



SMARTREIT®

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

SmartREIT Announces a Partnership to Build Self-Storage Facilities

Toronto, Ontario (February 15, 2017) – Smart Real Estate Investment Trust (“SmartREIT”) (TSX: SRU.UN) announced today that it has entered into a Letter of Intent to form a 50/50 joint venture partnership with SmartStop Asset Management, LLC (“SmartStop”), a leading North American developer and operator of self-storage facilities, to build and co-own rental self-storage facilities in Canada. Typical facilities range in size from 75,000 to 125,000 square feet and include a mix of rental units in various sizes. This strategic partnership will provide SmartREIT with the opportunity to further intensify its portfolio and generate additional funds from operations. There will also be opportunities to include leasable retail in certain locations. Two locations in the Greater Toronto Area have been confirmed and plans for multiple other locations are expected to be announced in the coming months.

“We view today’s 3rd generation, multi-storey self-storage facilities as being a complementary use within and around our centres, requiring minimal land and parking, resulting in efficient rental income value creation,” said Huw Thomas, Chief Executive Officer of SmartREIT. “This strategic alliance is a logical step as we continue to intensify our shopping centres and unlock value in under-utilized parcels of land within our portfolio. We are very pleased to partner with SmartStop, a leader in the self-storage industry with a proven expertise and track record to expand the business in partnership across Canada.”

“We are excited to partner with one of the largest Canadian REITs and utilize SmartREIT’s prime retail properties for additional SmartStop® Self Storage locations,” said H. Michael Schwartz, Founder and Chief Executive Officer of SmartStop. “This joint venture gives SmartStop the opportunity to expand its existing 12-property portfolio in the Greater Toronto Area to other major metropolitan areas across Canada. By leveraging SmartStop’s existing online marketing expertise, institutional management, and revenue optimization systems, the partnership will provide growth for both SmartREIT and SmartStop.”

About SmartREIT

SmartREIT is one of Canada's largest real estate investment trusts with total assets in excess of \$8.7 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 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 on SmartREIT, visit www.smartreit.com.

About SmartStop Asset Management, LLC (SmartStop)

SmartStop is a diversified real estate company focused on self storage assets, along with student and senior housing. The company has a managed portfolio that currently includes more than 65,000 self storage units and approximately 7.5 million rentable square feet and approximately \$1 billion of real estate assets under management. The company is the asset manager for 103 self storage facilities located throughout the United States and Toronto, Canada and one student housing facility.

SmartStop is the sponsor of both Strategic Storage Trust II, Inc. and SSGT, both public non-traded REITs focusing on self storage assets. The facilities offer affordable and accessible storage units for residential and commercial customers. In addition, they offer secure interior and exterior storage units as well as outside storage areas for vehicles, RVs and boats. Additional information is available at www.smartstopassetmanagement.com and more information about SmartStop® Self Storage in Canada at smartstop.ca.

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 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