Real Estate Potential. Realized.

MORGUARD REAL ESTATE INVESTMENT TRUST

JUNE 30, 2021

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

TABLE OF CONTENTS

BALANCE SHEETS

In thousands of Canadian dollars

As at	Note	June 30, 2021	December 31, 2020
ASSETS			
Non-current assets			
Real estate properties	3	**$2,472,129**	$2,499,955
Right-of-use asset	4	**200**	242
Equity-accounted investment	5	**20,646**	20,496
		2,492,975	2,520,693
Current assets			
Amounts receivable	6	**15,861**	27,756
Prepaid expenses and other		**10,632**	637
Cash		**9,165**	8,647
		35,658	37,040
Total assets		**$2,528,633**	$2,557,733
LIABILITIES AND UNITHOLDERS' EQUITY			
Non-current liabilities			
Mortgages payable	8	**$979,884**	$918,256
Lease liabilities	10	**10,784**	10,862
Accounts payable and accrued liabilities		**5,062**	5,230
		995,730	934,348
Current liabilities			
Mortgages payable	8	**120,678**	204,464
Convertible debentures	9	**173,909**	172,805
Lease liabilities	10	**137**	131
Accounts payable and accrued liabilities		**44,488**	40,910
Morguard loan payable	15(b)	**18,000**	18,000
Bank indebtedness	11	**27,924**	29,417
		385,136	465,727
Total liabilities		**1,380,866**	1,400,075
Unitholders' equity		**1,147,767**	1,157,658
		$2,528,633	$2,557,733
Commitments and contingencies	18		

See accompanying notes to the condensed consolidated financial statements.

On behalf of the Trustees:

(Signed) "K. Rai Sahi"

K. Rai Sahi,
Chairman of the Board of Trustees

(Signed) "Bart S. Munn"

Bart S. Munn,
Trustee

STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

In thousands of Canadian dollars, except per unit amounts

		Three months ended		Six months ended	
	Note	**June 30, 2021**	June 30, 2020	**June 30, 2021**	June 30, 2020
Revenue from real estate properties	12	**$58,475**	$59,300	**$119,445**	$125,673
Property operating costs					
Property operating expenses	13(a)	**(15,008)**	(18,626)	**(30,115)**	(35,377)
Property taxes		**(12,357)**	(11,613)	**(25,106)**	(24,164)
Property management fees		**(2,135)**	(1,861)	**(4,191)**	(4,104)
		28,975	27,200	**60,033**	62,028
Interest expense	14	**(13,379)**	(14,015)	**(26,651)**	(28,587)
General and administrative	13(b)	**(1,052)**	(850)	**(1,967)**	(1,930)
Amortization expense		**(21)**	(21)	**(42)**	(41)
Other income		**—**	—	**1,983**	—
Fair value losses on real estate properties	3	**(20,837)**	(111,430)	**(35,286)**	(232,547)
Net income/(loss) from equity-accounted investment	5	**469**	302	**935**	(292)
Net loss and comprehensive loss		**($5,845)**	($98,814)	**($995)**	($201,369)
NET LOSS PER UNIT	16(d)				
Basic		**($0.09)**	($1.60)	**($0.02)**	($3.29)
Diluted		**($0.09)**	($1.60)	**($0.02)**	($3.29)

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF UNITHOLDERS' EQUITY

In thousands of Canadian dollars, except number of units

	Number of Units	Issue of Units	Retained Earnings	Equity Component of Convertible Debentures	Contributed Surplus	Total Unitholders' Equity
Unitholders' equity, January 1, 2020	60,735,539	$612,680	$918,330	$4,594	$1,864	$1,537,468
Net income	—	—	(201,369)	—	—	(201,369)
Distributions to unitholders	—	—	(17,057)	—	—	(17,057)
Issue of units – DRIP [1]	1,412,524	7,404	(7,404)	—	—	—
Unitholders' equity, June 30, 2020	62,148,063	620,084	692,500	4,594	1,864	1,319,042
Repurchase of units	(197,300)	(1,944)	991	—	—	(953)
Net loss	—	—	(156,050)	—	—	(156,050)
Distributions to unitholders	—	—	(4,381)	—	—	(4,381)
Issue of units – DRIP [1]	2,174,452	10,770	(10,770)	—	—	—
Unitholders' equity, December 31, 2020	64,125,215	628,910	522,290	4,594	1,864	1,157,658
Net loss	**—**	**—**	**(995)**	**—**	**—**	**(995)**
Distributions to unitholders	**—**	**—**	**(8,896)**	**—**	**—**	**(8,896)**
Issue of units – DRIP [1]	**15,340**	**85**	**(85)**	**—**	**—**	**—**
Unitholders' equity, June 30, 2021	**64,140,555**	**$628,995**	**$512,314**	**$4,594**	**$1,864**	**$1,147,767**

1. Distribution Reinvestment Plan ("DRIP").

See accompanying notes to the condensed consolidated financial statements.

STATEMENTS OF CASH FLOWS

In thousands of Canadian dollars

		Three months ended		Six months ended	
		June 30,	June 30,	**June 30,**	June 30,
	Note	**2021**	2020	**2021**	2020
OPERATING ACTIVITIES					
Net loss		**($5,845)**	($98,814)	**($995)**	($201,369)
Add items not affecting cash	17(a)	**21,616**	111,986	**35,804**	234,648
Distributions from equity-accounted investment, net	5	**30**	218	**785**	673
Additions to tenant incentives and leasing commissions		**(735)**	(617)	**(1,415)**	(1,307)
Net change in non-cash operating assets and liabilities	17(b)	**3,327**	(19,367)	**4,025**	(18,421)
Cash provided by/(used in) operating activities		**18,393**	(6,594)	**38,204**	14,224
FINANCING ACTIVITIES					
Proceeds from new mortgages		**101,352**	—	**101,352**	—
Financing costs on new mortgages		**(410)**	280	**(410)**	280
Repayment of mortgages					
Repayments on maturity		**(105,098)**	—	**(105,098)**	—
Principal instalment repayments		**(9,084)**	(9,326)	**(18,390)**	(18,560)
Payment of lease liabilities, net		**(40)**	(30)	**(72)**	(60)
Proceeds from/(repayment of) bank indebtedness, net	11	**1,322**	11,407	**(1,493)**	19,881
Proceeds from Morguard loan payable, net	15(b)	**—**	15,500	**—**	18,500
Distributions to unitholders		**(3,806)**	(4,927)	**(7,611)**	(14,557)
Cash (used in)/provided by financing activities		**(15,764)**	12,904	**(31,722)**	5,484
INVESTING ACTIVITIES					
Capital expenditures on real estate properties		**(1,706)**	(1,422)	**(3,096)**	(4,609)
Expenditures on properties under development		**(604)**	(5,794)	**(2,473)**	(14,625)
Acquisition of real estate properties		**(395)**	—	**(395)**	—
Cash used in investing activities		**(2,705)**	(7,216)	**(5,964)**	(19,234)
Net change in cash		**(76)**	(906)	**518**	474
Cash, beginning of period		**9,241**	7,163	**8,647**	5,783
Cash, end of period		**$9,165**	$6,257	**$9,165**	$6,257

See accompanying notes to the condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months and six months ended June 30, 2021 and 2020

In thousands of Canadian dollars, except units, per unit amounts and where otherwise noted

NOTE 1

NATURE AND FORMATION OF THE TRUST

Morguard Real Estate Investment Trust (the "Trust") is a "closed-end" real estate investment trust governed pursuant to an amended and restated declaration of trust dated May 5, 2021 ("the Declaration of Trust"), under, and governed by, the laws of the Province of Ontario. The Trust commenced active operations on October 14, 1997. The Trust units trade on the Toronto Stock Exchange ("TSX") under the symbol "MRT.UN". The Trust owns a diverse portfolio of retail, office and industrial properties located in six Canadian provinces. The Trust's head office is located at 55 City Centre Drive, Suite 1000, Mississauga, Ontario, L5B 1M3.

The Trust has a property management agreement with Morguard Investments Limited ("MIL"), a subsidiary of Morguard Corporation ("Morguard"). Morguard is the parent company of the Trust, owning 60.9% of the outstanding units as at June 30, 2021. Morguard is a real estate company that owns a diversified portfolio of multi-suite residential, retail, hotel, office and industrial properties. Morguard also provides advisory and management services to institutional and other investors.

NOTE 2

STATEMENT OF COMPLIANCE AND SIGNIFICANT ACCOUNTING POLICIES

These condensed consolidated financial statements have been prepared in accordance with International Accounting Standards 34, "Interim Financial Reporting", as issued by the International Accounting Standards Board, and thus do not contain all of the disclosures applicable to the annual audited consolidated financial statements.

These condensed consolidated financial statements use the same accounting policies and methods of their application as the most recent annual consolidated financial statements and should be read in conjunction with the most recent annual audited consolidated financial statements.

The condensed consolidated financial statements were approved and authorized for issue by the Trustees on July 28, 2021.

The Trust has incorporated the potential impact of the coronavirus ("COVID-19") into its significant estimates and assumptions that affect the reported amounts of its assets, liabilities, net loss and related disclosures using available information as at June 30, 2021.

At this time, the duration and impact of the outbreak of COVID-19 is unknown. Any estimate of the length and severity of these measures are therefore subject to significant uncertainty, and accordingly, estimates of the extent to which the COVID-19 pandemic may, directly or indirectly, materially and adversely affect the Trust's operations, financial results and condition in future periods are also subject to significant uncertainty.

The Trust has had to make assumptions with respect to the length and severity of these restrictions and closures as well as the recovery period in estimating the impact and timing of future cash flows generated from real estate properties and used in the discounted cash flow model to determine fair value.

In a long-term scenario, the significant assumptions used in the assessment of fair value, including estimates of future operating cash flows, the time period over which they will occur, appropriate discount and capitalization rates and stabilized net operating income (which is primarily influenced by revenue growth, vacancy rates, inflation rates and operating costs), could potentially be impacted, which ultimately impact the underlying valuation of the Trust's real estate properties and equity-accounted investment.

NOTE 3
REAL ESTATE PROPERTIES

Real estate properties consist of the following:

As at	June 30, 2021	December 31, 2020
Income producing properties	**$2,421,317**	$2,433,856
Properties under development	**12,012**	29,299
Held for development	**38,800**	36,800
	$2,472,129	$2,499,955

Reconciliations of the carrying amounts for real estate properties at the beginning and end of the current financial period are set out below:

	Income Producing Properties	Properties Under Development	Held for Development	Total Real Estate Properties
Balance as at December 31, 2019	$2,834,394	$18,909	$38,800	$2,892,103
Additions:				
Capital expenditures/capitalized costs	6,649	22,166	—	28,815
Tenant improvements, tenant incentives and commissions	6,491	—	—	6,491
Transfers	11,776	(11,776)	—	—
Disposition	(1,608)	—	(5,192)	(6,800)
Fair value (losses)/gains	(422,958)	—	3,192	(419,766)
Other changes	(888)	—	—	(888)
Balance as at December 31, 2020	**2,433,856**	**29,299**	**36,800**	**2,499,955**
Additions:				
Acquisitions	395	—	—	395
Capital expenditures/capitalized costs	1,684	2,473	—	4,157
Tenant improvements, tenant incentives and commissions	2,827	—	—	2,827
Transfers	19,760	(19,760)	—	—
Fair value (losses)/gains	(37,286)	—	2,000	(35,286)
Other changes	81	—	—	81
Balance as at June 30, 2021	**$2,421,317**	**$12,012**	**$38,800**	**$2,472,129**

APPRAISAL CAPITALIZATION AND DISCOUNT RATES

Morguard's subsidiary has a valuation team that consists of Appraisal Institute of Canada ("AIC") designated Accredited Appraiser Canadian Institute ("AACI") members who are qualified to offer valuation and consulting services and expertise for all types of real property, all of whom are knowledgeable and have recent experience in the fair value techniques for investment properties. AACI designated members must adhere to AIC's Canadian Uniform Standards of Professional Appraisal Practice and undertake ongoing professional development. Morguard's appraisal division is responsible for determining the fair value of investment properties every quarter. The team reports to a senior executive, and the internal valuation team's valuation processes and results are reviewed by senior management at least once every quarter, in line with the Trust's quarterly reporting dates.

Generally, the Trust's real estate properties are appraised using a number of approaches that typically include a discounted cash flow analysis, a direct capitalization approach and a direct comparison approach. The primary method of valuation used by the Trust is discounted cash flow analysis. This approach involves determining the fair value of each income producing property based on, among other things, rental income from current leases and assumptions about rental income from future leases reflecting market conditions at the applicable balance sheet dates, less future cash outflows pertaining to the respective leases. Fair values are primarily determined by discounting the expected future cash flows, generally over a term of 10 years and including a terminal value based on the application of a capitalization rate to estimated year 11 net operating income.

Using the direct capitalization income approach to corroborate the discounted cash flow method, the properties were valued using capitalization rates in the range of 4.3% to 7.8% applied to a stabilized net operating income (December 31, 2020 – 4.3% to 8.5%), resulting in an overall weighted average capitalization rate of 6.70% (December 31, 2020 – 6.60%).

The stabilized capitalization rates by business segments are set out in the following table:

	June 30, 2021					December 31, 2020				
	Stabilized Occupancy		Capitalization Rates			Stabilized Occupancy		Capitalization Rates		
	Max.	Min.	Max.	Min.	Weighted Average	Max.	Min.	Max.	Min.	Weighted Average
Retail	**97.0%**	**90.0%**	**7.3%**	**5.3%**	**7.0%**	97.0%	90.0%	7.3%	5.3%	6.8%
Office	**100.0%**	**90.0%**	**7.8%**	**4.3%**	**6.4%**	100.0%	90.0%	8.5%	4.3%	6.5%
Industrial	**100.0%**	**95.0%**	**5.3%**	**5.0%**	**5.1%**	100.0%	95.0%	5.5%	5.3%	5.5%

The table below provides further details of the discount rates and terminal cap rates used in the discounted cash flow method by business segments:

	June 30, 2021			December 31, 2020		
	Maximum	Minimum	Weighted Average	Maximum	Minimum	Weighted Average
RETAIL						
Discount rate	**8.3 %**	**6.0 %**	**7.3 %**	8.3 %	6.0 %	7.3 %
Terminal cap rate	**7.3 %**	**5.3 %**	**6.4 %**	7.3 %	5.3 %	6.4 %
OFFICE						
Discount rate	**8.0 %**	**5.3 %**	**6.3 %**	8.0 %	5.3 %	6.4 %
Terminal cap rate	**7.5 %**	**4.3 %**	**5.4 %**	7.5 %	4.3 %	5.5 %
INDUSTRIAL						
Discount rate	**6.3 %**	**5.8 %**	**6.0 %**	6.5 %	6.0 %	6.2 %
Terminal cap rate	**5.5 %**	**5.3 %**	**5.3 %**	5.8 %	5.5 %	5.5 %

Excluded from the above analysis is a retail property located in British Columbia where the highest and best use is a redevelopment to mixed residential and commercial use. As at June 30, 2021, the value of the property is in the underlying land value with minimal holding income, and it has been valued using recent land sales with comparable redevelopment potential.

Fair values are most sensitive to changes in discount rates, capitalization rates and stabilized or forecast net operating income. Generally, an increase in net operating income will result in an increase in the fair value of the income producing properties, and an increase in capitalization rates will result in a decrease in the fair value of the properties. The capitalization rate magnifies the effect of a change in net operating income, with a lower capitalization rate resulting in a greater impact to the fair value of the property than a higher capitalization rate. If the weighted average stabilized capitalization rate were to increase or decrease by 25 basis points, the value of the income producing properties as at June 30, 2021, would decrease by $82,624 or increase by $89,124, respectively.

The sensitivity of the fair values of the Trust's income producing properties is set out in the table below:

For the six months ended June 30, 2021		
Change in capitalization rate	**0.25%**	**(0.25%)**
Retail	**($40,663)**	**$43,678**
Office	**(39,780)**	**43,041**
Industrial	**(2,181)**	**2,405**
	($82,624)	**$89,124**

Acquisitions
On June 30, 2021, the Trust acquired a 20% interest in a component of an existing multi-tenant office property owned by the Trust, located at 10050 Jasper Avenue, in Alberta, for a purchase price of $380 plus transaction costs of $15.

NOTE 4
RIGHT-OF-USE ASSET

The following table presents the change in the balance of the Trust's right-of-use (head office lease) asset:

As at	**June 30, 2021**	December 31, 2020
Balance, beginning of period	**$242**	$324
Amortization expense	**(42)**	(82)
Balance, end of period	**$200**	$242

NOTE 5
EQUITY-ACCOUNTED INVESTMENT

On December 22, 2011, the Trust and a major Canadian pension fund each acquired a 50% interest in a limited partnership that owns and operates a 304,000 square foot Class A office complex located in downtown Edmonton, Alberta, in which the Trust has a total original net investment of $28,008. The Trust has joint control over the limited partnership and accounts for its investment using the equity method.

As at	**June 30, 2021**	December 31, 2020
Balance, beginning of period	**$20,496**	$23,705
Equity income/(loss)	**935**	(1,386)
Distributions to partners	**(785)**	(2,480)
Contributions from partners	**—**	657
Balance, end of period	**$20,646**	$20,496

The following details the Trust's share of the limited partnership's aggregated assets, liabilities and results of operations accounted for under the equity method:

As at	**June 30, 2021**	December 31, 2020
Real estate property	**$44,500**	$44,500
Current assets	**1,555**	576
Total assets	**46,055**	45,076
Non-current liabilities	**(4)**	—
Current liabilities	**(25,405)**	(24,580)
Net equity	**$20,646**	$20,496

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Revenue from real estate property	**$1,276**	$1,570	**$2,543**	$3,198
Property operating expenses	**(509)**	(483)	**(1,029)**	(1,060)
Net operating income	**767**	1,087	**1,514**	2,138
Interest and other	**(228)**	(240)	**(464)**	(479)
Fair value losses on real estate property	**(70)**	(545)	**(115)**	(1,951)
Net income/(loss)	**$469**	$302	**$935**	($292)

The real estate property included above in the Trust's equity-accounted investment is appraised using a number of approaches that typically include a discounted cash flow analysis, a direct capitalization approach and a direct comparison approach. As at June 30, 2021, the property was valued using a discount rate of 7.3% (December 31, 2020 – 7.3%), a terminal cap rate of 6.5% (December 31, 2020 – 6.5%) and a stabilized cap rate of 6.3% (December 31, 2020 – 6.5%). The stabilized annual net operating income as at June 30, 2021, was $3,223 (December 31, 2020 – $2,927).

NOTE 6

AMOUNTS RECEIVABLE

Amounts receivable consist of the following:

As at	**June 30, 2021**	December 31, 2020
Tenant receivables (including deferrals)	**$16,045**	$22,147
Unbilled other tenant receivables	**1,426**	2,991
Receivables from related parties	**281**	2,498
Other	**5,847**	8,939
Allowance for expected credit loss	**(7,738)**	(8,819)
	$15,861	$27,756

Allowance for expected credit loss ("ECL")

The Trust records the ECL to comply with IFRS 9’s simplified approach for amounts receivable where its ECL allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL.

The Trust's expected credit loss as of June 30, 2021, includes estimates of the uncertainty of the recoverability of rents related to tenants, of the uncertainty of the recoverability on short-term rent deferrals, of rent reductions provided to tenants related to rents already recognized as a receivable when the tenant made a request for financial assistance and of the uncertainty of the recoverability of all other receivables.

NOTE 7

CO-OWNERSHIP INTERESTS

The Trust is a co-owner in several properties, listed below, which are subject to joint control based on the Trust's decision-making authority with regard to the relevant activities of the properties. These co-ownerships have been classified as joint operations and, accordingly, the Trust recognizes its rights to and obligations for the assets, liabilities, revenue and expenses of these co-ownerships in the respective lines in the condensed consolidated financial statements.

			Trust's Ownership Share	
Jointly Controlled Operations	**Location**	**Property Type**	**2021**	2020
505 Third Street	Calgary, AB	Office	**50%**	50%
Scotia Place	Edmonton, AB	Office	**20%**	20%
Prairie Mall	Grande Prairie, AB	Retail	**50%**	50%
Heritage Place	Ottawa, ON	Office	**50%**	50%
Standard Life Centre	Ottawa, ON	Office	**50%**	50%
77 Bloor	Toronto, ON	Office	**50%**	50%
Woodbridge Square	Woodbridge, ON	Retail	**50%**	50%
Place Innovation	Saint-Laurent, QC	Office	**50%**	50%

The following amounts, included in these condensed consolidated financial statements, represent the Trust's proportionate share of the assets and liabilities of its co-ownerships as at June 30, 2021 and December 31, 2020, and the results of operations for the three and six months ended June 30, 2021 and 2020:

As at	**June 30, 2021**	December 31, 2020
Assets	**$469,659**	$475,679
Liabilities	**$232,471**	$233,725

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Revenue	**$11,905**	$11,929	**$23,266**	$24,696
Expenses	**(7,577)**	(8,226)	**(14,600)**	(16,216)
Income before fair value adjustments	**4,328**	3,703	**8,666**	8,480
Fair value losses on real estate properties	**(4,274)**	(15,150)	**(7,684)**	(25,876)
Net income/(loss)	**$54**	($11,447)	**$982**	($17,396)

NOTE 8

MORTGAGES PAYABLE

Mortgages payable consist of the following:

As at	June 30, 2021	December 31, 2020
Mortgages payable before deferred financing costs	**$1,103,201**	$1,125,337
Deferred financing costs	**(2,639)**	(2,617)
Mortgages payable	**$1,100,562**	$1,122,720
Mortgages payable – non-current	**$979,884**	$918,256
Mortgages payable – current	**120,678**	204,464
Mortgages payable	**$1,100,562**	$1,122,720
Range of interest rates	**2.6% to 4.9%**	2.7% to 5.5%
Weighted average term to maturity (years)	**3.5**	3.7

The aggregate principal repayments and balances maturing on the mortgages payable as at June 30, 2021, together with the weighted average contractual rate on debt maturing in the year indicated, are as follows:

	Principal Instalment Repayments	Balances Maturing	Total	Weighted Average Contractual Rate on Balance Maturing
2021 (remainder of year)	$18,018	$64,173	$82,191	4.3 %
2022	33,466	171,560	205,026	3.8 %
2023	23,493	273,292	296,785	3.5 %
2024	15,327	184,224	199,551	4.0 %
2025	12,181	115,653	127,834	3.2 %
Thereafter	38,998	152,816	191,814	3.6 %
	$141,483	**$961,718**	**$1,103,201**	**3.7 %**

Substantially all of the Trust's rental properties and related rental revenue have been pledged as collateral for the mortgages payable.

NOTE 9

CONVERTIBLE DEBENTURES

Debentures

On December 30, 2016, the Trust issued a $175,000 principal amount of 4.50% convertible unsecured subordinated debentures ("Convertible Debentures") maturing on December 31, 2021 (the "Maturity Date"). As at June 30, 2021, Morguard held a total of $60,000 principal amount of the Convertible Debentures (December 31, 2020 – $60,000).

Interest is payable semi-annually, not in advance, on June 30 and December 31 of each year.

The Convertible Debentures, with the exception of the value assigned to the holders' conversion option, have been recorded as debt on the balance sheets. The following table summarizes the allocation of the principal amount and related issue costs of the Convertible Debentures at the date of original issue. The portion of issue costs attributable to the liability of $4,991 was capitalized and will be amortized over the term to maturity, while the remaining amount of $139 was charged to equity.

	Liability	Equity	Principal Amount Issued
Transaction date – December 30, 2016	$170,267	$4,733	$175,000
Issue costs	(4,991)	(139)	(5,130)
	$165,276	**$4,594**	**$169,870**

Each Convertible Debenture is convertible into freely tradable units of the Trust at the option of the holder, exercisable at any time prior to the close of business on the last business day preceding the Maturity Date at a conversion price of $20.40 per unit, being a rate of approximately 49.0196 units per thousand principal amount of Convertible Debentures, subject to adjustment.

The Convertible Debentures payable consist of the following:

As at	June 30, 2021	December 31, 2020
Convertible debentures – liability	**$170,267**	$170,267
Convertible debentures – accretion	**4,202**	3,665
Convertible debentures before issue costs	**174,469**	173,932
Issue costs	**(560)**	(1,127)
Convertible debentures	**$173,909**	$172,805

Remaining interest and principal payments on the Convertible Debentures are as follows:

	Interest	Principal	Total
2021	3,938	175,000	178,938

Redemption Rights
From January 1, 2021, to the close of business on December 31, 2021, the Convertible Debentures are redeemable, in whole or in part, at par plus accrued and unpaid interest at the Trust's sole option.

Payment Upon Redemption or Maturity
As a part of the above redemption options, or at maturity, the Trust may satisfy its obligation to repay the principal amounts of the Convertible Debentures, in whole or in part, by delivering units of the Trust. In the event that the Trust elects to satisfy its obligation to repay principal with units of the Trust, the number of units issued is obtained by dividing the principal amount of the Convertible Debentures by 95% of the weighted average trading price of the units on the TSX for the 20 consecutive trading days ending five trading days prior to the date fixed for redemption or the Maturity Date, as applicable.

Interest Payment Election
The Trust may elect, subject to applicable regulatory approval, to issue and deliver units of the Trust to the Debenture Trustee in order to raise funds to pay interest on the Convertible Debentures, in which event the holders of the Convertible Debentures will be entitled to receive a cash payment equal to the interest payable from the proceeds of the sale of such units.

NOTE 10
LEASE LIABILITIES

The following table presents the change in the balance of the Trust's lease liabilities:

As at	June 30, 2021	December 31, 2020
Balance, beginning of period	**$10,993**	$11,116
Lease payments	**(516)**	(812)
Interest	**444**	689
Balance, end of period	**$10,921**	$10,993
Current	**$137**	$131
Non-current	**10,784**	10,862
	$10,921	$10,993
Weighted average borrowing rate	**6.2 %**	6.2 %

NOTE 11
BANK INDEBTEDNESS

The Trust has operating lines of credit totalling $110,000 (December 31, 2020 – $110,000), which renew annually and are secured by fixed charges on specific properties owned by the Trust. One of these lines is subject to cash flow tests based on the operating results of the secured properties. As at June 30, 2021, there is a maximum of $100,000 available.

As at June 30, 2021, the Trust had borrowed $27,924 (December 31, 2020 – $29,417) on its credit facilities and issued letters of credit in the amount of $1,219 (December 31, 2020 – $1,219) related to these facilities.

The bank credit agreements include certain restrictive covenants and undertakings by the Trust. As at June 30, 2021, and December 31, 2020, the Trust was in compliance with all covenants and undertakings. As the bank indebtedness is current and at prevailing market rates, the carrying value of the debt as at June 30, 2021, approximates fair value.

NOTE 12

REVENUE FROM REAL ESTATE PROPERTIES

Revenue from real estate properties consists of the following:

For the three months ended June 30, 2021	Retail	Office	Industrial	Total
Rental revenue	**$20,809**	**$15,766**	**$524**	**$37,099**
CAM recoveries	**4,094**	**6,083**	**207**	**10,384**
Property tax and insurance recoveries	**4,902**	**3,779**	**134**	**8,815**
Other revenue and lease cancellation fees	**1,000**	**732**	**5**	**1,737**
Parking revenue	**(6)**	**914**	**—**	**908**
Amortized rents	**65**	**(543)**	**10**	**(468)**
	$30,864	**$26,731**	**$880**	**$58,475**

For the three months ended June 30, 2020	Retail	Office	Industrial	Total
Rental revenue	$22,183	$15,854	$526	$38,563
CAM recoveries	3,693	5,761	213	9,667
Property tax and insurance recoveries	5,767	3,541	166	9,474
Other revenue and lease cancellation fees	495	217	—	712
Parking revenue	2	1,078	—	1,080
Amortized rents	22	(210)	(8)	(196)
	$32,162	$26,241	$897	$59,300

For the six months ended June 30, 2021	Retail	Office	Industrial	Total
Rental revenue	**$42,750**	**$30,795**	**$1,038**	**$74,583**
CAM recoveries	**7,185**	**11,832**	**421**	**19,438**
Property tax and insurance recoveries	**10,217**	**7,783**	**288**	**18,288**
Other revenue and lease cancellation fees	**4,165**	**1,023**	**5**	**5,193**
Parking revenue	**—**	**1,862**	**—**	**1,862**
Amortized rents	**100**	**(38)**	**19**	**81**
	$64,417	**$53,257**	**$1,771**	**$119,445**

For the six months ended June 30, 2020	Retail	Office	Industrial	Total
Rental revenue	$45,305	$32,073	$1,061	$78,439
CAM recoveries	9,679	13,241	416	23,336
Property tax and insurance recoveries	12,122	7,786	248	20,156
Other revenue and lease cancellation fees	1,388	410	—	1,798
Parking revenue	2	2,367	—	2,369
Amortized rents	27	(438)	(14)	(425)
	$68,523	$55,439	$1,711	$125,673

CAM recoveries and other revenue and lease cancellation fees noted in the above table are considered to be a component of revenue from contracts with customers.

NOTE 13
EXPENSES
(a) Property Operating Expenses
Property operating expenses consist of the following:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Repairs and maintenance	**$6,380**	$4,597	**$12,398**	$12,156
Utilities	**3,343**	3,275	**7,304**	7,336
Bad debt (recovery)/expense	**(204)**	5,535	**105**	5,821
Other operating expenses	**5,489**	5,219	**10,308**	10,064
	$15,008	$18,626	**$30,115**	$35,377

(b) General and Administrative
General and administrative expenses consist of the following:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Trustees' fees and expenses	**$72**	$62	**$143**	$140
Professional and compliance fees	**329**	317	**648**	729
Payroll and other administrative expenses	**651**	471	**1,176**	1,061
	$1,052	$850	**$1,967**	$1,930

NOTE 14
INTEREST EXPENSE
The components of interest expense are as follows:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Mortgages payable	**$10,162**	$10,617	**$20,485**	$21,335
Amortization of deferred financing costs – mortgages	**204**	116	**388**	299
Convertible debentures	**1,963**	1,963	**3,905**	3,905
Accretion on convertible debentures, net	**270**	255	**537**	508
Amortization of deferred financing costs – convertible debentures	**285**	270	**567**	536
Lease liabilities	**273**	173	**444**	346
Bank indebtedness	**163**	372	**314**	1,125
Morguard loan payable and other	**114**	411	**224**	858
Capitalized interest	**(55)**	(162)	**(213)**	(325)
	$13,379	$14,015	**$26,651**	$28,587

NOTE 15
RELATED PARTY TRANSACTIONS

Related party transactions are summarized as follows:

(a) Agreement with Morguard Investments Limited

Under the property management agreement, the Trust pays MIL fees for property management services, capital expenditure administration, information system support activities and risk management administration. Property management fees average approximately 3.3% of gross revenue from the income producing properties owned by the Trust. The management agreement is renewed annually to ensure fees paid reflect fair value for the services provided. Under the leasing services arrangement, the Trust may, at its option, use MIL for leasing services. Leasing fees range from 2% to 6% of the total minimum rent of new leases. Fees for the renewal of a lease are half of the fees for a new lease. Leasing services include lease documentation.

The Trust has employed the services of MIL for both the acquisition and disposition of properties on a case-by-case basis. Fees are generally based on the sale price of the properties and are capitalized in the case of an asset acquisition. MIL is a tenant at three of the Trust's properties. The Trust has employed the services of MIL for the appraisal of its real estate properties as required for IFRS reporting purposes. Fees are generally based on the size and complexity of each property and are expensed as part of the Trust's professional and compliance fees.

During the year, the Trust incurred/(earned) the following:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Property management fees [1]	**$2,153**	$1,889	**$4,230**	$4,158
Acquisition fees	**4**	—	**4**	—
Appraisal/valuation fees	**87**	88	**175**	177
Information services	**55**	55	**110**	110
Leasing fees	**608**	260	**1,316**	824
Project administration fees	**72**	55	**124**	135
Project management fees	**—**	101	**18**	173
Risk management fees	**8**	94	**97**	187
Internal audit fees	**32**	36	**63**	72
Off-site administrative charges	**471**	464	**942**	925
Rental revenue	**(49)**	(51)	**(98)**	(102)
	$3,441	$2,991	**$6,981**	$6,659

1. Includes property management fees on equity-accounted investment.

The following amounts relating to MIL are included in the balance sheets:

As at	**June 30, 2021**	December 31, 2020
Amounts payable to/(receivable from) MIL, net	**$789**	($1,294)

(b) Revolving Loan with Morguard

The Trust has a revolving loan agreement with Morguard that provides for borrowings or advances of up to $75,000 (December 31, 2020 – $75,000), which is interest bearing at the lender's borrowing rate and due on demand subject to available funds.

Morguard Loan Payable

During the six months ended June 30, 2021, there were no advances or repayments, and as at June 30, 2021, $18,000 remains payable to Morguard (December 31, 2020 – $18,000). For the three months ended June 30, 2021, the Trust incurred interest expense in the amount of $114 (2020 – $369) at an average interest rate of 2.54% (2020 – 3.80%). For the six months ended June 30, 2021, the Trust incurred interest expense in the amount of $224 (2020 – $778) at an average interest rate of 2.51% (2020 – 4.14%).

Morguard Loan Receivable

During the six months ended June 30, 2021, there were no advances or repayments, and as at June 30, 2021, there was no loan receivable from Morguard (December 31, 2020 – $nil). For the three and six months ended June 30, 2021, and 2020, the Trust did not earn interest income on loans receivable from Morguard. The interest income earned from Morguard is included with other income on the statements of loss and comprehensive loss.

(c) Sublease with Morguard (Excluding MIL)

The Trust subleases office space from Morguard. For the three months ended June 30, 2021, the Trust incurred rent expense in the amount of $57 (2020 – $60). For the six months ended June 30, 2021, the Trust incurred rent expense in the amount of $113 (2020 – $116).

(d) Amounts Receivable from and Accounts Payable to Morguard (Excluding MIL)

Other than the revolving loan, the following additional amounts relating to Morguard are included in the balance sheets:

As at	June 30, 2021	December 31, 2020
Amounts receivable	**$69**	$68
Accounts payable and accrued liabilities	**$72**	$38

(e) Rental Revenue from Morguard (Excluding MIL)

Morguard is a tenant in one of the Trust's properties. For the three months ended June 30, 2021, the Trust earned rental revenue in the amount of $28 (2020 – $28). For the six months ended June 30, 2021, the Trust earned rental revenue in the amount of $57 (2020 – $56).

NOTE 16
UNITHOLDERS' EQUITY
(a) Units Outstanding
The Trust is authorized to issue an unlimited number of units. These units have no par value. The following table summarizes the changes in units from January 1, 2020 to June 30, 2021:

As at	Six months ended June 30, 2021	Year ended December 31, 2020
Balance, beginning of period	**64,125,215**	60,735,539
Distribution Reinvestment Plan – Morguard	**—**	3,520,153
Distribution Reinvestment Plan – other unitholders	**15,340**	66,823
Repurchase of units	**—**	(197,300)
Balance, end of period	**64,140,555**	64,125,215

Total distributions recorded during the six months ended June 30, 2021, amounted to $8,981 or $0.14 per unit (2020 – $24,461 or $0.40 per unit). Included in this amount is a distribution declared on June 15, 2021, in the amount of $0.02 per unit for the month of June 2021, payable on July 15, 2021. On July 15, 2021, the Trust declared a distribution of $0.02 per unit payable on August 16, 2021.

(b) Normal Course Issuer Bid
On February 4, 2021, the Trust announced that the TSX had accepted notice filed by the Trust of its intention to make a normal course issuer bid. The notice provided that during the 12-month period commencing February 7, 2021, and ending February 6, 2022, the Trust may purchase for cancellation on the TSX up to 3,206,260 units in total, being approximately 5% of the outstanding units. Additionally, the Trust may purchase for cancellation up to $11,495 principal amount of the Convertible Debentures due on the Maturity Date, 10% of the public float of outstanding Convertible Debentures. The price that the Trust would pay for any such units or debentures would be the market price at the time of acquisition.

During the six months ended June 30, 2021, the Trust did not purchase any units for cancellation.

(c) Distribution Reinvestment Plan
Under the Trust's Distribution Reinvestment Plan, unitholders can elect to reinvest cash distributions into additional units at a weighted average trading price of the units on the TSX for the 20 trading days immediately preceding the applicable date of distribution. During the six months ended June 30, 2021, the Trust issued 15,340 units under the DRIP (2020 – 1,412,524 units).

(d) Net Loss Per Unit

The following table sets forth the computation of basic and diluted net loss per unit:

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Net loss – basic	**($5,845)**	($98,814)	**($995)**	($201,369)
Net loss – diluted	**($5,845)**	($98,814)	**($995)**	($201,369)
Weighted average number of units outstanding – basic	**64,137**	61,567	**64,133**	61,152
Weighted average number of units outstanding – diluted	**64,137**	61,567	**64,133**	61,152
Net loss per unit – basic	**($0.09)**	($1.60)	**($0.02)**	($3.29)
Net loss per unit – diluted	**($0.09)**	($1.60)	**($0.02)**	($3.29)

To calculate net loss – diluted, interest, accretion and the amortization of financing costs on convertible debentures outstanding that were expensed during the year are added back to net loss – basic. The weighted average number of units outstanding – diluted is calculated as if all convertible debentures outstanding as at June 30, 2021, and 2020, had been converted into units of the Trust at the beginning of the year. The calculation of net loss per unit – diluted excludes the impact of the convertible debentures for the three and six months ended June 30, 2021, and 2020 as their inclusion would be anti-dilutive.

NOTE 17

STATEMENTS OF CASH FLOWS

(a) Items Not Affecting Cash

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Fair value losses on real estate properties	**$20,837**	$111,430	**$35,286**	$232,547
Net (income)/loss from equity-accounted investment	**(469)**	(302)	**(935)**	292
Amortized stepped rent	**247**	(12)	**289**	(7)
Amortized free rent	**139**	130	**(553)**	281
Amortization of deferred financing costs – mortgages	**204**	116	**388**	299
Amortization of tenant incentives	**82**	78	**183**	151
Amortization of right-of-use asset	**21**	21	**42**	41
Amortization of deferred financing costs – convertible debentures	**285**	270	**567**	536
Accretion on convertible debentures	**270**	255	**537**	508
	$21,616	$111,986	**$35,804**	$234,648

(b) Net Change in Non-Cash Operating Assets and Liabilities

	Three months ended		Six months ended	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
Amounts receivable	**$6,323**	($14,665)	**$11,895**	($15,242)
Prepaid expenses and other	**(2,357)**	(2,697)	**(9,995)**	(10,399)
Accounts payable and accrued liabilities	**(639)**	(2,005)	**2,125**	7,220
	$3,327	($19,367)	**$4,025**	($18,421)

Other supplemental cash flow information consists of the following:				
Interest paid	**$14,587**	$15,448	**$25,476**	$27,585
Issue of units – DRIP	**$43**	$7,316	**$85**	$7,404

NOTE 18
COMMITMENTS AND CONTINGENCIES
(a) Commitments
The Trust has entered into various agreements relating to capital expenditures for its properties. These expenditures include development of new space, redevelopment or retrofit of existing space, and other capital expenditures. Should all conditions be met, as at June 30, 2021, committed capital expenditures in the next 12 months are estimated at $10,623.

The Trust has various other contractual obligations in the normal course of operations. These contracts can generally be cancelled with 30 days' notice.

(b) Contingencies
The Trust is liable contingently with respect to litigation, claims and environmental matters that arise from time to time, including those that could result in mandatory damages or other relief, which could result in significant expenditures. While the outcome of these matters cannot be predicted with certainty, in the opinion of management, any liability that may arise from such contingencies would not have a material adverse effect on the financial position or results of operations of the Trust. Any expected settlement of claims in excess of amounts recorded will be charged to operations as and when such determination is made.

NOTE 19

MANAGEMENT OF CAPITAL

The Trust defines capital that it manages as the aggregate of its unitholders' equity and interest-bearing debt less cash and interest-bearing receivables. The Trust's objective when managing capital is to ensure that the Trust will continue as a going concern so that it can sustain daily operations and provide adequate returns to its unitholders.

The Trust is subject to risks associated with debt financing, including the possibility that existing mortgages may not be refinanced or may not be refinanced on as favourable terms or with interest rates as favourable as those of the existing debt. The Trust mitigates these risks by its continued efforts to stagger the maturity profile of its long-term debt, to enhance the value of its real estate properties and to maintain high occupancy levels. The Trust manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

The total managed capital for the Trust is summarized below:

As at	Note	June 30, 2021	December 31, 2020
Mortgages payable	8	**$1,100,562**	$1,122,720
Convertible debentures	9	**173,909**	172,805
Bank indebtedness	11	**27,924**	29,417
Morguard loan payable	15(b)	**18,000**	18,000
Lease liabilities	10	**10,921**	10,993
Cash		**(9,165)**	(8,647)
Unitholders' equity		**1,147,767**	1,157,658
		$2,469,918	$2,502,946

The Declaration of Trust permits the Trust to incur indebtedness, provided that after giving effect to incurring or assuming any indebtedness (as defined in the Declaration of Trust), the amount of all indebtedness of the Trust is not more than 65% of the gross book value of the Trust's total assets as defined in the Declaration of Trust. The Declaration of Trust also permits the Trust to incur floating-rate debt, provided that the total amount of all floating-rate debt of the Trust is not more than 15% of the gross book value of the Trust's total assets.

The Trust's debt ratios compared to its borrowing limits established in the Declaration of Trust are outlined in the table below:

As at	Borrowing Limits	June 30, 2021	December 31, 2020
Fixed-rate debt to gross book value of total assets	N/A	**48.2 %**	51.1 %
Floating-rate debt to gross book value of total assets	15 %	**4.4 %**	1.9 %
	65 %	**52.6 %**	53.0 %

As at June 30, 2021, the Trust met all externally imposed ratios and minimum equity requirements.

Mortgages Payable

All mortgages payable in place for the Trust are secured against the real property assets and, as a result, have been relieved from having restrictive financial covenant requirements.

Convertible Debentures

The Trust's unsecured subordinated convertible debentures have no restrictive covenants.

Bank Indebtedness

The Trust's loan agreements permit the Trust to incur indebtedness. The loan agreements are fixed amounts that renew annually and are secured by fixed charges on specific properties owned by the Trust.

NOTE 20

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Trust's financial assets and liabilities comprise cash, amounts receivable, accounts payable and accrued liabilities, bank indebtedness, Morguard loan payable, mortgages payable and convertible debentures. Fair values of financial assets and liabilities and discussion of risks associated with financial assets and liabilities are presented as follows.

Fair Value of Financial Assets and Liabilities

The fair values of cash, amounts receivable, accounts payable and accrued liabilities, bank indebtedness and Morguard loan payable approximate their carrying values due to the short-term maturities of these instruments.

(a) Mortgages Payable

Mortgages payable are carried at amortized cost using the effective interest rate method of amortization. The estimated fair values of long-term borrowings are based on market information, where available, or by discounting future payments of interest and principal at estimated interest rates expected to be available to the Trust as at June 30, 2021.

The fair value of the mortgages payable has been determined by discounting the cash flows of these financial obligations using June 30, 2021, market rates for debts of similar terms (Level 2). Based on these assumptions, the fair value as at June 30, 2021, of the mortgages payable has been estimated at $1,133,906 (December 31, 2020 – $1,177,633) compared with the carrying value before deferred financing costs of $1,103,201 (December 31, 2020 – $1,125,337). The fair value of the mortgages payable varies from the carrying value due to fluctuations in interest rates since their issue.

(b) Convertible Debentures

The fair value of the Convertible Debentures is based on their market trading price (TSX: MRT.DB) (Level 1). The fair value as at June 30, 2021, of the Convertible Debentures has been estimated at $175,875 (December 31, 2020 – $171,500) compared with the carrying value before deferred financing costs of $174,469 (December 31, 2020 – $173,932).

(c) Fair Value Hierarchy of Real Estate Properties

The fair value hierarchy of income producing properties, properties under development and held for development measured at fair value in the balance sheets is as follows:

	June 30, 2021			December 31, 2020		
As at	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
ASSETS						
Income producing properties	**$—**	**$—**	**$2,421,317**	$—	$—	$2,433,856
Properties under development	**$—**	**$—**	**$12,012**	$—	$—	$29,299
Held for development	**$—**	**$—**	**$38,800**	$—	$—	$36,800

Risks Associated with Financial Assets and Liabilities

The Trust is exposed to financial risks arising from its financial assets and liabilities. The financial risks include interest rate risk, credit risk and liquidity risk. The Trust's overall risk management program focuses on establishing policies to identify and analyze the risks faced by the Trust, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities. The Trust aims to develop a disciplined control environment in which all employees understand their roles and obligations.

NOTE 21

SEGMENTED INFORMATION

IFRS 8, "Operating Segments", requires operating segments to be determined based on internal reports that are regularly reviewed by the chief operating decision-makers for the purpose of allocating resources to the segment and assessing its performance. The Trust has applied judgment by aggregating its operating segments according to the nature of the property operations. Such judgment considers the nature of operations, types of customers and an expectation that operating segments within a reportable segment have similar long-term economic characteristics. As at June 30, 2021, the Trust has the following three reportable segments: retail, office and industrial.

Business Segments

For the three months ended June 30, 2021	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	**$30,864**	**$26,731**	**$880**	**$58,475**
Property operating expenses	**(8,036)**	**(6,691)**	**(281)**	**(15,008)**
Property taxes	**(7,821)**	**(4,390)**	**(146)**	**(12,357)**
Property management fees	**(1,192)**	**(917)**	**(26)**	**(2,135)**
Net operating income	**$13,815**	**$14,733**	**$427**	**$28,975**

For the three months ended June 30, 2020	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	$32,162	$26,241	$897	$59,300
Property operating expenses	(11,282)	(7,091)	(253)	(18,626)
Property taxes	(7,285)	(4,127)	(201)	(11,613)
Property management fees	(970)	(860)	(31)	(1,861)
Net operating income	$12,625	$14,163	$412	$27,200

For the three months ended June 30, 2021	**Retail**	**Office**	**Industrial**	**Total**
Additions to real estate properties	**$1,238**	**$1,825**	**$377**	**$3,440**
Fair value (losses)/gains on real estate properties	**($15,880)**	**($10,419)**	**$5,462**	**($20,837)**

For the three months ended June 30, 2020	**Retail**	**Office**	**Industrial**	**Total**
Additions to real estate properties	$6,128	$1,698	$7	$7,833
Fair value losses on real estate properties	($83,430)	($26,652)	($1,348)	($111,430)

For the six months ended June 30, 2021	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	**$64,417**	**$53,257**	**$1,771**	**$119,445**
Property operating expenses	**(16,833)**	**(12,800)**	**(482)**	**(30,115)**
Property taxes	**(15,893)**	**(8,902)**	**(311)**	**(25,106)**
Property management fees	**(2,337)**	**(1,798)**	**(56)**	**(4,191)**
	$29,354	**$29,757**	**$922**	**$60,033**

For the six months ended June 30, 2020	**Retail**	**Office**	**Industrial**	**Total**
Revenue from real estate properties	$68,523	$55,439	$1,711	$125,673
Property operating expenses	(20,196)	(14,717)	(464)	(35,377)
Property taxes	(15,189)	(8,687)	(288)	(24,164)
Property management fees	(2,237)	(1,811)	(56)	(4,104)
	$30,901	$30,224	$903	$62,028

	Retail	**Office**	**Industrial**	**Total**
As at June 30, 2021				
Real estate properties	**$1,350,699**	**$1,069,380**	**$52,050**	**$2,472,129**
Mortgages payable (based on collateral)	**$601,095**	**$499,467**	**$—**	**$1,100,562**
For the six months ended June 30, 2021				
Additions to real estate properties	**$4,105**	**$2,774**	**$500**	**$7,379**
Fair value (losses)/gains on real estate properties	**($22,259)**	**($21,508)**	**$8,481**	**($35,286)**

	Retail	**Office**	**Industrial**	**Total**
As at December 31, 2020				
Real estate properties	$1,368,750	$1,088,155	$43,050	$2,499,955
Mortgages payable (based on collateral)	$610,546	$512,174	$—	$1,122,720
For the six months ended June 30, 2020				
Additions to real estate properties	$17,517	$2,974	$50	$20,541
Fair value losses on real estate properties	($181,178)	($50,204)	($1,165)	($232,547)