



SMARTREIT®

700 APPLEWOOD CRES. SUITE 200 | VAUGHAN, ON. CANADA L4K 5X3
T 905 326 6400 F 905 326 0783

SMARTREIT AND MITCHELL GOLDHAR ANNOUNCE TRANSIT CITY CONDOS IN SMARTCENTRES PLACE SUBSTANTIALLY SOLD OUT

Toronto, Ontario (June 6, 2017) - Smart Real Estate Investment Trust (TSX:SRU.UN) and Mitchell Goldhar are pleased to announce that the first and second condo towers called Transit City are substantially sold out, and as a result of the actual sales figures, SmartREIT is amending its previously announced guidance by increasing profitability on these towers to an estimated return of 25-30% on costs from the previously announced 15-20%.

These are the inaugural residential buildings at SmartCentres Place. Each of these sold-out towers are 55 storeys, the tallest buildings in Vaughan, and a beacon for the adjacent transit infrastructure and the development itself. The towers include 1,110 residential units and are steps from the TTC's soon-to-be-opened subway station. The subway station is located in the hub of SmartCentres Place. Transit City Condos is a joint venture between SmartREIT, Mitchell Goldhar and CentreCourt Developments.

Residents of Transit City Condos will benefit from a traffic-free commute from Highways 7 and 400 to all parts of the GTA, including a direct subway line to downtown Toronto and all parts in-between. Designed by Diamond Schmitt Architects, with contemporary interiors designed by Figure3 and world class landscapes designed by Claude Cormier & Associés, Transit City Condos, which represent the new urban lifestyle in the GTA, will also feature the first BUCA-branded restaurant and BAR BUCA outside of downtown Toronto in the lobby of Transit City's North Tower.

"We are delighted with the market's response to Transit City Condos, our first residential buildings at the emerging city centre we call SmartCentres Place. Proximity to transit, the unifying green spaces featuring our 9-acre park, has translated into strong demand for these units. This is a people-first, pedestrian city. And the people get that," said Mitchell Goldhar, Chairman of the Board of SmartREIT. "After years of planning, SmartCentres Place is finally taking shape ... and taking shape fast. We anticipate continued, high quality interest for office, retail and residential for the foreseeable future," added Mr. Goldhar.

Construction of the two towers is expected to begin in late 2017. Construction is already underway on the 220,000 square foot mixed use building consisting of PwC as the lead tenant, a 100,000 square foot flagship YMCA with child care and health and fitness facilities, and a 20,000 square foot City of Vaughan Library and studio space.

SmartCentres Place in the Vaughan Metropolitan Centre has been planned as a complete pedestrian-oriented community with a mix of uses including office, residential, retail, and civic, anchored by a large central park with many connected open spaces throughout the 100 acres.

About SmartREIT

SmartREIT is one of Canada's largest real estate investment trusts with total assets of approximately \$8.9 billion. It owns and manages 32 million square feet in value-oriented, principally Walmart-anchored retail centres, having the strongest national and regional retailers as well as strong neighbourhood merchants. In addition, SmartREIT is a joint-venture partner in the Toronto and Montreal Premium Outlets with Simon Property Group. SmartREIT is now expanding the breadth of its portfolio to include residential (condominium and rental), office, and self-storage, either



on its large urban properties such as the Vaughan Metropolitan Centre (VMC) or as an adjunct to its existing shopping centres. SmartREIT's core vision is to provide a value-oriented shopping experience in all forms to Canadian consumers and to create high quality mixed use developments in urban settings.

With SmartREIT's 2015 acquisition of SmartCentres, SmartREIT has transformed into a fully integrated real estate provider. SmartREIT and SmartCentres have had a long and successful alliance, helping to provide Canadians with value-focused retail shopping centres across the country. Now, the alliance has grown even stronger, the result is a fully integrated real estate provider with expertise in planning, development, leasing, operations and construction - all under one roof. For more information, visit www.smartreit.com.

About Mitchell Goldhar

Mitchell Goldhar is Chairman of the Board of SmartREIT and its largest unitholder. Mr. Goldhar, founder of SmartCentres has developed 56 million square feet in 265 shopping centres in all provinces across Canada.

In addition, Penguin Properties Inc., Mr. Goldhar's private company is at various stages of development of many properties across the country, including his interest in the VMC 100-acre master planned development and as a partner with Walmart in 14 development properties. Mr. Goldhar has also developed an emerging network of Penguin Pick-Up locations offering free, convenient pick-up locations for online purchases, and Penguin Fresh, an on-line food marketplace. Penguin Pick-up now has 68 locations.

About SmartCentres Place

SmartCentres Place is a 100-acre, 17 million square foot master planned development, to be connected to downtown Toronto by subway, as part of VMC. VMC, at Highway 400 and Highway 7, is a planning area envisioning 40 million square feet of density around the confluence of various mass transit, including the TTC University subway line's expansion, the new VIVA rapidway and York Regional Transit central bus station. Together these will form the critical elements of the transportation infrastructure serving this budding new centre of commerce, culture, recreation, open spaces and urban life. VMC is unique in that it is centrally located, serviced by the aforementioned subway and bus transit infrastructure and by Highways 400, 407, and 7. It is also unique in that it is currently surrounded substantially by green field, enabling a planned area embodying all the urban characteristics and amenities that modern city visionaries strive for, but generally have difficulty achieving because of physical, legal and ownership constraints. SmartCentres Place at VMC is distinctly positioned to expeditiously accomplish a European style urban centre.

SmartCentres Place in the VMC, which currently contains the KPMG Tower and will soon contain the recently announced 220,000 square foot PWC tower, includes 53 acres of land around the new subway station in a 50/50 joint venture between SmartREIT and Mr. Goldhar. The joint venture plans to develop approximately 8.0 million to 10.0 million square feet of commercial, residential and retail space on its land as part of a 100-acre master planned development, with the remainder of the land owned by Mr. Goldhar in partnership with others.

About CentreCourt

CentreCourt is focused on the execution of well thought out high-rise condominiums located in close proximity to all the major amenities of the Greater Toronto Area, rapid transit networks and employment areas. CentreCourt believes that this approach to development will contribute to the GTA's vibrancy, sustainability and competitiveness. CentreCourt has completed nearly 2,000 homes in the past five years and is actively developing an additional 3,000 homes throughout the GTA. CentreCourt strives to exceed customer expectations and to be a leader in the real estate development industry. CentreCourt's developments are collaborative endeavors undertaken with best-in-class planners, architects, interior designers and construction trades in order to ensure that the homes CentreCourt develops are of the highest quality standard. CentreCourt was behind the most successful condo launches in recent history including Peter Street Condos, Karma Condos, INDX Condos, Core Condos, Grid Condos and Axis Condos. For more information on CentreCourt, visit www.centrecourt.com.



Certain statements in this Press Release are “forward-looking statements” that reflect SmartREIT's expectations regarding future growth and business prospects. More specifically, certain statements in this Press Release including statements related to the development of the VMC and statements that contain words such as “expect”, “will”, and similar expressions and statements relating to matters that are not historical facts and constitute “forward-looking statements”. Such forward looking statements reflect SmartREIT's current beliefs and are based on information currently available to SmartREIT. However, such forward-looking statements involve risks and uncertainties and a number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Press Release are based on what SmartREIT believes to be reasonable assumptions, SmartREIT cannot assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. These forward-looking statements are made as at the date of this Press Release and SmartREIT assumes no obligation to update or revise them to reflect new events or circumstances unless otherwise required by applicable securities legislation.

For more information, please contact:

Huw Thomas
Chief Executive Officer
Smart Real Estate Investment Trust
(905) 326-6400 ext. 7649
hthomas@smartreit.com

Peter Sweeney
Chief Financial Officer
Smart Real Estate Investment Trust
(905) 326-6400 ext. 7865
psweeney@smartreit.com

Mitchell Goldhar
Chairman of the Board
Smart Real Estate Investment Trust
(905) 760-6200 ext. 7674
mgoldhar@smartcentres.com