2026 First Quarter Report

Unaudited Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2026

SMARTCENTRES®
REAL ESTATE INVESTMENT TRUST

Unaudited Interim Condensed Consolidated Financial Statements

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SMARTCENTRES REAL ESTATE INVESTMENT TRUST

UNAUDITED INTERIM CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands of Canadian dollars)

As at	Note	March 31, 2026	December 31, 2025
Assets			
Non-current assets			
Investment properties	3	**$10,964,730**	$10,852,939
Equity accounted investments	4	**721,995**	723,637
Mortgages, loans and notes receivable	5	**244,263**	58,740
Other financial assets	6	**58,338**	94,376
Intangible assets		**39,480**	39,813
Other assets		**11,271**	11,825
Amounts receivable	7	**2,302**	17,935
		$12,042,379	$11,799,265
Current assets			
Amounts receivable and other	7	**103,323**	74,830
Cash and cash equivalents		**36,513**	51,551
Prepaid expenses, deposits and deferred financing costs	7	**21,567**	14,269
Residential development inventory		**20,705**	21,154
Current portion of mortgages, loans and notes receivable	5	**17,271**	180,070
Current portion of other financial assets	6	**44,141**	—
		$243,520	$341,874
Total assets		**$12,285,899**	$12,141,139
Liabilities			
Non-current liabilities			
Debt	8	**$4,129,046**	$4,453,606
Other financial liabilities	9	**10,830**	17,876
Other payables	10	**8,736**	11,774
		$4,148,612	$4,483,256
Current liabilities			
Current portion of debt	8	**1,128,256**	755,426
Current portion of other financial liabilities	9	**320,685**	302,067
Accounts payable and current portion of other payables	10	**291,008**	254,085
		$1,739,949	$1,311,578
Total liabilities		**$5,888,561**	$5,794,834
Equity			
Trust Unit equity		**$5,265,905**	$5,227,500
Non-controlling interests		**1,131,433**	1,118,805
		$6,397,338	$6,346,305
Total liabilities and equity		**$12,285,899**	$12,141,139

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 (LOSS) AND COMPREHENSIVE INCOME (LOSS)

(in thousands of Canadian dollars)

For the three months ended March 31,	Note	**2026**	2025
Net rental income and other			
Rentals from investment properties and other	14	**$231,835**	$229,338
Property operating costs and other	15	**(94,148)**	(92,552)
Net rental income and other		**137,687**	136,786
Other income and expenses			
General and administrative expense	16	**(11,505)**	(10,530)
Earnings from equity accounted investments	4	**3,772**	1,582
Fair value adjustment on investment properties	3	**50,303**	(80,134)
Gain on sale of investment properties		**6**	7
Interest expense	8(d)	**(48,940)**	(46,041)
Interest income		**2,584**	3,274
Fair value adjustment on financial instruments		**(4,010)**	(14,525)
Net income (loss) and comprehensive income (loss)		**$129,897**	$(9,581)
Net income (loss) and comprehensive income (loss) attributable to:			
Trust Units		**$105,334**	$(7,862)
Non-controlling interests		**24,563**	(1,719)
		$129,897	$(9,581)

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)

For the three months ended March 31,	Note	2026	2025
Cash provided by (used in)			
Operating activities			
Net income (loss) and comprehensive income (loss)		**$129,897**	$(9,581)
Items not affecting cash and other items	17	**(1,095)**	139,007
Cash interest paid	8(d)	**(31,246)**	(28,037)
Interest received		**567**	832
Distributions from equity accounted investments	4	**1,710**	722
Expenditures on direct leasing costs and tenant incentives		**(1,432)**	(1,539)
Expenditures on tenant incentives for properties under development		**(697)**	(63)
Changes in other non-cash operating items	17	**(21,259)**	(19,604)
Cash flows provided by operating activities		**$76,445**	$81,737
Financing activities			
Proceeds from issuance of unsecured debentures, net of issuance costs		**—**	298,935
Proceeds from secured debt		**3,150**	6,500
Proceeds from unsecured debt		**516**	391
Proceeds from revolving operating facilities		**105,898**	59,041
Repayments of unsecured debentures		**—**	(160,000)
Repayments of secured debt		**(35,658)**	(72,597)
Repayments of unsecured debt		**(2,080)**	(1,355)
Repayments of revolving operating facility		**(33,964)**	(91,049)
Distributions paid on Trust Units		**(66,929)**	(66,919)
Distributions paid on non-controlling interests and Units classified as liabilities		**(15,547)**	(15,531)
Payment of lease liability		**(514)**	(534)
Cash flows used in financing activities		**$(45,128)**	$(43,118)
Investing activities			
Acquisitions and Earnouts of investment properties	3(b)	**(6,159)**	(14,397)
Additions to investment properties		**(24,547)**	(23,852)
Additions to equity accounted investments	4	**(5,375)**	(3,235)
Additions to equipment		**(129)**	(26)
Advances of mortgages and loans receivable		**(20,960)**	(10,257)
Repayments of mortgages and loans receivable		**1,040**	470
Development distributions from equity accounted investments	4	**9,775**	915
Net proceeds from sale of investment properties		**—**	2,700
Cash flows used in investing activities		**$(46,355)**	$(47,682)
Increase (decrease) in cash and cash equivalents during the period		**(15,038)**	(9,063)
Cash and cash equivalents – beginning of period		**51,551**	37,694
Cash and cash equivalents – end of period		**$36,513**	$28,631

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 12)	Retained Earnings	Trust Unit Equity	LP Units (Note 12)	Retained Earnings	LP Unit Equity	Other Non-Controlling Interest (Note 18)	Total Equity
Equity – January 1, 2026		**$3,092,025**	**$2,135,475**	**$5,227,500**	**$648,223**	**$456,845**	**$1,105,068**	**$13,737**	**$6,346,305**
Net income and comprehensive income		—	105,334	105,334	—	24,470	24,470	93	129,897
Distributions	13	—	(66,929)	(66,929)	—	(11,935)	(11,935)	—	(78,864)
Equity – March 31, 2026		**$3,092,025**	**$2,173,880**	**$5,265,905**	**$648,223**	**$469,380**	**$1,117,603**	**$13,830**	**$6,397,338**
Equity – January 1, 2025		$3,091,489	$2,151,341	$5,242,830	$645,014	$446,020	$1,091,034	$3,717	$6,337,581
Net income (loss) and comprehensive income (loss)		—	(7,862)	(7,862)	—	(1,824)	(1,824)	105	(9,581)
Issuance of Units	12	—	—	—	1,716	—	1,716	—	1,716
Distributions	13	—	(66,919)	(66,919)	—	(11,909)	(11,909)	—	(78,828)
Equity – March 31, 2025		$3,091,489	$2,076,560	$5,168,049	$646,730	$432,287	$1,079,017	$3,822	$6,250,888

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 months ended March 31, 2026 and March 31, 2025
(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, condos and rental residences, 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 12. 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 May 6, 2026. The Board of Trustees has the power to amend the unaudited interim condensed consolidated financial statements after issue.

As at March 31, 2026, the Penguin Group of Companies ("Penguin"), owned by Mitchell Goldhar, owned approximately 21.3% (December 31, 2025 – 21.3%) of the issued and outstanding Units of the Trust and Limited Partnerships (see also Note 18, "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 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, 2025.

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, 2025.

3. Investment properties

The following table summarizes the activities in investment properties:

		Three Months Ended March 31, 2026			Year Ended December 31, 2025		
	Note	Income Properties	Properties Under Development	Total	Income Properties	Properties Under Development	Total
Balance – beginning of period		$9,189,352	$1,663,587	$10,852,939	$8,942,289	$1,717,494	$10,659,783
Acquisitions, Earnouts and related adjustments of investment properties		—	7,085	7,085	—	35,264	35,264
Earnout Fees on properties subject to development management agreements		—	29,084	29,084	7,971	—	7,971
Transfer from properties under development to income properties		20,648	(20,648)	—	97,666	(97,666)	—
Transfer from income properties to properties under development		(23,388)	23,388	—	—	—	—
Recognition of properties under development from equity accounted investments as a result of change in control		—	—	—	—	52,150	52,150
Capital and development expenditures		1,245	15,628	16,873	36,257	70,456	106,713
Capitalized interest	8(d)	—	8,255	8,255	—	31,623	31,623
Dispositions		—	—	—	—	(5,750)	(5,750)
Straight-line rents and tenant incentives[(1)]		191	—	191	4,477	—	4,477
Fair value adjustment on investment properties		47,122	3,181	50,303	100,692	(139,984)	(39,292)
Balance – end of period		$9,235,170	$1,729,560	$10,964,730	$9,189,352	$1,663,587	$10,852,939

(1) The amount is net of amortization of straight-line rents and tenant incentives in the amount of $2,143 and $2,005, respectively (year ended December 31, 2025 – $7,679 and $7,757, respectively).

Secured debt with a carrying value of $478,713 (December 31, 2025 – $511,188) is secured by investment properties with a fair value of $1,968,188 (December 31, 2025 – $1,990,722).

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, and properties with leasehold interests. 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 valuation 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:

	March 31, 2026			
	Terminal Capitalization Rate		**Discount Rate**	
Valuation Method	**Weighted Average**	**Range**	**Weighted Average**	**Range**
Income properties				
Discounted cash flow	**6.00 %**	**4.20% – 7.75%**	**6.52 %**	**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	**6.04 %**	**4.20% – 7.40%**	**6.64 %**	**4.60% – 7.90%**

	December 31, 2025			
	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	5.98 %	4.20% – 7.40%	6.58 %	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 March 31, 2026:

	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)%	5.52 %	$11,241,509	$2,006,339	5.64 %	$129,419	$16,300
(0.50)%	6.02 %	$10,205,809	$970,639	6.14 %	$120,419	$7,300
(0.25)%	6.27 %	$9,756,009	$520,839	6.39 %	$116,519	$3,400
—%	6.52 %	$9,235,170	$—	6.64 %	$113,119	$—
0.25%	6.77 %	$8,969,209	$(265,961)	6.89 %	$109,819	$(3,300)
0.50%	7.02 %	$8,622,409	$(612,761)	7.14 %	$106,919	$(6,200)
1.00%	7.52 %	$8,003,409	$(1,231,761)	7.64 %	$101,619	$(11,500)

b) Acquisition

The following table summarizes the Acquisition completed during the three months ended March 31, 2026:

					Satisfied through	
Location	**Date of Acquisition**	**Type**	**Area**	**Purchase Proceeds**	**Cash**	**Other Adjustments**
Kingston, Ontario	March 2026	Land parcel	18.83 acres	$7,085	$6,159	$926

c) Leasehold property interests

At March 31, 2026, 15 (December 31, 2025 – 15) investment properties with a fair value of $974,978 (December 31, 2025 – $965,505) are leasehold property interests accounted for as leases with Penguin (see also Note 18, "Related party transactions").

One of these leasehold properties, with a fair value of $93,936 (December 31, 2025 – $93,863), was entered into in 2003 under a 35-year lease with Penguin and includes a purchase option exercisable at the end of the lease term in 2038 for a payment of $10,000, which is considered to be a bargain purchase option. As the Trust expects to exercise this option, the related purchase option amount and remaining lease obligation are recognized in accounts and other payables in accordance with IFRS 16 (see also Note 10, "Accounts and other payables").

d) Properties under development

i) Properties under development not subject to development management agreements

During the three months ended March 31, 2026, 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 months ended March 31, 2026, the land and development costs transferred for completed projects totalled $20,648 (three months ended March 31, 2025 – $36,951).

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.

Effective January 1, 2026, pursuant to the Settlement Agreement between the Trust and Penguin (the “Settlement Agreement”), the parties agreed to settle all outstanding Earnout agreements during 2026. The carrying value of the related properties under development increased by $29,084, as determined by the settlement amounts under the Settlement Agreement. See also Note 18, “Related party transactions” and Note 23, “Subsequent event”.

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		**March 31, 2026**		December 31, 2025	
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	**22**	**50.0 %**	21	50.0 %
Residential apartments	Jadco	**1**	**50.0 %**	1	50.0 %
Residential apartments	Cogir	**1**	**80.0 %**	1	80.0 %
Residential apartments	Other	**1**	**50.0 %**	1	50.0 %

(1) The Trust’s investments in associates are partnered with Penguin. See also Note 18, “Related party transactions”.

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

	Three Months Ended March 31, 2026			Year Ended December 31, 2025		
	Investment in Associates	**Investment in Joint Ventures**	**Total**	Investment in Associates	Investment in Joint Ventures	Total
Investment – beginning of period	**$441,852**	**$281,785**	**$723,637**	$436,437	$313,182	$749,619
Operating Activities:						
Earnings	**1,544**	**2,228**	**3,772**	7,318	398	7,716
Distributions	**(1,040)**	**(670)**	**(1,710)**	(3,789)	(4,815)	(8,604)
Financing Activities:						
Fair value adjustment on loan	**696**	**—**	**696**	2,847	—	2,847
Investing Activities:						
Cash contribution	**188**	**5,187**	**5,375**	2,259	29,903	32,162
Derecognition of equity accounted investments as a result of change in control	**—**	**—**	**—**	—	(39,119)	(39,119)
Development distributions	**(1,040)**	**(8,735)**	**(9,775)**	(3,220)	(17,764)	(20,984)
Investment – end of period	**$442,200**	**$279,795**	**$721,995**	$441,852	$281,785	$723,637

a) ***Summary of balance sheets***

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

As at	March 31, 2026				December 31, 2025			
Equity accounted investments in:	**Associates**				Associates			
	PCVP	**VMC Residences(1)**	**Joint Ventures**	**Total**	PCVP	VMC Residences(1)	Joint Ventures	Total
Non-current assets	**$1,427,954**	**$—**	**$1,054,104**	**$2,482,058**	$1,428,251	$—	$1,034,078	$2,462,329
Current assets	**92,980**	**160,813**	**22,928**	**276,721**	84,179	157,873	28,361	270,413
Total assets	**$1,520,934**	**$160,813**	**$1,077,032**	**$2,758,779**	$1,512,430	$157,873	$1,062,439	$2,732,742
Non-current liabilities(2)	**$648,357**	**$—**	**$443,124**	**$1,091,481**	$584,926	$—	$359,350	$944,276
Current liabilities	**45,420**	**103,815**	**54,882**	**204,117**	100,735	101,237	120,290	322,262
Total liabilities	**$693,777**	**$103,815**	**$498,006**	**$1,295,598**	$685,661	$101,237	$479,640	$1,266,538
Net assets	**$827,157**	**$56,998**	**$579,026**	**$1,463,181**	$826,769	$56,636	$582,799	$1,466,204
Trust's share of net assets before adjustments	**413,578**	**27,737**	**279,795**	**721,110**	413,385	27,702	281,785	722,872
Fair value adjustment on loan	**447**	**438**	**—**	**885**	493	272	—	765
Trust's share of net assets	**$414,025**	**$28,175**	**$279,795**	**$721,995**	$413,878	$27,974	$281,785	$723,637

(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 March 31, 2026, the balance includes loan payable to the Trust of $58,052 in respect to its investments in associates (December 31, 2025 – $57,454), see also Note 5(a).

The investments in associates listed above have entered into various development construction contracts with existing commitments totalling $57,702 (December 31, 2025 – $57,581).

The joint ventures listed above have entered into various development construction contracts with existing commitments totalling $72,350 (December 31, 2025 – $84,683).

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 March 31, 2026, the investment in associates had development credit facilities with an outstanding balance of $323,200 (December 31, 2025 – $316,400), of which the Trust's share was $161,600 (December 31, 2025 – $158,200). The development credit facilities bearing interest based on the Adjusted Canadian Overnight Repo Rate Average ("Adjusted CORRA") plus 1.45%, maturing in June 2027.

As of March 31, 2026, the joint ventures had development credit facilities with an outstanding balance of $113,132 (December 31, 2025 – $90,905), of which the Trust's share was $56,566 (December 31, 2025 – $45,452). The development credit facilities bearing interest based on the Adjusted CORRA rate plus 2.70%, maturing May 2027.

b) Summary of earnings

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

	Three Months Ended March 31, 2026				Three Months Ended March 31, 2025			
	Associates				Associates			
Net Income from equity accounted investments in:	PCVP	VMC Residences	Joint Ventures	Total	PCVP	VMC Residences	Joint Ventures	Total
Revenue	$13,810	$175	$13,254	$27,239	$14,051	$86	$11,797	$25,934
Operating expense	(6,787)	(75)	(5,740)	(12,602)	(7,320)	(32)	(4,732)	(12,084)
Revenue net of operating expense	$7,023	$100	$7,514	$14,637	$6,731	$54	$7,065	$13,850
Fair value adjustment on investment properties	604	—	2,672	3,276	400	—	(797)	(397)
Interest (expense) income	(4,733)	286	(4,885)	(9,332)	(5,566)	427	(4,238)	(9,377)
Loss on sale of investment properties	(19)	—	—	(19)	—	—	—	—
Earnings	$2,875	$386	$5,301	$8,562	$1,565	$481	$2,030	$4,076
Trust's share of earnings before supplemental cost and additional profit sharing	1,437	201	2,368	4,006	782	263	987	2,032
Supplemental cost	(94)	—	(140)	(234)	(307)	—	(143)	(450)
Trust's share of earnings	$1,343	$201	$2,228	$3,772	$475	$263	$844	$1,582

(1) Includes office rental revenue from the Trust in the amount of $818 for the three months ended March 31, 2026 (three months ended March 31, 2025 – $796).

In accordance with the VMC Supplemental Development Fee Agreement, the Trust invoiced PCVP a net amount of $188 related to associated development fees for the three months ended March 31, 2026 (three months ended March 31, 2025 – $615).

In accordance with the Supplemental Development and Construction Fee Agreements, the Trust invoiced certain investments in joint ventures for a net amount of $280 related to associated supplemental development fees for the three months ended March 31, 2026 (three months ended March 31, 2025 – $286).

Acquisitions completed during the three months ended March 31, 2026

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

	Type	Date of Acquisition	Segment	Area	Purchase Price(1)(2)
Acquisitions					
Edmonton, Alberta	Land parcel	January 2026	Self-storage	1.74 acres	$1,841

(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	March 31, 2026	December 31, 2025
Loans receivable (a)		**$258,608**	$235,884
Mortgages receivable (b)	18	**2**	2
Notes receivable (c)	18	**2,924**	2,924
		$261,534	$238,810
Current		**17,271**	180,070
Non-current		**244,263**	58,740
		$261,534	$238,810

a) Loans receivable

The following table presents loans receivable:

Issued to	Committed	Maturity Date	Interest Rate	Note	March 31, 2026	December 31, 2025
Penguin(1)	23,019	March 2028	Variable	18	**$14,595**	$14,443
Penguin(2)	N/A	December 2029	Interest-free	8(b)(iv), 18	**55,560**	55,813
Penguin(3)	1,069	August 2030	Variable	18	**1**	1
Penguin(4)	11,024	—	Variable	18	**7,268**	7,268
Total loans issued to Penguin					**$77,424**	$77,525
PCVP(5)	N/A	March 2028	Variable	18	**58,052**	57,454
Self-storage facilities(6)	138,800	May 2027	Variable	18	**113,132**	90,905
Total loans issued to equity accounted investments					**$171,184**	$148,359
Greenwin(7)	10,000	December 2026	10.00 %		**10,000**	10,000
Total loans issued to unrelated parties					**$10,000**	$10,000
					$258,608	$235,884

(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. The loan bears a variable interest rate based on the Trust's operating line interest rate plus 20 basis points. In March 2026, the loan term was extended by two years.
(2) The loan has a principal amount outstanding of $63,660, is non-interest-bearing, and is repayable at the end of 10 years. As at March 31, 2026, the loan balance of $55,560 is net of a cumulative fair value adjustment totalling $8,100.
(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.
(4) The loan bears a variable interest rate based on the Trust's operating line interest rate plus 10 basis points. Pursuant to the Settlement Agreement, the loan receivable of $7,268, including all accrued interest to December 31, 2025, was repaid by Penguin on April 17, 2026. See also Note 18, "Related party transactions".
(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. The loan bears a variable interest rate based on the Trust's operating line interest rate plus 20 basis points. In March 2026, the loan term was extended by two years.
(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) In December 2024, the Trust entered into a loan agreement with Greenwin secured by two investment properties.

Management considers all outstanding loans to be fully collectible.

b) Mortgages receivable

The Trust is committed to lend up to $116,993 (December 31, 2025 – $116,993) to fund costs associated with both the original acquisition and development of five properties. The Trust holds a purchase option for these properties, exercisable upon achieving certain levels of development and leasing. As at March 31, 2026, management expects the Trust to exercise these purchase options. The Trust also holds a 50% interest in the Toronto (StudioCentre), ON, and Salmon Arm, BC, properties, with the other 50% owned by Penguin. These loans are secured by Penguin's interest in the properties.

The mortgages receivable 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.

Pursuant to the Omnibus Mezzanine Loan Settlement Agreement dated April 1, 2026, all outstanding mezzanine loans were terminated. See also Note 23, "Subsequent event".

c) Notes receivable

Notes receivable of $2,924 (December 31, 2025 – $2,924) have been granted to Penguin. As at March 31, 2026, these secured demand notes bear interest at the rate of 9.00% per annum (December 31, 2025 – 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 11, "Fair value measurement".

6. Other financial assets

The following table summarizes the components of other financial assets:

As at	March 31, 2026	December 31, 2025
Total return swap ("TRS") receivable (a)	$89,124	$86,147
Interest rate swap agreements	8,942	8,229
Currency swap agreements	4,413	—
	$102,479	$94,376
Current(1)	$44,141	$—
Non-current	58,338	94,376
	$102,479	$94,376

(1) Includes TRS receivable settling within 12 months of $42,372 (December 31, 2025 - $nil), interest rate swap agreements maturing within 12 months of $633 (December 31, 2025 - $nil), and currency swap agreements maturing within 12 months of $1,136 (December 31, 2025 - $nil).

a) *TRS receivable*

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

	Three Months Ended March 31, 2026	Year Ended December 31, 2025
Balance – beginning of period	$86,147	$81,831
Distributions received	(1,547)	(6,189)
Fair value adjustments	4,524	10,505
Balance – end of period	$89,124	$86,147

7. 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 deferred financing costs:

As at	March 31, 2026	December 31, 2025
Amounts receivable and other		
Tenant receivables	$28,088	$31,434
Unbilled other tenant receivables	27,935	11,997
Receivables from related party – excluding equity accounted investments	22,949	21,794
Receivables from related party – equity accounted investments	11,505	11,027
Other non-tenant receivables(1)	26,942	26,383
	$117,419	$102,635
Allowance for expected credit loss ("ECL")	(11,794)	(9,870)
Amounts receivable and other, net of allowance for ECL	$105,625	$92,765
Non-current portion of amounts receivable	(2,302)	(17,935)
	$103,323	$74,830
Prepaid expenses, deposits and deferred financing costs(2)	$21,567	$14,269

(1) The amount includes a related party amount of $13,912 (December 31, 2025 – $13,400).
(2) Includes prepaid realty tax of $9,182 (December 31, 2025 – $1,104).

Pursuant to the Settlement Agreement, the Trust and Penguin agreed the settlement of outstanding receivables totalling $13,516. The non-current portion of amounts receivable from related parties of $2,302 (December 31, 2025 — $17,935) represents the remaining deferred settlement amounts owing from Penguin that are not expected to be settled within the next twelve months. See also Note 18, "Related party transactions".

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:

	Three Months Ended March 31, 2026	Year Ended December 31, 2025
Balance – beginning of period	$9,870	$6,234
Net allowance	1,924	3,636
Balance – end of period	$11,794	$9,870

8. Debt

The following table presents debt balances:

As at	**March 31, 2026**	December 31, 2025
Secured debt (a)	**$478,713**	$511,188
Unsecured debt (b)	**4,580,519**	4,572,844
Revolving operating facilities (c)	**198,070**	125,000
	$5,257,302	$5,209,032
Current	**1,128,256**	755,426
Non-current	**4,129,046**	4,453,606
	$5,257,302	$5,209,032

a) Secured debt

As at March 31, 2026, the secured debt balance of $478,713 (December 31, 2025 – $511,188) bears a weighted average interest rate of 4.56% (December 31, 2025 – 4.53%), and comprises $450,363 (December 31, 2025 – $476,148) at fixed interest rates, and $28,350 (December 31, 2025 – $35,040) at variable interest rate of Adjusted CORRA rate plus 1.45%. The secured debt, maturing between 2026 and 2035, 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	**March 31, 2026**	December 31, 2025
Unsecured debentures i)	**$3,292,690**	$3,292,159
Credit facilities ii)	**1,079,818**	1,072,079
TRS debt iii)	**95,995**	95,995
Other unsecured debt iv)	**112,016**	112,611
	$4,580,519	$4,572,844

i) Unsecured debentures

As at March 31, 2026, unsecured debentures totalled $3,292,690 (December 31, 2025 – $3,292,159). Unsecured debentures mature at various dates between 2026 and 2032, with interest rates ranging from 2.31% to 5.35%, and a weighted average interest rate of 3.93% as at March 31, 2026 (December 31, 2025 – 3.93%).

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 fulfil its obligations. An investment-grade rating must exceed "BB", with the highest rating being "AAA". In August 2025, 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:

				Drawn Amount	
(Issued In)	**Maturity Date**	**Annual Interest Rate**	**Facility Amount**	**March 31, 2026**	December 31, 2025
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
January 2022(1)	January 19, 2027	4.48 %	300,000	**300,000**	300,000
December 2022(1)	December 1, 2027	4.37 %	100,000	**100,000**	100,000
December 2022(1)	December 1, 2027	4.88 %	100,000	**100,000**	100,000
December 2022(2)	January 8, 2028	SOFR + 1.70%	150,000	**150,000**	145,906
May 2019(1)	June 24, 2029	3.15 %	170,000	**170,000**	170,000
Revolving:					
March 2024	March 9, 2027	Adjusted CORRA + 1.45%	40,000	**29,400**	29,000
				$1,079,400	$1,074,906
Unamortized financing costs, debt modification adjustments, and others				**418**	(2,827)
				$1,079,818	$1,072,079

(1) The Trust entered into interest rate swap agreements to convert the variable interest rate into a weighted average fixed interest rate of 3.97% per annum. The weighted average term to maturity of the interest rate swaps is 1.34 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.

iii) TRS debt

The Trust borrowed TRS debt concurrent with entering the TRS agreement in February 2021. As at March 31, 2026, TRS unsecured debt of $95,995 (December 31, 2025 – $95,995) 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.

iv) Other unsecured debt

Other unsecured debt net of fair value adjustments totalling $112,016 (December 31, 2025 – $112,611) 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	**March 31, 2026**	December 31, 2025
PCVP (5.00% discount rate)(1)	**$56,456**	$56,798
PCVP (5.75% discount rate)(2)	**55,560**	55,813
	$112,016	$112,611

(1) The loan has a principal amount outstanding of $63,660 (December 31, 2025 – $64,700), is non-interest-bearing, and is repayable at the end of 10 years. As at March 31, 2026, the loan balance of $56,456 is net of the unamortized fair value adjustment totalling $7,204 (December 31, 2025 – the loan balance of $56,798 is net of a fair value adjustment totalling $7,902).

(2) The loan has a principal amount outstanding of $63,660 (December 31, 2025 – $64,700), is non-interest-bearing, and is repayable at the end of 10 years. As at March 31, 2026, the loan balance of $55,560 is net of the unamortized fair value adjustment totalling $8,100 (December 31, 2025 – the loan balance of $55,813 is net of a fair value adjustment totalling $8,887). See also Note 5(a) reflecting offsetting loan receivable amount.

c) *Revolving operating facilities*

As at March 31, 2026, the Trust had three revolving operating facilities, aggregating to $950,000 (December 31, 2025 – $950,000).

i) $100,000 revolving senior unsecured term facility

A $100,000 revolving senior unsecured term facility 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) $100,000 revolving senior unsecured term facility

A $100,000 revolving senior unsecured term facility bearing interest at Adjusted CORRA plus 120 basis points.

iii) $750,000 unsecured revolving operating facility

A $750,000 unsecured revolving operating facility bearing interest at 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					Drawn Amount	
Maturity Date	**Benchmark Rate**	**Spread**	**Facility Amount**	**Undrawn Facilities**	**Outstanding Letters of Credit**	**March 31, 2026**	December 31, 2025
January 2027[1]	SOFR	1.55 %	$100,000	**$1,930**	**$—**	**$98,070**	$25,000
June 2027	Adjusted CORRA	1.20 %	100,000	**—**	**—**	**100,000**	100,000
June 2029	Adjusted CORRA	1.45 %	750,000	**740,424**	**9,576**	**—**	—
	Prime Rate	0.45 %					
				$742,354	**$9,576**	**$198,070**	$125,000

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

d) *Interest expense*

The following table summarizes interest expense:

	Three Months Ended March 31	
	2026	2025
Interest at stated rates	**$50,839**	$47,753
Amortization of deferred financing costs	**1,055**	1,066
Distributions on Units classified as liabilities, vested deferred units, and vested EIP	**5,472**	5,071
	$57,366	$53,890
Capitalized to properties under development	**(8,255)**	(7,575)
Capitalized to residential development inventory	**(171)**	(274)
	$48,940	$46,041

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

	Three Months Ended March 31	
	2026	2025
Interest expense	**$48,940**	$46,041
Amortization of deferred financing costs	**(1,055)**	(1,066)
Distributions on Units classified as liabilities, vested deferred units, and vested EIP, net of amounts capitalized to properties under development	**(5,472)**	(5,071)
Change in accrued interest payable	**(11,167)**	(11,867)
Cash interest paid	**$31,246**	$28,037

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	**2026**	**2027**	**2028**	**2029**	**2030**	**Thereafter**
Secured debt	**$479,701**	$76,681	$39,067	$26,555	$19,229	$87,305	$230,864
Unsecured debt	**4,501,915**	480,542	979,400	759,958	1,082,015	650,000	550,000
Revolving operating facilities	**198,070**	—	198,070	—	—	—	—
Interest obligations(1)	**582,679**	130,195	135,808	109,849	89,236	67,747	49,844
Accounts payable	**242,176**	—	242,176	—	—	—	—
Other payable	**65,388**	48,575	2,140	2,177	299	279	11,918
	$6,069,929	**$735,993**	**$1,596,661**	**$898,539**	**$1,190,779**	**$805,331**	**$842,626**
Development obligations (commitments)	**50,233**	50,233	—	—	—	—	—
Total	**$6,120,162**	**$786,226**	**$1,596,661**	**$898,539**	**$1,190,779**	**$805,331**	**$842,626**

(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.

9. Other financial liabilities

The following table summarizes the components of other financial liabilities:

As at	March 31, 2026	December 31, 2025
Units classified as liabilities (a)	**$208,184**	$201,229
Deferred unit plan (b)	**86,898**	78,878
Equity incentive plan ("EIP") (c)	**33,743**	31,885
Currency swap agreement(1)	**—**	3,789
Interest rate swap agreements	**2,690**	4,162
	$331,515	$319,943
Current(2)	**320,685**	302,067
Non-current	**10,830**	17,876
	$331,515	$319,943

(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 8(b)(ii) and Note 8(c).

(2) Includes units classified as liabilities of $208,184 (December 31, 2025 – $201,229), vested deferred units of $81,448 (December 31, 2025 – $71,993), vested and earned EIP units expected to vest within 12 months of $30,305 (December 31, 2025 – $28,845), and interest rate swap agreements maturing within 12 months of $748 (December 31, 2025 - $nil).

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 11, "Fair value measurement".

	Number of Units Issued and Outstanding	Carrying Value
Balance – January 1, 2026	**7,814,709**	**$201,229**
Change in carrying value	**N/A**	**6,955**
Balance – March 31, 2026	**7,814,709**	**$208,184**
Balance – January 1, 2025	7,835,862	$191,665
Change in carrying value	N/A	6,504
Balance – March 31, 2025	7,835,862	$198,169

b) *Deferred unit plan*

The following table summarizes the number of outstanding deferred units:

	Three Months Ended March 31, 2026	Year Ended December 31, 2025
Balance – beginning of period	**3,244,460**	2,721,349
Granted	**286,603**	377,608
Reinvested units from distributions	**59,565**	230,915
Redeemed for cash	**(40,417)**	(80,911)
Forfeited	**(912)**	(4,501)
Balance – end of period	**3,549,299**	3,244,460

As at March 31, 2026, total outstanding deferred units included 3,057,343 vested units (December 31, 2025 – 2,795,839).

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

	Three Months Ended March 31	
	2026	2025
Carrying value – beginning of period	**$78,878**	$63,550
Deferred units granted	**3,799**	4,340
Reinvested distributions on vested deferred units	**1,338**	1,136
Compensation expense – reinvested distributions and amortization	**1,018**	860
Redeemed for cash	**(1,080)**	(578)
Fair value adjustment	**2,945**	2,147
Carrying value – end of period	**$86,898**	$71,455

c) ***Equity incentive plan***

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:

	Three Months Ended March 31, 2026	Year Ended December 31, 2025
Balance – beginning of period	**1,753,223**	1,686,538
Reinvested units from distributions	**30,330**	124,774
Redeemed for cash	**(2,000)**	(31,000)
Forfeited	**—**	(27,089)
Balance – end of period	**1,781,553**	1,753,223

As at March 31, 2026, total outstanding performance units included 1,137,571 vested units (December 31, 2025 – 1,120,194).

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

	Three Months Ended March 31	
Carrying Value	**2026**	2025
Balance – beginning of period	**$31,885**	$29,010
Compensation expense – reinvested distributions and amortization	**571**	1,091
Reinvested distributions on vested EIPs	**521**	312
Fair value adjustment	**820**	771
Redeemed for cash	**(54)**	—
Balance – end of period	**$33,743**	$31,184

d) ***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(d)).

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

For the three months ended March 31,		**2026**		2025	
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	**—**	**$—**	79,429	$1,716
		—	**$—**	79,429	$1,716

(1) Each option is represented by a corresponding Class C Smart LP III Unit.

Pursuant to the Settlement Agreement, the Trust and Penguin agreed to settle all outstanding Earnout agreements during 2026. See also Note 18, "Related party transactions" and Note 23, "Subsequent event".

10. 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	March 31, 2026	December 31, 2025
Accounts payable[1]	**$78,229**	$99,112
Tenant prepaid rent, deposits, and other payables	**81,894**	81,158
Accrued interest payable	**39,516**	28,349
Distributions payable	**26,598**	26,598
Realty taxes payable	**15,939**	1,791
Current portion of other payables	**48,832**	17,077
	$291,008	$254,085

(1) Includes accounts payable to Penguin in the amount of $2,784 as at March 31, 2026 (December 31, 2025 – $3,995). See also Note 18, "Related party transactions".

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

As at	March 31, 2026	December 31, 2025
Earnout settlement obligations	**$46,948**	$17,864
Lease liability – investment properties[1]	**3,163**	3,092
Lease liability – other	**7,457**	7,895
Total other payables	**$57,568**	$28,851
Less: Current portion of other payables	**(48,832)**	(17,077)
Total non-current portion of other payables	**$8,736**	$11,774

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

Earnout settlement obligations

Pursuant to the Settlement Agreement, the Trust and Penguin agreed to settle all outstanding Earnout obligations for total consideration of $46,948, of which $36,115 is payable to Penguin. The obligation was increased by $29,084 following external consultation and review of the related assets, with a corresponding increase to properties under development. See also Note 18, "Related party transactions".

11. 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		
March 31, 2026	Carrying value	Level 1	Level 2	Level 3
Assets measured at fair value:				
Investment properties	$10,964,730	$—	$—	$10,964,730
TRS receivable	89,124	—	89,124	—
Interest rate swap agreements	8,942	—	8,942	—
Currency swap agreement	4,413	—	$4,413	—
Assets measured at amortized cost:				
Mortgages, loans and notes receivable	$261,534	$—	$261,534	$—
Liabilities measured at fair value:				
Units classified as liabilities	$208,184	$—	$208,184	$—
DUP	86,898	—	86,898	—
EIP	33,743	—	33,743	—
Interest rate swap agreement	2,690	—	2,690	—
Liabilities measured at amortized cost:				
Secured debt	$478,713	$—	$486,240	$—
Unsecured debt	4,580,519	—	4,569,657	—
Revolving operating facilities	198,070	—	198,070	—

12. 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, 2026		**144,708,787**	**25,802,481**	**170,511,268**	**$3,092,025**	**$648,223**	**$3,740,248**
Balance – March 31, 2026		**144,708,787**	**25,802,481**	**170,511,268**	**$3,092,025**	**$648,223**	**$3,740,248**
Balance – January 1, 2025		144,687,634	25,677,579	170,365,213	$3,091,489	$645,014	$3,736,503
Options exercised	9(d)	—	66,602	66,602	—	1,716	1,716
Balance – March 31, 2025		144,687,634	25,744,181	170,431,815	$3,091,489	$646,730	$3,738,219

The following tables present 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, 2026**	**Options Exercised (Note 9(d))**	**Balance – March 31, 2026**	**Balance – January 1, 2026**	**Value From Options Exercised (Note 9(d))**	**Balance – March 31, 2026**
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	**4,254,322**	**—**	**4,254,322**	**113,804**	**—**	**113,804**
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**
	25,802,481	**—**	**25,802,481**	**$648,223**	**$—**	**$648,223**

	Number of Units Issued and Outstanding			Carrying Value		
LP Class B Unit Type	Balance – January 1, 2025	Options Exercised (Note 9(d))	Balance – March 31, 2025	Balance – January 1, 2025	Value From Options Exercised (Note 9(d))	Balance – March 31, 2025
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	4,129,420	66,602	4,196,022	110,595	1,716	112,311
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
	25,677,579	66,602	25,744,181	$645,014	$1,716	$646,730

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 LP Units, Class D Oshawa Taunton LP 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 and have no value assigned to them. 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 March 31, 2026, there were 33,608,482 (December 31, 2025 – 33,608,482) Special Voting Units outstanding, which are associated with those LP Units that have voting rights.

13. 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:

	Three Months Ended March 31	
Unit Type Subject to Distributions	**2026**	2025
Trust Units	**$66,929**	$66,919
Limited Partnership Units	**11,935**	11,909
Distributions on Units classified as equity	**$78,864**	$78,828
Distributions on Units classified as liabilities	**3,612**	3,622
Total Unit distributions	**$82,476**	$82,450

On April 16, 2026, the Trust declared a distribution for the month of April 2026 of $0.15417 per Unit, representing $1.85 per Unit on an annualized basis, to Unitholders of record on April 30, 2026.

14. Rentals from investment properties and other

The following table presents rentals from investment properties and other:

	Three Months Ended March 31	
	2026	2025
Gross base rent	**$144,414**	$141,775
Less: Amortization of tenant incentives	**(2,015)**	(2,105)
Net base rent	**$142,399**	$139,670
Property tax and insurance recoveries	**48,802**	47,396
Property operating cost recoveries	**34,121**	33,634
	$82,923	$81,030
Miscellaneous revenue	**3,278**	3,699
Rentals from investment properties	**$228,600**	$224,399
Residential closing revenue	**421**	2,014
Service and other revenues	**2,814**	2,925
Rentals from investment properties and other	**$231,835**	$229,338

15. Property operating costs and other

The following table summarizes property operating costs and other:

	Three Months Ended March 31	
	2026	2025
Recoverable property operating costs(1)	**$86,374**	$84,482
Property management fees and costs	**1,425**	1,394
Expected credit loss	**2,026**	506
Non-recoverable costs	**1,630**	1,686
Property operating costs	**$91,455**	$88,068
Residential cost of sales and marketing costs	**468**	1,463
Other expenses relating to service and other revenues(2)	**2,225**	3,021
Other expenses	**$2,693**	$4,484
Property operating costs and other	**$94,148**	$92,552

(1) Includes recoverable property tax and insurance costs.
(2) Related to service and other revenues as disclosed in Note 14, "Rentals from investment properties and other".

16. General and administrative expense

The following table summarizes general and administrative expense:

	Three Months Ended March 31	
	2026	2025
Salaries and benefits	**$7,226**	$7,721
Professional fees	**2,349**	1,229
Public company costs	**595**	608
Amortization of intangible assets	**333**	333
Other costs including office rent, information technology, marketing, communications, and other employee expenses	**1,002**	639
General and administrative expense	**$11,505**	$10,530

17. 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 March 31	
	2026	2025
Fair value adjustments	**$(46,293)**	$94,659
Gain on sale of investment properties	**(6)**	(7)
Earnings from equity accounted investments	**(3,772)**	(1,582)
Interest expense	**48,940**	46,041
Other financing costs	**(284)**	(333)
Interest income	**(2,584)**	(3,274)
Amortization of other assets and intangible assets	**2,649**	2,637
Lease obligation interest	**72**	65
Deferred unit compensation expense, net of cash redemptions	**(62)**	282
EIP amortization, net of cash redemptions	**245**	519
	$(1,095)	$139,007

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

	Three Months Ended March 31	
	2026	2025
Amounts receivable and other	**$(12,860)**	$(14,586)
Prepaid expenses, deposits and deferred financing costs	**(7,298)**	(6,238)
Accounts payable	**(20,883)**	(12,061)
Realty taxes payable	**14,148**	11,838
Tenant prepaid rent, deposits and other payables, and residential sales deposits	**736**	(5,740)
Other working capital changes	**4,898**	7,183
	$(21,259)	$(19,604)

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

	Three Months Ended March 31	
Non-cash investing and financing balances	**2026**	2025
Total return swap receivable	**$89,124**	$84,607
Units issued on acquisition	**—**	1,716
Liabilities assumed on acquisition, net of other assets	**926**	—
Distributions payable	**26,598**	26,589
Total return swap debt	**95,995**	95,995

18. 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 March 31, 2026, held approximately 21.3% of the issued and outstanding Units (December 31, 2025 – 21.3%) of the Trust. The following table presents Units owned by Penguin:

		Units owned by Penguin	
Type	**Class**	**March 31, 2026**	December 31, 2025
Trust Units	N/A	**15,896,863**	15,896,863
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	**4,254,322**	4,254,322
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		**38,064,872**	38,064,872

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"). The Voting Top-Up Right expired on December 31, 2025. Accordingly, as at March 31, 2026, there were no additional Special Voting Units outstanding (December 31, 2025 – 8,755,838). 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.

Pursuant to its rights under the Declaration of Trust, at March 31, 2026, 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 three months ended March 31, 2026, distributions declared to Penguin totalled $17,604 (year ended December 31, 2025 – $70,377).

c) Amended agreements with Penguin

On April 1, 2026, the Trust entered into amended agreements with Mitchell Goldhar and Penguin effective as of January 1, 2026 for a five year term, expiring on December 31, 2030.

Penguin Services Agreement

Effective January 1, 2026, the Penguin Services Agreement was amended and restated and the parties agreed that fees payable to Penguin in consideration of the services thereunder and in consideration of Penguin agreeing to enter into the Non-Competition Agreement would be limited exclusively to a Fixed Service Fee of $2,125 for each quarter, subject to adjustments for the consumer price index in subsequent years. There is no longer a Variable Service Fee.

Development Services Agreement Supplement

On April 1, 2026, the Trust entered into a supplemental agreement (the "DSA Agreement") with Penguin with an effective date of January 1, 2026. The DSA Agreement supplements and amends certain terms of the May 28, 2015 development services agreement ("Development Services Agreement"), as amended. The DSA Agreement confirms that the Trust will not perform development services for certain projects, with such services, and applicable fees, being paid to Penguin. The parties agreed that fees payable for certain projects, would be reduced by 50%, and will be charged to the relevant project as a project cost.

The agreement also provides for Penguin's ability to request certain services on a timebillings basis and adjustments to certain services and fees payable under the Development Services Agreement.

Settlement Agreement

On April 1, 2026, the Trust and Penguin entered into the Settlement Agreement, pursuant to which the parties agreed to settle a number of outstanding amounts owing between the parties, totalling $30,594, of which $13,116 will be paid to the Trust by Penguin, $17,478 will be charged to various projects and will be paid to the Trust by the partnerships. Further, the parties agreed to settle all outstanding Earnout agreements on 17 properties of $46,948, of which $36,115 will be paid to Penguin by the Trust. Of this amount, $28,253 was paid on April 17, 2026, representing 6 of the 17 total properties. Following the payments by the Trust in 2026, there will be no further Earnout obligations on any properties. In connection with the settlement of certain Earnout expiry properties, a loan receivable of $7,268, including all accrued interest to December 31, 2025, was repaid by Penguin on April 17, 2026.

See Note 23, “Subsequent event”, for additional details regarding the Omnibus Mezzanine Loan settlement agreement.

d) Properties under development subject to development management agreements (“Earnout Agreements”)
Certain properties under development (including certain leasehold property interests) were previously subject to Earnout obligations under various development management agreements with Penguin and Walmart.

Effective January 1, 2026, pursuant to the Settlement Agreement, the parties agreed to settle all outstanding Earnout agreements during 2026. See Note 3(d) .

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

Type	Class	March 31, 2026	December 31, 2025
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	**1,407,949**	1,407,949
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
		8,927,461	8,927,461

At March 31, 2026, Penguin’s ownership would increase to 24.9% (December 31, 2025 – 24.9%) if Penguin were to exercise all remaining Earnout options pursuant to the Omnibus Agreement between the Trust and Penguin.

e) Leasehold property interest
At March 31, 2026, the Trust had lease obligations for the 14 leasehold interests without bargain purchase options and 1 leasehold interest with bargain purchase option with Penguin. See Note 3(c).

f) 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).

g) Summary of transactions and balances with Penguin

The following tables summarize related party transactions and balances with Penguin:

	Three Months Ended March 31	
	2026	2025
Related party transactions with Penguin		
Acquisitions and Earnouts:		
Earnouts	**$—**	$4,500
Revenues:		
Service and other revenues:		
Management fee and other services revenue pursuant to the Development and Services Agreement	**1,589**	2,312
Support services	**91**	282
	$1,680	$2,594
Interest income from mortgages and loans receivable	**215**	481
Rents and operating cost recoveries included in rentals from income properties	**434**	696
	$2,329	$3,771
Expenses and other payments:		
Fees paid pursuant to the Penguin Services Agreement – capitalized to properties under development	**1,985**	1,526
EIP – capitalized to properties under development	**272**	572
Development fees and interest expense – capitalized to investment properties	**153**	274
Opportunity fees pursuant to the development management agreements – capitalized to properties under development(1)	**15**	15
Marketing and other costs – included in general and administrative expense and property operating costs	**32**	15
Disposition fees pursuant to the Development and Services Agreement - included in general and administrative expense	**(79)**	—
	$2,378	$2,402

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

As at	Note	**March 31, 2026**	December 31, 2025
Related party balances with Penguin disclosed elsewhere in the financial statements			
Receivables and Other:			
Amounts receivable and other(1) (2)	7	**$36,861**	$35,194
Loans receivable	5(a)	**77,424**	77,525
Mortgages receivable	5(b)	**2**	2
Notes receivable	5(c)	**2,924**	2,924
Total receivables		**$117,211**	$115,645
Payables and other accruals:			
Accounts payable and accrued liabilities		**2,784**	3,995
Earnout settlement obligations	10	**36,115**	17,864
Total payables and other accruals		**$38,899**	$21,859

(1) Excludes amounts receivable presented below as part of balances with equity accounted investments. This amount includes amounts receivable of $22,949 and other of $13,912 (December 31, 2025 – amounts receivable of $21,794 and other of $13,400).
(2) The non-current portion of amounts receivable represents a related party receivable from Penguin of $2,302 (December 31, 2025 – $17,935).

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 land purchase or contribution agreements relating to joint ventures. See Note 8(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 March 31	
	2026	2025
Related party transactions with the Trust's equity accounted investments		
Revenues:		
Supplemental Development Fee	**$468**	$899
Interest income from mortgages and loans receivable	**1,866**	2,026
Expenses and other payments:		
Rent and operating costs (included in general and administrative expense and property operating costs)	**818**	796

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

As at	Note	**March 31, 2026**	December 31, 2025
Related party balances disclosed elsewhere in the financial statements			
Amounts receivable(1)	7	**$11,505**	$11,027
Loans receivable(2)	5(a)	**171,184**	148,359
Other unsecured debt(3)	8(b)(iv)	**112,016**	112,611

(1) Amounts receivable includes Penguin's portion, which represents $5,567 (December 31, 2025 – $5,292) relating to Penguin's 50% investment in the PCVP and Residences (One) LP.
(2) Loans receivable includes Penguin's portion, which represents $29,026 (December 31, 2025 – $28,727) relating to Penguin's 50% investment in the PCVP.
(3) Other unsecured debt does not consist of Penguin's portion as at March 31, 2026 (December 31, 2025 – nil).

19. Key management and Trustees' compensation

Key management personnel are those individuals having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly. Currently, the Trust's key management personnel include the Executive Chairman and Chief Executive Officer (see also Note 18, "Related party transactions"), Chief Financial Officer, and Executive Vice Presidents. In addition, the Trustees have oversight responsibility for the Trust.

The following table presents the compensation relating to key management:

	Three Months Ended March 31	
	2026	2025
Salaries and other short-term employee benefits	**$1,423**	$797
Deferred unit plan	**464**	824
EIP	**549**	938
	$2,436	$2,559

The following table presents the compensation relating to Trustees:

	Three Months Ended March 31	
	2026	2025
Trustees' fees	**$421**	$421

20. Segmented information

As at March 31, 2026, 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 22.8% of the Trust's annualized rentals from investment properties for the three months ended March 31, 2026 (three months ended March 31, 2025 – 23.0%).

21. 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:	**(1.00)%**	**(0.50)%**	**0.50%**	**1.00%**
Annualized net income increase (decrease) from variable-rate debt	**$5,049**	**$2,525**	**$(2,525)**	**$(5,049)**
Annualized net income increase (decrease) from variable-rate mortgages and loans receivable	**$(1,858)**	**$(929)**	**$929**	**$1,858**

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:	**(1.00)%**	**(0.50)%**	**0.50%**	**1.00%**
Annualized fair value gain (loss) on interest rate swap agreements	**$(403)**	**$(202)**	**$202**	**$403**

The Trust's exposure to interest rate risk is monitored by management on a regular basis (see also Note 8, "Debt").

22. Commitments and contingencies

The Trust has entered into various other development construction contracts totalling $50,233 (December 31, 2025 – $30,240).

As at March 31, 2026, letters of credit totalling $38,977 (December 31, 2025 – $39,833) – including letters of credit drawn down under the revolving operating facilities described in Note 8(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.

23. Subsequent events

Amended agreements with Related Party

On April 1, 2026, the Trust entered into amended agreements with Mitchell Goldhar and Penguin effective as of January 1, 2026 for a five year term, expiring on December 31, 2030.

The principal elements of this new framework include:

i) a new employment agreement setting forth the terms of Mitchell Goldhar's employment as Executive Chairman and Chief Executive Officer of the Trust;
ii) an amended and restated Penguin Services Agreement;
iii) an amended and restated Non-Competition Agreement;
iv) a supplement to the Development Services Agreement;
v) the Settlement Agreement, pursuant to which, among other things, the parties agreed to terminate and settle all obligations under the existing Earnout agreements between the parties; and
vi) the termination and repayment of the mezzanine loans from the Trust to Penguin.

See Note 18, "Related Party Transactions", for additional details.

On April 1, 2026, the Trust entered into an Omnibus Mezzanine Loan settlement agreement pursuant to which all eight mezzanine loans provided by the Trust to certain Penguin entities were terminated. Upon settlement, letters of credit issued by the Trust in connection with the mezzanine loans will be replaced, and the $2 receivable balance has been repaid. There will be no further mezzanine loan commitments outstanding.

TRS Settlement

On April 10, 2026, the Trust settled $42,372 of TRS debt and the corresponding TRS receivable.