



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 Third Tower Substantially Sold Out

Toronto, Ontario (July 26, 2017) – Smart Real Estate Investment Trust (TSX:SRU.UN) and Mitchell Goldhar are pleased to announce that, as a result of the selling out of the first and second towers at Transit City Condos (and the additional demand for units), a third tower was offered for sale, which tower is now substantially sold out. The guidance on the profitability on the sale of the units in this tower is revised to be an estimated return of 20% - 25% on cost from the previously disclosed 15% - 20%.

These are the inaugural residential buildings at SmartCentres Place. The new towers are 55 storeys each with a total of 1,716 residential units, steps away from the subway station which opens in December 2017. 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.

“We are pleased with the positive response to Transit City Condos, the first residential buildings at SmartCentres Place, in the heart of the new city centre in Vaughan. Steps from mass transit including the new subway, open green spaces such as our 9 acre park, proximity to York University and the BUCA Lounge are some of the reasons 2,500 people will call Transit City Condos home,” said Mitchell Goldhar, Chairman of the Board of SmartREIT.

Construction of the third tower is expected to begin in early 2018, more than a year ahead of the previous schedule, while construction of the first two towers will begin later this year. Construction is already underway on the 220,000 square foot PwC-YMCA Tower, 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 SmartCentres Place

SmartCentres Place is a 100-acre, 17 million square foot master planned city centre development, to be connected to downtown Toronto by subway, as part of the Vaughan Metropolitan Centre (“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 contains the completed KPMG Tower and the 220,000 square foot PWC – YMCA Tower presently under construction, 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.

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 Premium Outlets locations in Toronto and Montreal 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. SmartREIT is now 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 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 12 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.



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