchase Price(1)(2)
Acquisitions					
Montreal (Notre Dame St. W), Quebec	Land parcel	January	Self-storage	1.93 acres	$9,396
Laval E (Boulevard Robert-Bourassa), Quebec	Land parcel	April	Self-storage	1.80 acres	$4,541
Victoria, British Columbia	Land Parcel	April	Self-storage	0.91 acres	$11,655

(1) The purchase price is shown at 100% ownership.
(2) Purchase price includes acquisition costs.

5. Mortgages, loans and notes receivable

The following table summarizes mortgages, loans and notes receivable:

As at	Note	September 30, 2024	December 31, 2023
Loans receivable (a)		$195,160	$189,837
Mortgages receivable (b)	19	2	17,548
Notes receivable (c)	19	2,924	2,924
		$198,086	$210,309
Current		8,295	129,777
Non-current		189,791	80,532
		$198,086	$210,309

a) The following table presents loans receivable:

Issued to	Committed	Maturity Date	Interest Rate	Note	September 30, 2024	December 31, 2023
Penguin(1)	23,019	March 2026	Variable	19	$13,588	$13,071
Penguin(2)	N/A	December 2029	Interest-free	9(b)(iv), 19	55,322	55,429
Penguin(3)	1,069	August 2030	Variable	19	1	1
Penguin(4)	12,493	—	Variable	19	8,295	7,891
Total loans issued to Penguin					$77,206	$76,392
PCVP(5)	N/A	March 2026	Variable	19	54,054	51,482
Self-storage facilities(6)	133,900	May 2026	Variable	19	63,900	57,333
Total loans issued to equity accounted investments					$117,954	$108,815
Vaughan NW Residence(7)	34,250	November 2026	Variable		—	4,630
Total loans issued to unrelated parties					$—	$4,630
					$195,160	$189,837

(1) The loan security includes a first or second charge on the property, assignments of rents and leases and general security agreements, and is guaranteed by Penguin. In April 2024, the loan term was extended by two years with a variable interest rate based on the Trust's operating line interest rate plus 20 basis points.
(2) The loan has a principal amount outstanding of $68,215, is non-interest-bearing, and is repayable at the end of 10 years. As at September 30, 2024, the loan balance of $55,322 is net of a cumulative fair value adjustment totalling $12,893.
(3) The loan bears interest at: i) the Adjusted CORRA rate plus 220 basis points, up to 60% of the facility limit, and ii) the Adjusted CORRA rate plus 370 basis points, for the remainder. The loan was repaid during the year ended December 31, 2023.
(4) Pursuant to a development management agreement with Penguin, repayment of the pro rata share of the outstanding loan amount is due upon the completion of each Earnout event. The loan bears interest at 10 basis points plus the lower of: i) the Canadian prime rate plus 20 basis points, and ii) the Canadian Dealer Offered Rate plus 120 basis points, and has a stated maturity date of January 31, 2023, such date having been automatically extended pursuant to the terms of the loan agreement until such time as the Earnouts associated with such property are completed
(5) The loan security includes a first or second charge on properties, assignments of rents and leases and general security agreements, and is guaranteed by Penguin up to its 50% share of the loan. In April 2024, the loan term was extended by two years with a variable interest rate based on the Trust's operating line interest rate plus 20 basis points.
(6) The Trust entered into a master credit loan agreement with its partner SmartStop to provide funding for the development of certain self-storage facilities. The master credit loan agreement bears interest at a variable rate based on the Adjusted CORRA rate plus 270 basis points.
(7) The Trust entered into a credit agreement with Fieldgate, a co-owned residential townhome development partner, to finance development and construction of the residential townhomes. The credit agreement bears interest at a variable rate based on the BA rate plus 245 basis points.

Management considers all outstanding loans to be fully collectible.

b) Mortgages receivable of $2 (December 31, 2023 – $17,548) are provided pursuant to agreements with Penguin, to fund costs associated with both the original acquisition and development of five properties (December 31, 2023 – six properties). The Trust is committed to lend up to $116,996 (December 31, 2023 – $150,763) to assist with the further development of these properties.

The following table provides further details on the mortgages receivable provided to Penguin:

Property	Committed	Maturity Date	Annualized Variable Interest Rate at Period End	The Trust's Purchase Option of Property (1)	September 30, 2024	December 31, 2023
Pitt Meadows, BC(3)	$49,884	August 2028	6.90 %	50.0 %	$1	$17,547
Toronto (StudioCentre), ON(2)(3)	22,778	August 2028	6.90 %	25.0 %	1	1
Salmon Arm, BC(2)(3)	13,398	August 2028	6.90 %	— %	—	—
Aurora (South), ON(3)	15,155	August 2028	6.90 %	50.0 %	—	—
Vaughan (7 & 427), ON(3)	15,781	August 2028	6.90 %	50.0 %	—	—
	$116,996		6.90 %		$2	$17,548

(1) The Trust has a purchase option from the borrower in these properties upon a certain level of development and leasing being achieved. As at September 30, 2024, it is management's expectation that the Trust will exercise these purchase options.
(2) 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.
(3) The weighted average interest rate on this mortgage is subject to an upper limit of 6.90%.

In February 2024, a committed mortgage receivable of $15,498 with respect to a property located at Caledon (Mayfield), ON was discharged. The outstanding balance at the time of discharge was $nil.

Interest on these mortgages accrues monthly at a variable rate based on the Adjusted CORRA rate plus 4.00% to 5.00%. Additional interest of $73,369 (December 31, 2023 – $95,628) on the existing credit facilities may be accrued on certain of the mortgages receivable before cash interest must be paid.

The mortgage security includes a first or second charge on properties, and assignments of rents and leases. 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.

c) Notes receivable of $2,924 (December 31, 2023 – $2,924) have been granted to Penguin. As at September 30, 2024, these secured demand notes bear interest at the rate of 9.00% per annum (December 31, 2023 – 9.00%).

The estimated fair values of mortgages, loans and notes receivable are based on their respective current market rates, bearing similar terms and risks. This information is disclosed in Note 12, "Fair value measurement".

6. Other financial assets

The following table summarizes the components of other financial assets:

As at	September 30, 2024	December 31, 2023
Total return swap ("TRS") receivable (a)	$89,023	$127,820
Interest rate swap agreements	12,693	24,342
	$101,716	$152,162

a) ***TRS receivable***

The following table summarizes the activities in the total return swap receivable:

	Nine Months Ended September 30, 2024	Year Ended December 31, 2023
Balance – beginning of period	$127,820	$137,526
Distributions received	(7,126)	(9,501)
Settlement[1]	(47,237)	—
Fair value adjustments	15,566	(205)
Balance – end of period	$89,023	$127,820

(1) The TRS receivable was settled on a non-cash basis with the corresponding TRS debt as referenced in Note 9(b)(iii).

7. Other assets

The following table summarizes the activity in other assets:

	Nine Months Ended September 30, 2024			Year Ended December 31, 2023		
	Equipment	Right-of-use assets	Total	Equipment	Right-of-use assets	Total
Balance – beginning of period	$3,757	$410	$4,167	$2,335	$2,075	$4,410
Additions	367	8,555	8,922	1,906	196	2,102
Amortization and other adjustments	(636)	(1,485)	(2,121)	(484)	(1,861)	(2,345)
Balance – end of period	$3,488	$7,480	$10,968	$3,757	$410	$4,167

8. Amounts receivable and other, prepaid expenses, deposits and deferred financing costs

The following table presents the components of amounts receivable and other, prepaid expenses, deposits and financing costs:

As at	September 30, 2024	December 31, 2023
Amounts receivable and other		
Tenant receivables	$17,955	$26,794
Unbilled other tenant receivables	17,000	9,526
Receivables from related party – excluding equity accounted investments	19,565	12,923
Receivables from related party – equity accounted investments	14,814	15,052
Other non-tenant receivables	3,907	2,410
Other[1]	20,084	15,888
	$93,325	$82,593
Allowance for expected credit loss ("ECL")	(6,428)	(8,983)
Amounts receivable and other, net of allowance for ECL	$86,897	$73,610
Prepaid expenses, deposits and deferred financing costs[2]	$53,449	$15,048

(1) The amount includes a related party amount of $10,762 (December 31, 2023 – $8,724).
(2) Includes prepaid realty tax of $40,358 (December 31, 2023 – $1,263).

Allowance for ECL

The Trust records the ECL to comply with IFRS 9's simplified approach for amounts receivable where its allowance for ECL is measured at initial recognition and throughout the life of the amounts receivable at a total equal to lifetime ECL.

The following table summarizes the reconciliation of changes in the allowance for ECL on amounts receivable:

	Nine Months Ended September 30 2024	2023
Balance – beginning of period	$8,983	$8,771
Net allowance	(2,555)	(687)
Balance – end of period	$6,428	$8,084

9. Debt

The following table presents debt balances:

As at	September 30, 2024	December 31, 2023
Secured debt (a)	$730,031	$807,602
Unsecured debt (b)	4,284,529	4,041,983
Revolving operating facilities (c)	12,940	149,937
	$5,027,500	$4,999,522
Current	548,230	605,478
Non-current	4,479,270	4,394,044
	$5,027,500	$4,999,522

a) ***Secured debt***

As at September 30, 2024, the secured debt balance of $730,031 (December 31, 2023 – $807,602) bears fixed interest at a weighted average interest rate of 3.96% (December 31, 2023 – 3.98%). The secured debt, maturing between 2024 and 2034, is secured by first or second registered mortgages over specific income properties and properties under development and first general assignments of leases, insurance and registered chattel mortgages.

b) ***Unsecured debt***

The following table summarizes the components of unsecured debt:

As at	September 30, 2024	December 31, 2023
Unsecured debentures i)	$3,002,659	$2,752,816
Credit facilities ii)	1,071,585	995,246
TRS debt iii)	95,995	143,232
Other unsecured debt iv)	114,290	150,689
	$4,284,529	$4,041,983

i) ***Unsecured debentures***

As at September 30, 2024, unsecured debentures totalled $3,002,659 (December 31, 2023 – $2,752,816). 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 3.57% as at September 30, 2024 (December 31, 2023 – 3.35%).

In August 2024, the Trust issued $350,000 of 5.162% Series AA senior unsecured debentures (net proceeds of the issuance in aggregate after issuance costs – $348,758). The Series AA debentures will mature on August 1, 2030. The debentures have semi-annual payments due on February 1 and August 1 of each year, commencing on February 1, 2025. Concurrently, the Trust repaid the $100,000 aggregate principal of Series O senior unsecured debentures in full upon their maturity.

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.

ii) Credit facilities

The following table summarizes the activity for unsecured credit facilities:

(Issued In)	Maturity Date	Annual Interest Rate	Facility Amount	Drawn Amount September 30, 2024	Drawn Amount December 31, 2023
Non-revolving:					
August 2018(1)	August 31, 2026	2.98 %	$80,000	**$80,000**	$80,000
March 2019(1)	July 31, 2026	3.52 %	150,000	**150,000**	150,000
May 2019(1)	June 24, 2026	3.15 %	170,000	**170,000**	170,000
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	**149,310**	98,653
January 2022	January 19, 2027	Adjusted CORRA + 1.45%	300,000	**300,000**	300,000
Revolving:					
March 2024(3)	March 8, 2026	Adjusted CORRA + 1.45%	40,000	**25,533**	—
				$1,074,843	$998,653
	Less:				
	Unamortized financing costs			**(1,298)**	(1,447)
	Unamortized debt modification adjustments			**(1,960)**	(1,960)
				$1,071,585	$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 1.59 years. Hedge accounting has not been applied to the interest rate swap agreements.
(2) The Trust entered into cross currency swaps to exchange the U.S. dollar borrowings into Canadian dollar borrowings.
(3) On March 8, 2024, the Trust amended its $40,000 secured variable rate credit facility to an unsecured revolving facility and extended the maturity by two years to March 2026. As at September 30, 2024, the drawn amount was $25,533 (December 31, 2023 - $nil). In connection with the unsecured revolving facility, as at September 30, 2024, the Trust had a $23,333 letter of credit facility.

iii) TRS debt

The Trust borrowed TRS debt concurrent with entering the TRS agreement in February 2021. As at September 30, 2024, TRS unsecured debt of $95,995 (December 31, 2023 – $143,232) carries variable interest of Adjusted CORRA plus 145 basis points. The interest on this TRS debt includes floating amounts that are payable at each May, August, November and February. In September 2024, the Trust settled $47,237 of TRS debt and the corresponding TRS receivable (see Note 6, "Other financial assets").

iv) Other unsecured debt

Other unsecured debt net of fair value adjustments totalling $114,290 (December 31, 2023 – $150,689) 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.

The following table summarizes components of the Trust's other unsecured debt:

As at	September 30, 2024	December 31, 2023
PCVP (5.00% discount rate)(1)	**$56,753**	$57,112
PCVP (5.75% discount rate)(2)	**55,322**	55,429
Stoney Creek Self Storage LP	**2,215**	262
VMC Residences(3)	**—**	37,886
	$114,290	$150,689

(1) In connection with the purchase of 700 Applewood in December 2019, the loan has a principal amount outstanding of $68,215 (December 31, 2023 – $70,692), is non-interest-bearing, and is repayable at the end of 10 years. As at September 30, 2024, the loan balance of $56,753 is net of the unamortized fair value adjustment totalling $11,462 (December 31, 2023 – the loan balance of $57,112 is net of a fair value adjustment totalling $13,580).
(2) In connection with the purchase of 700 Applewood in March 2020, the Trust assumed a loan payable to PCVP from Penguin. The loan has a principal amount outstanding of $68,215 (December 31, 2023 – $70,692), is non-interest-bearing, and is repayable at the end of 10 years. As at September 30, 2024, the loan balance of $55,322 is net of the unamortized fair value adjustment totalling $12,893 (December 31, 2023 – the loan balance of $55,429 is net of a fair value adjustment totalling $15,263). See also Note 5(a) reflecting offsetting loan receivable amount.
(3) In connection with the Transit City closing, $nil was received and $37,886 was settled during the nine months ended September 30, 2024 (year ended December 31, 2023 – $37,886 was received and $653 was settled). See Note 4, "Equity accounted investments."

c) Revolving operating facilities

As at September 30, 2024, the Trust had two revolving operating facilities, aggregating to $850,000 (December 31, 2023 – $650,000).

i) $100,000 revolving senior unsecured term facility

In January 2024, the Trust entered into a $100,000 revolving senior unsecured term facility amendment agreement, under which the Trust has the ability to draw funds based on bank prime rates and Adjusted CORRA rate for Canadian dollar-denominated borrowings, and SOFR rates or U.S. prime rates for U.S. dollar-denominated borrowings. Concurrently with the U.S. dollar draws, the Trust enters into cross currency swaps to exchange its U.S. dollar borrowings into Canadian dollar borrowings.

ii) $750,000 unsecured revolving operating facility

In June 2024, the Trust renewed and amended its $500,000 unsecured revolving operating facility. The amendment increased the facility amount from $500,000 to $750,000, extended the maturity of the facility from March 2028 to June 2029, and updated the variable interest rate to Adjusted CORRA plus 145 basis points. Additionally, the Trust has an accordion feature of $250,000 whereby the Trust has an option to increase its facility amount with the lenders to sustain future operations as required.

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

	Annual Interest Rate	Facility Amount	Undrawn Facilities	Outstanding Letters of Credit	Drawn Amount September 30, 2024	Drawn Amount December 31, 2023
Revolving facility maturing December 2025(1)	SOFR + 1.55%	$100,000	**$87,060**	**$—**	**$12,940**	$139,937
Revolving facility maturing June 2029	Adjusted CORRA + 1.45% or Canadian Prime Rate + 0.45%	750,000	**738,097**	**11,903**	**—**	10,000
			$825,157	**$11,903**	**$12,940**	$149,937

(1) The Trust has drawn in US$9,571 which was translated to $12,940 as at September 30, 2024 (December 31, 2023 – drawn in US$105,700 which was translated to $139,937).

d) Interest expense

The following table summarizes interest expense:

	Three Months Ended September 30 2024	Three Months Ended September 30 2023	Nine Months Ended September 30 2024	Nine Months Ended September 30 2023
Interest at stated rates	**$51,083**	$48,522	**$149,665**	$139,784
Amortization of acquisition date fair value adjustments on assumed debt	**(31)**	(69)	**(114)**	(243)
Amortization of deferred financing costs	**1,036**	958	**2,957**	2,792
Distributions on Units classified as liabilities, vested deferred units, and vested EIP	**4,844**	4,539	**14,218**	13,491
	$56,932	$53,950	**$166,726**	$155,824
Capitalized to properties under development	**(8,851)**	(11,363)	**(27,787)**	(32,877)
Capitalized to residential development inventory	**(402)**	(394)	**(1,185)**	(1,092)
	$47,679	$42,193	**$137,754**	$121,855

The following table presents a reconciliation between the interest expense and the cash interest paid:

	Three Months Ended September 30 2024	Three Months Ended September 30 2023	Nine Months Ended September 30 2024	Nine Months Ended September 30 2023
Interest expense	**$47,679**	$42,193	**$137,754**	$121,855
Amortization of acquisition date fair value adjustments on assumed debt	**31**	69	**114**	243
Amortization of deferred financing costs	**(1,036)**	(958)	**(2,957)**	(2,792)
Distributions on Units classified as liabilities, vested deferred units, and vested EIP, net of amounts capitalized to properties under development	**(4,844)**	(2,171)	**(14,218)**	(6,320)
Change in accrued interest payable	**(17,780)**	(14,707)	**(17,998)**	(14,962)
Cash interest paid	**$24,050**	$24,426	**$102,695**	$98,024

For the three and nine months ended September 30, 2024, total interest paid was $33,303 and $131,667, respectively (for the three and nine months ended September 30, 2023 – $36,182 and $131,993, respectively), which included cash interest paid of $24,050 and $102,695, respectively (for the three and nine months ended September 30, 2023 – $24,426 and

$98,024, respectively), and interest capitalized to both properties under development and residential development inventory of $9,253 and $28,972, respectively (for the three and nine months ended September 30, 2023 – $11,757 and $33,969, respectively).

e) ***Liquidity***

The Trust's liquidity position is monitored by management on a regular basis. The table below provides the contractual maturities of the Trust's material financial obligations including debentures, mortgage receivable advances and development commitments:

	Total	2024	2025	2026	2027	2028	Thereafter
Secured debt	**$731,195**	$19,125	$432,790	$109,918	$8,167	$23,899	$137,296
Unsecured debt	**4,222,190**	23,057	861,525	675,533	850,000	600,000	1,212,075
Revolving operating facilities	**12,940**	—	12,940	—	—	—	—
Interest obligations(1)	**519,421**	52,224	122,506	103,368	88,783	65,664	86,876
Accounts payable	**286,935**	71,734	215,201	—	—	—	—
Other payable	**35,747**	542	19,553	1,884	1,884	1,884	10,000
	$5,808,428	**$166,682**	**$1,664,515**	**$890,703**	**$948,834**	**$691,447**	**$1,446,247**
Mortgage receivable advances (repayments)(2)	**(2)**	—	—	—	—	(2)	—
Development obligations (commitments)	**67,697**	67,697	—	—	—	—	—
Total	**$5,876,123**	**$234,379**	**$1,664,515**	**$890,703**	**$948,834**	**$691,445**	**$1,446,247**

(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 $2 at September 30, 2024 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", for timing of principal repayments.

10. Other financial liabilities

The following table summarizes the components of other financial liabilities:

As at	September 30, 2024	December 31, 2023
Units classified as liabilities (a)	**$208,512**	$196,571
Deferred unit plan (c)	**67,405**	53,650
Equity incentive plan ("EIP") (d)	**31,641**	22,327
Currency swap agreement(1)	**4,006**	2,835
	$311,564	$275,383
Current(2)	**296,922**	258,069
Non-current	**14,642**	17,314
	$311,564	$275,383

(1) The notional amounts to which the cross currency swap agreements apply are recorded in the credit facilities and revolving operating facilities balances as reflected in Note 9(b)(ii) and Note 9(c).
(2) Includes units classified as liabilities of $208,512 (December 31, 2023 – $196,571), vested deferred units of $61,403 (December 31, 2023 – $47,791), vested and earned EIP units expected to vest within 12 months of $27,006 (December 31, 2023 – $13,707) as a result of the amendments to IAS 1 adopted by the Trust.

a) ***Units classified as liabilities***

The following table represents the number and carrying value of Units classified as liabilities that are issued and outstanding. The fair value measurement of the Units classified as liabilities is described in Note 12, "Fair value measurement".

	Number of Units Issued and Outstanding	Carrying Value
Balance – January 1, 2024	**7,897,571**	**$196,571**
Conversion of LP exchangeable units	**(61,709)**	**(1,357)**
Change in carrying value	**—**	**13,298**
Balance – September 30, 2024	**7,835,862**	**$208,512**
Balance – January 1, 2023	7,897,571	$211,497
Change in carrying value	N/A	(31,748)
Balance – September 30, 2023	7,897,571	$179,749

b) ***Earnout options***

As part of the consideration paid for certain investment property acquisitions, the Trust has granted options in connection with the development management agreements (see also Note 3(e)).

The following table summarizes the number of Earnout options exercised and proceeds received:

For the nine months ended September 30		2024		2023	
Options	**Strike Price**	**Options Exercised**	**Amounts from Options Exercised**	Options Exercised	Amounts from Options Exercised
Options to acquire Class B Smart LP III Units(1)	Market price	**16,651**	**$ 428**	62,121	$1,471
		16,651	**$ 428**	62,121	$1,471

(1) Each option is represented by a corresponding Class C Smart LP III Unit. For the nine months ended September 30, 2024, 12,458 Earnout options on the amount of $320 were converted into Class B Smart LP III Units, and 4,193 Earnout options on the amount of $108, were redeemed into cash.

c) ***Deferred unit plan***

The following table summarizes the number of outstanding deferred units:

	Nine Months Ended September 30, 2024	Year Ended December 31, 2023
Balance – beginning of period	**2,234,187**	1,888,509
Granted	**342,159**	269,199
Reinvested units from distributions	**155,114**	163,752
Redeemed for cash	**(32,231)**	(75,973)
Redeemed for units	**(1,227)**	—
Forfeited	**(8,239)**	(11,300)
Balance – end of period	**2,689,763**	2,234,187

As at September 30, 2024, total outstanding deferred units included 2,307,526 vested units (December 31, 2023 – 1,920,086).

The following table summarizes the change in the carrying value of the deferred unit plan:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Carrying value – beginning of period	**$54,524**	$50,210	**$53,650**	$48,402
Deferred units granted	**—**	—	**4,211**	3,605
Reinvested distributions on vested deferred units	**1,062**	889	**3,045**	2,538
Compensation expense – reinvested distributions and amortization	**985**	907	**2,940**	2,786
Redeemed for cash	**(433)**	(1,510)	**(762)**	(1,777)
Redeemed for units	**—**	—	**(28)**	—
Fair value adjustment	**11,267**	(2,957)	**4,349**	(8,015)
Carrying value – end of period	**$67,405**	$47,539	**$67,405**	$47,539

d) EIP

The Trust granted performance units in connection with the EIP, subject to the achievement of Unit price thresholds. The performance period for the EIP is specified in the participants' award notices. Distributions on performance units will accumulate on the performance units that have been granted. Performance units, including distributions on performance units, vest for the lesser of three years after they are earned or on the end of the applicable Performance Period. Upon vesting, performance units will be exchanged for Trust Units or paid out in cash at the option of the holders.

The following summarizes the outstanding number of performance units associated with the EIP:

	Nine Months Ended September 30, 2024	Year Ended December 31, 2023
Balance – beginning of period[(1) (2)]	1,562,207	1,370,540
Granted	—	134,000
Reinvested units from distributions	94,108	109,238
Forfeited	—	(51,571)
Balance – end of period	1,656,315	1,562,207

(1) The beginning balance of 2024 and 2023 includes performance units that were granted to Mitchell Goldhar and eligible associates, as well as performance units that were reinvested from distributions, and certain performance units that were forfeited.
(2) Under the EIP granted to Mitchell Goldhar in 2021 totalling 900,000 Units, 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 EIP 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 $26.00, $28.00, and $30 Unit price thresholds have been vested on April 5, 2024, May 18, 2024, September 22, 2024, the remaining tranche will vest on, April 5, 2025.

As at September 30, 2024, total outstanding performance units included 657,755 vested units (December 31, 2023 – $nil).

The following table summarizes the change in the carrying value of the EIP:

	Three Months Ended September 30		Nine Months Ended September 30	
Carrying Value	**2024**	2023	**2024**	2023
Balance – beginning of period	$23,334	$17,999	$22,327	$16,204
Compensation expense – reinvested distributions and amortization	1,520	1,950	5,283	5,977
Reinvested distributions on vested EIPs	159	—	257	—
Fair value adjustment	6,628	(1,710)	3,774	(3,942)
Balance – end of period	$31,641	$18,239	$31,641	$18,239

11. Accounts and other payables

The following table presents accounts payable and the current portion of other payables that are classified as current liabilities:

As at	September 30, 2024	December 31, 2023
Accounts payable[(1)]	$107,271	$95,357
Tenant prepaid rent, deposits, and other payables	90,470	92,942
Residential sales deposits	2,584	11,853
Accrued interest payable	32,690	14,692
Distributions payable	26,579	26,577
Realty taxes payable	7,989	2,718
Current portion of other payables	19,352	9,347
	$286,935	$253,486

(1) Includes accounts payable to Penguin in the amount of $8,402 as at September 30, 2024 (December 31, 2023 – 3,723). See also Note 19, "Related party transactions".

The following table presents other payables that are classified as non-current liabilities:

As at	September 30, 2024	December 31, 2023
Future land development obligations with Penguin	$17,517	$18,075
Lease liability – investment properties[(1)]	2,758	8,575
Lease liability – other	7,597	424
Total other payables	$27,872	$27,074
Less: Current portion of other payables	(19,352)	(9,347)
Total non-current portion of other payables	$8,520	$17,727

(1) A leasehold property with bargain purchase option is accounted for as lease.

Future land development obligations

The future land development obligations represent payments required to be made to Penguin (see also Note 19, "Related party transactions") for certain undeveloped lands acquired from 2006 to 2015, either on completion and rental of additional space on the undeveloped lands or, if no additional space is completed on the undeveloped lands, at the expiry of the development management agreement periods ending in 2024 to 2025, which may be extended up to 2027. The accrued future land development obligations are measured at their amortized values using imputed interest rates ranging from 4.50% to 5.50%. For the three and nine months ended September 30, 2024, imputed interest of $116 and $344, respectively (for the three and nine months ended September 30, 2023 – $111 and $329, respectively), was capitalized to properties under development.

12. Fair value measurement

The fair value of financial instruments is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's-length transaction based on the current market for assets and liabilities with the same risks, principal and remaining maturity.

Assets and liabilities carried at amortized cost

The fair values of the Trust's accounts receivable and other, cash and cash equivalents and accounts and other payables approximate their carrying amounts due to the relatively short periods to maturity of these financial instruments.

The fair values of certain mortgage receivables, secured debt and unsecured debt have been determined by discounting the cash flows of these financial obligations using market rates of debt of similar terms and credit risks.

Fair value of assets and liabilities

Assets and liabilities measured at fair value in the unaudited interim condensed consolidated balance sheets, or disclosed in the notes to the financial statements, are categorized using fair value hierarchy that reflects the significance of the inputs used in determining the fair values as follows:

The use of quoted market prices for identical assets or liabilities (Level 1), internal models using observable market information as inputs (Level 2) and internal models without observable market information as inputs (Level 3).

		Fair Value		
September 30, 2024	**Carrying value**	**Level 1**	**Level 2**	**Level 3**
Assets measured at fair value:				
Investment properties	$10,606,288	$—	$—	$10,606,288
Total return swap ("TRS") receivable	89,023	—	89,023	—
Interest rate swap agreements	12,693	—	12,693	—
Assets measured at amortized cost:				
Mortgages, loans and notes receivable	$198,086	$—	$198,086	$—
Liabilities measured at fair value:				
Units classified as liabilities	$208,512	$—	$208,512	$—
Deferred unit plan	67,405	—	67,405	—
EIP	31,641	—	31,641	—
Currency swap agreement	653	—	653	—
Interest rate swap agreement	3,352	—	3,352	—
Financial liabilities measured at amortized cost:				
Secured debt	$730,031	$—	$778,180	$—
Unsecured debt	4,284,529	—	3,886,291	—
Revolving operating facilities	12,940	—	12,940	—

13. Unit equity

The following table presents the number of Units issued and outstanding and the related carrying value of Unit equity. The Limited Partnership Units are classified as non-controlling interests in the unaudited interim condensed consolidated balance sheets and the unaudited interim condensed consolidated statements of equity.

		Number of Units Issued and Outstanding			Carrying Value		
	Note	**Trust Units**	**Smart LP Units**	**Total Units**	**Trust Units**	**Smart LP Units**	**Total**
Balance – January 1, 2024		144,625,322	25,665,255	170,290,577	$3,090,118	$644,694	$3,734,812
Units issued on exercise of deferred units		603	—	603	14	—	14
Options exercised	3(e), 10(b)	—	12,324	12,324	—	320	320
Conversion of LP exchangeable units		61,709	—	61,709	1,357	—	1,357
Balance – September 30, 2024		144,687,634	25,677,579	170,365,213	$3,091,489	$645,014	$3,736,503
Balance – January 1, 2023		144,625,322	25,610,960	170,236,282	$3,090,118	$643,223	$3,733,341
Options exercised	3(e), 10(b)	—	54,295	54,295	—	1,471	1,471
Balance – September 30, 2023		144,625,322	25,665,255	170,290,577	$3,090,118	$644,694	$3,734,812

The following table presents the number and carrying values of LP Class B Units issued and outstanding:

	Number of Units Issued and Outstanding			Carrying Value		
LP Class B Unit Type	**Balance – January 1, 2024**	**Options Exercised (Note 10(b))**	**Balance – September 30, 2024**	**Balance – January 1, 2024**	**Value From Options Exercised (Note 10(b))**	**Balance – September 30, 2024**
Smart Limited Partnership	16,424,430	—	16,424,430	$392,327	$—	$392,327
Smart Limited Partnership II	756,525	—	756,525	17,680	—	17,680
Smart Limited Partnership III	4,117,096	12,324	4,129,420	110,275	320	110,595
Smart Limited Partnership IV	3,112,565	—	3,112,565	89,429	—	89,429
Smart Oshawa South Limited Partnership	710,416	—	710,416	20,441	—	20,441
Smart Oshawa Taunton Limited Partnership	374,223	—	374,223	11,033	—	11,033
Smart Boxgrove Limited Partnership	170,000	—	170,000	3,509	—	3,509
	25,665,255	12,324	25,677,579	$644,694	$320	$645,014

	Number of Units Issued and Outstanding			Carrying Value		
LP Class B Unit Type	Balance – January 1, 2023	Options Exercised (Note 10(b))	Balance – September 30, 2023	Balance – January 1, 2023	Value From Options Exercised (Note 10(b))	Balance – September 30, 2023
Smart Limited Partnership	16,424,430	—	16,424,430	$392,327	$—	$392,327
Smart Limited Partnership II	756,525	—	756,525	17,680	—	17,680
Smart Limited Partnership III	4,062,801	54,295	4,117,096	108,804	1,471	110,275
Smart Limited Partnership IV	3,112,565	—	3,112,565	89,429	—	89,429
Smart Oshawa South Limited Partnership	710,416	—	710,416	20,441	—	20,441
Smart Oshawa Taunton Limited Partnership	374,223	—	374,223	11,033	—	11,033
Smart Boxgrove Limited Partnership	170,000	—	170,000	3,509	—	3,509
	25,610,960	54,295	25,665,255	$643,223	$1,471	$644,694

Authorized Units

Trust Units (authorized – unlimited)

Each voting Trust Unit represents an equal undivided interest in the Trust. All Trust Units outstanding from time to time are entitled to participate pro rata in any distributions by the Trust and, in the event of termination or windup of the Trust, in the net assets of the Trust. All Trust Units rank among themselves equally and ratably without discrimination, preference or priority. Unitholders are entitled to require the Trust to redeem all or any part of their Trust Units at prices determined and payable in accordance with the conditions provided for in the Declaration of Trust. A maximum amount of $50 may be redeemed in total in any one month unless otherwise waived by the Board of Trustees.

In accordance with the Declaration of Trust, distributions to Unitholders are declared at the discretion of the Trustees. The Trust endeavours to declare distributions in each taxation year in such an amount as is necessary to ensure that the Trust will not be subject to tax on its net income and net capital gains under Part I of the *Income Tax Act*.

The Trust is authorized to issue an unlimited number of Special Voting Units that will be used to provide voting rights to holders of securities exchangeable, including all series of Class B Smart LP Units, Class D Smart LP Units, Class B Smart LP II Units, Class B Smart LP III Units, Class B Smart LP IV Units, Class B Smart Oshawa South LP Units, Class D Smart Oshawa South LP Units, Class B Smart Oshawa Taunton Units, Class D Oshawa Taunton Units, Class B Smart Boxgrove LP Units, Class B ONR LP Units and Class B ONR LP I Units, into Trust Units. Special Voting Units are not entitled to any interest or share in the distributions or net assets of the Trust. Each Special Voting Unit entitles the holder to the number of votes at any meeting of Unitholders of the Trust that is equal to the number of Trust Units into which the exchangeable security is exchangeable or convertible. Special Voting Units are cancelled on the issuance of Trust Units on exercise, conversion or cancellation of the corresponding exchangeable securities.

As at September 30, 2024, there were 33,504,733 (December 31, 2023 – 33,554,118) Special Voting Units outstanding, which are associated with those LP Units that have voting rights. There is no value assigned to the Special Voting Units. 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.

Pursuant to the Voting Top-Up Right agreement made in December 2020 between the Trust and Penguin, which was approved by Unitholders, the following amendments were made: i) extension of the Voting Top-Up Right for five years, ending December 31, 2025, ii) extension of the designation of Units as Variable Voting Units until December 31, 2025, and iii) an increase to the alternative ownership threshold from 20,000,000 Units to 22,800,000 Units, including exchangeable LP Units. The total number of Special Voting Units is adjusted for each annual meeting of the Unitholders based on changes in Penguin's ownership interest (see also Note 19, "Related party transactions").

14. Unit distributions

Pursuant to 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*. The following table presents Unit distributions declared:

	Nine Months Ended September 30	
Unit Type Subject to Distributions	**2024**	2023
Trust Units	**$200,710**	$200,672
Limited Partnership Units	**35,614**	35,600
Distributions on Units classified as equity	**$236,324**	$236,272
Distributions on Units classified as liabilities	**10,916**	10,954
Total Unit distributions	**$247,240**	$247,226

On October 17, 2024, the Trust declared a distribution for the month of October 2024 of $0.15417 per Unit, representing $1.85 per Unit on an annualized basis, to Unitholders of record on October 31, 2024.

15. Rentals from investment properties and other

The following table presents rentals from investment properties and other:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Gross base rent	**$139,071**	$133,260	**$413,028**	$395,943
Less: Amortization of tenant incentives	**(1,997)**	(1,712)	**(5,681)**	(5,615)
Net base rent	**$137,074**	$131,548	**$407,347**	$390,328
Property tax and insurance recoveries	**43,899**	43,297	**134,825**	131,793
Property operating cost recoveries	**22,181**	22,902	**74,651**	76,013
	$66,080	$66,199	**$209,476**	$207,806
Miscellaneous revenue	**5,215**	4,547	**12,169**	13,090
Rentals from investment properties	**$208,369**	$202,294	**$628,992**	$611,224
Residential closing revenue	**31,589**	—	**49,861**	—
Service and other revenues	**3,368**	3,722	**9,763**	12,336
Rentals from investment properties and other	**$243,326**	$206,016	**$688,616**	$623,560

16. Property operating costs and other

The following table summarizes property operating costs and other:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Recoverable property operating costs(1)	**$69,586**	$67,892	**$222,233**	$215,082
Property management fees and costs	**1,397**	1,405	**4,324**	3,459
Expected credit loss	**(150)**	419	**(100)**	321
Non-recoverable costs	**1,507**	1,419	**4,935**	4,777
Property operating costs	**$72,340**	$71,135	**$231,392**	$223,639
Residential cost of sales and marketing costs	**25,585**	1,063	**41,304**	3,376
Other expenses relating to service and other revenues(2)	**3,423**	3,416	**9,992**	11,435
Other expenses	**$29,008**	$4,479	**$51,296**	$14,811
Property operating costs and other	**$101,348**	$75,614	**$282,688**	$238,450

(1) Includes recoverable property tax and insurance costs.
(2) Related to service and other revenues as disclosed in Note 15, "Rentals from investment properties and other".

17. General and administrative expense

The following table summarizes general and administrative expense:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Salaries and benefits	**$6,440**	$5,695	**$18,899**	$16,966
Professional fees	**1,511**	925	**4,430**	4,364
Public company costs	**266**	332	**982**	1,086
Amortization of intangible assets	**332**	333	**998**	999
Other costs including office rent, information technology, marketing, communications, and other employee expenses	**539**	476	**1,569**	2,413
General and administrative expense	**$9,088**	$7,761	**$26,878**	$25,828

18. Supplemental cash flow information

The following table presents items not affecting cash and other items relating to the Trust's operating activities:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Fair value adjustments	**$49,217**	$(67,063)	**$113,054**	$(157,989)
Loss (gain) on sale of investment properties	**(22)**	—	**120**	23
Earnings from equity accounted investments	**(3,120)**	(62,396)	**(11,013)**	(85,277)
Interest expense	**47,679**	42,193	**137,754**	121,855
Other financing costs	**(3,683)**	(227)	**(5,228)**	(1,102)
Interest income	**(3,343)**	(5,268)	**(11,085)**	(15,268)
Amortization of other assets and intangible assets	**1,827**	2,128	**5,695**	8,024
Lease obligation interest	**63**	148	**183**	443
Deferred unit compensation expense, net of cash redemptions	**551**	(603)	**2,178**	1,008
LTIP and EIP amortization, net of payment	**720**	591	**2,124**	1,393
	$89,889	$(90,497)	**$233,782**	$(126,890)

The following table presents changes in other non-cash operating items:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Amounts receivable and other	**$10,577**	$(812)	**$(13,287)**	$(5,793)
Prepaid expenses, deposits and deferred financing costs	**(12,564)**	(6,274)	**(38,401)**	(35,730)
Accounts payable	**2,939**	11,850	**11,914**	6,243
Realty taxes payable	**(7,399)**	(7,099)	**5,271**	345
Tenant prepaid rent, deposits and other payables, and residential sales deposits	**(16,346)**	(3,345)	**(11,742)**	(8,571)
Other working capital changes	**19,924**	157	**19,248**	10,601
	$(2,869)	$(5,523)	**$(26,997)**	$(32,905)

The following table presents the Trust's non-cash investing and financing balances:

	Three Months Ended September 30		Nine Months Ended September 30	
Non-cash investing and financing balances	**2024**	2023	**2024**	2023
Total return swap receivable	**$89,023**	$116,881	**$89,023**	$116,881
Units issued on acquisition	**320**	161	**320**	1,471
Liabilities assumed on acquisition, net of other assets	**—**	21	**—**	3,948
Distributions payable at period end	**26,579**	26,577	**26,579**	26,577
Total return swap debt	**95,995**	143,232	**95,995**	143,232

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

19. 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

The Trust's largest Unitholder is Penguin, which as at September 30, 2024, held approximately 21.2% of the issued and outstanding Units (December 31, 2023 – 21.0%) of the Trust. The following table presents Units owned by Penguin:

		Units owned by Penguin	
Type	**Class**	**September 30, 2024**	December 31, 2023
Trust Units	N/A	**15,812,363**	15,442,763
Smart Limited Partnership	Class B	**13,584,561**	13,584,561
Smart Limited Partnership	Class F	**8,708**	8,708
Smart Limited Partnership III	Class B	**4,129,420**	4,117,096
Smart Limited Partnership IV	Class B	**2,873,132**	2,873,132
Smart Oshawa South Limited Partnership	Class B	**630,880**	630,880
Smart Oshawa Taunton Limited Partnership	Class B	**374,223**	374,223
Smart Boxgrove Limited Partnership	Class B	**170,000**	170,000
ONR Limited Partnership I	Class B	**272,183**	272,183
Units owned by Penguin		**37,855,470**	37,473,546

Pursuant to the Declaration of Trust, provided certain ownership thresholds are met, the Trust is required to issue or cancel 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 September 30, 2024, there were 9,191,230 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 details, see the Trust's management information circular dated November 6, 2020, filed on the System for Electronic Document Analysis and Retrieval+ ("SEDAR+").

Pursuant to its rights under the Declaration of Trust, at September 30, 2024, Penguin has appointed two Trustees out of eight.

The other non-controlling interest, which is included in equity, represents a 5.0% equity interest by Penguin in five consolidated investment properties.

b) Distributions declared to Penguin

During the nine months ended September 30, 2024, distributions declared to Penguin totalled $52,328 (year ended December 31, 2023 – $68,898).

c) Properties under development subject to development management agreements ("Earnout Agreements")

Properties under development in the amount of $60,387 (December 31, 2023 – $61,687) are subject to various development management agreements with Penguin and Walmart. See Note 3(e).

The following table presents those Units which Penguin has Earnout options to acquire, upon completion of Earnout events:

Type	Class	September 30, 2024	December 31, 2023
Trust Units	N/A	**1,286,833**	1,286,833
Smart Limited Partnership	Class B	**5,031,072**	5,031,072
Smart Limited Partnership III	Class B	**1,613,308**	1,629,959
Smart Limited Partnership IV	Class B	**353,135**	353,135
Smart Oshawa South Limited Partnership	Class B	**18,983**	18,983
Smart Oshawa Taunton Limited Partnership	Class B	**132,711**	132,711
Smart Boxgrove Limited Partnership	Class B	**267,179**	267,179
ONR Limited Partnership I	Class B	**429,599**	429,599
		9,132,820	9,149,471

At September 30, 2024, Penguin's ownership would increase to 25.0% (December 31, 2023 – 24.8%) if Penguin were to exercise all remaining Earnout options pursuant to the Omnibus Agreement between the Trust and Penguin.

Omnibus Agreement between the Trust and Penguin
The Trust and Penguin amended the development management agreements in November 2020. 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.

d) Leasehold property interest
At September 30, 2024, the Trust had lease obligations for the 14 leasehold interests without bargain purchase options and one leasehold interest with bargain purchase option with Penguin. See Note 3(d).

e) Loans receivable issued
Four loans receivable were issued to Penguin, either pursuant to development management agreement or in connection with acquisitions of land parcels. See Note 5(a).

f) Future land development obligations
The future land development obligations represent payments required to be made to Penguin for certain undeveloped lands acquired. See Note 11, "Accounts and other payables".

g) Other agreements with Penguin
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 details, see the Trust's management information circular dated November 6, 2020, filed on SEDAR+ and below.

Supplement to Development Services Agreement between the Trust and its Affiliates and Penguin ("Development and Services Agreement")
The following represent the key elements of this agreement 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 $1,000 (subject to inflation-related increments after 2018) and ii) an annual variable fee between $1,500 and $3,500 (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.

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"). 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
Effective November 2020, a non-competition agreement with Penguin 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 Deferred Unit Plan and the 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. See also Note 10, "Other financial liabilities".

h) Summary of transactions and balances with Penguin
The following tables summarize related party transactions and balances with Penguin:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	2024	2023
Related party transactions with Penguin				
Acquisitions and Earnouts:				
Earnouts	$1,071	$539	$1,071	$8,196
Revenues:				
Service and other revenues:				
Management fee and other services revenue pursuant to the Development and Services Agreement	2,231	2,335	6,045	8,091
Support services	343	348	1,028	1,043
	$2,574	$2,683	$7,073	$9,134
Interest income from mortgages and loans receivable	555	967	1,974	3,592
Rents and operating cost recoveries included in rentals from income properties	640	603	1,797	2,155
	$3,769	$4,253	$10,844	$14,881
Expenses and other payments:				
Fees paid pursuant to the Penguin Services Agreement – capitalized to properties under development	1,989	1,949	5,683	5,239
EIP – capitalized to properties under development	800	1,359	3,159	4,004
Development fees and interest expense – capitalized to investment properties	151	53	310	121
Opportunity fees pursuant to the development management agreements – capitalized to properties under development[1]	15	15	45	45
Marketing and other costs – included in general and administrative expense and property operating costs	15	17	47	53
Disposition fees pursuant to the Development and Services Agreement – included in general and administrative expense	283	—	351	497
	$3,253	$3,393	$9,595	$9,959

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

As at	Note	September 30, 2024	December 31, 2023
Related party balances with Penguin disclosed elsewhere in the financial statements			
Receivables:			
Amounts receivable and other[1]	8	$30,327	$21,647
Mortgages receivable	5(b)	2	17,548
Loans receivable	5(a)	77,206	76,392
Notes receivable	5(c)	2,924	2,924
Total receivables		$110,459	$118,511
Payables and other accruals:			
Accounts payable and accrued liabilities		8,402	3,723
Future land development obligations	11	17,517	18,075
Total payables and other accruals		$25,919	$21,798

(1) Excludes amounts receivable presented below as part of balances with equity accounted investments. This amount includes amounts receivable of $19,565 and other of $10,762 (December 31, 2023 – amounts receivable of $12,923 and other of $8,724).

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 and certain joint ventures a net amount related to associated development fees. See Note 4, "Equity accounted investments".

b) Loans receivable issued

A loan receivable was provided to PCVP pursuant to a loan agreement. Loans receivable were issued to certain joint ventures partnered with SmartStop pursuant to a master credit loan agreement. See Note 5(a).

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).

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

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

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Related party transactions with the Trust's equity accounted investments				
Revenues:				
Supplemental Development Fee	**$1,223**	$1,911	**$5,071**	$8,947
Interest income from mortgages and loans receivable	**1,625**	3,191	**5,697**	8,779
Expenses and other payments:				
Rent and operating costs (included in general and administrative expense and property operating costs)	**830**	701	**2,400**	2,076

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

As at	Note	**September 30, 2024**	December 31, 2023
Related party balances disclosed elsewhere in the financial statements			
Amounts receivable(1)	8	**$14,814**	$15,052
Loans receivable(2)	5(a)	**117,954**	108,815
Other unsecured debt(3)	9(b)(iv)	**114,290**	150,689

(1) Amounts receivable includes Penguin's portion, which represents $7,781 (December 31, 2023 – $5,083) relating to Penguin's 50% investment in the PCVP and Residences (One) LP.
(2) Loans receivable includes Penguin's portion, which represents $27,027 (December 31, 2023 – $25,741) relating to Penguin's 50% investment in the PCVP.
(3) Other unsecured debt does not consist of Penguin's portion as at September 30, 2024 (December 31, 2023 – nil).

Other related party transactions

The following table summarizes other related party transactions:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Legal fees incurred from a law firm in which a partner is a Trustee:				
Capitalized to investment properties	**$130**	$218	**$760**	$374
Included in general and administrative expense	**108**	15	**394**	1,033
	$238	$233	**$1,154**	$1,407

20. Key management and Trustees' compensation

The following table presents the compensation relating to key management:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Salaries and other short-term employee benefits	**$887**	$644	**$2,460**	$1,931
Deferred unit plan	**794**	648	**2,378**	1,898
EIP	**1,305**	1,773	**4,624**	5,344
LTIP	**—**	—	**—**	3
	$2,986	$3,065	**$9,462**	$9,176

The following table presents the compensation relating to Trustees:

	Three Months Ended September 30		Nine Months Ended September 30	
	2024	2023	**2024**	2023
Trustees' fees	**$163**	$197	**$539**	$561
Deferred unit plan	**163**	197	**539**	561
	$326	$394	**$1,078**	$1,122

21. Segmented information

As at September 30, 2024, the Trust has one reportable segment, which comprises the development, ownership, management and operation of investment properties located in Canada. In measuring performance, the Trust does not distinguish or group its operations on a geographical or any other basis and, accordingly, has a single reportable segment for disclosure purposes.

The Trust's major tenant is Walmart, accounting for 23.4% of the Trust's annualized rentals from investment properties for the nine months ended September 30, 2024 (nine months ended September 30, 2023 – 24.1%).

22. Risk management

The Trust analyzes its interest rate exposure on a regular basis. The Trust monitors the historical movement of 10-year Government of Canada bonds and performs a sensitivity analysis to identify the possible impact on net income of an interest rate shift. The simulation is performed on a regular basis to ensure the maximum loss potential is within the limit acceptable to management. Management performs the simulation for secured debt, unsecured debt, revolving operating facilities, and mortgages and loans receivable:

Change in interest rate of:	**(1.50)%**	**(1.00)%**	**(0.50)%**	**0.50%**	**1.00%**	**1.50%**
Net income increase (decrease) from variable-rate debt	$8,757	$5,838	$2,919	$(2,919)	$(5,838)	$(8,757)
Net income increase (decrease) from variable-rate mortgages and loans receivable	$(1,083)	$(722)	$(361)	$361	$722	$1,083

From time to time, the Trust may enter into interest rate swaps as part of its strategy for managing certain interest rate risks. The Trust recognizes any change in fair value associated with interest rate swap agreements in the unaudited interim condensed consolidated statements of income and comprehensive income.

The sensitivity analysis in the table below reflects the fair value gain (loss) on interest rate swap agreements from possible changes in interest rates:

Change in interest rate of:	**(1.50)%**	**(1.00)%**	**(0.50)%**	**0.50%**	**1.00%**	**1.50%**
Fair value gain (loss) on interest rate swap agreements	$(21,797)	$(12,093)	$(2,480)	$16,477	$25,824	$35,086

The Trust's exposure to interest rate risk is monitored by management on a regular basis (see also Note 9, "Debt").

23. Commitments and contingencies

The Trust has certain obligations and commitments pursuant to development management agreements to complete the purchase of Earnouts totalling approximately 140,000 square feet (December 31, 2023 – 165,000 square feet) of development space from Penguin and others, based on a pre-negotiated formula, as more fully described in Note 3, "Investment properties". As at September 30, 2024, the carrying value of these obligations and commitments included in properties under development was $60,387 (December 31, 2023 – $61,687). The timing of completion of the purchase of the Earnouts, and the final prices, cannot be readily determined because they are a function of future tenant leasing.

The Trust has also entered into various other development construction contracts totalling $67,697 (December 31, 2023 – $22,068).

The Trust entered into agreements with Penguin in which the Trust will lend funds in the form of mortgages receivable, as disclosed in Note 5(b). The maximum amount that may be provided under the agreements totals $116,996 (December 31, 2023 – $150,763) (see also Note 5, "Mortgages, loans and notes receivable"), of which $2 has been provided as at September 30, 2024 (December 31, 2023 – $17,548).

As at September 30, 2024, letters of credit totalling $54,119 (December 31, 2023 – $45,808) – including letters of credit drawn down under the revolving operating facilities described in Note 9(c) – have been issued on behalf of the Trust by financial institutions as security for debt and for maintenance and development obligations to municipal authorities.

The Trust carries insurance and indemnifies its Trustees and officers against any and all claims or losses reasonably incurred in the performance of their services to the Trust to the extent permitted by law.

The Trust, in the normal course of operations, is subject to a variety of legal and other claims. Management and the Trust's legal counsel evaluate all claims on their apparent merits and accrue management's best estimate of the likely cost to satisfy such claims. Management believes the outcome of current legal and other claims filed against the Trust, after considering insurance coverage, will not have a significant impact on the Trust's unaudited interim condensed consolidated financial statements.

CORPORATE INFORMATION

Investor Relations

Hammad Rawra
Vice President, Corporate Finance & Investor Relations

T: 905 326 6400 x7166
E: investorrelations@smartcentres.com
smartcentres.com/investing
TSX: SRU.UN

SMARTCENTRES®

REAL ESTATE INVESTMENT TRUST

SMARTCENTRES.COM