

ACTIVELY

ADJUSTING

TO

CHANGING

NEEDS.

The selected annual financial information in the 2022 Annual Report highlights certain key metrics for the Trust. As a result, this report should be read in conjunction with the Trust's Consolidated Financial Statements for the year ended December 31, 2022, related Management's Discussion and Analysis ("MD&A") and the Annual Information Form ("AIF"). These documents are available on the Trust's website at www.morguard.com. All continuous disclosure documents required by securities regulators are also filed on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed electronically at www.sedar.com.

SPECIFIED FINANCIAL MEASURES

The Trust reports its financial results in accordance with IFRS. However, this MD&A also uses specified financial measures that are not defined by IFRS, which follow the disclosure requirements established by National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure. Specified financial measures are categorized as non-GAAP financial measures, non-GAAP ratios, and other financial measures, which are capital management measures, supplementary financial measures, and total of segments measures.

NON-GAAP FINANCIAL MEASURES

Non-GAAP financial measures do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. The Trust's management uses these measures to aid in assessing the Trust's underlying core performance and provides these additional measures so that investors may do the same. Management believes that the non-GAAP financial measures described below, which supplement the IFRS measures, provide readers with a more comprehensive understanding of management's perspective on the Trust's operating results and performance. The following discussion describes the non-GAAP financial measures the Trust uses in evaluating its operating results:

FUNDS FROM OPERATIONS ("FFO")

FFO is a non-GAAP measure widely used as a real estate industry standard that supplements net income and evaluates operating performance but is not indicative of funds available to meet the Trust's cash requirements. FFO can assist with comparisons of the operating performance of the Trust's real estate between periods and relative to other real estate entities. FFO is computed by the Trust in accordance with the current definition of the Real Property Association of Canada ("REALpac") and is defined as net income adjusted for fair value changes on real estate properties and gains/(losses) on the sale of real estate properties. The Trust considers FFO to be a useful measure for reviewing its comparative operating and financial performance. A reconciliation of net income to FFO is presented under Part III, "Funds from Operations and Adjusted Funds from Operations".

ADJUSTED FUNDS FROM OPERATIONS ("AFFO")

AFFO is a non-GAAP measure that was developed to be a recurring economic earnings measure for real estate entities. The Trust presents AFFO in accordance with the current definition of the REALpac. The Trust defines AFFO as FFO adjusted for straight-line rent and productive capacity maintenance expenditures ("PCME"). AFFO should not be interpreted as an indicator of cash generated from operating activities as it does not consider changes in working capital. A reconciliation of FFO to AFFO is presented under Part III, "Funds from Operations and Adjusted Funds from Operations".

NON-GAAP RATIOS

Non-GAAP ratios do not have any standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other reporting issuers in similar or different industries. These measures should be considered as supplemental in nature and not as substitutes for related financial information prepared in accordance with IFRS. The Trust's management uses these measures to aid in assessing the Trust's underlying core performance and provides these additional measures so that investors may do the same. Management believes that the non-GAAP ratios described below provide readers with a more comprehensive understanding of management's perspective on the Trust's operating results and performance.

The following discussion describes the non-GAAP ratios the Trust uses in evaluating its operating results:

FFO/AFFO/ACFO PAYOUT RATIO

The Trust calculates its payout ratios by dividing the distributions per common unit by FFO/AFFO/ACFO per unit over the same period. Management uses these payout ratios to measure the Trust's ability to pay distributions.

MESSAGE FROM THE CHAIRMAN, PRESIDENT AND CEO



Dear Fellow Unitholders,

In 2022, Morguard REIT was active, introducing dynamic new ways to generate steady returns over the long run. The Trust continued to pursue opportunities for intensification on some of our existing assets, including Burquitlam Plaza in Coquitlam, B.C., a large-scale project that will create value for many years to come. It also continued to move forward on significant development projects at Pine Centre Mall and Heritage Towne Centre.

Our network of real estate professionals worked hard to enhance and re-envision our properties, attract new tenants to fill space, and bring people back to our offices, industrial buildings, and shopping centres. The Trust's Office Leasing Team introduced initiatives that offered prospective tenants turnkey office spaces that would allow for quick occupancy. Our Retail Leasing Team launched The Pop-Up Project, a national program designed to increase mall traffic and convert potential tenants into long-term occupants.

The Trust was active in operations and technology, upgrading building systems, improving connectivity in our buildings, and utilizing digital technology to help prospective tenants learn more about our properties. What's more, we invested in ESG initiatives that minimize our environmental impact. These efforts reinforce our unwavering commitment to sustainability and supporting local communities.

Our financial performance for the year continued with its positive trending with same-store net operating income rising over the previous year. Our diversified portfolio of office, industrial and retail assets is now valued at \$2.4 billion, and we are poised for the future and capable of adjusting to changing needs.

Thank you to our unitholders, employees and partners. I appreciate your confidence in the Trust and look forward to having you with us as we continue to actively achieve long-term value.

Sincerely,

A handwritten signature in black ink, appearing to read 'K. Rai Sahi', written in a cursive style.

K. Rai Sahi
Chairman, President and Chief Executive Officer

ACTIVELY SEEKING SOLID RETURNS

Morguard REIT's mandate is to accumulate a Canadian portfolio of high-quality real estate assets. Then, to actively manage it to generate steady dependable returns for unitholders through a stable and increasing cash flow, offering the potential for long-term capital appreciation.

A DIVERSIFIED PORTFOLIO THAT IS STRONG AND STABLE

The Trust has a diversified portfolio of 27 office and industrial properties and 19 retail assets located in B.C., Alberta, Saskatchewan, Manitoba, Ontario and Quebec. This diversity provides resilience to regional market fluctuations or any downturns that may occur in a certain asset class.

The Trust's well-located office portfolio is balanced between single tenant properties under long-term lease and multi-tenant properties with well-distributed lease expires that will allow for increased rental rates on lease renewals.



PLACE INNOVATION, SAINT-LAURENT, QC

\$2.4B

VALUE OF REAL ESTATE PROPERTIES

27

OFFICE AND INDUSTRIAL PROPERTIES

19

RETAIL PROPERTIES



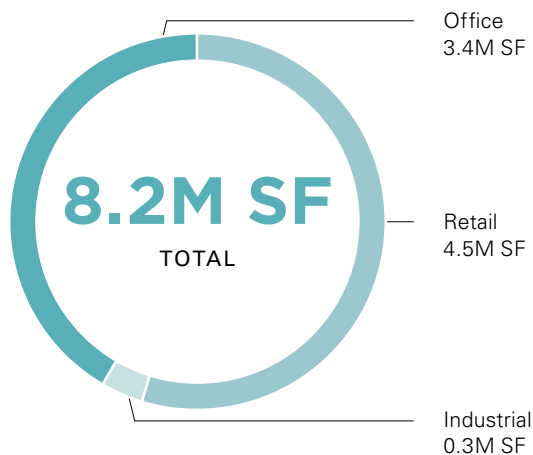
ST. LAURENT, OTTAWA, ON

Its retail portfolio includes regional enclosed shopping centres that are dominant in their respective markets and account for 3.2 million square feet. It also features 1.3 million square feet of community strip centres anchored by service and grocery retail.

The Trust's full portfolio is \$2.4 billion and has a combined total of 8.18 million square feet in leasable area, with an overall occupancy rate of 91% and a tenant retention rate of 85%.

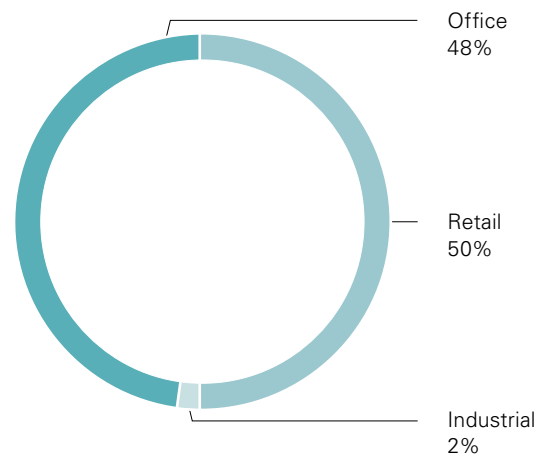
GROSS LEASABLE AREA BY ASSET CLASS

In Millions of Square Feet



NOI BY ASSET CLASS

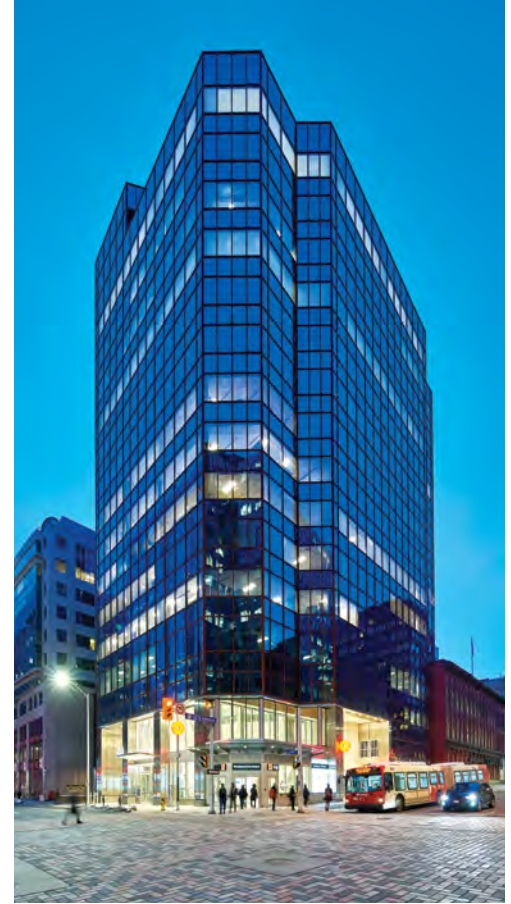
In Percent



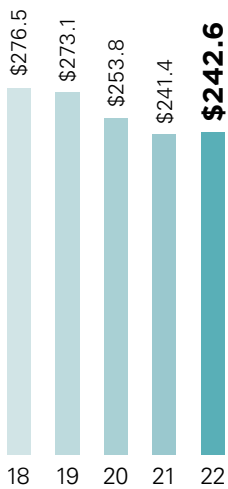
DELIVERING SOLID RESULTS FOR UNITHOLDERS

The Trust's diversity by asset class, geography and quality has enabled it to create true value over time. The 2022 year-end financial results indicate that the Trust is in a solid financial position, moving towards pre-pandemic norms.

Both revenue and net operating income (NOI) increased slightly compared to one year ago at \$122.2 million. Funds from operations (FFO) per unit basic was down slightly compared to 2021 due to a decline in one-time lease cancellation fees.

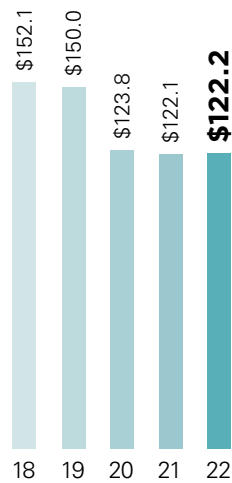


HERITAGE PLACE, OTTAWA, ON



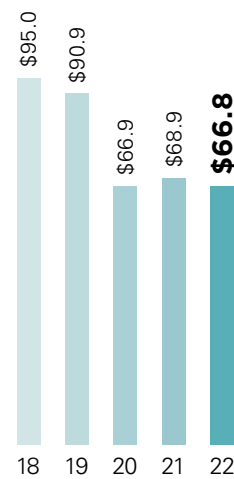
TOTAL REVENUE

In Millions of Dollars



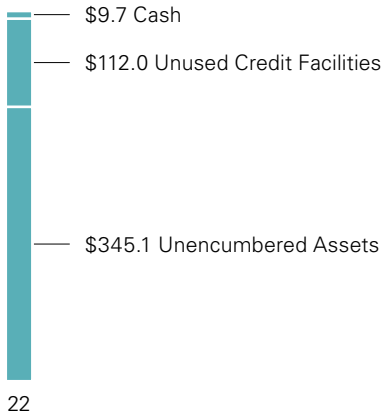
NET OPERATING INCOME

In Millions of Dollars



FUNDS FROM OPERATIONS

In Millions of Dollars



LIQUIDITY AND UNENCUMBERED ASSETS
In Millions of Dollars

We had a slight decline in overall debt levels and debt to asset ratio and are in a healthy liquidity position to take advantage of future opportunities with \$121.7 million available through cash and lines of credit. This is consistent with the Trust's objective to maintain appropriate levels of leverage of its real estate assets and to stagger its debt maturity profile.

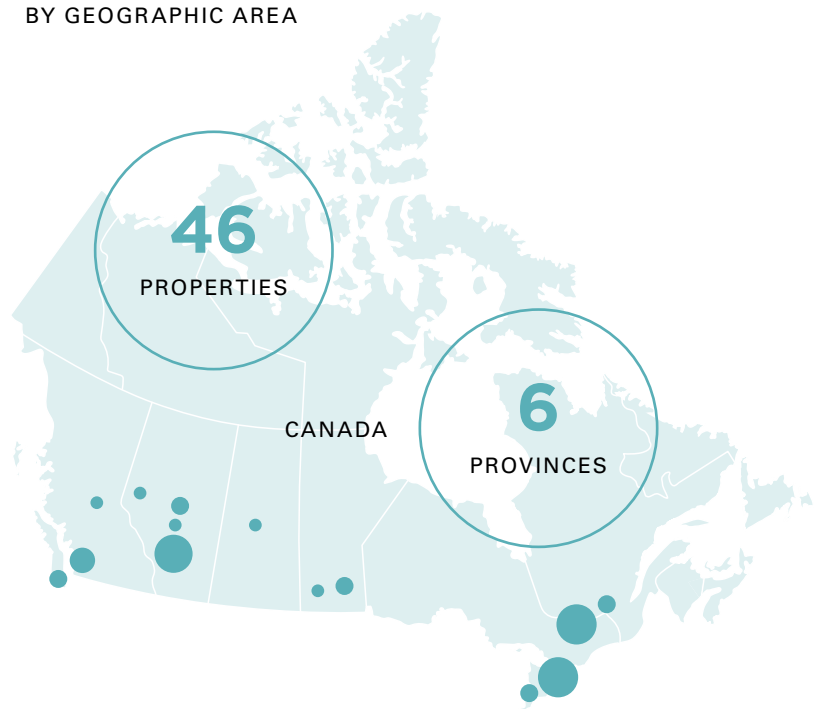
Rent collections from all asset segments were strong, once again indicating that conditions are normalizing post-COVID.

Throughout 2022, the Trust yielded consistent dividends of \$0.02 per unit each month.



77 BLOOR STREET WEST, TORONTO, ON

REAL ESTATE PORTFOLIO BY GEOGRAPHIC AREA



EXPLORING A RANGE OF VALUE CREATION OPPORTUNITIES

Morguard REIT consistently creates value by enhancing its portfolio through the intensification and redevelopment of its existing assets. It will also acquire properties with high growth potential while disposing of those that have reached their peak. Additionally, the Trust creates value by relying on the expertise of our real estate professionals to strengthen our portfolio by increasing occupancy levels.

INTENSIFICATION OF EXISTING ASSETS

Working with the Morguard team, Morguard REIT has the in-house skill and financial clout to plan, rezone and develop lands that are prime for intensification. In 2022, the Trust was actively involved to build density on its existing assets.

- **Burquitlam in B.C.** – A Rezoning/Masterplan application for the redevelopment of this high-density, 8-acre site was originally submitted in October 2020. Following an extensive public and stakeholder engagement process and detailed city staff input, in January 2023, Coquitlam Council authorized staff to bring the project forward to public hearing in Spring 2023. Progress continues with the required municipal land parcel acquisitions, negotiation of the final terms of the Development Agreement, and finalization of the related roadway/laneway dedications. The project is on schedule for Rezoning/Masterplan approval in Fall, 2023.



BURQUITLAM PLAZA ARCHITECTURAL RENDERING, COQUITLAM, BC



BURQUITLAM PLAZA ARCHITECTURAL RENDERING, COQUITLAM, BC



BURQUITLAM PLAZA ARCHITECTURAL RENDERING, COQUITLAM, BC

The proposed redevelopment includes six residential mixed-use towers – with heights ranging between 28 and 53 storeys – that could have upwards of 2,200 residential units and 85,000 square feet of retail and restaurant uses, with a gross building area of 1.8 million square feet.



BURQUITLAM PLAZA ARCHITECTURAL RENDERING, COQUITLAM, BC

The towers would be located nearby the newly completed Bettie Allard YMCA community centre and would feature on-site childcare facilities, nearly 2,000 vehicle parking stalls and 2,850 bike parking spaces within the underground levels. The site would be situated adjacent to the area SkyTrain Burquitlam Station, which is next to an existing bus exchange that will be upgraded with a new bus loop design, along with a transit commercial plaza that will house a range of amenities.



PINE CENTRE MALL, PRINCE GEORGE, BC

REMERCHANDISING AND RENOVATING

When opportunities arise, the Trust will enhance the retail mix within its enclosed shopping centres to meet consumer needs. It will do this by reconfiguring spaces and bringing in high-demand uses.

In 2022, we were extremely active in this area. At Pine Centre Mall, an enclosed shopping centre in Prince George, B.C., we have nearly completed the total transformation of a demolished anchor store into a 38,850 square-foot Save-on-Foods. We also remerchandised another former anchor into an enhanced 169,953 square foot space that houses a Winners/HomeSense and a Sephora, along with a number of other high profile retailers. The mall plans on adding additional brand-name retailers in the near future to meet the evolving needs of its surrounding community.



PINE CENTRE MALL ARCHITECTURAL RENDERING, PRINCE GEORGE, BC

BRINGING RETAILERS TO OUR CENTRES

MORGUARD REIT IS ALWAYS SEARCHING for new ways to bring vitality to its indoor shopping centres, to increase traffic and build our tenant bases. We realize that a key ingredient to achieving this, is for us to cater to the unique needs of each mall's surrounding community.

Morguard REIT's large-scale, socially focused Pop-Up Project lets retailers set up short-term temporary space in our shopping centres without a long-term commitment. The program, developed by Morguard's Specialty Leasing Team, gives entrepreneurs an opportunity to try out a physical location in the Trust's enclosed shopping centres across Canada – for a few weeks, a month or even over a weekend.

There is a dedicated website at popupproject.ca that provides potential retailers with all they need to know about the program. To help build awareness, Morguard promotes the local entrepreneurs on its Instagram page.

The Pop-Up Project has attracted a variety of participants – from soap manufacturers to boutique clothing retailers to manufacturers of homemade preserves, because of flexible space options that include kiosks, in-line stores and stores-within-a store – with customized rates based on the entrepreneur's needs.

To date, the program has been successful in enhancing revenue and turning participants into longer term tenants. Morguard, through an awards competition, was recognized for outstanding work done by visual merchandisers, retailers and specialty leasing agents. The program will be continued – and supported – moving forward. ●





HERITAGE TOWNE CENTRE ARCHITECTURAL RENDERING, CALGARY, AB

At Heritage Towne Centre in Calgary, Alberta, we will be converting a former Home Outfitters space into a 34,000 square foot retail store. In addition, this 131,000 square foot mall will soon be home to one of the three new Team Town Sports concept stores that are being launched by retail giant Sporting Life in May of 2023. Team Town Sports' unique sport retail experience concept and exclusive location, are expected to drive increased traffic to the mall.

In 2021, the Trust also completed a full-scale mall renovation at The Centre in Saskatoon, Saskatchewan.



THE CENTRE, SASKATOON, SK



111 DUNSMUIR, VANCOUVER, BC

The Trust will also, on occasion, renovate its office properties to make them more appealing to both tenants and prospects. It continued performing renovations at 111 Dunsmuir in Vancouver and upgrading the lobby area at 200 Yorkland in Toronto.



200 YORKLAND, TORONTO, ON

The Trust created pathways that better link some of its office buildings to transit and the city core in both Ottawa and Calgary.

The Trust's Rice Howard Place property in Edmonton is about to undergo significant improvements. The proposed project, involves an extensive renovation of the main floor interior and the exterior podium façade, as well as a bold refresh of the amenity spaces within the building. All original finishes will be replaced to reflect a more modern aesthetic. Beyond this, there will be changes made to the retail and food court rentable spaces – along with the complex's common areas – all will complement the major enhancements already completed at the project.



RICE HOWARD PLACE ARCHITECTURAL RENDERING, EDMONTON, AB

LEASING AND MARKETING INITIATIVES

Morguard REIT proactively explores new ways to attract tenants and increase occupancy levels at its properties.

In 2022, Morguard launched Operation Turnkey. This initiative offers office space options – ranging from move-in-ready single spaces to flexible workplace suites – to prospective tenants who desire quick occupancy.

The Trust is currently offering a wide range of turnkey options for immediate occupancy at Rice Howard Place, a newly rebranded property, and 207 and 215 9th Avenue SW. The Trust's turnkey office spaces are suitable for firms of all sizes, including growing, progressive, emerging companies. Plus, the high quality of the space is appealing to prestigious tenants such as law firms and financial companies.



RICE HOWARD PLACE, EDMONTON, AB

USING TURNKEY OFFICE SOLUTIONS

TODAY'S OFFICE TENANTS WANT MORE than the best deals on their monthly rent. They also demand flexible, responsive and efficient office space solutions when it comes to their space requirements.

Understanding all this, Morguard REIT recently embarked on a new chapter, providing turnkey office space at some of its properties.

The Trust's turnkey offices appeal to both current and prospective tenants because they are fully built-out and ready for immediate occupancy. This helps tenants save time and money, not to mention the distractions associated with extensive renovations.

Prospective tenants can get to work right away in an office environment that has all the features they need to function at their highest capacity. The spaces include built-out kitchens, conference rooms and reception areas – and come fully furnished.

The Trust has plans to roll out similar spaces at many of its other buildings across Canada, understanding that satisfying the needs of prospective tenants can go a long way to lowering vacancy rates and adding value to a property. ●





ST. LAURENT POP-UP, OTTAWA, ON

The Trust's Retail Specialty Leasing Team launched The Pop-Up Project at Cambridge Centre, St. Laurent Centre, Pine Centre Mall, The Centre, and Parkland Mall. They worked with innovative retail entrepreneurs to create high-impact temporary pop-ups with the objective of turning them into long-term occupants.



PINE CENTRE MALL POP-UP, PRINCE GEORGE, BC



STANDARD LIFE, OTTAWA, ON

INVESTING IN TECHNOLOGY

Morguard REIT invests in the latest technology to improve its operational efficiency. It has introduced a digital platform that is integrated with marketing and leasing programs, to highlight available space and drive leasing activity. In addition, the Trust helps prospective office, industrial and retail tenants quickly match their space and location requirements online at morguard.com.

The Trust continues to invest in the digital infrastructure of its buildings including voice communication systems (Voice over IP), networks (Fibre Optics) and cyber security tools. These upgrades support the cost efficient and secure integration of building systems and positions these assets for future technologies such as 5G and smart building systems. The Trust also installed a best of breed web-based energy-efficient system that controls and optimizes HVAC units at some of its properties. The system dramatically improved air quality and targeted a savings of 15% in energy use.

MAINTAINING A STRONG COMMITMENT TO ESG

Morguard REIT is active in sustainability, implementing green programs that make its properties better for our planet. What's more, it is committed to active stakeholder engagement and strong governance.

The Trust is an active participant in Sustainable Morguard – and our properties have earned numerous awards and certifications, including a BOMA Platinum for Cambridge Centre and BOMA Gold for Pine Centre Mall.

The Trust follows sound environmental practices that are designed to reduce its environmental footprint. Through these measures, it has been able to lower energy consumption, carbon emissions and water consumption year after year at its properties. The Trust will work with its tenants to guide them on their journeys to reducing their own environmental footprints.

The Trust incorporates beehives, naturalized gardens, and bee hotels into our properties to encourage pollination and plant cultivation. The Trust is an ongoing supporter of community organizations such as Terry Fox Foundation, Habitat for Humanity and Cancer Foundation, regularly staging events on their behalf at its retail centres and malls.

The Trust demonstrates its responsibility to the community through its OnePlanet initiative, a grassroots effort that highlights its commitment to making a significant contribution to the communities in which it operates.

The Trust does its best to foster human connections with its tenants. It promotes accessibility, diversity and inclusion and empowers Morguard employees to do their best, offering a host of opportunities for them to shine.

The Trust leads by example conducting its business ethically and meeting all the regulations that govern its business and industry. Sustainability governance is advocated throughout our organization, emphasizing building resilience, cybersecurity, and human capital management.

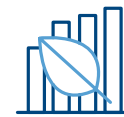
2035 LONG-TERM ESG OBJECTIVES



LEADING
by example.



ADVOCATING
for sustainable real estate.



CREATING
sustainable returns.



REDUCING
our environmental footprint.



BUILDING
and supporting our communities.



EMPOWERING
our employees.

2022 FINANCIAL HIGHLIGHTS

Morguard REIT actively enhances its portfolio through prudent capital management combined with a focus on developing its existing properties in growth markets throughout Canada that offer real potential.

BALANCE SHEETS

IN THOUSANDS OF CANADIAN DOLLARS

| AS AT DECEMBER 31 | 2022 | 2021 |
|--|--------------------|--------------------|
| ASSETS | | |
| Non-current assets | | |
| Real estate properties | \$2,337,805 | \$2,451,301 |
| Right-of-use asset | 76 | 159 |
| Equity-accounted investment | 11,658 | 18,578 |
| | 2,349,539 | 2,470,038 |
| Current assets | | |
| Amounts receivable | 15,736 | 12,269 |
| Prepaid expenses and other | 1,200 | 365 |
| Cash | 9,712 | 11,270 |
| | 26,648 | 23,904 |
| Total assets | \$2,376,187 | \$2,493,942 |
| LIABILITIES AND UNITHOLDERS' EQUITY | | |
| Non-current liabilities | | |
| Mortgages payable | \$739,503 | \$920,089 |
| Convertible debentures | 149,835 | 147,908 |
| Lease liabilities | 16,384 | 16,550 |
| Accounts payable and accrued liabilities | 5,392 | 5,258 |
| | 911,114 | 1,089,805 |
| Current liabilities | | |
| Mortgages payable | 311,999 | 205,568 |
| Lease liabilities | 167 | 168 |
| Accounts payable and accrued liabilities | 46,457 | 38,887 |
| Bank indebtedness | 55,622 | 7,526 |
| | 414,245 | 252,149 |
| Total liabilities | 1,325,359 | 1,341,954 |
| Unitholders' equity | 1,050,828 | 1,151,988 |
| | \$2,376,187 | \$2,493,942 |

STATEMENTS OF (LOSS)/INCOME AND COMPREHENSIVE (LOSS)/INCOME

IN THOUSANDS OF CANADIAN DOLLARS, EXCEPT PER UNIT AMOUNTS

| FOR THE YEAR ENDED DECEMBER 31 | 2022 | 2021 |
|--|-------------------|----------------|
| Revenue from real estate properties | \$242,629 | \$241,440 |
| Property operating costs | | |
| Property operating expenses | (68,801) | (62,397) |
| Property taxes | (43,299) | (48,624) |
| Property management fees | (8,330) | (8,290) |
| Net operating income | 122,199 | 122,129 |
| Interest expense | (53,523) | (53,281) |
| General and administrative | (3,741) | (3,845) |
| Amortization expense | (83) | (83) |
| Other income | 1,050 | 2,017 |
| Fair value losses on real estate properties | (148,977) | (60,974) |
| Net loss from equity-accounted investment | (3,022) | (1,078) |
| Net (loss)/income and comprehensive (loss)/income | (\$86,097) | \$4,885 |
| NET (LOSS)/INCOME PER UNIT | | |
| Basic | (\$1.34) | \$0.08 |
| Diluted | (\$1.34) | \$0.08 |

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, 2021 | 64,125,215 | \$628,910 | \$522,290 | \$4,594 | \$1,864 | \$1,157,658 |
| 2016 Debentures redeemed | — | — | — | (4,594) | 4,594 | — |
| 2021 Debentures issued | — | — | — | 6,879 | — | 6,879 |
| Net income | — | — | 4,885 | — | — | 4,885 |
| Distributions to unitholders | — | — | (17,434) | — | — | (17,434) |
| Distribution in units | 1,183,784 | 6,416 | (6,416) | — | — | — |
| Consolidation of units | (1,183,784) | — | — | — | — | — |
| Issue of units – DRIP ¹ | 35,882 | 205 | (205) | — | — | — |
| Unitholders' equity, December 31, 2021 | 64,161,097 | 635,531 | 503,120 | 6,879 | 6,458 | 1,151,988 |
| Net loss | — | — | (86,097) | — | — | (86,097) |
| Distributions to unitholders | — | — | (15,063) | — | — | (15,063) |
| Issue of units – DRIP¹ | 65,757 | 343 | (343) | — | — | — |
| Unitholders' equity, December 31, 2022 | 64,226,854 | \$635,874 | \$401,617 | \$6,879 | \$6,458 | \$1,050,828 |

1. Distribution Reinvestment Plan ("DRIP").

STATEMENTS OF CASH FLOWS

IN THOUSANDS OF CANADIAN DOLLARS

| FOR THE YEAR ENDED DECEMBER 31 | 2022 | 2021 |
|---|-------------------|-----------|
| OPERATING ACTIVITIES | | |
| Net (loss)/income | (\$86,097) | \$4,885 |
| Add items not affecting cash | 156,158 | 65,909 |
| Distributions from equity-accounted investment, net | 3,898 | 840 |
| Additions to tenant incentives and leasing commissions | (4,355) | (4,249) |
| Net change in non-cash operating assets and liabilities | 4,364 | 12,802 |
| Cash provided by operating activities | 73,968 | 80,187 |
| FINANCING ACTIVITIES | | |
| Proceeds from new mortgages | 132,685 | 208,959 |
| Financing costs on new mortgages | (369) | (896) |
| Repayment of mortgages | | |
| Repayments on maturity | (171,577) | (169,298) |
| Principal instalment repayments | (35,751) | (36,654) |
| Payment of lease liabilities, net | (167) | (153) |
| Redemption of 2016 Debentures | — | (175,000) |
| Net proceeds from 2021 Debentures | — | 154,787 |
| Proceeds from/(repayment of) bank indebtedness, net | 48,096 | (21,891) |
| Morguard loan payable, net | — | (18,000) |
| Distributions to unitholders | (16,025) | (16,472) |
| Cash used in financing activities | (43,108) | (74,618) |
| INVESTING ACTIVITIES | | |
| Capital expenditures on real estate properties | (17,853) | (11,087) |
| Expenditures on properties under development | (14,565) | (5,964) |
| Acquisition of real estate properties | — | (395) |
| Proceeds from sale of real estate properties, net | — | 14,500 |
| Cash used in investing activities | (32,418) | (2,946) |
| Net change in cash | (1,558) | 2,623 |
| Cash, beginning of period | 11,270 | 8,647 |
| Cash, end of period | \$9,712 | \$11,270 |

2022 REAL ESTATE PORTFOLIO

Morguard REIT owns a diversified portfolio of 46 commercial properties located in six provinces across Canada. The portfolio spans real estate classes from well-located high-quality office properties in major urban centres to dominant regional enclosed shopping centres to community strip centres to a small group of industrial properties.

RETAIL PROPERTIES

| PROPERTY | CITY | PROV. | OWNERSHIP INTEREST (%) | TOTAL AREA (SF) | OWNERSHIP AREA (SF) | OCCUPANCY (%) | TOP TENANTS |
|-----------------------|----------------|-------|------------------------|------------------|---------------------|---------------|---|
| Burquitlam Plaza | Coquitlam | BC | 100 | 68,500 | 68,500 | 95 | Big Box Outlet Store, Bosley's Pet Food Plus, CIBC, Dollarama, Shoppers Drug Mart |
| Pine Centre Mall ② | Prince George | BC | 100 | 358,500 | 358,500 | 96 | B.C. Liquor, Dollarama, Save on Foods (Summer 2023) Shoppers Drug Mart, Sport Chek, Winners/Home Sense |
| Shelbourne Plaza | Victoria | BC | 100 | 57,000 | 57,000 | 100 | A&W, Fairway Market, Liquor Distribution Branch, Scotiabank, TD Canada Trust |
| Airdrie Co-op Centre | Airdrie | AB | 100 | 70,000 | 70,000 | 100 | Co-Op Grocery Store, Co-Op Liquor Store, Heartland Veterinary Clinic, Orangetheory Fitness, TD Canada Trust |
| 2649 Main Street S | Airdrie | AB | 100 | 44,000 | 44,000 | 100 | Jiffy Lube, Tim Hortons, Peavey Mart |
| Heritage Towne Centre | Calgary | AB | 100 | 131,000 | 131,000 | 100 | Ashley Furniture, Boston Pizza, Dollarama, Perfect Home, Structube, Team Town Sports (Summer 2023) |
| Prairie Mall ③ | Grande Prairie | AB | 50 | 263,000 | 131,500 | 90 | Ardene, Dollarama, Marshalls, Shoppers Drug Mart, Urban Planet |
| Parkland Mall ③ | Red Deer | AB | 100 | 444,500 | 444,500 | 88 | Ardene, GoodLife Fitness, Staples, Walmart, Winners |
| The Centre ② | Saskatoon | SK | 100 | 499,000 | 499,000 | 95 | Best Buy, Cineplex, GoodLife Fitness Centres, Saskatoon Co-op Food Store, Sport Chek |
| Shoppers Mall ② | Brandon | MB | 100 | 361,000 | 361,000 | 94 | GoodLife Fitness, Landmark Theatres, Shoppers Drug Mart, Sobeys Extra, Sport Chek |
| Charleswood Centre ③ | Winnipeg | MB | 100 | 123,000 | 123,000 | 96 | Boston Pizza, Dollarama, Liquor Mart, Safeway, Shoppers Drug Mart |
| Southdale Centre ③ | Winnipeg | MB | 100 | 175,500 | 175,500 | 92 | Bank of Montreal, CIBC, Dollarama, Pharma Plus, Walmart |
| Aurora Centre | Aurora | ON | 100 | 304,000 | 304,000 | 100 | Canadian Tire, Cineplex Odeon, GoodLife Fitness, PetSmart, Sobeys |
| Cambridge Centre ① | Cambridge | ON | 100 | 620,000 | 620,000 | 92 | Galaxy, Hudson's Bay, Kingpin Cambridge, Marshalls, Sport Chek |
| Market Square | Kanata | ON | 100 | 68,000 | 68,000 | 100 | Anytime Fitness, Bulk Barn, Farm Boy, LCBO, TD Canada Trust |
| Kingsbury Centre | Mississauga | ON | 100 | 70,000 | 70,000 | 100 | Buduchnist Credit Union, Cordi Bakery, Longo's, Bristol On Rathburn, Shoppers Drug Mart |
| Hampton Park Plaza | Ottawa | ON | 100 | 102,000 | 102,000 | 97 | East Side Mario's, Food Basics, Ontario Breast Screening Program, Pharma Plus, Scotiabank |
| St. Laurent ① | Ottawa | ON | 100 | 797,000 | 797,000 | 96 | Hudsen's Bay, Intact Financial Corp, Sport Chek, Toys "R" Us, Willis College |
| Woodbridge Square | Vaughan | ON | 50 | 112,000 | 56,000 | 95 | Moose & Firkin, Nations Fresh Foods, Scotiabank, Scruples Salon & Spa, Wellmedica |
| Total Retail | | | | 4,668,000 | 4,480,500 | 94 | |

CERTIFICATIONS

① BOMA Platinum ② BOMA Gold ③ BOMA Certified

OFFICE PROPERTIES

| PROPERTY | CITY | PROV. | OWNERSHIP INTEREST (%) | TOTAL AREA (SF) | OWNERSHIP AREA (SF) | OCCUPANCY (%) | TOP TENANTS |
|--|---------------|-------|------------------------|------------------|---------------------|---------------|---|
| 111 Dunsmuir 1 7 | Vancouver | BC | 100 | 222,000 | 222,000 | 82 | Stantec Consulting Ltd, Wood Canada Limited |
| Chancery Place 4 | Vancouver | BC | 100 | 142,500 | 142,500 | 100 | Ministry of Citizens' Services, Modern Wellness Bar, Studeo 55 Fitness Inc., Zubu Downtown |
| Seymour Place | Victoria | BC | 100 | 235,500 | 235,500 | 100 | Ministry of Citizens' Services |
| 505 3rd Street SW 5 7 | Calgary | AB | 50 | 142,000 | 71,000 | 67 | Bank of China, Barrel Oil Corp., Beyond Energy Services & Technology Corp., Morguard Investments Ltd. |
| 7315 8th Street NE 5 | Calgary | AB | 100 | 19,500 | 19,500 | 100 | Traffic Tech Inc. |
| Centre 810 5 | Calgary | AB | 100 | 77,500 | 77,500 | 84 | Hemisphere GNSS Inc., Scanavo North America Ltd, Tektelic Communications Inc., Skyplan Services Ltd. |
| Citadel West | Calgary | AB | 100 | 78,500 | 78,500 | 100 | CH2M Hill Canada Limited |
| Deerport Centre 5 | Calgary | AB | 100 | 49,000 | 49,000 | 53 | Daytona Homes LP, Plexina Inc., Sky Café Ltd., The Western Institute of Emergency Education Inc. |
| Duncan Building | Calgary | AB | 100 | 81,000 | 81,000 | 100 | RCMP |
| National Bank Building | Calgary | AB | 100 | 43,500 | 43,500 | 100 | National Bank of Canada |
| 207 and 215 9th Avenue SW 4 6 | Calgary | AB | 100 | 637,500 | 637,500 | 99 | Athabasca Oil Corp., Bonavista Energy Corp., Obsidian Energy Ltd., Western Energy Services Corp. |
| Petroleum Plaza 3 | Edmonton | AB | 50 | 304,000 | 152,000 | 98 | Alberta Infrastructure, S. Withanachchi Prof Corp, Servus Credit Union Ltd, Vision Travel |
| Rice Howard Place 2* 3 3 (formerly Scotia Place) | Edmonton | AB | 20 | 610,000 | 122,000 | 42 | APEGA, Duncan and Craig, Grant Thornton, Weir Bowen |
| 301 Laurier Avenue | Ottawa | ON | 50 | 26,000 | 13,000 | 19 | Moores The Suit People |
| 525 Coventry | Ottawa | ON | 100 | 42,500 | 42,500 | 100 | Assent Inc. |
| Green Valley Office Park 5 | Ottawa | ON | 100 | 123,000 | 123,000 | 63 | Canadian Physiotherapy Association, The Ottawa Hospital, The Ottawa Fertility Centre Inc. |
| Heritage Place 4 9 | Ottawa | ON | 50 | 217,000 | 108,500 | 77 | Canadian Standards Association, His Majesty the King, HSBC Bank Canada |
| St. Laurent Business Centre 5 | Ottawa | ON | 100 | 89,500 | 89,500 | 54 | CBI Ottawa Limited Partnership, Catholic Christian Outreach, TW Insurance Services Ltd. |
| Standard Life 5 | Ottawa | ON | 50 | 378,000 | 189,000 | 97 | His Majesty the King, Sri Lanka High Commission |
| Time Square 5 | Ottawa | ON | 100 | 112,000 | 112,000 | 42 | BBB Urban Developments Ottawa Inc., Embassy of Kuwait, GRC Architects Inc., The King Eddy |
| 200 Yorkland 4 10 | Toronto | ON | 100 | 150,500 | 150,500 | 74 | AG Simpson Automotive Inc., Ferring Inc., Investors Group Financial Services, Spergel |
| 77 Bloor Street West 1 3 6 10 | Toronto | ON | 50 | 396,000 | 198,000 | 95 | Harry Rosen, Realstar Holdings Partnership, TD Bank, Sephora |
| Place Innovation 10 | Saint-Laurent | QC | 50 | 896,000 | 448,000 | 93 | AJW Technique, Bombardier Inc., Ciena Canada Inc., Genetec Inc. |
| Total Office | | | | 5,073,000 | 3,405,500 | 86 | |

CERTIFICATIONS

1 LEED Gold **2** LEED Silver **3** BOMA Platinum **4** BOMA Gold **5** BOMA Silver **6** WiredScore Gold **7** Energy Star **8** BOMA Certificate of Excellence 2022
9 Outstanding Building of the Year **10** RHF Certified

* Pending

INDUSTRIAL PROPERTIES

| PROPERTY | CITY | PROV. | OWNERSHIP INTEREST (%) | TOTAL AREA (SF) | OWNERSHIP AREA (SF) | OCCUPANCY (%) | TOP TENANTS |
|-------------------------|---------|-------|------------------------|-------------------|---------------------|---------------|---|
| 1875 Leslie | Toronto | ON | 100 | 52,000 | 52,000 | 100 | Body and Soul Fitness Corp, Goose and Firkin, Home Care Mobility, Movie Poster Warehouse |
| 2041-2151 McCowan | Toronto | ON | 100 | 197,500 | 197,500 | 92 | Every Green International Inc., Louise Kool & Galt Limited, Tuxmat Inc., Yao Yee Trading Inc. |
| 279 Yorkland | Toronto | ON | 100 | 18,000 | 18,000 | 100 | ARZ Group of Companies Limited |
| 285 Yorkland | Toronto | ON | 100 | 25,000 | 25,000 | - | - |
| Total Industrial | | | | 292,500 | 292,500 | 86 | |
| Total | | | | 10,033,500 | 8,178,500 | 91 | |

CORPORATE INFORMATION

BOARD OF TRUSTEES

Bart S. Munn^{1,2}
Corporate Director

Timothy J. Murphy^{1,3}
Partner, McMillan LLP

K. Rai Sahi
Chairman and
Chief Executive Officer
Morguard Corporation

Antony K. Stephens^{1,3}
Corporate Director

Donald W. Turple^{1,2}
Real Estate Consultant

Timothy J. Walker^{1,2,3}
Corporate Director

¹ Independent Trustee

² Audit Committee

³ Human Resources and
Governance Committee

EXECUTIVE DIRECTORY

K. Rai Sahi
Chairman, President and
Chief Executive Officer

Andrew Tamlin
Chief Financial Officer

Beverley G. Flynn
Senior Vice President,
General Counsel

Paul Miatello
Senior Vice President

Angela Sahi
Senior Vice President

INVESTOR INFORMATION

Head Office
Morguard REIT
55 City Centre Drive
Suite 1000
Mississauga, ON
L5B 1M3
T 905-281-4800 or
1-800-928-6255
info@morguard.com

Listing
Toronto Stock Exchange

Symbol
MRT.UN
MRT.DB

Eligibility
RRSP
RRIF
DPSP
RPP
TFSA

Auditors
Ernst & Young LLP

Principal Bankers
Bank of Montreal
Toronto-Dominion Bank

Transfer Agent
Computershare Trust
Company 1-800-564-6253
www.computershare.com

Investor Relations
Visit our website at
www.morguard.com or
view our filings on SEDAR
at www.sedar.com.

For additional information, contact:

Andrew Tamlin
Chief Financial Officer

Beverley G. Flynn
Senior Vice President,
General Counsel

T 905-281-4800
info@morguard.com

MORGUARD REIT (TSX:MRT.UN)

Morguard Real Estate Investment Trust is a closed-end trust listed on the Toronto Stock Exchange (TSX) under the symbol MRT.UN. The Trust had total real estate assets of \$2.4 billion as at December 31, 2022.

The mandate of the Trust is to accumulate a Canadian portfolio of high-quality real estate assets – then actively manage the portfolio to generate steady, dependable returns for unitholders, through a stable and increasing cash flow. This offers the potential for long-term capital appreciation.

The Trust owns a diversified real estate portfolio of 46 commercial properties consisting of 8.2 million square feet of gross leasable area located in six provinces. The real estate portfolio primarily includes well-located, high-quality office properties in major urban centres, large enclosed full-scale regional shopping malls that are dominant in their respective markets, neighbourhood and community shopping centres and a small group of industrial properties.

**MORGUARD REAL ESTATE
INVESTMENT TRUST**

55 City Centre Drive
Suite 1000
Mississauga, ON
L5B 1M3
905-281-4800
MORGUARD.COM



Morguard