

2026 Third Quarter Report

Management's Discussion and Analysis

For the three and nine months ended September 30, 2026

SMARTCENTRES®
REAL ESTATE INVESTMENT TRUST

Q3

Management's Discussion and Analysis

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MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

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, 2026, and for the three and nine months ended September 30, 2026, 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, 2025, and the unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2026, the notes contained therein, and the Trust's annual information form for the year ended December 31, 2025 ("AIF"). Such interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("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, 2026.

This MD&A is dated November 4, 2026, which is the date of the press release announcing the Trust's results for the three and nine months ended September 30, 2026. 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, 2026**	December 31, 2025	September 30, 2025
Portfolio Information (Number of properties)			
Retail properties	**156**	155	155
Office properties	**4**	4	4
Self-storage properties	**16**	14	14
Residential properties	**3**	3	3
Industrial properties	**1**	1	1
Properties under development	**21**	21	20
Total number of properties with an ownership interest	**201**	198	197
Leasing and Operational Information[1]			
Gross leasable retail, office and industrial area (in thousands of sq. ft.)	**35,390**	35,585	35,593
In-place and committed occupancy rate	**98.2 %**	98.6 %	98.6 %
Average lease term to maturity (in years)	**4.2**	4.3	4.4
In-place net retail rental rate excluding Anchors (per occupied sq. ft.)	**$24.67**	$24.23	$24.09
Financial Information			
Investment properties[2]	**10,896,197**	10,852,939	10,776,346
Total unencumbered assets[3]	**10,199,221**	10,030,521	9,847,321
NAV per Unit – diluted[3]	**$35.49**	$35.93	$35.70
Debt to Aggregate Assets[3][4][5]	**45.1 %**	44.4 %	44.4 %
Adjusted Debt to Adjusted EBITDA[3][4][5]	**9.9X**	9.7X	9.6X
Weighted average interest rate[3][4]	**4.03 %**	4.00 %	3.94 %
Weighted average term of debt (in years)	**3.0**	3.4	2.9
Interest coverage ratio[3][4]	**2.5X**	2.6X	2.6X
Units outstanding[6]	**178,357,957**	178,325,977	178,325,977
Units outstanding – diluted[7]	**182,633,169**	182,242,010	182,187,277

(1) Excluding residential and self-storage areas.
(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, 2026, cash-on-hand of $33.0 million was excluded for the purposes of calculating the applicable ratios (December 31, 2025 – $44.6 million, September 30, 2025 – $22.2 million).

(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 includes total Units outstanding, vested portion of the deferred units issued pursuant to the Deferred Unit Plan ("DUP"), and vested equity incentive plan units ("EIP units") granted pursuant to the Equity Incentive Plan ("EIP").

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars, except per Unit information)	**2026**	2025	**2026**	2025
Financial Information				
Rentals from investment properties and other[1]	**220,660**	226,690	**678,454**	679,743
Net income and comprehensive income[1]	**179,477**	81,037	**162,395**	180,642
Cash flows provided by operating activities[1]	**89,314**	90,905	**262,159**	250,097
Net rental income and other[1]	**141,847**	141,337	**419,469**	419,468
NOI[2][3]	**149,296**	149,051	**441,698**	441,854
SPNOI[2][3]	**149,398**	145,735	**439,419**	430,970
Change in SPNOI[2][3]	**2.5 %**	2.6 %	**2.0 %**	3.7 %
Change in SPNOI excluding Anchors[2][3]	**3.8 %**	4.6 %	**3.8 %**	5.9 %
FFO[2][3][4][5]	**98,651**	107,364	**303,244**	315,403
FFO with adjustments[2][3][4]	**99,598**	101,278	**291,522**	298,914
AFFO[2][3][4][5]	**85,205**	86,754	**275,799**	282,990
AFFO with adjustments[2][3][4]	**86,152**	80,668	**264,077**	266,501
Weighted average units outstanding – diluted[6]	**182,609,650**	182,172,590	**182,509,841**	181,881,488
Per Unit Information (Basic/Diluted)				
Net income and comprehensive income[1]	**$1.01/$0.98**	$0.45/$0.44	**$0.91/$0.89**	$1.01/$0.99
FFO[2][3][4][5]	**$0.55/$0.54**	$0.60/$0.59	**$1.70/$1.66**	$1.77/$1.73
FFO with adjustments[2][3][4]	**$0.56/$0.55**	$0.57/$0.56	**$1.63/$1.60**	$1.68/$1.64
AFFO[2][3][4][5]	**$0.48/$0.47**	$0.49/$0.48	**$1.55/$1.51**	$1.59/$1.56
AFFO with adjustments[2][3][4]	**$0.48/$0.47**	$0.45/$0.44	**$1.48/$1.45**	$1.50/$1.47
Payout Ratio Information				
Payout Ratio to AFFO[2][3][4][5]	**96.8 %**	95.1 %	**89.7 %**	87.4 %
Payout Ratio to AFFO with adjustments[2][3][4]	**95.8 %**	102.2 %	**93.7 %**	92.8 %
Payout Ratio to cash flows provided by operating activities	**92.4 %**	90.7 %	**94.4 %**	98.9 %

(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) The diluted weighted average units outstanding includes the vested portion of the deferred units issued pursuant to the DUP, and vested EIP units granted pursuant to the EIP.

Highlights for the Three Months Ended September 30, 2026

Operational

- In-place and committed occupancy rate of 98.2% as at September 30, 2026, a 10 bps improvement from the prior quarter.
- Lease-up activities with higher rents continued to drive Same Properties NOI[(1)] growth for the three months ended September 30, 2026, which increased by 2.5% (3.8% excluding Anchors) compared to the same period in 2025.
- Further extended approximately 57,000 square feet of lease maturities with strong rent growth of 11.8% (excluding Anchors) and 6.8% (including Anchors), bringing the total to 89% of leases maturing in 2026,.
- Maintained strong leasing momentum, with 104,443 square feet of vacant space leased during the quarter, contributing to approximately 408,000 square feet leased year-to-date. Demand for new-build retail space continued to grow, with executed leases for 330,030 square feet during the quarter, for a total of approximately 393,000 square feet year to date.

Development

- The retail development growth program continues to progress with the three new previously announced SmartCentres being anchored by Walmart in Kingston, Ontario, Lindsay, Ontario and Winnipeg, Manitoba. A long-term lease with Walmart has been signed for Kingston, Ontario and construction is expected to begin in Q4 2026.
- Construction of the 200,000 square foot Canadian Tire flagship store in Toronto's Leaside neighbourhood continues to progress, with delivery to the tenant expected in Q4 2026.
- ArtWalk condo construction in the Vaughan Metropolitan Centre continues to advance as planned, with approximately 93% of the 340 units pre-sold. The underground parking structure is completed, and the formwork reached the eighteenth floor during the quarter.
- Construction of the 65-unit rental building within the ArtWalk block at the Vaughan Metropolitan Centre has commenced with underground work completed. The building shares the underground parking structure with the ArtWalk condo.
- Construction of the self-storage facilities in Montreal (Notre-Dame) and Laval East, Quebec was substantially completed during the quarter, increasing the operating self-storage portfolio to 16 facilities. Construction continues to progress at Burnaby and Victoria, British Columbia, and Edmonton (Allard), Alberta, with all three facilities expected to open in 2027. Construction contracts have also been awarded for the Edmonton (127 Ave NW) facility, while the Trust and its partner continue to pursue municipal approvals for two additional sites in Ontario and British Columbia.
- During the quarter, two development properties, including one held through an equity accounted investment, were classified as assets held for sale as part of the Trust's disposition program.

Financial

- Net rental income and other[(2)] for the three months ended September 30, 2026, was $141.8 million, representing an increase of $0.5 million, or 0.4%, as compared to the same period in 2025. The increase was primarily attributable to higher net rental income from lease-up and renewal activities across the Trust's retail portfolio, offset by a decrease in net profit on residential sales, following the completion of all townhome closings at the Vaughan NW project in the second quarter of 2026.
- FFO per Unit[(1)] for the three months ended September 30, 2026, was $0.54 compared to $0.59 for the same period in 2025. The decrease was primarily due to higher interest expense and decrease in fair value adjustment on TRS, which was fully settled in the second quarter of 2026. FFO with adjustments per Unit[(1)] decreased to $0.55 from $0.56 for the same period in 2025, primarily attributable to higher interest expense.
- Net income and comprehensive income[(2)] for the three months ended September 30, 2026, was $179.5 million, compared to net income and comprehensive income of $81.0 million for the same period in 2025, an increase of $98.4 million. The increase was primarily attributable to a fair value gain on financial instruments, primarily due to a decrease in the Trust's Unit price, as well as a $39.9 million fair value gain on investment properties, primarily driven by improved leasing activities.
- The payout ratio to AFFO[(1)] for the three months ended September 30, 2026, was 96.8% compared to 95.1% for the same period in 2025. The increase was primarily due to lower FFO, partially offset by lower sustaining capital expenditures due to timing. For the rolling 12 months, the payout ratio to AFFO was 90.9%. The payout ratio to AFFO with adjustments[(1)] decreased to 95.8% from 102.2% for the same period in 2025, primarily attributable to lower sustaining capital expenditures, partially offset by lower FFO with adjustments.
- The payout ratio to cash flows provided by operating activities for the three months ended September 30, 2026, was 92.4% compared to 90.7% for the same period in 2025. The increase was primarily attributable to timing differences in working capital.
- As at September 30, 2026, the Trust's unencumbered portfolio of investment properties was valued at $10.2 billion (December 31, 2025 – $10.0 billion).

Subsequent event

- On October 14, 2026, the Trust issued an additional $150.0 million principal amount of existing Series AC senior unsecured debentures bearing interest at 3.599% per annum, maturing on June 12, 2029, at a price of $985.47 per $1,000 of principal plus accrued and unpaid interest from and including June 12, 2026. In addition, the Trust issued $300.0 million principal amount of Series AE senior unsecured debentures bearing interest at 4.795% per annum, maturing on January 15, 2032. Net proceeds were used to repay the $150.0 million credit facility in full upon its maturity in October 2026, revolving operating facilities, and for general corporate purposes.

(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.

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, 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, 2026 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 ("EAI"), 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 VIII — 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 VIII — 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 V — 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 VIII — 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, actual 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 V — 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 VIII — 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 VIII — 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 VIII — 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 VIII — 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 VIII — 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 VIII — 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 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 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. 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 V — 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 VIII — 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 VII — Asset Profile, "Investment Properties"
Net Asset Value ("NAV") **and** **NAV per Unit - diluted**	NAV is an alternative measurement of equity. It is defined as total equity adjusted for LP Units classified as liabilities. Management uses this measure to assess the Trust's intrinsic value. NAV per diluted unit is defined as NAV divided by diluted outstanding Units.	Section VIII — Financing and Capital Resources, "Net Asset Value"
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 V — 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 distributions 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 V — Business Operations and Performance, "Other Measures of Performance"
Proportionate Share Reconciliation **and** **Total Proportionate Share**	References made to a "Total Proportionate Share" 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 V — Business Operations and Performance, "Results of Operations"

Non-GAAP Measures (Continued)

Measure	Definition and Intended Use	Reference to Reconciliation and/or Additional Information
Same Properties NOI ("SPNOI") **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 SPNOI. Certain non-cash items including straight-line rent and amortization of tenant incentives are also excluded to present the SPNOI on a cash basis. SPNOI is intended to be used by investors and management as a profitability growth indicator on the Trust's existing investment property portfolio.	Section V — 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 V — 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 VIII — 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 VIII — 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 VIII — 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 Three Months Ended September 30, 2026", "Key Operational, Development and Financial Information", "Business Overview", "Strategic Direction", "Environmental, Social and Governance", "Outlook", "Mixed-Use Development Initiatives", "Properties Under Development", "Completed and Future Developments and Earnouts 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", "Loans, Mortgages 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", "would", "can", "anticipate", "expect", "believe", "plan", "potential", "propose", "schedule", "estimate", "intend", "project", "will", "may", "continue", "forecast", "outlook", "direction", "come", "seek", "targets", 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, but are not limited to, risks associated with real property ownership and leasing/tenant risk; liquidity risk; capital requirements and access to capital; environmental matters and climate change-related risk; potential conflicts of interest; cybersecurity risk; 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 sustained higher interest rate environment; a continuing trend toward land use intensification, including residential developments 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 and there not being a public health crisis that affects the ability of tenants to carry on business. 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, rental residences, and industrial facilities in Canada. The Trust also develops condos, townhomes and self-storage facilities throughout the country.

As of September 30, 2026, the Trust owned a mixed-use portfolio featuring 201 strategically located properties in communities across the country. The Trust has approximately $12.2 billion in assets and owns 35.4 million square feet of income producing value-oriented retail and office properties at key intersections across Canada with a 98.2% in-place and committed occupancy rate.

Strategic Direction

The Trust holds a unique portfolio of large open-format shopping centres with significant land holdings and, as a result, has grown in recent years by expanding its business on existing owned properties with revenue from two types of property:

i) core retail, and
ii) mixed-use including self-storage, residential, office and industrial properties.

The Trust remains focused on enhancing its core retail portfolio by attracting high-quality tenants, improving tenant mix, and opening new stores within existing properties. This strategy is designed to drive stable and growing cash flows, ensuring consistent income and long-term value creation. The Trust continues to improve and expand its retail portfolio in five ways:

i) expansion of existing stores;
ii) infill opportunities which include development of new stores on excess lands within existing shopping centres;
iii) acquisition of new lands to build high-quality, value-oriented shopping centres for tenants;
iv) new store formats with existing tenants, and
v) leasing of vacant space and upcoming maturities.

As part of its commitment to maximizing the potential of its retail assets, the Trust continues to explore opportunities to strategically enhance and intensify its existing properties. The Trust prioritizes retail-led growth to support the evolving needs of consumers and retailers. In addition, mixed-use development is an important part of the Trust's strategy, particularly with the development of residential projects connected to transit infrastructure that is highly complementary to the Trust's retail portfolio.

In addition, the Trust is leveraging its land holdings to create long-term value through strategic development initiatives. Together with its partner, 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. This transformative project reflects the Trust's ability to unlock value from its properties while maintaining its primary focus on retail.

The Trust maintains a disciplined financial approach, ensuring sufficient liquidity and a well-managed balance sheet. By maintaining leverage within target ranges and strategically staggering debt maturities with a balanced mix of unsecured and secured debt, the Trust upholds financial flexibility and stability, positioning itself for sustained growth and success.

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 incremental 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 2026 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. Approximately 83% of the Trust's debt is fixed, with a staggered ladder of manageable maturities. 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 2026, several projects, all with 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 retail and 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 the Trust's portfolio and the build-out of our development pipeline, the Trust 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. The core values of the Trust are to build value-oriented affordable centres in the midst of communities to help people live better lives. ESG and sustainability principles are aligned with the Trust's core values.

Through ESG-specific Trust Targets, which are tied to compensation for all associates, the Trust ensures material ESG issues are integrated across its retail platform, developments, and communities. The Trust embeds ESG considerations into its business strategy to manage risk and create long-term value for stakeholders, both today and in the future.

That strategy underpins the Trust's decision-making processes across all levels of the business. The Trust continues to think about how it will operate in the future and respond to increased environmental concerns such as climate change, especially with an eye to the evolving expectations of employees, tenants, and investors.

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

- Maintaining an ongoing three-year ESG plan that aligns with the Trust's business plan;
- Embedding ESG-specific targets into its annual corporate targets and linking ESG achievements to the remuneration of executives and all associates;
- Requiring ESG-related training for all associates annually;
- Publishing an annual ESG report to highlight key ESG progress, initiatives and performance along with forward-looking commitments to advance the Trust's ESG strategy;
- Identifying and implementing effective ways to increase collaboration with tenants through the leasing and development processes to meet mutual decarbonization ambitions;
- Submitting annually to the Global Real Estate Sustainability Benchmark ("GRESB") to measure ESG progress relative to peers, and advance the Trust's ESG strategy;
- Engaging with investors to identify material ESG topics and corresponding framework alignments and reporting expectations;
- Reporting annually on sustainability and climate risk, informed by the voluntary Canadian Sustainability Disclosure Standards ("CSDS");
- Maintaining a cross-functional, internal risk committee to identify current and future company-wide potential risks, as well as mitigation strategies;
- Maintaining a Diversity, Equity, Inclusion and Belonging Policy; and
- Enhancing governance by upgrading key system applications and tools to enable a higher level of automation and improve reporting accuracy.

This quarter, the Trust:

- Engaged an external consultant to assess the REIT's preparedness and resiliency to physical climate risk at the property level;
- Continued to discuss decarbonization opportunities with major tenants to identify and align mutual priorities and opportunities;
- Used the ESG Development Framework to further embed ESG considerations in the development process, including assessing solar applicability, considering heat pumps, and improving energy efficiency;
- Evaluated lower embodied carbon construction materials for substitution on future retail developments;
- Continued the onboarding of its ESG utility data management system to improve efficiency of ESG data collection and support future emissions reduction commitments;
- Launched an external review of ESG and climate disclosures relative to industry expectations and voluntary CSDS requirements to validate the Trust's sustainability and climate-risk approach;
- Continued to support the Artificial Intelligence ("AI") Committee in identifying and advancing high-priority AI initiatives for adoption;
- Maintained enhanced employee training programs to improve orientation, engagement and retention;
- Continued updating enterprise risk management processes with oversight by the Trust's Risk Committee; and
- Maintained its diversity target of 30% female independent Trustees with 50% of its current independent Trustees and 37.5% of the Board of Trustees members being female.

Environmental

SmartCentres is committed to ESG and sustainability, specifically as it relates to addressing the impacts of climate change, supporting its tenants through effective collaboration, and meeting market expectations for sustainability disclosures, and supporting effective sustainability and climate risk management.

Through continued utilization of the Net Zero Framework, the Trust continues to seek to create Unitholder value by embedding decarbonization considerations throughout its operations, leasing and development procedures. Tenants continue to express interest in lowering emissions from existing and future assets through the electrification of heating systems. Ongoing collaboration seeks to identify opportunities for mutual decarbonization initiatives between the Trust and its major tenants.

In support of the voluntary CSDS of the Canadian Sustainability Standards Board ("CSSB"), the Trust completed a scenario analysis exercise in 2024 to identify how climate change will impact the Trust over short (by 2030) and long (by 2050) terms. The Trust uses the scenario analysis results to identify, assess, prioritize, and monitor climate-related risks and opportunities, and incorporates the results into the Trust's overall risk management process through inclusion in its Enterprise Risk Management ("ERM") process. In 2025, the Trust conducted a double materiality assessment ("DMA") to identify and prioritize ESG-related impacts, risks and opportunities most relevant to its business and stakeholders.

The Trust continues to use the GRESB, a global benchmark for sustainability for real estate companies, as a tool to advance the Trust's ESG strategy and measure its ESG progress relative to peers. In advance of the June 30th submission deadline, the Trust completed its fifth submission to the GRESB and maintained its GRESB-star rating.

Social

The Trust continues 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 SmartCentres' volunteer program, "Helping People, Changing Lives", associates across Canada are encouraged to donate volunteer hours to local charities. This quarter, SmartCentres was proud to support the 48-Hour Ride - Make-A-Wish Cycling and the York Region School Board and Ignite Durham Foundation Back To School Backpack Drive.

SmartCentres actively supports the health and well-being of its associates through a comprehensive wellness program designed to promote healthy lifestyles across its workforce. In July 2026, the Trust hosted a company summer barbeque to give all associates a chance to connect at its head office in Vaughan. The Trust also marked National Day for Truth and Reconciliation with a guest speaker event offered to all associates.

To increase awareness and understanding of ESG-related matters that are material to its business, the Trust requires all associates to undertake ESG education and has included ESG training as part of the onboarding process for new associates.

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. Through continuous improvements to its ERP system, the Trust aims to support growth, increase process productivity and further enhance governance, including by updating segregation of duties and authorization levels. The Trust integrates 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. The ESG Sub-committee meets quarterly with senior management to provide oversight and direction on material ESG and climate-related matters. The Chief Portfolio and Asset Management Officer holds senior executive responsibility for the management and implementation of the Trust's ESG and climate strategy and is supported by an internal cross-functional ESG Taskforce of senior members of the organization.

Managing technology-related risk, including cybersecurity, AI, and safeguarding the privacy, data and reputation of its associates, tenants, and residents, is a high priority at SmartCentres. To ensure adequate controls are in place to manage technology-related risk, SmartCentres has established an internal AI Committee to support the enablement of AI throughout the organization to ensure responsible and effective adoption of AI technologies. It also benchmarks itself against recognized industry frameworks, including the National Institute of Standards and Technology and Centre for Internet Security Control guidelines. The Trust completes an annual tabletop cybersecurity exercise with its Cyber Security Incident Response Team and Board of Trustees.

For additional information on the Trust's ESG commitments and activities, see its most recent annual ESG report, which can be found on the Trust's website (www.smartcentres.com/esg-report). 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 information on the Trust's website does not form part of this MD&A.

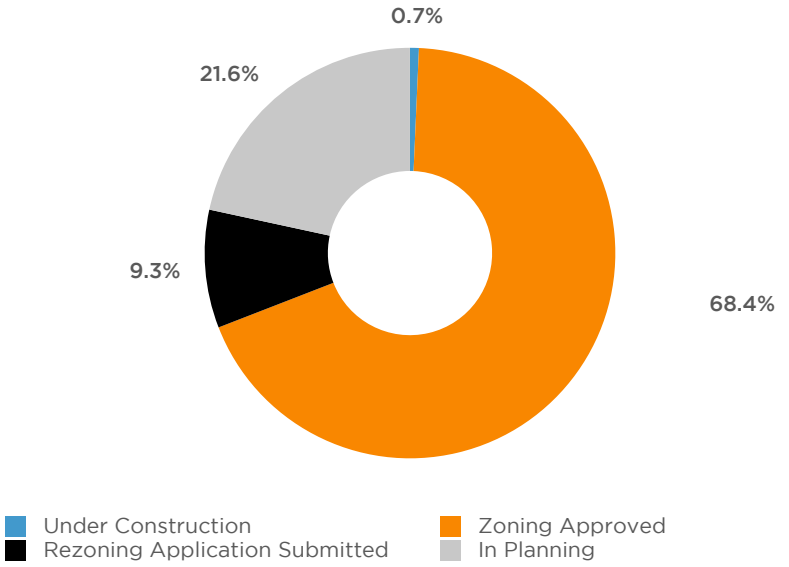
Section IV — Development Activities

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 self-storage, office and industrial projects as part of the portfolio's expected future build-out. 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	1.2	0.6
Zoning Approved	70.1	59.7
Rezoning Application Submitted	9.2	8.2
In Planning	22.1	18.8
Total Square Feet	**102.6**	**87.3**

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 currently underway. This includes construction at: i) SmartVMC; ii) a retail project in Toronto (Laird), Ontario; iii) residential apartments in Ottawa, Ontario; and iv) self-storage locations in British Columbia and Alberta.

The following table provides additional details on the Trust's seven 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 residential units
Mixed-use Developments						
Burnaby	Self-storage	50 %	Q3 2027	46 %	137,000	—
Victoria	Self-storage	50 %	Q4 2027	43 %	164,000	—
Edmonton (Allard)	Self-storage	50 %	Q3 2027	8 %	144,000	—
Vaughan / ArtWalk	Condo	50 %	Q4 2027	44 %	302,000	340
Vaughan / ArtWalk	Residential Apartments	50 %	Q1 2028	28 %	74,000	65
Ottawa SW	Residential Apartments	50 %	Q4 2028	31 %	361,000	425
Total Mixed-use Developments					**1,182,000**	**830**
Retail Development						
Toronto (Laird)	Retail	50 %	Q4 2026	86 %	225,000	—

	In millions of dollars
Total Capital Spend to Date at 100% [2]	**$368.1**
Estimated Cost to Complete at 100%	**421.2**
Total Expected Capital Spend by Completion at 100%[2]	**$789.3**
Total Capital Spend to Date at Trust's Share[2]	**$184.0**
Estimated Cost to Complete at Trust's Share	**210.6**
Total Expected Capital Spend by Completion at Trust's Share[2]	**$394.6**

(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

The Trust has an ownership interest in approximately 100 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 world-class YMCA facility and municipal library;
iii) the 140,000 square foot Walmart store;
iv) the 458-unit purpose-built rental, The Millway; and
v) 2.6 million square feet of condo units (Transit City 1, 2, 3, 4 & 5).

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

i) the development of more than 4.0 million square feet (approximately 4,600 units) of residential density on the land at SmartVMC previously occupied by a Walmart store. The first phase condo, ArtWalk, is underway and the above-grade formwork is progressing. The condo has approximately 93% of its 340 units pre-sold; and
ii) the development of the 65-unit rental building in the ArtWalk block of the Vaughan Metropolitan Centre has commenced. This building shares the underground parking structure with the ArtWalk condo.

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. During the reporting period, there have been no material changes to the Trust's mixed-use development pipeline. The status of ongoing projects and development initiatives remains consistent with previously disclosed plans.

Properties Under Development

As at September 30, 2026, the fair value of properties under development, including those held in equity accounted investments, totalled $1.9 billion, resulting in a net decrease of $124.3 million as compared to December 31, 2025, as presented in the following table. The net decrease was primarily driven by a $234.1 million fair value loss resulting from changes in market conditions and timing of construction commencement for certain future development properties, partially offset by $102.6 million in capital expenditures and a $29.1 million increase in the carrying value of properties under development subject to Earnouts pursuant to the Settlement Agreement dated April 1, 2026, between the Trust and Penguin (the "Settlement Agreement"). See "Investment Properties" and "Section IX — Related Party Transactions" in this MD&A for further discussion.

(in thousands of dollars)	**September 30, 2026**	December 31, 2025	Variance
Developments	**$1,572,528**	$1,663,587	$(91,059)
Equity accounted investments	**372,369**	405,641	(33,272)
Total including equity accounted investments[(1)]	**$1,944,897**	$2,069,228	$(124,331)

(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.

During the nine months ended September 30, 2026, the properties under development pipeline increased by 442,000 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, 2026	2,509
Add:	
Acquisitions	285
Transferred from income properties to properties under development for redevelopment	300
Less:	
Completion of Earnouts, Developments and net adjustment to densities	(143)
Future retail properties under development pipeline – September 30, 2026	**2,951**

Completed and Future Developments and Earnouts on Existing Properties

For the nine months ended September 30, 2026, $146.8 million of developments and Earnouts were completed and transferred to income properties, as compared to $205.6 million in the same period in 2025. On April 1, 2026, the Trust entered into the Settlement Agreement pursuant to which all of the Earnouts were settled. See "Section IX - Related Party Transactions".

	Nine Months Ended September 30, 2026		Nine Months Ended September 30, 2025	
	Area (sq. ft.)	**Investment (in millions)**	Area (sq. ft.)	Investment (in millions)
Development – transfers from properties under development to income properties	**99,464**	**$29.3**	314,010	$90.5
Self-storage facilities – equity accounted investments	**355,079**	**64.4**	480,696	104.8
Earnouts[1]	**5,042**	**53.1**	108,000	10.3
Total Developments and Earnouts	**459,585**	**$146.8**	902,706	$205.6
Total Trust's share of Developments and Earnouts	**282,046**	**$114.6**	607,335	$143.1

(1) During the nine months ended September 30, 2026, the Trust paid $53.1 million to Penguin and various third parties in full settlement of the outstanding Earnout obligations subject to Earnout agreements.

The following table summarizes future developments as at September 30, 2026:

(in thousands of dollars)	**Area (sq. ft.)**	**Total Area**	**Income**	**Expected Capital to Spend**	**Total Capital Spend to Date**	**Expected Yield Rate**
Retail Developments						
Developments - Committed						
2026 & 2027	424,519	14.4 %	$11,960	$215,504 (2)	$90,788 (2)	5.5 % (3)
2028 and beyond	203,352	6.9 %	7,137	114,842 (2)	10,447 (2)	6.2 % (3)
Total Committed Developments	**627,871**	**21.3 %**	**$19,097**	**$330,346**	**$101,235**	**5.8 %**
Developments - Uncommitted						
2026 & 2027	272,677	9.2 %	5,311	84,709 (2)	47,592 (2)	6.3 % (3)
2028 and beyond	2,050,506	69.5 %	54,360	794,870 (2)	194,806 (2)	6.8 % (3)
Total Uncommitted Developments	**2,323,183**	**78.7 %**	**$59,671**	**$879,579**	**$242,398**	**6.8 %**
Total Before Others	**2,951,054**	**100.0 %**	**$78,768**	**$1,209,925**	**$343,633**	**6.5 %**
Other development cost					116,331 (1)	
Land / Intensification projects					1,112,564 (1)	
Equity accounted investments:						
Mixed-use properties					335,923 (1)	
Self-Storage properties					36,446 (1)	
Total	**2,951,054**	**100.0 %**	**$78,768**	**$1,209,925**	**$1,944,897** (1)	**6.5 %**

(1) Under "Completed and Future Developments and Earnouts on Existing Properties" in this MD&A, developments of $1,572.5 million and equity accounted investments of $372.4 million comprise the total amount of $1,944.9 million.

(2) Includes fair value adjustment for land.

(3) On a cost basis, the yield would be 5.04%, 6.18%, 5.20% and 5.48%, respectively.

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, 2026. 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, 2026.

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, 2026			Three Months Ended September 30, 2025		
	GAAP Basis	Proportionate Share Reconciliation[1]	Total Proportionate Share[2]	GAAP Basis	Proportionate Share Reconciliation[1]	Total Proportionate Share[2]
Net operating income						
Rentals from investment properties and other	**$220,678**	**$13,831**	**$234,509**	$219,782	$13,329	$233,111
Property operating costs and other	**(78,907)**	**(6,955)**	**(85,862)**	(78,854)	(6,047)	(84,901)
	$141,771	**$6,876**	**$148,647**	$140,928	$7,282	$148,210
Residential sales revenue and other[3]	**(18)**	**98**	**80**	6,908	76	6,984
Residential cost of sales and other	**94**	**475**	**569**	(6,499)	356	(6,143)
	$76	**$573**	**$649**	$409	$432	$841
NOI[4]	**$141,847**	**$7,449**	**$149,296**	$141,337	$7,714	$149,051
Other income and expenses						
General and administrative expense	**(9,403)**	**—**	**(9,403)**	(8,800)	—	(8,800)
Earnings (losses) from equity accounted investments	**(2,064)**	**2,064**	**—**	2,218	(2,218)	—
Fair value adjustment on investment properties	**39,902**	**1,865**	**41,767**	1,813	199	2,012
Gain (Loss) on sale of investment properties	**(119)**	**—**	**(119)**	1,031	52	1,083
Interest expense	**(49,690)**	**(6,747)**	**(56,437)**	(47,838)	(5,447)	(53,285)
Interest income	**2,875**	**210**	**3,085**	3,259	254	3,513
Supplemental costs	**—**	**(4,841)**	**(4,841)**	—	(554)	(554)
Fair value adjustment on financial instruments	**56,129**	**—**	**56,129**	(11,983)	—	(11,983)
Net income and comprehensive income	**$179,477**	**$—**	**$179,477**	$81,037	$—	$81,037

(1) Represents the Trust's proportionate share of income and expenses 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".
(3) Includes additional partnership profit and other revenues.
(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, 2026, net income and comprehensive income increased by $98.4 million compared to the same period in 2025, primarily due to:

- A $68.1 million increase in fair value adjustments on financial instruments, primarily driven by a decrease in the Trust's Unit price; and
- A $38.1 million increase in fair value adjustments on investment properties, primarily driven by improved leasing activities.

Year-to-Date Comparison to Prior Year

(in thousands of dollars)	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	GAAP Basis	**Proportionate Share Reconciliation[1]**	**Total Proportionate Share[2]**	GAAP Basis	Proportionate Share Reconciliation[1]	Total Proportionate Share[2]
Net operating income						
Rentals from investment properties and other	**$677,395**	**$41,175**	**$718,570**	$665,876	$39,282	$705,158
Property operating costs and other	**(258,216)**	**(19,532)**	**(277,748)**	(250,122)	(17,721)	(267,843)
	$419,179	**$21,643**	**$440,822**	$415,754	$21,561	$437,315
Residential sales revenue and other[3]	**1,059**	**112**	**1,171**	13,867	151	14,018
Residential cost of sales and other	**(769)**	**474**	**(295)**	(10,153)	674	(9,479)
	$290	**$586**	**$876**	$3,714	$825	$4,539
NOI[4]	**$419,469**	**$22,229**	**$441,698**	$419,468	$22,386	$441,854
Other income and expenses						
General and administrative expense	**(31,651)**	**—**	**(31,651)**	(28,255)	—	(28,255)
Earnings (losses) from equity accounted investments	**10,350**	**(10,350)**	**—**	(2,449)	2,449	—
Fair value adjustment on investment properties	**(105,992)**	**9,452**	**(96,540)**	(57,828)	(7,821)	(65,649)
Gain (loss) on sale of investment properties	**(113)**	**(27)**	**(140)**	1,038	52	1,090
Interest expense	**(147,519)**	**(16,708)**	**(164,227)**	(140,678)	(15,835)	(156,513)
Interest income	**8,178**	**653**	**8,831**	9,603	877	10,480
Supplemental costs	**—**	**(5,249)**	**(5,249)**	—	(2,108)	(2,108)
Fair value adjustment on financial instruments	**9,673**	**—**	**9,673**	(20,257)	—	(20,257)
Net income and comprehensive income	**$162,395**	**$—**	**$162,395**	$180,642	$—	$180,642

(1) Represents the Trust's proportionate share of income and expenses 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".
(3) Includes additional partnership profit and other revenues.
(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 nine months ended September 30, 2026, net income and comprehensive income decreased by $18.2 million compared to the same period in 2025, primarily due to:

- A $48.2 million increase in fair value losses on investment properties, primarily driven by changes in market conditions and timing of construction commencement for certain future development properties, partially offset by improved leasing activities;

partially offset by:

- A $29.9 million improvement in fair value adjustments on financial instruments, primarily driven by a decrease in the Trust's Unit price.

Net Operating Income

The following tables summarize NOI and related 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, 2026			Three Months Ended September 30, 2025		
	GAAP Basis	**Proportionate Share Reconciliation[1]**	**Total Proportionate Share[2]**	GAAP Basis	Proportionate Share Reconciliation[1]	Total Proportionate Share[2]
Net base rent	**$143,249**	**$10,234**	**$153,483**	$142,426	$9,737	$152,163
Property tax and insurance recoveries	**46,611**	**719**	**47,330**	45,778	710	46,488
Property operating cost recoveries	**24,540**	**1,628**	**26,168**	24,181	1,383	25,564
Miscellaneous revenue	**3,209**	**1,813**	**5,022**	4,258	1,996	6,254
Rentals from investment properties	**$217,609**	**$14,394**	**$232,003**	$216,643	$13,826	$230,469
Service and other revenues	**2,506**	**—**	**2,506**	2,642	—	2,642
Earnings from other	**563**	**(563)**	**—**	497	(497)	—
Rentals from investment properties and other	**$220,678**	**$13,831**	**$234,509**	$219,782	$13,329	$233,111
Recoverable tax and insurance costs	**(47,591)**	**(711)**	**(48,302)**	(46,573)	(776)	(47,349)
Recoverable CAM costs	**(25,552)**	**(1,425)**	**(26,977)**	(26,763)	(1,367)	(28,130)
Property management fees and costs	**(1,143)**	**(572)**	**(1,715)**	(1,207)	(515)	(1,722)
Non-recoverable operating costs	**(1,564)**	**(4,023)**	**(5,587)**	(1,324)	(3,308)	(4,632)
ECL	**(552)**	**(224)**	**(776)**	(328)	(81)	(409)
Property operating costs	**$(76,402)**	**$(6,955)**	**$(83,357)**	$(76,195)	$(6,047)	$(82,242)
Other expenses	**(2,505)**	**—**	**(2,505)**	(2,659)	—	(2,659)
Property operating costs and other[2]	**$(78,907)**	**$(6,955)**	**$(85,862)**	$(78,854)	$(6,047)	$(84,901)
Net rental income and other	**$141,771**	**$6,876**	**$148,647**	$140,928	$7,282	$148,210
Residential sales closings revenue	**(18)**	**98**	**80**	6,908	76	6,984
Residential cost of sales and marketing costs	**94**	**475**	**569**	(6,499)	356	(6,143)
Net profit on residential sales	**$76**	**$573**	**$649**	$409	$432	$841
NOI[3]	**$141,847**	**$7,449**	**$149,296**	$141,337	$7,714	$149,051
Net rental income and other as a percentage of rentals from investment properties and other (%)	**64.2 %**	**49.7 %**	**63.4 %**	64.1 %	54.6 %	63.6 %

(1) Represents the Trust's proportionate share of income and expenses 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.

(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 on a GAAP Basis for the three months ended September 30, 2026, increased by $0.5 million or 0.4% as compared to the same period in 2025. This increase was primarily attributed to a $0.8 million increase in net rental income from lease-up and renewal activities across the Trust's retail portfolio, offset by a $0.3 million decrease in net profit on residential sales, following the completion of all townhome closings at the Vaughan NW project in the second quarter of 2026.

Year-to-Date Comparison to Prior Year

(in thousands of dollars)	Nine Months Ended September 30, 2026			Nine Months Ended September 30, 2025		
	GAAP Basis	**Proportionate Share Reconciliation[1]**	**Total Proportionate Share[2]**	GAAP Basis	Proportionate Share Reconciliation[1]	Total Proportionate Share[2]
Net base rent	**$428,463**	**$30,304**	**$458,767**	$422,753	$28,044	$450,797
Property tax and insurance recoveries	**143,554**	**2,475**	**146,029**	140,037	2,182	142,219
Property operating cost recoveries	**83,940**	**4,305**	**88,245**	81,659	3,868	85,527
Miscellaneous revenue	**9,819**	**5,830**	**15,649**	12,404	5,965	18,369
Rentals from investment properties	**$665,776**	**$42,914**	**$708,690**	$656,853	$40,059	$696,912
Service and other revenues	**9,880**	**—**	**9,880**	8,246	—	8,246
Earnings from other	**1,739**	**(1,739)**	**—**	777	(777)	—
Rentals from investment properties and other	**$677,395**	**$41,175**	**$718,570**	$665,876	$39,282	$705,158
Recoverable tax and insurance costs	**(146,847)**	**(2,455)**	**(149,302)**	(142,714)	(2,363)	(145,077)
Recoverable CAM costs	**(89,050)**	**(3,988)**	**(93,038)**	(89,989)	(3,887)	(93,876)
Property management fees and costs	**(4,132)**	**(1,650)**	**(5,782)**	(3,646)	(1,459)	(5,105)
Non-recoverable operating costs	**(4,898)**	**(10,955)**	**(15,853)**	(4,743)	(9,758)	(14,501)
ECL	**(3,410)**	**(484)**	**(3,894)**	(767)	(254)	(1,021)
Property operating costs	**$(248,337)**	**$(19,532)**	**$(267,869)**	$(241,859)	$(17,721)	$(259,580)
Other expenses	**(9,879)**	**—**	**(9,879)**	(8,263)	—	(8,263)
Property operating costs and other	**$(258,216)**	**$(19,532)**	**$(277,748)**	$(250,122)	$(17,721)	$(267,843)
Net rental income and other	**$419,179**	**$21,643**	**$440,822**	$415,754	$21,561	$437,315
Residential sales closings revenue	**1,059**	**112**	**1,171**	13,867	151	14,018
Residential cost of sales and marketing costs	**(769)**	**474**	**(295)**	(10,153)	674	(9,479)
Net profit on residential sales	**$290**	**$586**	**$876**	$3,714	$825	$4,539
NOI[3]	**$419,469**	**$22,229**	**$441,698**	$419,468	$22,386	$441,854
Net rental income and other as a percentage of rentals from investment properties and other	**61.9 %**	**52.6 %**	**61.3 %**	62.4 %	54.9 %	62.0 %

(1) Represents the Trust's proportionate share of income and expenses 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.
(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 on a GAAP Basis for the nine months ended September 30, 2026 was relatively unchanged compared to the same period in 2025, as a $3.4 million increase in net rental income from lease-up and renewal activities across the Trust's retail portfolio was offset by a $3.4 million decrease in net profit on residential sales, following the completion of all townhome closings at the Vaughan NW project in the second quarter of 2026.

Same Properties NOI

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	**2026**	2025	**2026**	2025
NOI	**$141,847**	$141,337	**$419,469**	$419,468
NOI from equity accounted investments[1]	**7,449**	7,714	**22,229**	22,386
Total portfolio NOI before adjustments[1]	**$149,296**	$149,051	**$441,698**	$441,854
Adjustments:				
Lease termination	**(38)**	(955)	**(614)**	(1,409)
Net profit on residential closings	**(649)**	(841)	**(876)**	(4,539)
Other adjustments[2]	**2,077**	11	**6,368**	1,685
Total portfolio NOI after adjustments[1]	**$150,686**	$147,266	**$446,576**	$437,591
NOI sourced from acquisitions, dispositions, Earnouts and developments	**(1,288)**	(1,531)	**(7,157)**	(6,621)
Same Properties NOI[1]	**$149,398**	$145,735	**$439,419**	$430,970

(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 items such as 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, 2026, increased by $3.7 million or 2.5% and $8.4 million or 2.0%, respectively (3.8% excluding Anchors for both periods), as compared to the respective periods in 2025. On a trailing 12 months basis, this represents a 2.9% growth (4.8% excluding Anchors), driven by higher rental income from leasing and renewal activities across the Trust's retail portfolio, partially offset by higher ECL provisions.

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, 2026**	September 30, 2025	Variance
Net income and comprehensive income	**$292,507**	$322,489	$(29,982)
Add (Deduct) the following items:			
Net interest expense	**205,761**	194,807	10,954
Amortization of equipment, intangible assets and tenant improvements	**12,348**	12,399	(51)
Fair value adjustments on investment properties and financial instruments	**44,928**	32,093	12,835
Adjustment for supplemental costs	**5,771**	4,098	1,673
Gain (loss) on sale of investment properties	**126**	(1,087)	1,213
Adjusted EBITDA[1]	**$561,441**	$564,799	$(3,358)

(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, 2026 and September 30, 2025, 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)	**2026**	2025	Variance	**2026**	2025	Variance
Net income and comprehensive income	**$179,477**	$81,037	$98,440	**$162,395**	$180,642	$(18,247)
Add (Deduct):						
Fair value adjustment on investment properties and financial instruments[1]	**(96,031)**	10,170	(106,201)	**96,319**	78,085	18,234
Gain on derivative – TRS	**—**	5,428	(5,428)	**12,470**	12,303	167
Gain (Loss) on sale of investment properties	**119**	(1,031)	1,150	**113**	(1,038)	1,151
Amortization of intangible assets and tenant improvement allowance	**2,348**	2,347	1	**7,146**	7,161	(15)
Distributions on Units classified as liabilities and vested deferred units and EIP units	**5,592**	5,381	211	**16,628**	15,818	810
Salaries and related costs attributed to leasing activities[2]	**2,393**	2,086	307	**7,255**	6,559	696
Adjustments relating to equity accounted investments[3]	**4,753**	1,946	2,807	**918**	15,873	(14,955)
FFO[4]	**$98,651**	$107,364	$(8,713)	**$303,244**	$315,403	$(12,159)
Add (Deduct) non-recurring adjustments:						
Gain on derivative – TRS	**—**	(5,428)	5,428	**(12,470)**	(12,303)	(167)
FFO sourced from condo and townhome closings	**947**	(842)	1,789	**720**	(4,540)	5,260
Transactional FFO – sale of land[4]	**—**	184	(184)	**28**	354	(326)
FFO with adjustments[4]	**$99,598**	$101,278	$(1,680)	**$291,522**	$298,914	$(7,392)

(1) Includes fair value adjustments on investment properties and financial instruments. Fair value adjustment on investment properties is described in "Investment Properties" in this MD&A. Fair value adjustment on financial instruments comprises the following financial instruments: units classified as liabilities, DUP, EIP, Long term incentive plan, 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, 2026. 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, 2026 (nine months ended September 30, 2025 – $6.6 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, 2026, FFO decreased by $8.7 million, or 8.1%, to $98.7 million as compared to the same period in 2025. The decrease was primarily attributable to:

- $2.8 million increase in interest expense, primarily due to increased borrowing costs associated with unsecured debentures issued in November 2025, higher drawn balances on the Trust's operating credit facilities, and interest accrued on residential purchaser deposits related to purchasers who were offered the option to cancel the project and receive a refund of their deposits; and
- $5.4 million decrease in fair value adjustment on TRS, which was fully settled in the second quarter of 2026.

For the nine months ended September 30, 2026, FFO decreased by $12.2 million, or 3.9%, to $303.2 million as compared to the same period in 2025. The decrease was primarily attributable to:

- $7.7 million increase in interest expense primarily due to increased borrowing costs associated with unsecured debentures issued in November 2025, higher drawn balances on the Trust's operating credit facilities, and interest accrued on residential purchaser deposits related to purchasers who were offered the option to cancel the project and receive a refund of their deposits;
- $3.7 million decrease in net profit on residential sales, following the completion of all townhome closings at the Vaughan NW project in the second quarter of 2026;
- $3.4 million increase in general and administrative expenses reflecting consultation and transaction costs related to the SmartCentres/Penguin agreements and higher unit-based compensation expense associated with long-term incentive plan units granted in 2026, partially offset by severance costs incurred in the prior year period; and
- $1.6 million decrease in interest income, primarily due to the repayment of loans receivable.

These decreases were partially offset by:

- $3.5 million increase in net rental income, primarily attributable to higher base rent driven by lease-up and renewal activities across the Trust's retail portfolio and self-storage facilities.

For the three and nine months ended September 30, 2026, FFO with adjustments decreased by $1.7 million and $7.4 million, or 1.7% and 2.5%, to $99.6 million and $291.5 million, respectively, compared to the same periods in 2025. The decreases were primarily attributable to higher interest expense, with the year-to-date decrease further impacted by higher general and administrative expenses and lower interest income, partially offset by higher net rental income.

Reconciliation of AFFO

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2026**	2025	Variance	**2026**	2025	Variance
FFO[1]	**$98,651**	$107,364	$(8,713)	**$303,244**	$315,403	$(12,159)
Add (Deduct):						
Straight-line rents	**(583)**	(1,873)	1,290	**(1,374)**	(3,761)	2,387
Adjusted salaries and related costs attributed to leasing	**(2,393)**	(2,086)	(307)	**(7,255)**	(6,559)	(696)
Capital expenditures, leasing commissions, and tenant improvements[2][3]	**(10,470)**	(16,651)	6,181	**(18,816)**	(22,093)	3,277
AFFO[1]	**$85,205**	$86,754	$(1,549)	**$275,799**	$282,990	$(7,191)
Add (Deduct) non-recurring adjustments:						
Gain on derivative – TRS	**—**	(5,428)	5,428	**(12,470)**	(12,303)	(167)
FFO sourced from condo and townhome closings	**947**	(842)	1,789	**720**	(4,540)	5,260
Transactional FFO – sale of land[1]	**—**	184	(184)	**28**	354	(326)
AFFO with adjustments[1]	**$86,152**	$80,668	$5,484	**$264,077**	$266,501	$(2,424)

(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, 2026 includes capital expenditures, leasing commissions, and tenant improvements related to equity accounted investments of $0.2 million.

For the three and nine months ended September 30, 2026, AFFO decreased by $1.5 million and $7.2 million, respectively, as compared to the same periods in 2025. The decreases were primarily attributable to lower FFO, partially offset by lower sustaining capital expenditures due to timing.

For the three months ended September 30, 2026, AFFO with adjustments increased by $5.5 million as compared to the same period in 2025. The increase was primarily attributable to lower sustaining capital expenditures due to timing, partially offset by lower FFO with adjustments.

For the nine months ended September 30, 2026, AFFO with adjustments decreased by $2.4 million as compared to the same period in 2025. The decrease was primarily attributable to lower FFO with adjustments, partially offset by lower sustaining capital expenditures due to timing.

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		
	2026	2025	Variance	**2026**	2025	Variance
Per Unit – basic/diluted[1]:						
FFO[2]	**$0.55/$0.54**	$0.60/$0.59	($0.05)/($0.05)	**$1.70/$1.66**	$1.77/$1.73	($0.07)/($0.07)
FFO with adjustments[2]	**$0.56/$0.55**	$0.57/$0.56	($0.01)/($0.01)	**$1.63/$1.60**	$1.68/$1.64	($0.05)/($0.04)
AFFO[2]	**$0.48/$0.47**	$0.49/$0.48	($0.01)/($0.01)	**$1.55/$1.51**	$1.59/$1.56	($0.04)/($0.05)
AFFO with adjustments[2]	**$0.48/$0.47**	$0.45/$0.44	$0.03/$0.03	**$1.48/$1.45**	$1.50/$1.47	($0.02)/($0.02)
Payout Ratio to AFFO[2]	**96.8 %**	95.1 %	1.7 %	**89.7 %**	87.4 %	2.3 %
Payout Ratio to AFFO with adjustments[2]	**95.8 %**	102.2 %	(6.4)%	**93.7 %**	92.8 %	0.9 %

(1) Diluted FFO and AFFO are 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 unit-based compensation. To calculate diluted FFO and AFFO for the three months ended September 30, 2026, 4,252,388 vested deferred and EIP units are added back to the weighted average Units outstanding (three months ended September 30, 2025 – 3,851,991 vested deferred units). To calculate diluted FFO and AFFO for the nine months ended September 30, 2026, 4,173,321 vested deferred and EIP units are added back to the weighted average Units outstanding (nine months ended September 30, 2025 – 3,596,448 vested deferred units).
(2) Represents a non-GAAP measure. The Trust's method of calculating non-GAAP measures may differ from other reporting issuers' methods and, accordingly, may not be comparable. For definitions and basis of presentation of the Trust's non-GAAP measures, refer to "Presentation of Certain Terms Including Non-GAAP Measures" and "Non-GAAP Measures" in this MD&A.

Weighted Average Number of Units

The weighted average number of Trust Units and exchangeable LP Units is used in calculating the Trust's net income and comprehensive income per Unit, and FFO/AFFO per Unit. The corresponding diluted per Unit amounts are adjusted for the dilutive effect of the vested portion of unit-based compensation unless they are anti-dilutive. To calculate diluted FFO/AFFO per Unit for the three and nine months ended September 30, 2026 and 2025, vested EIP units 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:

	Three Months Ended September 30		Nine Months Ended September 30	
(number of Units)	**2026**	2025	**2026**	2025
Trust Units	**144,708,787**	144,687,634	**144,708,787**	144,687,634
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	**4,254,322**	4,248,944	**4,254,322**	4,213,385
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	**1,165,278**	1,186,431	**1,165,278**	1,186,431
Class B Series 1 ONR LP I Units	**132,881**	132,881	**132,881**	132,881
Class B Series 2 ONR LP I Units	**170,587**	139,302	**149,845**	139,302
Total Exchangeable LP Units	**33,648,475**	33,632,965	**33,627,733**	33,597,406
Total Units – Basic	**178,357,262**	178,320,599	**178,336,520**	178,285,040
Vested deferred units	**3,114,382**	2,730,877	**3,038,423**	2,634,389
Vested EIP units	**1,138,006**	1,121,114	**1,134,898**	962,059
Total Units, vested EIP units and deferred units – Diluted	**182,609,650**	182,172,590	**182,509,841**	181,881,488

Determination of 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* (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. 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

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2026**	2025	Variance	**2026**	2025	Variance
Cash flows provided by operating activities	**$89,314**	$90,905	$(1,591)	**$262,159**	$250,097	$12,062
Distributions declared	**82,492**	82,476	16	**247,445**	247,390	55
AFFO[(1)]	**85,205**	86,754	(1,549)	**275,799**	282,990	(7,191)
AFFO with adjustments[(1)]	**86,152**	80,668	5,484	**264,077**	266,501	(2,424)
Surplus of cash flows provided by operating activities over distributions declared	**6,822**	8,429	(1,607)	**14,714**	2,707	12,007
Surplus of AFFO[(1)] over distributions declared	**2,713**	4,278	(1,565)	**28,354**	35,600	(7,246)
Surplus (Shortfall) of AFFO[(1)] with adjustments over distributions declared	**3,660**	(1,808)	5,468	**16,632**	19,111	(2,479)

(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, 2026, the surplus of cash flows provided by operating activities over distributions declared decreased by $1.6 million and increased by $12.0 million, respectively, compared to the same periods in 2025. The quarterly decrease was primarily attributable to timing differences in working capital, while the year-to-date increase was primarily driven by higher rental income from leasing activities and timing differences in working capital.

For the three and nine months ended September 30, 2026, the surplus of AFFO over distributions declared decreased by $1.6 million and $7.2 million, respectively, compared to the same periods in 2025, primarily reflecting lower AFFO.

For the three and nine months ended September 30, 2026, the surplus of AFFO with adjustments over distributions declared increased by $5.5 million and decreased by $2.5 million, respectively, compared to the same periods in 2025, primarily reflecting changes in AFFO with adjustments and the timing of sustaining capital expenditures.

The following tables illustrate: i) the annualized 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, 2026 and September 30, 2025:

	Rolling 12 Months Ended	
(in thousands of dollars)	**September 30, 2026**	September 30, 2025
Cash flows provided by operating activities	**$389,503**	$372,215
Distributions declared	**329,921**	329,809
AFFO[(1)]	**362,798**	367,993
Surplus of cash flows provided by operating activities over distributions declared	**59,582**	42,406
Surplus of AFFO[(1)] over distributions declared	**32,877**	38,184
Payout Ratio to Cash flows provided by operating activities	**84.7 %**	88.6 %
Payout Ratio to AFFO[(1)]	**90.9 %**	89.6 %

(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.

For the rolling 12 months ended September 30, 2026, the Payout ratio to AFFO increased by 1.3% compared to the same period in 2025. The increase was primarily attributable to higher interest expense, higher general and administrative expenses, and lower interest income, partially offset by lower sustaining capital expenditures.

General and Administrative Expense

The following table summarizes general and administrative expense for the three and nine months ended September 30, 2026:

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2026**	2025	Variance	**2026**	2025	Variance
Salaries and benefits	**$7,069**	$5,839	$1,230	**$21,798**	$19,668	$2,130
Professional fees	**855**	1,335	(480)	**4,742**	3,778	964
Public company costs	**564**	582	(18)	**1,799**	1,808	(9)
Amortization of intangible assets	**332**	332	—	**998**	998	—
Other costs including office rent, information technology, marketing, communications, and other employee expenses	**583**	712	(129)	**2,314**	2,003	311
General and administrative expense	**$9,403**	$8,800	$603	**$31,651**	$28,255	$3,396

For the three months ended September 30, 2026, general and administrative expense increased by $0.6 million compared to the same period in 2025, primarily due to unit-based compensation associated with the new long-term incentive plan units granted in 2026.

For the nine months ended September 30, 2026, general and administrative expense increased by $3.4 million compared to the same period in 2025, primarily due to $3.1 million in consultation and transaction costs related to the SmartCentres/Penguin agreements and $1.3 million in unit-based compensation associated with long-term incentive plan units granted in 2026. These increases were partially offset by $1.4 million non-recurring severance costs incurred in the prior year period.

Interest Income and Interest Expense

Interest Income
The following table summarizes the components of interest income:

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2026**	2025	Variance	**2026**	2025	Variance
Loan interest	**$2,608**	$2,804	$(196)	**$7,401**	$8,164	$(763)
Bank interest	**201**	389	(188)	**580**	1,242	(662)
Notes receivable interest	**66**	66	—	**197**	197	—
	$2,875	$3,259	$(384)	**$8,178**	$9,603	$(1,425)

For the three and nine months ended September 30, 2026, interest income decreased by $0.4 million and $1.4 million, respectively, as compared to the respective periods in 2025, mainly as a result of the repayment of loans receivable.

Interest Expense
The following table summarizes the components of interest expense:

	Three Months Ended September 30			Nine Months Ended September 30		
(in thousands of dollars)	**2026**	2025	Variance	**2026**	2025	Variance
Mortgage interest	**$4,803**	$6,615	$(1,812)	**$14,983**	$19,799	$(4,816)
Debenture interest	**31,633**	28,983	2,650	**96,189**	86,324	9,865
Operating line interest and other	**15,213**	13,804	1,409	**42,464**	39,231	3,233
Interest at stated rates	**$51,649**	$49,402	$2,247	**$153,636**	$145,354	$8,282
Amortization of deferred financing costs	**1,007**	1,050	(43)	**3,119**	3,156	(37)
Distributions on Units classified as liabilities and vested unit-based compensation	**5,592**	5,381	211	**16,628**	15,818	810
Total interest expense before capitalized interest	**$58,248**	$55,833	$2,415	**$173,383**	$164,328	$9,055
Less:						
Interest capitalized to properties under development	**(8,558)**	(7,755)	(803)	**(25,524)**	(22,855)	(2,669)
Interest capitalized to residential development inventory	**—**	(240)	240	**(340)**	(795)	455
Total capitalized interest	**$(8,558)**	$(7,995)	$(563)	**$(25,864)**	$(23,650)	$(2,214)
Interest expense net of capitalized interest expense	**$49,690**	$47,838	$1,852	**$147,519**	$140,678	$6,841
Capitalized interest as a percentage of interest expense	**14.7 %**	14.3 %	0.4 %	**14.9 %**	14.4 %	0.5 %

For the three and nine months ended September 30, 2026, interest expense net of capitalized interest increased by $1.9 million and $6.8 million, respectively, as compared to the respective periods in 2025. The increases were primarily attributable to borrowing costs associated with unsecured debentures issued in November 2025 and higher drawn balances on the Trust's operating credit facilities, partially offset by repayment of mortgages and TRS settlement and higher capitalized interest.

Quarterly Results and Trends

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

	Q3 2026	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Results of operations								
Net income (loss) and comprehensive income (loss)	**$179,477**	$(146,979)	$129,897	$130,113	$81,037	$109,186	$(9,581)	$141,850
Per Unit								
Basic	**$1.01**	$(0.82)	$0.73	$0.73	$0.45	$0.61	$(0.05)	$0.80
Diluted[3]	**$0.98**	$(0.81)	$0.71	$0.71	$0.44	$0.60	$(0.05)	$0.78
Net base rent[1][2]	**$153,483**	$152,940	$152,344	$152,766	$152,163	$150,141	$148,493	$148,282
Rentals from investment properties and other	**$220,678**	$225,303	$231,414	$230,680	$219,782	$218,770	$227,324	$221,841
NOI[1][2]	**$149,296**	$147,579	$144,823	$150,697	$149,051	$149,279	$143,524	$148,614
Other measures of performance								
FFO[2]	**$98,651**	$105,998	$98,595	$98,435	$107,364	$106,119	$101,919	$96,645
Per Unit								
Basic[2]	**$0.55**	$0.59	$0.55	$0.55	$0.60	$0.60	$0.57	$0.54
Diluted[2][3]	**$0.54**	$0.58	$0.54	$0.54	$0.59	$0.58	$0.56	$0.53
FFO with adjustments[2]	**$99,598**	$97,798	$94,126	$99,007	$101,278	$100,556	$97,087	$101,361
Per Unit								
Basic[2]	**$0.56**	$0.55	$0.53	$0.56	$0.57	$0.56	$0.54	$0.57
Diluted[2][3]	**$0.55**	$0.54	$0.52	$0.54	$0.56	$0.55	$0.54	$0.56
Cash flows provided by operating activities	**$89,314**	$96,400	$76,445	$127,344	$90,905	$77,455	$81,737	$122,118
AFFO[2]	**$85,205**	$95,091	$95,503	$86,999	$86,754	$97,809	$98,426	$85,004
AFFO with adjustments[2]	**$86,152**	$86,891	$91,034	$87,571	$80,668	$92,246	$93,594	$89,720
Distributions declared	**$82,492**	$82,477	$82,476	$82,476	$82,476	$82,464	$82,450	$82,419
Payout ratio to AFFO	**96.8 %**	86.7 %	86.4 %	94.8 %	95.1 %	84.3 %	83.8 %	97.0 %
Payout ratio to AFFO with adjustments	**95.8 %**	94.9 %	90.6 %	94.2 %	102.2 %	89.4 %	88.1 %	91.9 %
Units outstanding[4]	**178,357,957**	178,325,977	178,325,977	178,325,977	178,325,977	178,320,290	178,267,677	178,201,075
Weighted average Units outstanding								
Basic	**178,357,262**	178,325,977	178,325,977	178,325,977	178,320,599	178,286,756	178,246,956	178,201,075
Diluted[3]	**182,609,650**	182,550,791	182,366,409	182,234,484	182,172,590	182,050,755	181,412,769	181,186,382
Total assets	**$12,161,614**	$12,062,407	$12,285,899	$12,141,139	$12,086,628	$12,022,827	$11,921,325	$11,939,689
Total unencumbered assets[2]	**$10,199,221**	$10,058,277	$10,175,221	$10,030,521	$9,847,321	$9,646,721	$9,592,521	$9,464,521
Debt	**$5,292,705**	$5,234,385	$5,257,302	$5,209,032	$5,183,764	$5,140,298	$5,088,219	$5,046,279
NAV per Unit – diluted [2]	**$35.49**	$35.10	$36.19	$35.93	$35.70	$35.65	$35.51	$36.03
Total leasable area (sq. ft.)	**35,389,829**	35,454,249	35,543,331	35,584,637	35,593,078	35,565,775	35,424,884	35,299,950
In-place occupancy rate	**97.6 %**	97.6 %	97.3 %	98.4 %	98.4 %	98.2 %	97.7 %	98.2 %
In-place and committed occupancy rate	**98.2 %**	98.1 %	97.6 %	98.6 %	98.6 %	98.6 %	98.4 %	98.7 %

(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 units 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

Strong tenant demand, driven by improving customer traffic, continues to drive store growth across all markets. 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, 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, 2026, the Trust's in-place and committed occupancy rate remained strong at 98.2% (June 30, 2026 – 98.1%), with a strong interest across all tenant categories, especially general merchandise, grocery and liquor, pharmacies, apparel, TJX banners, specialty retail and QSRs.

Occupancy[1]

	September 30, 2026	June 30, 2026	Variance
Total leasable area (in sq. ft.)	**35,389,829**	35,454,249	(64,420)
In-place occupancy rate	**97.6 %**	97.6 %	— %
In-place and committed occupancy rate	**98.2 %**	98.1 %	0.1 %

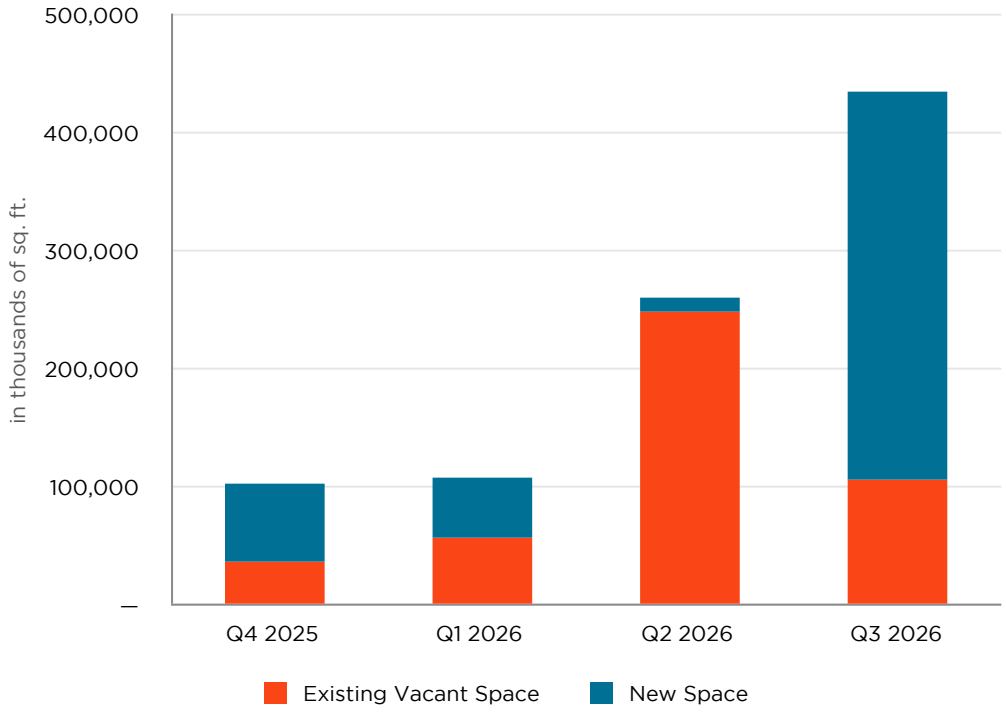
(1) Excluding residential and self-storage areas.

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, 2026:

(in square feet)	**Vacant Area**	**Occupied Area**	**Leasable Area**	**Occupancy Rate**
In place occupancy – July 1, 2026	866,960	34,587,289	35,454,249	97.6 %
New vacancies	73,334	(73,334)	—	
Taking Occupancy in the period	(100,122)	100,122	—	
Subtotal	840,172	34,614,077	35,454,249	
Earnouts	—	5,042	5,042	
Transferred from properties under development to income properties	—	28,689	28,689	
Transferred from income properties to properties under development	—	(98,570)	(98,570)	
Other including unit area remeasurements	361	58	419	
In place occupancy – September 30, 2026	**840,533**	**34,549,296**	**35,389,829**	**97.6 %**
Committed new leases for future occupancy	(194,251)	194,251	—	
Ending balance – September 30, 2026, including committed leases for future occupancy	**646,282**	**34,743,547**	**35,389,829**	**98.2 %**

New Leasing Activity
During the nine months ended September 30, 2026, the Trust completed new leases with a wide array of tenants spanning diverse categories including essential and non-discretionary retail, specialty goods and services, leisure retail, personal services, apparel, and more. Many of the Trust's existing tenants continued their growth plans with retailers in general merchandise, grocery and liquor, pharmacy and specialty stores expanding their brick-and-mortar footprint nationally. In the third quarter of 2026, the Trust executed 104,443 square feet of new leasing on existing vacant space, reflecting continued tenant interest. Demand for new-build retail space continued to grow, with executed leases for 330,030 square feet during the quarter.

The following graph presents the Trust's executed lease deals in the quarter for the four consecutive quarters ended September 30, 2026:



Renewal Activity

As at September 30, 2026, the Trust's tenant renewal rate was 88.7% (nine months ended September 30, 2025 – 84.3%) for tenants with expiring leases in 2026. The Trust made significant progress in extending 2026 maturities by the end of the quarter and achieved 11.8% rental increases, excluding Anchors.

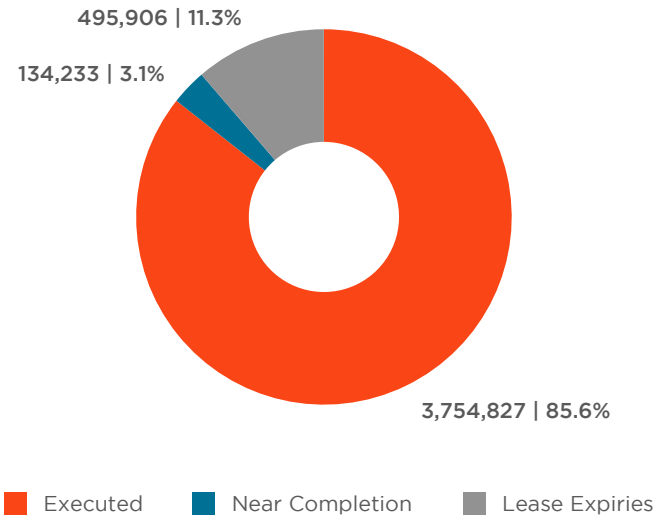
Renewal Summary[1]

	September 30, 2026	September 30, 2025	Variance
Space expiring in calendar year (in sq. ft.)	**4,384,966**	5,345,640	(960,674)
Renewed (in sq. ft.)	**3,754,827**	4,319,573	(564,746)
Near completion (in sq. ft.)	**134,233**	188,440	(54,207)
Total renewed and near completion (in sq. ft.)	**3,889,060**	4,508,013	(618,953)
Renewal rate (including near completion)	**88.7 %**	84.3 %	4.4 %
Renewed rental rate (per sq. ft.) – including Anchors	**$14.80**	$14.07	$0.73
Renewed rental rate (per sq. ft.) – excluding Anchors	**$24.77**	$21.82	$2.95
Change in renewed rental rate over expiring rate[2] (including Anchors)	**6.8 %**	6.2 %	0.6 %
Change in renewed rental rate over expiring rate[2] (excluding Anchors)	**11.8 %**	8.4 %	3.4 %

(1) Excluding residential and self-storage areas.

(2) Represents the change in rental rates for properties with lease renewals completed during the period.

The following graph presents the Trust's renewal activities for the nine months ended September 30, 2026 (in sq. ft.):



Tenant Profile

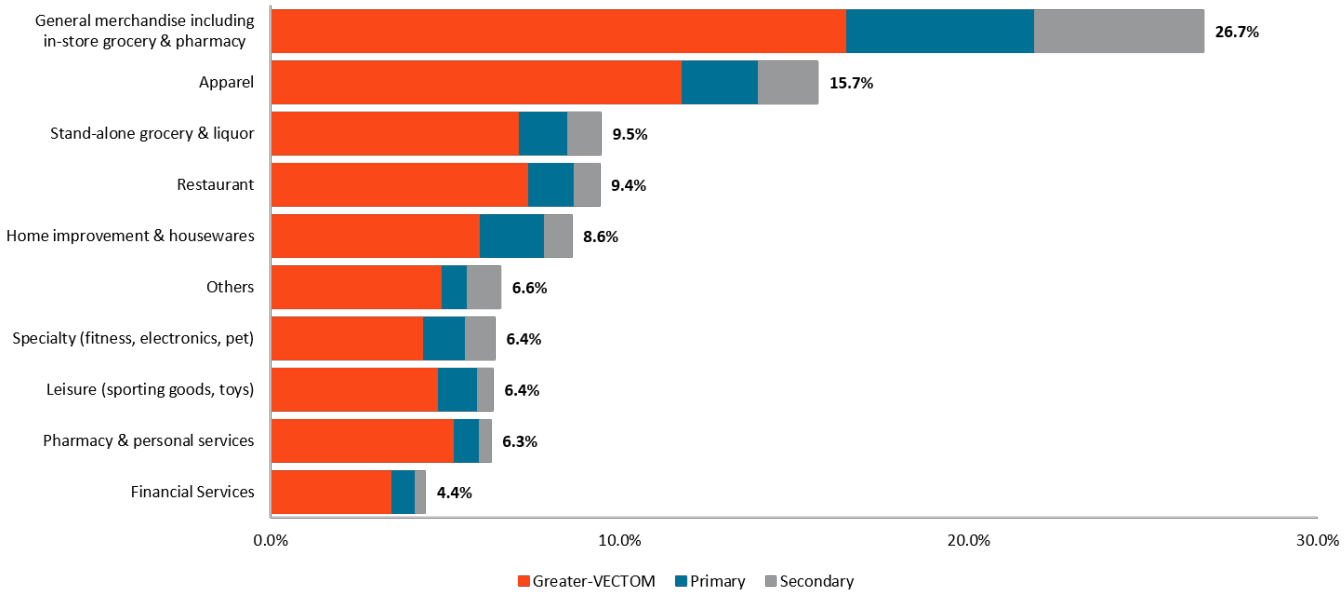
The Trust's portfolio is represented in all major markets across Canada, particularly in the Greater-VECTOM markets (Vancouver, Edmonton, Calgary, Toronto, Ottawa and Montreal). The Greater-VECTOM and primary markets account for 88.2% of revenue and 89.2% of fair value, and have in-place occupancy of 97.3% and 97.8%, 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	102	23,539	71.8 %	75.6 %	97.3 %
Primary	31	6,809	16.4 %	13.6 %	97.8 %
Secondary	28	5,042	11.8 %	10.8 %	99.1 %
Total	**161**	**35,390**	**100.0 %**	**100.0 %**	**97.6 %**

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, 2026:



Top 25 Tenants

The 25 largest tenants (by annualized gross rental revenue among retail, office and industrial tenants) accounted for 59.0% of portfolio revenue as at September 30, 2026 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)]	101	$203.7	22.9%	14,291,780	40.4 %
2	Canadian Tire, Mark's and FGL Sports	76	39.6	4.4%	1,488,047	4.2 %
3	Winners, HomeSense and Marshalls	55	39.2	4.4%	1,439,348	4.1 %
4	Loblaws and Shoppers Drug Mart	28	25.2	2.8%	961,331	2.7 %
5	Dollarama	68	19.5	2.2%	661,260	1.9 %
6	Sobeys	16	18.6	2.1%	721,145	2.0 %
7	LCBO	40	15.2	1.7%	377,796	1.1 %
8	Michaels	25	14.0	1.6%	493,851	1.4 %
9	Best Buy	18	12.5	1.4%	437,074	1.2 %
10	Recipe Unlimited	53	11.8	1.3%	261,100	0.7 %
11	Rona	6	11.8	1.3%	674,536	1.9 %
12	Staples	21	11.3	1.3%	449,352	1.3 %
13	Reitmans	60	10.2	1.1%	306,998	0.9 %
14	Gap Inc.	25	9.5	1.1%	264,711	0.7 %
15	Restaurant Brands International	59	8.4	0.9%	163,482	0.5 %
16	Bulk Barn	45	8.0	0.9%	214,208	0.6 %
17	Dollar Tree and Dollar Giant	27	7.9	0.9%	237,177	0.7 %
18	CIBC	27	7.9	0.9%	149,560	0.4 %
19	Bonnie Togs	40	7.7	0.9%	185,496	0.5 %
20	Sleep Country	39	7.6	0.9%	192,612	0.5 %
21	The Brick	9	7.5	0.8%	258,244	0.7 %
22	GoodLife Fitness Clubs	11	7.2	0.8%	255,759	0.7 %
23	Metro	9	7.2	0.8%	315,438	0.9 %
24	Bank of Nova Scotia	24	7.0	0.8%	129,061	0.4 %
25	PetSmart	15	6.9	0.8%	209,678	0.6 %
		897	**$525.4**	**59.0%**	**25,139,044**	**71.0 %**

(1) The Trust has a total of 101 Walmart locations under lease, of which 99 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, 2026:

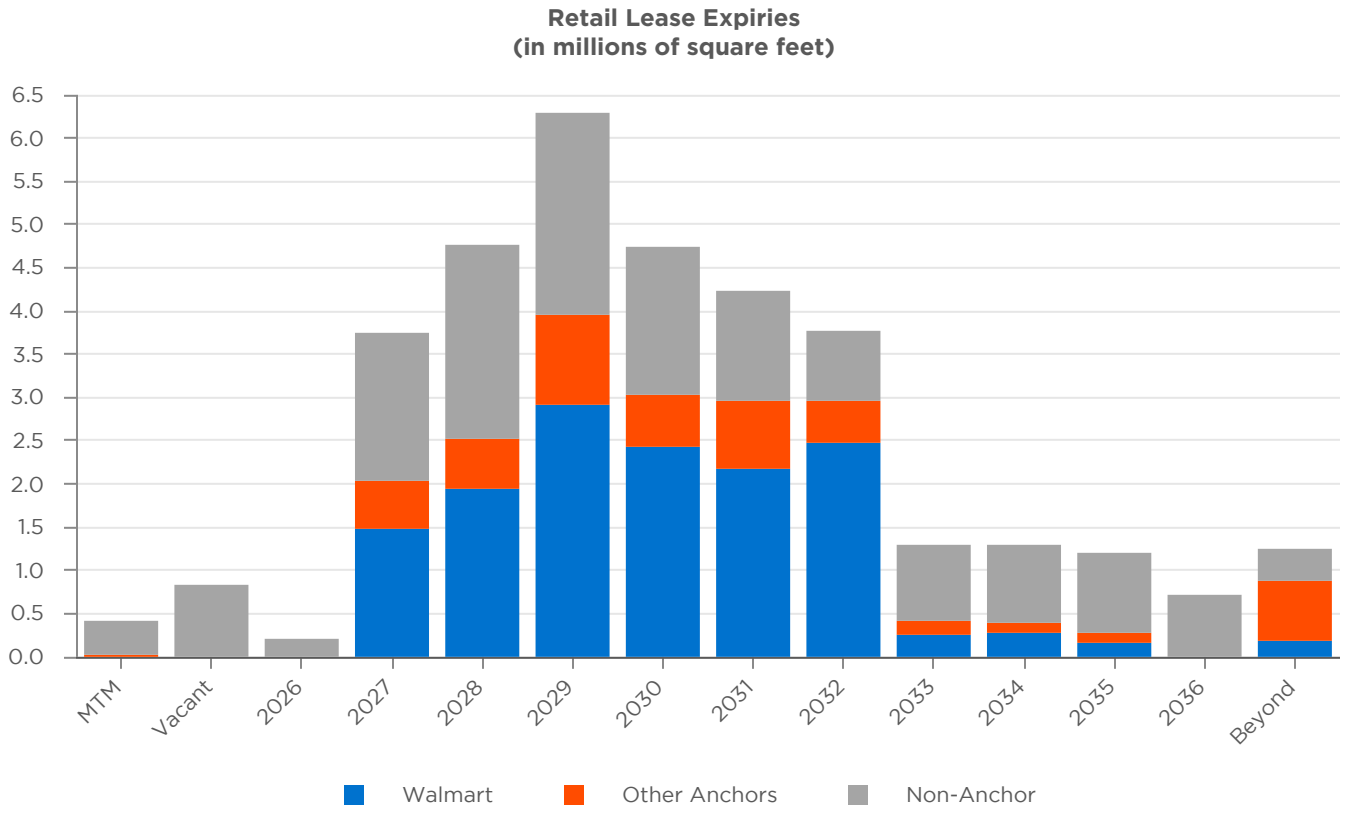
Year of Expiry	Total Area (sq. ft.)	Percentage of Total Area	Annualized Base Rent	Average Base Rent psf[1]
Month-to-month and holdovers	422,337	1.2 %	$10,369	$24.55
2026	201,356	0.6 %	2,650	13.16
2027	3,758,547	10.6 %	62,712	16.69
2028	4,770,894	13.5 %	84,035	17.61
2029	6,288,467	17.8 %	100,598	16.00
2030	4,742,392	13.4 %	75,667	15.96
2031	4,243,749	12.0 %	62,335	14.69
2032	3,776,146	10.7 %	52,346	13.86
2033	1,287,641	3.6 %	27,581	21.42
2034	1,296,077	3.7 %	28,884	22.29
2035	1,208,717	3.4 %	28,717	23.76
2036	705,579	2.0 %	16,653	23.60
Beyond	1,244,432	3.4 %	19,940	16.02
Vacant	840,533	2.4 %	—	—
Total retail	34,786,867	98.3 %	$572,487	$16.86
Total office	374,437	1.1 %		
Total industrial	228,525	0.6 %		
Total retail, office and industrial	**35,389,829**	**100.0 %**		

(1) The total average base rent per square foot excludes vacant space of 840,533 square feet.

The following table presents total retail and office expiries for the portfolio excluding Anchor tenants as at September 30, 2026:

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	404,559	1.1 %	2.6 %	$10,076	$24.91
2026	201,356	0.6 %	1.3 %	2,650	13.16
2027	1,729,830	4.9 %	11.1 %	40,544	23.44
2028	2,249,963	6.4 %	14.4 %	55,662	24.74
2029	2,336,425	6.6 %	15.0 %	58,625	25.09
2030	1,706,708	4.8 %	10.9 %	44,828	26.27
2031	1,277,103	3.6 %	8.2 %	31,200	24.43
2032	821,723	2.3 %	5.3 %	20,583	25.05
2033	863,439	2.4 %	5.5 %	22,442	25.99
2034	903,477	2.6 %	5.8 %	23,938	26.50
2035	919,859	2.6 %	5.9 %	23,638	25.70
2036	705,579	2.0 %	4.5 %	16,653	23.60
Beyond	371,799	1.1 %	2.3 %	6,639	17.86
Vacant	840,533	2.4 %	5.4 %	—	—
Total retail	15,332,353	43.4 %	98.2 %	$357,478	$24.67
Total office	281,904	0.8 %	1.8 %		
Total retail and office	**15,614,257**	**44.2 %**	**100.0 %**		

(1) The total average base rent per square foot excludes vacant space of 840,533 square feet.



Self-storage Rental Facilities

During the third quarter of 2026, construction of the self-storage facilities in Montreal (Notre-Dame) and Laval East, Quebec was substantially completed, bringing the total number of operating facilities to 16, including 13 in Ontario and three in Quebec. These facilities comprise 17,840 units and approximately 1,605,700 square feet of leasable area (at 100% ownership).

For the three months ended September 30, 2026, the portfolio generated $3.7 million in total rental revenue (at the Trust's share). The portfolio continues to demonstrate strong lease-up momentum as facilities stabilize, with average occupancy of 93.0% for more mature assets operational for over two years.

The following table provides information on the self-storage rental facilities as at September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025	Variance
Total number of self-storage rental facilities[(1)]	**16**	14	2
Total leasable area (in sq. ft.)[(1)]	**1,605,700**	1,337,700	268,000
Total number of units[(1)]	**17,840**	14,720	3,120
Occupancy rate operational for over two years[(2)]	**93.0 %**	90.7 %	2.3 %
Total rental revenue[(3)]	**$3,655**	$3,145	$510

(1) Figures are shown at 100% ownership.
(2) Includes 10 self-storage facilities that have been operational for over two years.
(3) Total rental figures are for the three months ended September 30, 2026 and December 31, 2025, shown at the Trust's share in thousands of dollars.

Residential Rentals

The following table provides information on the in-place and committed occupancy rate for residential rentals as at September 30, 2026:

Project	Location	Ownership Interest	Number of units[1]	In-place and committed occupancy rate
Laval Centre	Laval, QC	50 %	382	95.5 %
Mascouche N	Mascouche, QC	80 %	238	96.2 %
The Millway	Vaughan, ON	50 %	458	98.5 %
			1,078	**96.9 %**

(1) Figures are shown at 100% ownership.

As at September 30, 2026, the weighted average occupancy rate for the residential rentals was 96.9% (December 31, 2025 – 98.1%), 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, 2026			December 31, 2025		
	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	**$10,896,197**	**$1,176,035**	**$12,072,232**	$10,852,939	$1,168,304	$12,021,243
Equity accounted investments	**748,585**	**(748,585)**	**—**	723,637	(723,637)	—
Loans, mortgages and notes receivable	**133,470**	**(29,646)**	**103,824**	58,740	—	58,740
Other financial assets	**13,891**	**—**	**13,891**	94,376	—	$94,376
Intangible assets	**38,815**	**—**	**38,815**	39,813	—	$39,813
Other assets	**10,022**	**1,512**	**11,534**	11,825	1,916	$13,741
Amounts receivable	**2,302**	**—**	**2,302**	17,935	—	$17,935
	$11,843,282	**$399,316**	**$12,242,598**	$11,799,265	$446,583	$12,245,848
Current assets						
Assets held for sale	**17,220**	**30,253**	**47,473**	—	—	—
Amounts receivable and other	**79,827**	**(4,857)**	**74,970**	74,830	(19,966)	54,864
Cash and cash equivalents	**37,190**	**36,820**	**74,010**	51,551	38,913	90,464
Prepaid expenses, deposits and deferred financing costs	**53,280**	**22,121**	**75,401**	14,269	30,168	44,437
Current portion of loans, mortgages and notes receivable	**128,612**	**(59,306)**	**69,306**	180,070	(74,179)	105,891
Current portion of other financial assets	**2,203**	**—**	**2,203**	—	—	—
Residential development inventory	**—**	**112,427**	**112,427**	21,154	90,535	111,689
	$318,332	**$137,458**	**$455,790**	$341,874	$65,471	$407,345
Total assets	**$12,161,614**	**$536,774**	**$12,698,388**	$12,141,139	$512,054	$12,653,193
Liabilities						
Non-current liabilities						
Debt	**3,893,747**	**244,351**	**4,138,098**	4,453,606	420,332	4,873,938
Other financial liabilities	**11,873**	**—**	**11,873**	17,876	—	17,876
Other payables	**7,900**	**—**	**7,900**	11,774	—	11,774
	$3,913,520	**$244,351**	**$4,157,871**	$4,483,256	$420,332	$4,903,588
Current liabilities						
Current portion of debt	**1,398,958**	**198,739**	**1,597,697**	755,426	6,099	761,525
Current portion of other financial liabilities	**324,079**	**—**	**324,079**	302,067	—	302,067
Accounts payable and current portion of other payables	**252,934**	**93,684**	**346,618**	254,085	85,623	339,708
	$1,975,971	**$292,423**	**$2,268,394**	$1,311,578	$91,722	$1,403,300
Total liabilities	**$5,889,491**	**$536,774**	**$6,426,265**	$5,794,834	$512,054	$6,306,888
Equity						
Trust Unit equity	**5,158,241**	**—**	**5,158,241**	5,227,500	—	5,227,500
Non-controlling interests	**1,113,882**	**—**	**1,113,882**	1,118,805	—	1,118,805
	$6,272,123	**$—**	**$6,272,123**	$6,346,305	$—	$6,346,305
Total liabilities and equity	**$12,161,614**	**$536,774**	**$12,698,388**	$12,141,139	$512,054	$12,653,193

(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:

	Nine Months Ended September 30, 2026			Year Ended December 31, 2025		
(in thousands of dollars)	**Income Properties**	**Properties Under Development**	**Total Investment Properties**	Income Properties	Properties Under Development	Total Investment Properties
Investment properties						
Opening balance	**$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	**—**	**17,140**	**17,140**	—	35,264	35,264
Earnout Fees on properties subject to development management agreements	**215**	**29,084**	**29,299**	7,971	—	7,971
Transfer from properties under development to income properties	**40,925**	**(40,925)**	**—**	97,666	(97,666)	—
Transfer from income properties to properties under development	**(62,827)**	**62,827**	**—**	—	—	—
Transfer from residential development inventory to properties under development	**—**	**20,357**	**20,357**	—	—	—
Recognition of properties under development from equity accounted investments as a result of change in control	**—**	**—**	**—**	—	52,150	52,150
Capital expenditures and other	**25,335**	**74,688**	**100,023**	36,257	102,079	138,336
Dispositions	**—**	**(2,955)**	**(2,955)**	—	(5,750)	(5,750)
Straight-line rents and tenant incentives	**2,606**	**—**	**2,606**	4,477	—	4,477
Fair value adjustment	**128,063**	**(234,055)**	**(105,992)**	100,692	(139,984)	(39,292)
Ending balance	**$9,323,669**	**$1,589,748**	**$10,913,417**	$9,189,352	$1,663,587	$10,852,939
Opening balance	**762,663**	**405,641**	**1,168,304**	697,727	469,870	1,167,597
Acquisitions, Earnouts, and related adjustments of investment properties	**—**	**921**	**921**	—	9,802	9,802
Transfer from properties under development to income properties	**34,376**	**(34,376)**	**—**	52,600	(52,600)	—
Recognition of properties under development from equity accounted investments as a result of change in control	**—**	**—**	**—**	—	(39,113)	(39,113)
Capital expenditures and other	**203**	**27,890**	**28,093**	332	29,483	29,815
Straight-line rents and tenant incentives	**(482)**	**—**	**(482)**	(535)	—	(535)
Fair value adjustment	**6,906**	**2,546**	**9,452**	12,539	(11,801)	738
Ending balance	**$803,666**	**$402,622**	**$1,206,288**	$762,663	$405,641	$1,168,304
Total	**$10,127,335**	**$1,992,370**	**$12,119,705**	$9,952,015	$2,069,228	$12,021,243
Total balance (including investment properties classified as equity accounted investments) – end of period (Investment Properties – non-GAAP)[(1)]	**10,127,335**	**1,944,897**	**12,072,232**	9,952,015	2,069,228	12,021,243
Investment properties classified as held for sale	**—**	**47,473**	**47,473**	—	—	—
	$10,127,335	**$1,992,370**	**$12,119,705**	$9,952,015	$2,069,228	$12,021,243

(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 35.4 million square feet. 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.

During the quarter, two development properties, including one held through an equity accounted investment, were classified as assets held for sale as part of the Trust's disposition program.

During the nine months ended September 30, 2026, the Trust settled all outstanding Earnout obligations with Penguin and various third parties under the Settlement Agreement in the amount of $53.1 million.

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 nine months ended September 30, 2026, with a total carrying value of $1.1 billion (December 31, 2025 – $2.4 billion) were valued by external national appraisers, and investment properties with a total carrying value of $9.8 billion (December 31, 2025 – $8.4 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, 2026 was 6.50% (December 31, 2025 – 6.53%) and the weighted average terminal capitalization rate as at September 30, 2026 was 5.98% (December 31, 2025 – 6.00%).

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 $106.0 million (excluding investment properties recorded in equity accounted investments) for the nine months ended September 30, 2026, primarily due to changes in market conditions and timing of construction commencement for certain future development properties, partially offset by improved leasing activities.

Acquisitions

The following table summarizes the acquisition completed during the nine months ended September 30, 2026:

(in thousands of dollars)

					Satisfied through		
Location	**Date of Acquisition**	**Type**	**Area**	**Purchase Amount**	**Cash**	**Issuance of LP Units**	**Other Adjustments**
Kingston, Ontario	March 2026	Land parcel	19 acres	$7,085	$6,159	$—	$926
Winnipeg, Manitoba	May 2026	Land parcel	17 acres	10,055	9,940	—	115
Earnouts	Varies	Land parcel/ Retail	N/A	53,091	38,733	947	13,411

(1) Of the total cash consideration paid, $48.8 million was paid during the nine months ended September 30, 2026, and $4.4 million of cash was prepaid in a prior year.

Disposition

The following table summarizes the disposition completed during the nine months ended September 30, 2026:

Location	**Date of Disposition**	**Type**	**Area**	**Ownership Interest**	**Disposition Proceeds**
Laval, Quebec	September 2026	Land parcel	1 acre	100 %	$2,836

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 (value 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). 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)	**2026**	2025	Variance	**2026**	2025	Variance
Leasing commissions	**$544**	$639	$(95)	**$1,523**	$1,955	$(432)
Tenant improvements	**2**	85	(83)	**131**	70	61
Sustaining capital expenditures (recoverable and non-recoverable)	**9,924**	15,927	(6,003)	**17,162**	20,068	(2,906)
AFFO adjustment for sustaining capital expenditures, leasing commissions, and tenant improvements	**$10,470**	$16,651	$(6,181)	**$18,816**	$22,093	$(3,277)
Value enhancing capital expenditures	**8,898**	3,910	4,988	**12,323**	8,918	3,405
Total capital expenditures, leasing commissions, and tenant improvements	**$19,368**	$20,561	$(1,193)	**$31,139**	$31,011	$128
Adjusted salaries and related costs attributed to leasing	**$2,393**	$2,086	$307	**$7,255**	$6,559	$696

For the three months ended September 30, 2026, the total capital expenditures, leasing commissions, and tenant improvements decreased by $1.2 million compared to the same period in 2025, primarily due to timing. For the nine months ended September 30, 2026, the total capital expenditures, leasing commissions, and tenant improvements remained flat compared to the same period in 2025.

Equity Accounted Investments

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

	Nine Months Ended September 30, 2026			Year Ended December 31, 2025		
(in thousands of dollars)	**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 (Losses)	**(713)**	**11,063**	**10,350**	7,318	398	7,716
Distributions	**(3,209)**	**(1,885)**	**(5,094)**	(3,789)	(4,815)	(8,604)
Financing Activities:						
Fair value adjustment on loan	**2,115**	**—**	**2,115**	2,847	—	2,847
Investing Activities:						
Cash contribution	**11,410**	**17,287**	**28,697**	2,259	29,903	32,162
Derecognition of equity accounted investments as a result of change in control	**—**	**—**	**—**	—	(39,119)	(39,119)
Development distributions	**(1,860)**	**(9,260)**	**(11,120)**	(3,220)	(17,764)	(20,984)
Investment – end of period	**$449,595**	**$298,990**	**$748,585**	$441,852	$281,785	$723,637

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

As at September 30, 2026 (in thousands of dollars)	**Income Properties**	**Properties Under Development**	**Residential Development Inventory**	**Other Assets**	**Total Assets**
Rental					
Residential	**$545,281**	**$62,514**	**$—**	**$12,949**	**$620,744**
Self-storage facilities	**560,143**	**72,892**	**—**	**14,076**	**647,111**
Office	**265,497**	**—**	**—**	**15,484**	**280,981**
Retail	**153,562**	**—**	**—**	**2,659**	**156,221**
Mixed-use	**82,294**	**669,834**	**—**	**124,631** [(1)]	**876,759**
Condo and townhome residential development inventory	**—**	**—**	**225,476**	**53,092**	**278,568**
	$1,606,777	**$805,240**	**$225,476**	**$222,891**	**$2,860,384**

(1) Consists of loans receivable of $113.4 million, cash and cash equivalents of $1.4 million.

As at December 31, 2025 (in thousands of dollars)	Income Properties	Properties Under Development	Residential Development Inventory	Other Assets	Total Assets
Rental					
Residential	$546,146	$59,091	$—	$15,179	$620,416
Self-storage facilities	480,746	94,692	—	16,429	591,867
Office	263,268	—	—	14,717	277,985
Retail	152,820	—	—	2,258	155,078
Mixed-use	80,581	657,497	—	119,264 [(1)]	857,342
Condo and townhome residential development inventory	—	—	181,629	48,425	230,054
	$1,523,561	$811,280	$181,629	$216,272	$2,732,742

(1) Consists of loans receivable of $112.6 million, cash and cash equivalents of $2.8 million.

Summary of development credit facilities

Investment in associates
As at September 30, 2026, PCVP had credit facilities in the amount of $550.0 million (December 31, 2025 – $550.0 million), bearing annual interest rate based on the Adjusted Canadian Overnight Repo Rate Average ("Adjusted CORRA") rate plus 1.45% with maturity date of June 2027. As at September 30, 2026, after deducting the amount drawn on such development credit facilities of $358.4 million (December 31, 2025 – $316.4 million) and outstanding letters of credit of $32.6 million (December 31, 2025 – $29.2 million), the remaining unused development credit facilities were $159.0 million (December 31, 2025 – $204.4 million), of which the Trust's share was $79.5 million (December 31, 2025 – $102.2 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, 2026, the Trust's joint ventures had credit facilities in the amount of $120.0 million (December 31, 2025 – $95.9 million), bearing annual interest rates based on the Adjusted CORRA rate plus 2.70%, maturing May 2027. As at September 30, 2026, deducting amount drawn on such credit facilities of $118.6 million (December 31, 2025 – $90.9 million), and no outstanding letters of credit (December 31, 2025 – $nil), the remaining unused development credit facilities were $1.4 million (December 31, 2025 – $5.0 million), of which the Trust's share was $0.7 million (December 31, 2025 – $2.5 million).

Development financing includes a construction facility relating to additional self-storage facilities. From time to time, the facility 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, 2026**	December 31, 2025	Variance
Amounts receivable and other			
Tenant receivables	**$34,639**	$31,434	$3,205
Unbilled other tenant receivables	**21,032**	11,997	9,035
Receivables from related party – excluding equity accounted investments	**3,204**	21,794	(18,590)
Receivables from related party – equity accounted investments	**18,379**	11,027	7,352
Other non-tenant receivables[1]	**17,773**	26,383	(8,610)
	$95,027	$102,635	$(7,608)
Allowance for ECL	**(12,898)**	(9,870)	(3,028)
Amounts receivable and other, net of allowance for ECL	**$82,129**	$92,765	$(10,636)
Prepaid expenses, deposits and deferred financing costs[2]	**53,280**	14,269	39,011
	$135,409	$107,034	$28,375

(1) The amount includes a related party amount of $11.2 million (December 31, 2025 – $13.4 million).
(2) Includes prepaid realty tax of $37.6 million (December 31, 2025 – $1.1 million).

As at September 30, 2026, total amounts receivable and other, net of allowance for ECL, prepaid expenses, deposits and deferred financing costs increased by $28.4 million as compared to December 31, 2025. This increase was primarily attributable to the following:

- $39.0 million increase in prepaid expenses, deposits and deferred financing costs, mainly due to prepaid realty tax; and
- $12.2 million increase in tenant receivables and unbilled other tenant receivables, primarily due to the timing of CAM and tax recovery billing from the prior year;

partially offset by:

- $27.2 million decrease in receivables from related party, mainly due to the settlement of outstanding receivables from Penguin pursuant to the Settlement Agreement and Development Services Agreement Supplement. Refer to "Section IX — Related Party Transactions" in this MD&A.

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 continues to maintain efficient rent collections and payment solutions for its existing tenants.

The table below represents a summary of total tenant receivables and ECL balances as at September 30, 2026 and December 31, 2025:

(in thousands of dollars)	**September 30, 2026**	December 31, 2025
Tenant receivables	**$34,639**	$31,434
Unbilled other tenant receivables	**21,032**	11,997
Total tenant receivables	**$55,671**	$43,431
Allowance for ECL	**(12,898)**	(9,870)
Total tenant receivables net of allowance for ECL	**$42,773**	$33,561

Loans, Mortgages and Notes Receivable

The following table summarizes loans, mortgages and notes receivable:

(in thousands of dollars)	**September 30, 2026**	December 31, 2025
Loans receivable	**$259,158**	$235,884
Mortgages receivable	**—**	2
Notes receivable[1]	**2,924**	2,924
	$262,082	$238,810

(1) These secured demand notes bear interest at 9.00% per annum (December 31, 2025 – 9.00%).

Loans Receivable

The following table summarizes loans receivable:

(in thousands of dollars)

Issued to	**September 30, 2026**	December 31, 2025
Penguin	**$71,253**	$77,525
Equity accounted investments	**177,905**	148,359
Unrelated parties	**10,000**	10,000
	$259,158	$235,884

See also Note 5(a) in the Trust's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2026 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)	**2026**	2025	**2026**	2025
Balance – beginning of period	**$255,687**	$242,913	**$235,884**	$222,226
Loans issued	**—**	—	**20,960**	—
Principal advances	**933**	4,297	**2,699**	20,911
Interest accrued	**2,274**	2,386	**6,561**	6,856
Fair value adjustments	**812**	809	**2,395**	2,394
Repayments	**(548)**	(330)	**(9,341)**	(2,312)
Balance – end of period	**$259,158**	$250,075	**$259,158**	$250,075

On April 17, 2026, pursuant to the Settlement Agreement, a loan receivable of $7.3 million, including all accrued interest to December 31, 2025, was repaid by Penguin.

Mortgages Receivable

On April 17, 2026, pursuant to the Omnibus Mezzanine Loan settlement agreement, all eight mezzanine loans previously provided by the Trust to certain Penguin entities were terminated, the related letters of credit issued by the Trust were replaced, and the remaining receivable balance was repaid by Penguin. As a result, the Trust had no remaining mezzanine loan commitments outstanding.

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, 2026	December 31, 2025	Variance
Cash and cash equivalents	**$37,190**	$51,551	$(14,361)
Remaining operating facilities[1]	**416,871**	815,119	(398,248)
	$454,061	$866,670	$(412,609)
Operating facility – accordion feature	**250,000**	250,000	—
	$704,061	$1,116,670	$(412,609)

(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 developments, 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 loans, mortgages 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, 2026, the Trust's available capital resources decreased by $412.6 million compared to December 31, 2025. The decrease was primarily due to higher drawn balances on its operating facilities to fund the repayment of a maturing debenture, reflecting a timing difference between the maturity existing debt and the issuance of new debenture financing. Subsequent to quarter-end, the Trust repaid the outstanding drawn balances using proceeds from the issuance of new unsecured debentures. Refer to "Highlights for the Three Months Ended September 30, 2026" in this MD&A.

The Trust manages its cash flow from operating activities by maintaining a conservative debt level. As at September 30, 2026, the Debt to Gross Book Value was 53.0% (December 31, 2025 – 52.8%). Other than contractual maturity dates, the timing of payments related to these obligations reflects management's best estimate based on assumptions with respect to the timing of leasing, construction completion, and occupancy dates at September 30, 2026.

The following table presents the estimated amount and timing of certain of the Trust's future obligations, including development obligations as at September 30, 2026:

(in thousands of dollars)	Total	2026	2027	2028	2029	2030	Thereafter
Secured debt	**$457,764**	$45,294	$48,517	$26,555	$19,229	$87,305	$230,864
Unsecured debt	**4,317,792**	150,000	1,081,667	752,724	983,401	720,000	630,000
Revolving operating facilities	**526,816**	300,000	226,816	—	—	—	—
Interest obligations[1]	**511,710**	54,305	140,729	109,849	89,236	67,747	49,844
Accounts payable	**251,012**	62,753	188,259	—	—	—	—
Other payable	**17,355**	542	2,140	2,177	299	279	11,918
	$6,082,449	**$612,894**	**$1,688,128**	**$891,305**	**$1,092,165**	**$875,331**	**$922,626**
Development obligations (commitments)	**33,537**	33,537	—	—	—	—	—
Total	**$6,115,986**	**$646,431**	**$1,688,128**	**$891,305**	**$1,092,165**	**$875,331**	**$922,626**

(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.

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, 2026:

(in thousands of dollars)	Total	2026	2027	2028	2029	2030	Thereafter
Secured and unsecured debt	**$988,370**	$3,296	$415,521	$10,950	$60,821	$382,621	$115,161
Development obligations (commitments)[1]	**160,009**	30,505	112,079	17,425	—	—	—
Total	**$1,148,379**	**$33,801**	**$527,600**	**$28,375**	**$60,821**	**$382,621**	**$115,161**

(1) The Trust is in the process of refining its estimates of development obligations for the years subsequent to 2026. 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, 2026:

(in thousands of dollars)	Total	2026	2027	2028	2029	2030	Thereafter
Secured and unsecured debt	**$500,144**	$1,546	$198,615	$5,654	$45,437	$191,310	$57,582
Development obligations (commitments)[1]	**80,120**	15,276	56,131	8,713	—	—	—
Total Trust's share	**$580,264**	**$16,822**	**$254,746**	**$14,367**	**$45,437**	**$191,310**	**$57,582**

(1) The Trust is in the process of refining its estimates of development obligations for the years subsequent to 2026. 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 surplus:

(in thousands of dollars)	September 30, 2026	December 31, 2025
Current assets	**$318,332**	$341,874
Less: Current liabilities	**(1,975,971)**	(1,311,578)
Working capital deficiency	**$(1,657,639)**	$(969,704)
Adjusted by:		
Current portion of debt	**1,398,958**	755,426
Current portion of other financial liabilities	**324,079**	302,067
Net working capital surplus	**$65,398**	$87,789

As at September 30, 2026, the Trust had a working capital deficiency of $1,657.6 million (December 31, 2025 – $969.7 million deficiency).

After adjusting for $1,399.0 million (December 31, 2025 – $755.4 million) of debt and $324.1 million (December 31, 2025 – $302.1 million) of other financial liabilities due within 12 months, the Trust reported a net working capital surplus of $65.4 million (December 31, 2025 – $87.8 million surplus). These adjustments relate to mortgages, unsecured debentures, operating lines of credit, and liabilities such as units classified as liabilities, vested deferred units, and vested and earned EIP units expected to vest within 12 months.

Management plans to address these maturities through a combination of cash on hand, new secured or unsecured financing, equity issuance, or, in limited cases, asset dispositions. A significant portion of the other financial liabilities is not expected to require settlement in cash within the next 12 months.

Subsequent to quarter end, on October 14, 2026, the Trust issued $150.0 million of Series AC senior unsecured debentures bearing interest at 3.599%, maturing June 12, 2029, and $300.0 million of Series AE debentures bearing interest at 4.795%, maturing January 15, 2032. The net proceeds were used to repay the $150.0 million credit facility maturing in October 2026, other outstanding debt balances and fund general corporate purposes.

As at September 30, 2026, the Trust has unencumbered assets (a non-GAAP financial measure) with an approximate fair value totalling $10.2 billion (December 31, 2025 – $10.0 billion). 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, 2026			December 31, 2025		
(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	**$456,912**	**4.5**	**4.61 %**	$511,188	4.7	4.53 %
Unsecured debt	**4,195,576**	**2.7**	**4.03 %**	4,460,233	3.1	4.01 %
Unsecured loan from equity accounted investments	**113,401**	**N/A**	**— %**	112,611	N/A	— %
Revolving operating facilities	**526,816**	**3.7**	**4.06 %**	125,000	2.4	3.81 %
Total debt before equity accounted investments	**$5,292,705**	**N/A**	**4.00 %**	$5,209,032	N/A	3.97 %
Less: Unsecured loan from equity accounted investments[(1)]	**(57,054)**	**N/A**	**— %**	(56,799)	N/A	— %
Subtotal	**$5,235,651**	**2.9**	**4.04 %**	$5,152,233	3.2	4.01 %
Share of secured debt (equity accounted investments)	**320,954**	**5.7**	**3.87 %**	325,045	6.5	3.87 %
Share of unsecured debt (equity accounted investments)	**179,190**	**0.7**	**4.04 %**	158,185	1.4	4.00 %
Share of debt classified as equity accounted investments	**$500,144**	**3.9**	**3.93 %**	$483,230	4.8	3.92 %
Total debt including equity accounted investments	**$5,735,795**	**3.0**	**4.03 %**	$5,635,463	3.4	4.00 %

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

Approximately 17% 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, 2026:

(in thousands of dollars)	**Secured Debt**	**Unsecured Debt**	**Revolving Operating Facilities**	**Equity Accounted Investments**	**Loan from Equity Accounted Investments**	**Total**
Balance – January 1, 2026	$511,188	$4,460,233	$125,000	$483,230	$55,812	**$5,635,463**
Borrowings	12,600	72,667	490,000	21,000	—	**596,267**
Scheduled amortization	(11,846)	—	—	(4,552)	—	**(16,398)**
Repayments	(55,202)	(345,995)	(90,000)	—	(1,860)	**(493,057)**
Amortization of acquisition fair value adjustments	(6)	—	—	—	2,395	**2,389**
Financing costs incurred, net of additions	178	1,853	—	466	—	**2,497**
Currency translation	—	6,818	1,816	—	—	**8,634**
Balance – September 30, 2026	**$456,912**	**$4,195,576**	**$526,816**	**$500,144**	**$56,347**	**$5,735,795**

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
2026	$3,513	$41,781	$45,294	9.9 %	4.50 %
2027	10,717	37,800 (1)	48,517	10.6 %	4.13 %
2028	10,802	15,753	26,555	5.8 %	5.02 %
2029	10,986	8,243	19,229	4.2 %	4.73 %
2030	9,923	77,382	87,305	19.1 %	3.95 %
Thereafter	13,862	217,002	230,864	50.4 %	4.77 %
Total	**$59,803**	**$397,961**	**$457,764**	**100.0 %**	**4.53 %**
Acquisition date fair value adjustment			157		
Unamortized financing costs			(1,009)		
			$456,912		**4.61 %**

(1) Includes construction loans in the amount of $33.6 million, which bear interest at Adjusted CORRA rate plus 145 basis points.

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

(in thousands of dollars)	September 30, 2026	December 31, 2025
Unsecured debentures (a)	**$3,043,785**	$3,292,159
Credit facilities (b)	**1,151,791**	1,072,079
	$4,195,576	$4,364,238
TRS debt	**—**	95,995
Other unsecured debt from equity accounted investments (c)	**113,401**	112,611
	$4,308,977	$4,572,844

a) Unsecured debentures

As at September 30, 2026, unsecured debentures totalled $3,043.8 million (December 31, 2025 – $3,292.2 million). The unsecured debentures mature at various dates between 2027 and 2032, with interest rates ranging from 2.31% to 5.35%, and a weighted average interest rate of 3.97% as at September 30, 2026 (December 31, 2025 – 3.93%).

The following table summarizes the components of unsecured debentures:

(in thousands of dollars) Series	Maturity Date	Annual Interest Rate	Interest Payment Dates	September 30, 2026	December 31, 2025
Series P	August 28, 2026	3.44 %	February 28 and August 28	**$—**	$250,000
Series V	June 11, 2027	3.19 %	June 11 and December 11	**300,000**	300,000
Series S	December 21, 2027	3.83 %	June 21 and December 21	**250,000**	250,000
Series Z	May 29, 2028	5.35 %	May 29 and November 29	**300,000**	300,000
Series Y	December 18, 2028	2.31 %	June 18 and December 18	**300,000**	300,000
Series AC	June 12, 2029	3.60 %	June 12 and December 12	**250,000**	250,000
Series U	December 20, 2029	3.53 %	June 20 and December 20	**450,000**	450,000
Series AA	August 1, 2030	5.16 %	February 1 and August 1	**350,000**	350,000
Series W	December 11, 2030	3.65 %	June 11 and December 11	**300,000**	300,000
Series AB	August 5, 2031	4.74 %	February 5 and August 5	**300,000**	300,000
Series AD	June 12, 2032	4.32 %	June 12 and December 12	**250,000**	250,000
		3.97 %[1]		**$3,050,000**	$3,300,000
	Unamortized financing costs			**(6,215)**	(7,841)
				$3,043,785	$3,292,159

(1) Represents the weighted average annual interest rate and excludes unamortized financing costs.

In August 2026, the Trust repaid the $250.0 million aggregate principal of Series P 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 fulfil its obligations. An investment-grade rating must exceed "BB", with the highest rating being "AAA". In July 2026, DBRS retained 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, 2026	December 31, 2025
Non-revolving:					
March 2019[1]	October 30, 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	**152,724**	145,906
May 2019[1]	June 24, 2029	3.15 %	170,000	**170,000**	170,000
September 2026[3]	August 31, 2030	Adjusted CORRA + 1.20%	70,000	**70,000**	—
August 2018[1][3]	August 31, 2031	2.98 %	80,000	**80,000**	80,000
Revolving:					
March 2024	March 9, 2027	Adjusted CORRA + 1.45%	40,000	**31,667**	29,000
				$1,154,391	$1,074,906
Unamortized financing costs, debt modification adjustments, and others				**(2,600)**	(2,827)
				$1,151,791	$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 0.92 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) In September 2026, the Trust refinanced and increased its loan from $80.0 million to $150.0 million, comprised of two tranches: $80.0 million with a maturity date extended to August 2031 and a new $70.0 million tranche maturing in August 2030.

The following table summarizes the fair value as at September 30, 2026 and December 31, 2025, relating to the mark to market adjustments associated with the interest rate swap agreements:

(in thousands of dollars)		Fixed	Variable		
Facility Amount	**Maturity Date**	**Interest Rate**	**Interest Rate**	**September 30, 2026**	December 31, 2025
$150,000	October 30, 2026	3.52 %	Adjusted CORRA + 1.20%	**$3,224**	$1,935
300,000	January 19, 2027	4.48 %	Adjusted CORRA + 1.45%	**(303)**	(1,333)
80,000	January 31, 2027	2.98 %	Adjusted CORRA + 1.20%	**257**	717
100,000	December 1, 2027	4.37 %	Adjusted CORRA + 1.20%	**(148)**	(1,558)
100,000	December 1, 2027	4.88 %	Adjusted CORRA + 1.45%	**(149)**	(1,271)
170,000	June 24, 2029	3.15 %	Adjusted CORRA + 1.20%	**7,748**	5,577
				$10,629	$4,067

c) Other unsecured debt from equity accounted investments

Other unsecured debt net of fair value adjustments totalling $113.4 million (December 31, 2025 – $112.6 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:

(in thousands of dollars)	Annual Interest Rate					Drawn Amount	
Maturity Date	**Benchmark Rate**	**Spread**	**Facility Amount**	**Undrawn Facilities**	**Outstanding Letters of Credit**	**September 30, 2026**	December 31, 2025
January 2027[1]	SOFR	1.55 %	$100,000	**$—**	**$—**	**$101,816**	$25,000
June 2028[2]	Adjusted CORRA	1.20 %	100,000	**—**	**—**	**100,000**	100,000
June 2031	Adjusted CORRA	1.45 %	750,000	**416,871**	**8,129**	**325,000**	—
	Prime Rate	0.45 %					
				$416,871	**$8,129**	**$526,816**	$125,000

(1) The Trust entered into cross currency swaps to exchange the U.S. dollar borrowings into Canadian dollar borrowings.
(2) In September 2026, the Trust amended its unsecured revolving operating facility to extend the maturity date from June 2027 to June 2028.

In addition to the letters of credit outstanding on the Trust's revolving operating facilities (see above), as at September 30, 2026, the Trust also had $30.6 million of letters of credit outstanding with other financial institutions (December 31, 2025 – $30.0 million).

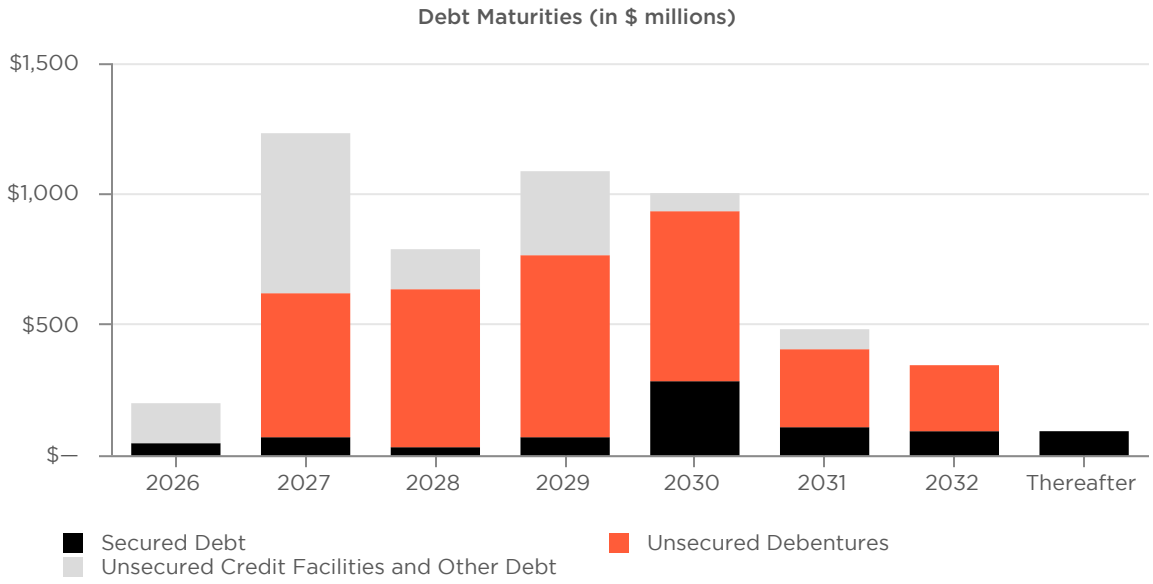
Unencumbered Assets

As at September 30, 2026, the Trust had $10.2 billion of unencumbered assets (a non-GAAP financial measure) (December 31, 2025 – $10.0 billion), which reflects the Trust's share of the value of investment properties. Expressed as a percentage, the Trust earned approximately 84.9% of its NOI from unencumbered assets (December 31, 2025 – 82.6%).

In connection with this pool of unencumbered assets, management estimates the total Annualized NOI for 2026 to be $500.2 million (December 31, 2025 – $489.3 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, 2026:



(1) Includes the Trust's proportionate share of debt in equity accounted investments.
(2) Excludes revolving operating facility of $526.8 million, which matures between January 2027 and June 2031.
(3) For facilities where the initial maturity date can be extended at the sole option of the Trust, the final maturity date is assumed.

Financial Covenants and Other Ratios

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, 2026, the Trust was in compliance with all financial covenants.

Ratio	Calculation	Threshold	**September 30, 2026**	December 31, 2025
Interest coverage ratio[1]	*Adjusted EBITDA / Adjusted interest expense including capitalized interest*[6]	≥ 1.65X	**2.5X**	2.6X
Fixed charge coverage ratio[3]	*Adjusted EBITDA / Debt service expense*[7]	≥ 1.5X	**2.3X**	2.3X
Debt to aggregate assets[3][4][5]	*Net debt / Aggregate assets*[8]	≤ 65%	**45.1 %**	44.4 %
Debt to aggregate assets (excluding TRS debt and receivable)[2][5]	*Net debt (excluding TRS debt)/ Aggregate assets (excluding TRS receivable)*[8]	≤ 65%	**45.1 %**	44.0 %
Debt to Gross Book Value[1][4][5]	*Net debt / Gross book value*[9]	≤ 60%	**53.0 %**	52.8 %
Adjusted Debt to Adjusted EBITDA[2][5]	*Adjusted debt / Adjusted EBITDA*[10]	N/A	**9.9X**	9.7X
Secured debt to aggregate assets[3][5]	*Secured debt including EAI / Aggregate assets*[11]	≤ 40%	**6.2 %**	6.6 %
Unsecured to secured debt ratio[2][5]	*Unsecured debt including EAI / Secured debt including EAI*[12]	N/A	**86% / 14%**	85%/15%
Unencumbered assets to unsecured debt[3][5]	*Unencumbered assets / Unsecured debt including EAI*[13]	≥ 1.3X	**2.1X**	2.1X
Unitholders' equity (in thousands)[1][3]		≥ $2,000,000	**$6,272,123**	$6,346,305
Units classified as liabilities (in thousands)		N/A	**$209,585**	$201,229
Total Unitholders' equity including Units classified as liabilities (in thousands)		N/A	**$6,481,708**	$6,547,534

(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, 2026, cash-on-hand of $33.0 million (December 31, 2025 – $44.6 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: 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.
(11) 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.
(12) 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".
(13) 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, 2026	December 31, 2025	Variance
Trust Units	N/A	**144,708,787**	144,708,787	—
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	**4,254,322**	4,254,322	—
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		**170,511,268**	170,511,268	—
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	**1,165,278**	1,165,278	—
ONR Limited Partnership I	Class B	**304,163**	272,183	31,980
SmartVMC West Limited Partnership	Class D	**5,797,101**	5,797,101	—
Total Units classified as liabilities		**7,846,689**	7,814,709	31,980
Total Units		**178,357,957**	178,325,977	31,980

As of November 4, 2026, the Trust has 170,511,268 Units outstanding which are classified as equity, and 7,846,689 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, 2026	Year ended December 31, 2025
Unitholders' Equity – beginning of period	**$6,346,305**	$6,337,581
Issuance of Units classified as equity	**—**	3,745
Net income and comprehensive income	**162,395**	310,755
Change in non-controlling interests	**14**	10,015
Distributions	**(236,591)**	(315,791)
Unitholders' Equity – end of period	**$6,272,123**	$6,346,305
LP Units classified as liabilities – beginning of period	**201,229**	191,665
Change in carrying value	**7,409**	10,100
Conversion of LP exchangeable units	**947**	(536)
LP Units classified as liabilities – end of period	**$209,585**	$201,229
Unitholders' Equity and LP Units classified as liabilities – end of period	**$6,481,708**	$6,547,534

Distributions
The 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, 2026, the Trust paid $247.4 million in cash distributions (for the nine months ended September 30, 2025 – $247.4 million in cash distributions). The following table summarizes declared distributions:

	Three Months Ended September 30		Nine Months Ended September 30	
(in thousands of dollars)	**2026**	2025	**2026**	2025
Distributions declared on:				
Trust Units	**$66,929**	$66,919	**$200,788**	$200,758
LP Units	**11,935**	11,934	**35,803**	35,764
Distributions on Units classified as equity	**$78,864**	$78,853	**$236,591**	$236,522
Distributions on LP Units classified as liabilities – excluding SmartVMC West	**946**	941	**2,810**	2,824
Distributions on LP Units classified as liabilities – SmartVMC West	**2,682**	2,682	**8,044**	8,044
Distributions on LP Units classified as liabilities	**$3,628**	$3,623	**$10,854**	$10,868
Total distributions declared	**$82,492**	$82,476	**$247,445**	$247,390

Net Asset Value

The following table presents NAV and NAV per Unit diluted:

(in thousands of dollars, except per Unit information)	**September 30, 2026**	June 30, 2026	March 31, 2026	December 31, 2025
Total equity	**$6,272,123**	$6,171,496	$6,397,338	$6,346,305
LP Units classified as liabilities	**209,585**	236,864	208,184	201,229
NAV[1]	**$6,481,708**	$6,408,360	$6,605,522	$6,547,534
Units outstanding – diluted[2]	**182,633,169**	182,552,477	182,520,891	182,242,010
NAV per Unit – diluted[1]	**$35.49**	$35.10	$36.19	$35.93

(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) Total diluted Units outstanding includes total Units outstanding (as defined in the "Key Operational, Development and Financial Information" section in this MD&A), vested portion of the deferred units issued pursuant to the DUP and vested EIP units granted pursuant to the EIP.

As at September 30, 2026, NAV per Unit diluted increased from $35.10 to $35.49 compared to June 30, 2026. This increase was primarily due to a fair value gain on financial instruments resulting from changes in market conditions, and on investment properties resulting from improved leasing activities.

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 were met, the Trust was required to issue such number of additional Special Voting Units to Penguin that entitled 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 and all outstanding Special Voting Units issued pursuant to the Voting Top-Up Right were automatically cancelled. Accordingly, as at September 30, 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.

As at September 30, 2026, Penguin owned 21.4% 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 22.8% 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, 2026, Penguin has appointed two of the eight trustees on the Board of Trustees.

b) Agreements with Penguin entered into on April 1, 2026
On April 1, 2026, the Trust entered into a series of agreements with Penguin and Mitchell Goldhar, effective as of January 1, 2026, for a five-year term expiring on December 31, 2030. The amendments reflect the expansion of Mr. Goldhar's role from Executive Chairman to Executive Chairman and CEO of the Trust and reset the principal commercial arrangements between the Trust and Penguin on a go-forward basis. For further details, see the Trust's management information circular dated April 1, 2026, filed on SEDAR+.

Penguin Services Agreement
Effective January 1, 2026, the Penguin Services Agreement was amended and restated, extending the term to December 31, 2030. Under the agreement, Penguin provides the Trust with access to Penguin's industry and retailer relationships with a view to benefiting the Trust and supporting the Trust's growth initiatives. 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 $2.1 million 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 time billings basis and adjustments to certain services and fees payable under the Development Services Agreement.

Non-Competition Agreement
A new non-competition agreement with Mr. Goldhar and Penguin replaces and supersedes the previous non-competition agreement. The principal change is to align the termination of the Restricted Period with the expiry of the Employment Agreement on December 31, 2030.

Executive Employment Agreement
This new agreement confirms Mr. Goldhar's position as Executive Chairman and CEO of the Trust for the period from January 1, 2026 to December 31, 2030, for which Mr. Goldhar receives a salary and is eligible to participate in the Trust's short-term and long-term incentive plans, as well as various benefits and perquisites.

Settlement Agreement
On April 1, 2026, the Trust and Penguin entered into the Settlement Agreement, pursuant to which, effective April 17, 2026, the parties agreed to settle a number of outstanding amounts owing between the parties, totalling approximately $30.6 million, of which $13.1 million was paid to the Trust by Penguin, $17.5 million was charged to various projects and paid to the Trust by the partnerships. Further, the parties agreed to settle all outstanding Earnout agreements of approximately $46.9 million, of which $36.1 million have been paid to Penguin by the Trust. During the nine months ended September 30, 2026, the Trust settled all outstanding Earnout obligations relating to properties subject to Earnout agreements with Penguin and various third parties. In connection with the settlement of certain Earnout expiry properties, a loan receivable of $7.3 million, including all accrued interest to December 31, 2025, was repaid by Penguin on April 17, 2026.

Omnibus Mezzanine Loan Termination Agreement
Pursuant to the Omnibus Mezzanine Loan Termination Agreement dated April 1, 2026, 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 were replaced, and the outstanding receivable balance was repaid.

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)	**2026**	2025	**2026**	2025
Related party transactions with Penguin				
Acquisitions and Earnouts:				
Earnouts	**$25,066**	$386	**$53,091**	$10,296
Revenues:				
Service and other revenues:				
Management fee and other services revenue pursuant to the Development Services Agreement	**1,512**	1,965	**(773)**	6,036
Time billings - Supplement to the Development Service Agreement	**—**	—	**5,290**	—
Support services	**254**	282	**593**	846
	$1,766	$2,247	**$5,110**	$6,882
Interest income from mortgages and loans receivable	**224**	473	**659**	1,418
Rents and operating cost recoveries included in rentals from income properties	**347**	404	**1,081**	1,592
	$2,337	$3,124	**$6,850**	$9,892
Expenses and other payments:				
Fees paid pursuant to the Penguin Services Agreement – capitalized to properties under development	**2,125**	2,016	**6,344**	5,558
EIP – capitalized to properties under development	**278**	262	**825**	1,098
Development fees and interest expense – capitalized to investment properties	**224**	231	**609**	694
Opportunity fees pursuant to the development management agreements – capitalized to properties under development[1]	**(526)**	15	**(511)**	45
Marketing and other costs – included in general and administrative expense and property operating costs	**15**	18	**67**	45
Disposition fees pursuant to the Development Services Agreement – included in general and administrative expense	**—**	18	**(79)**	18
	$2,116	$2,560	**$7,255**	$7,458

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

(in thousands of dollars)	September 30, 2026	December 31, 2025
Related party balances with Penguin disclosed elsewhere in the financial statements		
Receivables:		
Amounts receivable and other[1] [2]	**$14,405**	$35,194
Loans receivable	**71,253**	77,525
Mortgages receivable	**—**	2
Notes receivable	**2,924**	2,924
Total receivables	**$88,582**	$115,645
Payables and other accruals:		
Accounts payable and accrued liabilities	**107**	3,995
Earnout settlement obligations	**—**	17,864
Total payables and other accruals	**$107**	$21,859

(1) Excludes amounts receivable presented below as part of balances with equity accounted investments. This amount includes amounts receivable of $3.2 million and other of $11.2 million (December 31, 2025 – amounts receivable of $21.8 million and other of $13.4 million).
(2) The non-current portion of amounts receivable represents a related party receivable from Penguin of $2.3 million (December 31, 2025 – $17.9 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 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, 2026.

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, 2026.

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)(iii) in the Trust's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2026.

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)	**2026**	2025	**2026**	2025
Related party transactions with the Trust's equity accounted investments				
Revenues:				
Supplemental Development Fee	**$9,596**	$1,107	**$10,373**	$4,216
Interest income from mortgages and loans receivable	**2,196**	2,136	**6,179**	6,184
Expenses and other payments:				
Rent and operating costs (included in general and administrative expense and property operating costs)	**810**	805	**2,470**	2,350

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

(in thousands of dollars)	September 30, 2026	December 31, 2025
Related party balances disclosed elsewhere in the financial statements		
Amounts receivable[(1)]	**$18,379**	$11,027
Loans receivable[(2)]	**177,905**	148,359
Other unsecured debt[(3)]	**113,401**	112,611

(1) Amounts receivable includes Penguin's portion, which represents $8.9 million (December 31, 2025 – $5.3 million) relating to Penguin's 50% investment in the PCVP and Residences (One) LP.
(2) Loans receivable includes Penguin's portion, which represents $29.6 million (December 31, 2025 – $28.7 million) relating to Penguin's 50% investment in PCVP.
(3) Other unsecured debt does not consist of Penguin's portion as at September 30, 2026 (December 31, 2025 – nil).

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, 2026, and the Notes contained therein.

The Trust's MD&A for the year ended December 31, 2025 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, 2025. Management determined that as at September 30, 2026, 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, 2025.

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 Trust's Annual Information Form for the year ended December 31, 2025 under the headings "Risk Factors" and the Trust's MD&A for the year ended December 31, 2025 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, 2026.

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 control 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, 2026 that have materially affected, or are reasonably likely to materially affect, internal controls over financial reporting.

Inherent Limitations

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

Section 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 (recovery).
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.
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 on an adjoining property or on a portion of a property.
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) was entitled to have a minimum of 25.0% of the votes eligible to be cast at any meeting of Unitholders provided certain ownership thresholds were 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 was adjusted for each meeting of the Unitholders based on changes in Mitchell Goldhar's, and Penguin's, ownership interest. The Voting Top-Up Right expired on December 31, 2025. Accordingly, as at September 30, 2026, there were no additional Special Voting Units outstanding.