



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
(UNAUDITED IN CANADIAN DOLLARS)**

**FOR THE THREE AND NINE MONTHS ENDED  
SEPTEMBER 30, 2021 AND 2020**

**DATED: NOVEMBER 9, 2021**

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**Plaza Retail REIT**  
**Condensed Interim Consolidated Statements of Financial Position**

(unaudited)

(in thousands of Canadian dollars)

September 30, December 31,  
2021 2020

**Assets**

**Non-Current Assets**

Investment properties (Note 3)	\$ 1,095,983	\$ 1,061,136
Investments	48,703	46,939
Tenant loans	347	402
Deferred income tax asset	286	335
<b>Total non-current assets</b>	<b>1,145,319</b>	<b>1,108,812</b>

**Current Assets**

Investment properties held for sale (Note 3)	-	3,128
Cash	8,368	8,274
Receivables (Note 4)	2,932	8,106
Prepaid expenses and deposits (Note 5)	5,020	3,492
Tenant loans	112	109
Notes and advances receivable (Note 6)	7,547	7,206
<b>Total current assets</b>	<b>23,979</b>	<b>30,315</b>
<b>Total assets</b>	<b>\$ 1,169,298</b>	<b>\$ 1,139,127</b>

**Liabilities and Unitholders' Equity**

**Non-Current Liabilities**

Debentures payable (Note 7)	\$ 60,335	\$ 51,631
Mortgage bonds payable (Note 8)	-	6,146
Mortgages payable (Note 9)	416,364	405,667
Class B exchangeable LP units (Note 17)	5,360	4,300
Land lease liabilities (Note 11)	65,403	65,986
Deferred income tax liability	8,038	8,116
<b>Total non-current liabilities</b>	<b>555,500</b>	<b>541,846</b>

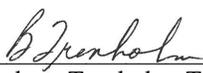
**Current Liabilities**

Current portion of debentures payable (Note 7)	5,989	9,176
Current portion of mortgage bonds payable (Note 8)	6,162	1,997
Bank indebtedness (Note 10)	34,259	33,451
Current portion of mortgages payable (Note 9)	80,965	104,369
Mortgage payable of investment property held for sale (Note 9)	-	709
Accounts payable, accrued liabilities, tenant payables and tenant deposits (Note 12)	19,925	18,681
Land lease liabilities (Note 11)	776	760
Notes payable	1,236	1,236
<b>Total current liabilities</b>	<b>149,312</b>	<b>170,379</b>
<b>Total liabilities</b>	<b>704,812</b>	<b>712,225</b>

Unitholders' equity	459,826	422,407
Non-controlling interests	4,660	4,495
<b>Total unitholders' equity</b>	<b>464,486</b>	<b>426,902</b>
<b>Total liabilities and unitholders' equity</b>	<b>\$ 1,169,298</b>	<b>\$ 1,139,127</b>

Subsequent events – see Note 22

  
Doug McGregor, Trustee  
Chair of the Board

  
Barbara Trenholm, Trustee  
Chair of the Audit Committee

See accompanying notes which are an integral part of these condensed interim consolidated financial statements.

## Plaza Retail REIT

### Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

(unaudited)

(in thousands of Canadian dollars)

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Revenues (Note 13)	\$ 26,597	\$ 25,960	\$ 83,249	\$ 80,063
Operating expenses (Note 14)	<b>(8,518)</b>	(8,329)	<b>(28,658)</b>	(29,450)
<b>Net property operating income</b>	<b>18,079</b>	17,631	<b>54,591</b>	50,613
Share of profit of associates	<b>1,176</b>	3,216	<b>2,955</b>	1,061
Administrative expenses (Note 15)	<b>(1,714)</b>	(2,607)	<b>(5,351)</b>	(6,878)
Investment income	<b>139</b>	89	<b>390</b>	384
Other income	<b>995</b>	471	<b>2,474</b>	1,607
<b>Income before finance costs, fair value adjustments and income taxes</b>	<b>18,675</b>	18,800	<b>55,059</b>	46,787
Finance costs (Note 16)	<b>(7,018)</b>	(7,190)	<b>(21,125)</b>	(21,698)
Finance costs – convertible debenture issuance costs	<b>(24)</b>	-	<b>(370)</b>	-
Finance costs - net change in fair value of convertible debentures (Note 7)	<b>31</b>	(1,872)	<b>(2,833)</b>	2,717
Finance costs - net change in fair value of Class B exchangeable LP units (Note 17)	<b>119</b>	(287)	<b>(1,060)</b>	1,274
Finance costs - net change in fair value of interest rate swaps (Note 9)	<b>361</b>	229	<b>2,436</b>	(3,924)
Net change in fair value of right-of-use land lease assets (Note 3)	<b>(190)</b>	(178)	<b>(567)</b>	(494)
Net change in fair value of investment properties (Note 3)	<b>16,010</b>	(549)	<b>28,391</b>	(49,060)
<b>Profit (loss) before income tax</b>	<b>27,964</b>	8,953	<b>59,931</b>	(24,398)
Income tax recovery (expense)				
- Current	<b>(129)</b>	(31)	<b>(206)</b>	(97)
- Deferred	<b>73</b>	263	<b>29</b>	283
	<b>(56)</b>	232	<b>(177)</b>	186
<b>Profit (loss) and total comprehensive income (loss) for the period</b>	<b>\$ 27,908</b>	\$ 9,185	<b>\$ 59,754</b>	\$ (24,212)
<b>Profit (loss) and total comprehensive income (loss) for the period attributable to:</b>				
- Unitholders	<b>\$ 27,756</b>	\$ 9,143	<b>\$ 58,880</b>	\$ (24,214)
- Non-controlling interests	<b>152</b>	42	<b>874</b>	2
	<b>\$ 27,908</b>	\$ 9,185	<b>\$ 59,754</b>	\$ (24,212)

See accompanying notes which are an integral part of these condensed interim consolidated financial statements.

## Plaza Retail REIT

### Condensed Interim Consolidated Statements of Changes in Unitholders' Equity

(unaudited)

(in thousands of Canadian dollars)

	Trust Units (Note 17)	Retained Earnings	Total Attributable to Unitholders	Non- Controlling Interests	Total Equity
<b>Balance as at December 31, 2019</b>	\$ 276,406	\$ 190,736	\$ 467,142	\$ 4,306	\$ 471,448
Loss and total comprehensive loss for the period	-	(24,214)	(24,214)	2	(24,212)
Transactions with unitholders, recorded directly in equity:					
- Issuance of units under the RU plan	6	-	6	-	6
- Repurchase of units under normal course issuer bid (Note 17)	(1,076)	(355)	(1,431)	-	(1,431)
- Distributions to unitholders (Note 18)	-	(21,388)	(21,388)	-	(21,388)
- Distributions from non-controlling interests	-	-	-	283	283
<b>Balance as at September 30, 2020</b>	<b>\$ 275,336</b>	<b>\$ 144,779</b>	<b>\$ 420,115</b>	<b>\$ 4,591</b>	<b>\$ 424,706</b>
<b>Balance as at December 31, 2020</b>	<b>\$ 275,453</b>	<b>\$ 146,954</b>	<b>\$ 422,407</b>	<b>\$ 4,495</b>	<b>\$ 426,902</b>
Profit and total comprehensive income for the period	-	58,880	58,880	874	59,754
Transactions with unitholders, recorded directly in equity:					
- Issuance of units under the RU plan (Note 17)	5	-	5	-	5
- Repurchase of units under normal course issuer bid (Note 17)	(60)	(32)	(92)	-	(92)
- Distributions to unitholders (Note 18)	-	(21,374)	(21,374)	-	(21,374)
- Contributions to non-controlling interests	-	-	-	(709)	(709)
<b>Balance as at September 30, 2021</b>	<b>\$ 275,398</b>	<b>\$ 184,428</b>	<b>\$ 459,826</b>	<b>\$ 4,660</b>	<b>\$ 464,486</b>

See accompanying notes which are an integral part of these condensed interim consolidated financial statements.

# Plaza Retail REIT

## Condensed Interim Consolidated Statements

### Cash Flows

(unaudited)

(in thousands of Canadian dollars)

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
<b>Cash obtained from (used for):</b>				
<b>Operating activities</b>				
Profit (loss) and total comprehensive income (loss) for the period	\$ 27,908	\$ 9,185	\$ 59,754	\$ (24,212)
Items not affecting cash:				
Finance costs (Note 16)	7,018	7,190	21,125	21,698
Share of profit of associates	(1,176)	(3,216)	(2,955)	(1,061)
Net change in fair value of investment properties	(16,010)	549	(28,391)	49,060
Net change in fair value of convertible debentures	(31)	1,872	2,833	(2,717)
Net change in fair value of Class B exchangeable LP units	(119)	287	1,060	(1,274)
Net change in fair value of interest rate swaps (Note 9)	(361)	(229)	(2,436)	3,924
Net change in fair value of right-of-use land lease assets	190	178	567	494
Current and deferred income taxes	56	(232)	177	(186)
Straight-line rent (Note 13)	31	(159)	206	(417)
Interest paid	(6,472)	(6,931)	(19,107)	(18,909)
Imputed interest paid on land lease liabilities (Note 16)	(622)	(562)	(1,803)	(1,700)
Income taxes received (paid)	108	(245)	(8)	(416)
Distributions from equity accounted investments	170	295	1,509	1,352
Leasing commissions paid	(78)	(48)	(235)	(329)
Change in non-cash working capital (Note 19)	2,588	11,375	3,828	578
	<b>13,200</b>	<b>19,309</b>	<b>36,124</b>	<b>25,885</b>
<b>Financing activities</b>				
Cash distributions paid to unitholders (Note 18)	(7,124)	(7,124)	(21,374)	(21,388)
Cash distributions paid to Class B exchangeable LP unitholders (Note 16)	(83)	(83)	(250)	(250)
Repurchase of units under normal course issuer bid (Note 17)	(34)	(28)	(92)	(1,431)
Gross mortgage proceeds	17,366	21,306	56,044	42,456
Fees incurred for placement of mortgages	(271)	(113)	(474)	(214)
Mortgages repaid	(15,350)	(13,066)	(54,399)	(29,712)
Periodic mortgage principal repayments	(3,013)	(2,860)	(9,006)	(7,756)
Land lease principal repayments	(190)	(178)	(567)	(494)
Gross proceeds from mortgage bonds	-	-	-	3,395
Fees incurred for placement of mortgage bonds	-	(8)	-	(34)
Redemption of mortgage bonds	(1,005)	-	(2,005)	-
Gross proceeds from convertible debentures	-	-	12,019	-
Redemption of debentures	-	-	(9,360)	(4,195)
Distribution from equity accounted investments from financing proceeds	-	2,624	-	2,624
Decrease in notes payable	(13)	(7)	-	(220)
	<b>(9,717)</b>	<b>463</b>	<b>(29,464)</b>	<b>(17,219)</b>
<b>Investing activities</b>				
Acquisitions of investment properties and land	(25)	(8,727)	(2,630)	(8,727)
Investment properties – additions	(6,717)	(6,697)	(16,195)	(18,525)
Net proceeds from disposal of investment properties and land (Note 3(e))	8,890	4,968	10,276	5,931
Net proceeds from assets previously held for sale (Note 3(e))	-	-	2,448	609
Advances to equity accounted investments for developments	(148)	(346)	(316)	(3,244)
Contributions to/(distributions from) subsidiaries from/to non-controlling interests	(611)	117	(709)	284
Decrease (increase) in deposits for acquisitions and financings (Note 5)	71	846	41	1,645
Increase in notes and advances receivable	-	(350)	(341)	(1,789)
Repayment of tenant loans	29	27	83	81
Issuance of tenant loans	(31)	-	(31)	-
	<b>1,458</b>	<b>(10,162)</b>	<b>(7,374)</b>	<b>(23,735)</b>
<b>Net decrease in cash</b>	<b>4,941</b>	<b>9,610</b>	<b>(714)</b>	<b>(15,069)</b>
Cash less bank indebtedness, beginning of the period	(30,832)	(33,173)	(25,177)	(8,494)
<b>Cash less bank indebtedness, end of the period</b>	<b>\$ (25,891)</b>	<b>\$ (23,563)</b>	<b>\$ (25,891)</b>	<b>\$ (23,563)</b>

See accompanying notes which are an integral part of these condensed interim consolidated financial statements.

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

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#### 1. Reporting Entity

Plaza Retail REIT (the “Trust” or “Plaza”) is an unincorporated “open-ended” real estate investment trust established pursuant to its declaration of trust dated as of November 1, 2013 and amended as of March 26, 2020 (the “Declaration of Trust”) and is governed by the laws of the Province of Ontario. The address of the Trust’s head office is 98 Main Street, Fredericton, New Brunswick. The Trust operates a retail real estate ownership and development business in Canada. Management does not distinguish or group its operations by geography or any other basis when measuring its performance or making decisions. Accordingly, the Trust has a single reportable segment for disclosure purposes.

#### 2. Basis of Preparation

##### *Statement of Compliance*

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and in particular International Accounting Standard (“IAS”) 34, *Interim financial reporting* on a basis consistent with the accounting policies disclosed in Note 3 of the December 31, 2020 consolidated financial statements of the Trust.

The condensed interim consolidated financial statements do not include all the information required for full annual financial statements. The condensed interim consolidated financial statements should be read in conjunction with the 2020 annual financial statements of the Trust.

The condensed interim consolidated financial statements were authorized for issue by the Audit Committee on behalf of the Board of Trustees (the “Board”) of the Trust on November 9, 2021.

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

### 3. Investment Properties

	September 30, 2021				December 31, 2020			
	Income producing properties	Properties under development	Right-of-use land lease assets	Total	Income producing properties	Properties under development	Right-of-use land lease assets	Total
Balance, beginning of the period:	\$ 972,430	\$ 21,960	\$ 66,746	\$ 1,061,136	\$ 991,326	\$ 35,447	\$ 59,907	\$ 1,086,680
Additions (deductions):								
Additions to investment properties	13,416	4,560	-	17,976	5,759	20,358	7,532	33,649
Acquisitions of investment properties and land	-	2,630	-	2,630	8,727	-	-	8,727
Disposals <sup>(1)</sup>	(13,325)	-	-	(13,325)	(17,498)	-	-	(17,498)
Transfers	(16,822)	16,822	-	-	36,714	(36,714)	-	-
Straight line rent receivable change	(258)	-	-	(258)	257	33	-	290
Change in investment properties held for sale (Note 3(g))	-	-	-	-	(3,128)	-	-	(3,128)
Change in fair value – income producing and under development	27,592	799	-	28,391	(49,727)	2,836	-	(46,891)
Change in fair value – right-of-use land lease assets	-	-	(567)	(567)	-	-	(693)	(693)
Balance, end of the period:	\$ 983,033	\$ 46,771	\$ 66,179	\$ 1,095,983	\$ 972,430	\$ 21,960	\$ 66,746	\$ 1,061,136

<sup>(1)</sup> Cash received in the current year from disposals as per the Statement of Cash Flows of \$10.3 million is net of mortgages repaid of \$3.0 million including early discharge fees.

The majority of the Trust's income producing properties and properties under development have been pledged as security under various debt agreements.

Fair value disclosure:

Investment properties (including those owned through equity accounted joint ventures) are measured at fair value using either an internal approach or external appraisals.

#### Income Producing Properties

##### (i) Internal approach – direct capitalization income approach

Income producing properties are valued using the direct capitalization method. Under this method, fair value is estimated by applying capitalization rates to future stabilized net operating income (property revenue less property operating expenses), with the resulting value reduced by any costs required to achieve stabilization. Stabilized net operating income adjusts net operating income for things like market property management fees, or in the case of development properties, to reflect full intended occupancy (less a normal vacancy allowance). The key assumption is the capitalization rate for each specific property. The Trust utilizes quarterly capitalization rate matrices provided by an external appraiser. The capitalization rate matrices provide a range of rates for various geographic regions and for various types and qualities of properties within each region. The Trust generally utilizes capitalization rates within the range of rates provided. To the extent that the externally provided capitalization rate ranges change from one reporting period to the next or should another rate within the provided ranges be more appropriate than the rate previously used, the fair value of the investment properties would increase or decrease accordingly.

##### (ii) External appraisals

Independent appraisals are obtained in the normal course of business as refinancing activities require them. When an independent appraisal is obtained, the internal valuation team assesses all major inputs used by the independent valuers in

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

preparing their reports and holds discussions with them on the reasonableness of their assumptions. Where warranted, adjustments will be made to the internal valuations to reflect the assumptions contained in the external valuations.

#### Properties Under Development

Properties under development are valued using a combination of the internal approach, as noted above, and external appraisals. The resulting values are reduced by future cash outlays for costs to complete the development and achieve stabilization, including construction, development, lease-up and related costs.

Of the total fair value in the chart on the previous page, \$112.4 million of investment properties were based on external appraisals obtained during the year to date, with \$31.2 million based on appraisals obtained in the current quarter (year ended December 31, 2020 - \$96.8 million).

As at September 30, 2021 the Trust has utilized the following range of capitalization rates:

Capitalization Rate Matrix Ranges				
	Number of Properties <sup>(1)</sup>	Weighted average capitalization rates	Primary Market	Secondary Market
Freestanding or Mini Box	73	6.42%	5.50% - 8.75%	6.00% - 9.25%
Quick Service Restaurant	67	6.83%	5.50% - 9.50%	6.00% - 11.25%
Anchored Open-Air Centre – Class A	15	6.71%	5.25% - 8.75%	6.00% - 9.50%
Anchored Open-Air Centre – Class B	41	7.01%	5.50% - 9.00%	6.50% - 10.50%
Unanchored Open-Air Centre	32	7.63%	6.00% - 9.75%	6.50% - 11.25%
Enclosed Malls – Community	3	9.65%	8.50% - 10.00%	7.75% - 11.50%
	231	6.99%		

<sup>(1)</sup> Excludes certain properties under development and non-consolidated trusts and partnerships.

Freestanding or Mini Box - defined as a freestanding retail, non-restaurant use such as a pharmacy or equivalent national box retailer. May include nominal additional gross leasable area (“GLA”) if the additional GLA is 15% or less than the total GLA or gross revenue.

Quick Service Restaurant – defined as freestanding retail quick-service restaurant.

Anchored Open-Air Centre – Class A - defined as a food or equivalent-anchored retail open-air centre, 20,000-125,000 square feet and where the anchor tenant(s) represents 70% or more of GLA or gross revenue.

Anchored Open-Air Centre – Class B - defined as a food or equivalent-anchored retail open-air centre, 20,000-200,000 square feet and where the anchor tenant(s) represents less than 70% of GLA or gross revenue.

Unanchored Open-Air Centre - defined as an unanchored retail open-air centre less than 75,000 square feet.

Enclosed Malls - Community - defined as an enclosed community mall with food or department/junior department store or equivalent anchors.

At September 30, 2021 a decrease of 0.25% in the capitalization rates used to determine the fair value of investment properties would have resulted in an increase in investment properties of approximately \$37.9 million. An increase of 0.25% in the capitalization rates used would have resulted in a decrease in investment properties of approximately \$35.2 million.

Although the fair value of investment properties reflects the Trust’s best estimates as at September 30, 2021, the Trust continues to review its future NOI and cash flow projections and valuation of investment properties in light of COVID-19. Depending on the duration and full impacts of COVID-19, certain aspects of Plaza’s operations could be further affected, including rental and occupancy rates, consumer demand and demand for retail space, capitalization rates, tenants’ ability to pay rent in full or at all, tenant inducements, temporary or long-term labour or supply chain disruptions and the impact on construction costs and development projects, and the resulting value of Plaza’s properties.

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

As at December 31, 2020 the Trust utilized the following range of capitalization rates:

	Number of Properties <sup>(1)</sup>	Weighted average capitalization rates	Capitalization Rate Matrix Ranges	
			Primary Market	Secondary Market
Freestanding or Mini Box	73	6.59%	5.50% - 9.00%	6.00% - 9.50%
Quick Service Restaurant	83	7.02%	5.75% - 9.75%	6.25% - 11.50%
Anchored Open-Air Centre – Class A	15	6.85%	6.50% - 9.00%	6.50% - 9.75%
Anchored Open-Air Centre – Class B	40	7.21%	6.50% - 9.25%	7.00% - 10.75%
Unanchored Open-Air Centre	33	7.94%	6.25% - 10.00%	6.75% - 11.50%
Enclosed Malls – Community	3	10.00%	8.50% - 10.00%	8.25% - 11.50%
	247	7.19%		

<sup>(1)</sup> Excludes certain properties under development and non-consolidated trusts and partnerships.

#### (a) Straight-line Rent

Included in investment properties at September 30, 2021 is \$12.0 million (December 31, 2020 - \$12.2 million) of straight-line rents receivable arising from the recognition of rental revenue on a straight-line basis over the lease terms in accordance with IFRS 16, *Leases*.

#### (b) Surplus Land

Included in investment properties at September 30, 2021 is \$1.2 million of surplus lands at fair value (December 31, 2020 - \$1.2 million).

#### (c) Borrowing Costs

The total amount of borrowing costs capitalized for the nine months ended September 30, 2021 is \$163 thousand (for the nine months ended September 30, 2020 - \$264 thousand).

#### (d) Acquisitions of Investment Properties and Land

Properties Acquired	% Acquired	9 Months Ended September 30, 2021 <sup>(1)</sup>	12 Months Ended December 31, 2020 <sup>(1)</sup>
Mapleview Dr., Barrie, ON	50%	\$ 2,630	\$ -
Northern Avenue Plaza, Sault Ste. Marie, ON	50%	-	8,727
Total properties acquired		\$ 2,630	\$ 8,727

<sup>(1)</sup> Including closing costs

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

#### (e) Disposals

Properties Disposed	%	Gross Proceeds 9 Months Ended September 30, 2021 <sup>(1)</sup>	Gross Proceeds 12 Months Ended December 31, 2020
Quick Service Restaurants and excess land – Port Hawkesbury, NS, Belleville, ON, Hamilton, ON, Lindsay, ON, Orleans, ON, Picton, ON, Toronto, ON, Chicoutimi, QC, Gatineau, QC, Levis, QC, Longueuil, QC, Montreal, QC, and Quebec City, QC.	100%	\$ 16,452	\$ -
Quick Service Restaurants and non-core Assets – Arnprior, ON, Cambridge, ON, Hamilton, ON, Thunder Bay, ON, Toronto, ON, Windsor, ON, Neufchatel, QC, and Shawinigan, QC.	100%	-	5,894
Five single-use properties located in Calgary, AB, New Glasgow, NS, Antigonish, NS and Montreal, QC <sup>(2)</sup>	50%	-	4,616
<b>Total disposals</b>		<b>\$ 16,452</b>	<b>\$ 10,510</b>

(1) Net proceeds per the Statements of Cash Flows, are net of mortgages repaid on disposal of \$3.7 million including early mortgage discharge fees paid.

(2) The Trust sold a 50% co-ownership interest in five properties for net proceeds of \$12.3 million, \$4.6 million after assumption of long-term financing on the properties.

#### (f) Right-of-use land lease assets

The Trust has investment properties located on land which is leased. A right-of-use asset has been recorded effective January 1, 2019 to recognize these assets. The Trust has 27 long-term land leases (affecting 26 properties). Land leases expire (excluding any non-automatic renewal periods) on dates ranging from 2022 to 2084 with an average life of 33 years, with some of the leases also containing non-automatic renewal options, extending the average life of the leases to 59 years including these non-automatic renewal options.

#### (g) Investment properties held for sale

The Trust has not segregated any investment properties as held for sale at September 30, 2021 (December 31, 2020 - \$3.1 million).

## 4. Receivables

Receivables consist of the following:

	September 30, 2021	December 31, 2020
Tenant accounts receivable, net of allowance	\$ 1,263	\$ 3,793
Excise tax	399	900
CEWS government receivable	-	976
Holdback receivable	-	649
Other receivables	1,121	1,424
Income tax receivable	149	364
<b>Total receivables</b>	<b>\$ 2,932</b>	<b>\$ 8,106</b>

The Trust determines its allowance for doubtful accounts on a tenant-by-tenant basis using an expected credit loss model taking into consideration lease terms, industry conditions and status of the tenants' accounts, among other factors. Accounts are written off only when all collection efforts have been exhausted. The allowance for doubtful accounts balance at September 30, 2021 is \$879 thousand (December 31, 2020 - \$1.0 million). This amount is deducted from tenant accounts receivable. The uncertainty caused by COVID-19 may impact the allowance for doubtful accounts in future periods.

The Government of Canada introduced the Canadian Emergency Wage Subsidy ("CEWS") program in 2020 which provides a subsidy for Canadian employers who have seen a drop in revenue during the COVID-19 pandemic. The Trust qualified and recorded a CEWS government receivable at December 31, 2020.

## Plaza Retail REIT

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#### 5. Prepaid Expenses and Deposits

Prepaid expenses and deposits consist of the following:

	September 30, 2021	December 31, 2020
Prepaid expenses	\$ 3,850	\$ 2,281
Deposits for acquisitions and financings	1,170	1,211
<b>Total prepaid expenses and deposits</b>	<b>\$ 5,020</b>	<b>3,492</b>

#### 6. Notes and Advances Receivable

The notes and advances receivable are owed by co-owners of investment properties as a result of funding requirements on a short-term basis during development of investment properties, and by minority interest shareholders of consolidated entities. The notes and advances are due on demand.

Due from:	Interest Rate	September 30, 2021	December 31, 2020
Co-owners of certain investment properties (payable on demand) <sup>(1)</sup>	6.00%	\$ 7,129	\$ 6,788
	Prime + 1.5%	322	322
	Non-interest bearing	44	44
Minority interest shareholders (payable on demand)	Prime + 2.0%	50	50
	Non-interest bearing	2	2
<b>Total notes and advances receivable</b>		<b>\$ 7,547</b>	<b>\$ 7,206</b>

<sup>(1)</sup> Michael Zakuta and Earl Brewer, related parties, own interests in common with the Trust in the underlying properties (Mountainview Plaza, Midland, ON and Park St. Plaza, Kenora, ON). See Note 20(c)(ii) for additional information.

#### 7. Debentures Payable

Debentures payable consist of the following:

	Maturity Date	Interest Rate	September 30, 2021	December 31, 2020
Convertible <sup>(1)</sup>				
Series E (TSX: PLZ.DB.E)	March 31, 2023	5.10%	\$ 48,100	\$ 45,667
Series VII	June 30, 2021	5.50%	-	5,316
Series VIII	March 31, 2026	5.95%	12,235	-
<b>Total convertible debentures</b>			<b>60,335</b>	<b>50,983</b>
Non-convertible <sup>(2)(3)</sup>	Various (see below)	5.00%	5,989	9,824
Net debentures payable			66,324	60,807
Less: current portion of debentures payable			(5,989)	(9,176)
<b>Total debentures payable – long-term portion</b>			<b>\$ 60,335</b>	<b>\$ 51,631</b>

<sup>(1)</sup> Recorded at fair value based on closing market trading prices of the debentures; the fair value change of the total convertible debentures during 2021 was a loss of \$2.8 million (for the period ended September 30, 2020 – gain of \$2.7 million)

<sup>(2)</sup> Recorded at amortized cost

<sup>(3)</sup> Net of unamortized finance charges of \$11 thousand (December 31, 2020 - \$36 thousand)

Convertible and non-convertible debentures are subordinate and unsecured.

Current convertible debenture terms are as follows:

	Series E	Series VIII
Conversion price	\$5.65	\$4.75
Trust's first redemption date	April 1, 2021	March 31, 2024
Par call date	April 1, 2022	March 31, 2025
Maturity date	March 31, 2023	March 31, 2026
Face value outstanding	\$47,250	\$12,019
Publicly listed	yes	no

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Non-convertible debenture maturities are as follows:

	Series II
Face value outstanding	\$6,000
Maturity date	February 28, 2022

On April 1, 2021, the Trust issued \$12.0 million of Series VIII convertible debentures. The Debentures have a term of five years, bear interest at a rate of 5.95% and are convertible at \$4.75/unit.

On May 2, 2021, Series I non-convertible debentures matured and were repaid.

On June 30, 2021, the \$5.5 million Series VII convertible debentures matured and were repaid.

## 8. Mortgage Bonds Payable

Mortgage bonds payable are secured by various properties:

	September 30, 2021			December 31, 2020
	Series X.2	Series XII	Total	Total
Various properties, 1 <sup>st</sup> mortgage	\$ 3,195	\$ -	\$ 3,195	\$ 5,200
Various properties, 1 <sup>st</sup> mortgage	-	3,000	3,000	3,000
Gross mortgage bonds payable	3,195	3,000	6,195	8,200
Less: unamortized finance charges			(33)	(57)
Net mortgage bonds payable			6,162	8,143
Less: current portion of mortgage bonds payable			(6,162)	(1,997)
Net mortgage bonds payable – long-term portion			\$ -	\$ 6,146

	Series X.2	Series XII
Interest Rate	6.15%	5.50%
Maturity Date	June 25, 2022	July 15, 2022
Amount	\$3,195	\$3,000

The Series X.2 and XII mortgage bonds can be deployed up to 90% of the cost of a property under a first or second charge on that property. If it is a second charge, the total debt, including mortgage bonds, cannot exceed 90%. These mortgage bonds can be reallocated to different properties from time to time as required.

On March 25, 2021, \$2.0 million of Series X.1 mortgage bonds matured. \$1.0 million of these mortgage bonds were paid out at that time. The remaining \$1.0 million were extended to September 25, 2021 and were repaid on that date.

## Plaza Retail REIT

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#### 9. Mortgages Payable

	Interest Rate Range	Weighted Average Effective Interest Rate	Maturity Dates	September 30, 2021	December 31, 2020
Secured fixed rate loans:	2.16% - 7.00%	4.03%	Up to June 2034	\$ 445,275	\$ 465,441
Unsecured interest-only fixed rate loans:	5.00%	5.00%	Up to May 2024	9,243	10,443
Fair value of interest rate swap				1,303	3,739
Revaluation of loans upon acquisitions, net of amortization of \$6,400 (December 31, 2020 - \$6,329)				373	444
Less: unamortized finance charges				(2,190)	(2,236)
Total net fixed rate loans				454,004	477,831
Variable rate loans:					
- \$20 million development facility	Prime plus 0.75% or BA plus 2.25%		July 31, 2022	10,900	10,900
- \$15 million development facility	Prime plus 0.75% or BA plus 2.00%		July 31, 2023	10,390	6,477
- \$9.7 million interim facility	Prime plus 1.50% or BA plus 2.50%		March 16, 2022	9,567	-
- \$1.2 million unsecured interest-only loan	Prime plus 1.05% (min. 5.00% rate)		January 15, 2024	1,171	1,171
- \$10.08 million secured non-revolving construction credit facility	Prime plus 1.00% or BA plus 2.25%		April 24, 2022	8,855	8,855
- \$8.8 million interim facility	Prime plus 1.00% or BA plus 2.50%		August 13, 2023	2,608	5,558
Less: unamortized finance charges				(166)	(47)
Total net variable rate loans				43,325	32,914
Net mortgages payable				497,329	510,745
Less: mortgages payable of investment properties held for sale				-	(709)
Less: mortgages payable – current portion				(80,965)	(104,369)
Total mortgages payable – long-term portion				\$ 416,364	\$ 405,667

All mortgages and facilities are secured by charges against specific assets. The unamortized finance charges are made up of fees and costs incurred to obtain the mortgage financing, less accumulated amortization.

During the quarter, the \$5.6 million interim construction facility was increased to \$8.8 million and extended until August 13, 2023.

To fund development activities the Trust has two revolving development facilities with Canadian chartered banks available upon pledging of specific assets. One is a \$20.0 million one-year revolving facility that bears interest at prime plus 0.75% or bankers' acceptances ("BAs") plus 2.25%, and the other is a \$15.0 million two-year revolving facility that bears interest at prime plus 0.75% or BAs plus 2.00%. At September 30, 2021 there is \$13.7 million available on these development facilities (December 31, 2020 - \$17.6 million). Funding is secured by first mortgage charges on development properties. The Trust must maintain certain financial ratios to comply with the facilities. These covenants include loan-to-value, debt coverage, interest coverage and occupancy covenants, as well as unitholder equity tests. As of September 30, 2021 the Trust is in compliance with all financial covenants.

During 2019, the Trust entered into four new mortgages that utilize interest rate swaps in order to fix the variable interest rate. The interest rate swaps mature in May, June and August 2029 and are recorded at fair value, with movements in fair value recorded in mortgages payable, and profit (loss).

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#### 10. Bank Indebtedness

The Trust has a \$55.0 million (December 31, 2020 - \$46.0 million) revolving operating line of credit facility with a Canadian chartered bank at the rate of prime plus 0.75% or BAs plus 2.00%. The amount available to be drawn fluctuates depending on the specific assets pledged as security. Based on the assets pledged at September 30, 2021, the available limit was \$55.0 million of which \$34.3 million (December 31, 2020 - \$33.5 million) was drawn and therefore the maximum amount remaining available to be drawn on the facility was \$20.2 million (December 31, 2020 - \$12.0 million), net of letters of credit outstanding of \$503 thousand (December 31, 2020 - \$503 thousand). As security, at September 30, 2021, the Trust has provided a \$50.0 million demand debenture secured by a first mortgage over forty properties.

#### 11. Land Lease Liabilities

The Trust has investment properties located on land which is leased. To recognize these land leases a liability has been recorded effective January 1, 2019. The Trust has 27 long-term land leases (affecting 26 properties). Of the 27 land leases, 9 are with related parties. Land leases expire (excluding any non-automatic renewal periods) on dates ranging from 2022 to 2084 with an average life of 33 years, with some of the leases also containing non-automatic renewal options, extending the average life of the leases to 59 years including these non-automatic renewal options.

#### 12. Accounts Payable, Accrued Liabilities, Tenant Payables and Tenant Deposits

Accounts payable, accrued liabilities, tenant payables and tenant deposits consist of the following:

	September 30, 2021	December 31, 2020
Accounts payable and accrued liabilities	\$ 8,580	\$ 7,010
Tenant CAM and tax accrual	1,561	1,614
Distributions payable	2,402	2,403
Excise tax payable	1,262	1,003
Accrued interest payable	1,613	2,282
Deferred tenant revenue and deposits	4,203	3,873
Other	304	496
Total accounts payable, accrued liabilities, tenant payables and tenant deposits	\$ 19,925	\$ 18,681

#### 13. Revenues

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Contractual revenue	\$ 18,953	\$ 18,179	\$ 56,321	\$ 55,170
Straight-line rent	(31)	159	(206)	417
Property tax and insurance recoveries	5,122	5,167	15,609	15,826
Cost recovery revenue	2,533	2,335	8,345	8,232
Lease buyout revenue	-	100	3,098	138
Other revenue	20	20	82	280
Total property revenues	\$ 26,597	\$ 25,960	\$ 83,249	\$ 80,063

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#### 14. Operating Expenses

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Property taxes and insurance	\$ 5,563	\$ 5,819	\$ 16,990	\$ 17,319
Recoverable expenses	2,616	2,401	9,927	9,770
Non-recoverable expenses <sup>(1)</sup>	339	109	1,741	2,361
<b>Total operating expenses</b>	<b>\$ 8,518</b>	<b>\$ 8,329</b>	<b>\$ 28,658</b>	<b>\$ 29,450</b>

<sup>(1)</sup> Non-recoverable expenses include bad debt expense of \$83 thousand and \$579 thousand, respectively, for the three and nine months ended September 30, 2021 (for three months ended September 30, 2020 – bad debt recovery of \$162 thousand and for the nine months ended September 30, 2020 - \$1.3 million bad debt expense).

#### 15. Administrative Expenses

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Salaries and benefits	\$ 1,053	\$ 1,887	\$ 3,512	\$ 4,994
Restricted and deferred units (including fair value)	84	96	294	(66)
Professional services	359	276	892	811
Office expenses	218	348	653	1,139
<b>Total administrative expenses</b>	<b>\$ 1,714</b>	<b>\$ 2,607</b>	<b>\$ 5,351</b>	<b>\$ 6,878</b>

Total employee salaries and benefits, including restricted and deferred units, recorded by the Trust during the period were \$7.9 million, of which \$3.4 million is included in operating expenses, \$3.8 million is included in administrative expenses and \$815 thousand has been capitalized to investment properties (for the period ended September 30, 2020 – \$9.5 million, of which \$3.5 million is in operating expenses, \$4.9 million is in administrative expenses and \$1.1 million is in investment properties).

#### 16. Finance Costs

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Mortgage interest	\$ 4,699	\$ 5,284	\$ 14,543	\$ 15,868
Debenture interest	857	801	2,601	2,404
Mortgage bond interest	105	121	330	328
Distributions paid to Class B exchangeable LP unitholders	83	83	250	250
Operating line of credit interest	261	284	765	797
Interest and bank charges	152	31	361	150
Amortization of finance charges	145	190	453	589
Loan defeasance and early mortgage discharge fees	171	-	253	-
Imputed interest on land lease liabilities	622	562	1,803	1,700
Mark to market amortization	(22)	(42)	(71)	(124)
Capitalization of interest	(55)	(124)	(163)	(264)
<b>Total finance costs</b>	<b>\$ 7,018</b>	<b>\$ 7,190</b>	<b>\$ 21,125</b>	<b>\$ 21,698</b>

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#### 17. Unitholders' Equity

##### (a) Authorized

The Declaration of Trust authorizes the issuance of an unlimited number of units and special voting units. Special voting units are only issued in tandem with the issuance of securities exchangeable into units.

Each special voting unit shall have no economic entitlement nor beneficial interest in the Trust including in the distributions or assets of the Trust, but shall entitle the holder of record thereof to a number of votes at any meeting of the unitholders equal to the number of units that may be obtained upon the exchange of the exchangeable security to which such special voting unit is attached. Special voting units may only be issued in connection with or in relation to, securities exchangeable into units, for the purpose of providing voting rights with respect to the Trust to the holders of such securities. The creation or issuance of special voting units is subject to the prior written consent of the Toronto Stock Exchange ("TSX").

In addition, preferred units may from time to time be created and issued in one or more classes (each of which may be made up of unlimited series) without requiring voting unitholder approval. Before the issuance of preferred units of a series, the Board will execute an amendment to the Declaration of Trust containing a description of such series, including the designations, rights, privileges, restrictions and conditions determined by the Board, and the class of preferred units of which such series is a part. The issuance of preferred units is also subject to the prior written consent of the TSX.

##### (b) Issued and Outstanding

###### (i) Class B Exchangeable LP Units

The Class B exchangeable units are economically equivalent to units of the Trust and are exchangeable at any time into units of the Trust on a one-for-one basis. These units are puttable instruments where the Trust has a contractual obligation to issue Trust units to the exchangeable unitholders upon redemption. Holders of the exchangeable LP units are entitled to receive distributions per LP unit equal to distributions per unit provided to the unitholders of the Trust.

	September 30, 2021		December 31, 2020	
	Units (000s)	Amount	Units (000s)	Amount
Exchangeable LP units outstanding, beginning of the period <sup>(1)</sup>	1,191	\$ 4,300	1,191	\$ 5,444
Fair value adjustment for the period	-	1,060	-	(1,144)
Exchangeable LP units outstanding, end of the period	1,191	\$ 5,360	1,191	\$ 4,300

<sup>(1)</sup> The dollar amount of the exchangeable LP units is at the fair value on the ending date of the prior period.

###### (ii) Special Voting Units

At September 30, 2021, there were 1,191,000 (December 31, 2020 - 1,191,000) special voting units outstanding, issued in connection with 1,191,000 (December 31, 2020 - 1,191,000) Class B exchangeable LP units of a subsidiary of the Trust (see above).

###### (iii) Units

	September 30, 2021		December 31, 2020	
	Trust Units (000s)	Amount	Trust Units (000s)	Amount
Units outstanding, beginning of the period	101,807	\$ 275,453	102,171	\$ 276,406
Issuance of units:				
RU plan	1	5	41	143
Repurchase and cancellation of units under normal course issuer bid	(22)	(60)	(405)	(1,096)
Units outstanding, end of the period	101,786	\$ 275,398	101,807	\$ 275,453

Unitholders have the right to redeem their units at the lesser of (i) 90% of the Market Price of the unit (Market Price is defined for this purpose in the Declaration of Trust as the weighted average trading price of the previous 10 trading days) and (ii) the most recent Closing Market Price (Closing Market Price is defined for this purpose in the Declaration of Trust as the weighted average trading price on the specified date) at the time of the redemption. The redemption price will be satisfied by cash, up to

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a limit of \$50 thousand for all redemptions in a calendar month, or a note payable. For the period ended September 30, 2021 no unitholder had redeemed units.

On September 24, 2021, the Trust announced that it had received approval from the TSX for the renewal of its normal course issuer bid ("NCIB") for a further year. Plaza's prior NCIB expired on September 27, 2021. The period of the renewed NCIB commenced on September 28, 2021 and will conclude on the earlier of the date on which purchases under the bid have been completed and September 27, 2022. Under the terms of the renewed NCIB, the Trust can purchase up to 6,455,226 of its issued and outstanding units through the facilities of the TSX and any alternative trading system in Canada. Subject to certain prescribed exemptions and any block purchase made in accordance with the rules of the TSX, daily purchases made by the Trust may not exceed 20,461 units, representing 25% of the average daily trading volume of the units on the TSX for the six-month period ended August 31, 2021 (being 81,846 units). All units that are purchased under the renewed NCIB will be cancelled (on a monthly basis, on or before the record date for each monthly distribution). Unitholders may obtain a copy of the NCIB renewal notice, without charge, by contacting the Trust.

Plaza also entered into a new automatic securities purchase plan agreement (the "Purchase Plan") with its designated broker in order to facilitate purchases of units under the renewed NCIB. The Purchase Plan, which was pre-cleared by the TSX, allows for purchases of units by Plaza at times when it would ordinarily not be permitted to make purchases due to regulatory restrictions or self-imposed blackout periods. The Purchase Plan will terminate on September 27, 2022.

For the nine months ended September 30, 2021, 22,150 units have been repurchased for cancellation under Plaza's former and renewed NCIB at a weighted average price of \$4.1351. With this, to September 30, 2021, Plaza has purchased a total of 1,139,636 units for cancellation since the commencement of the original NCIB on September 28, 2018 at a weighted average price of \$4.0137.

## 18. Distributions

Distributions are declared monthly at the discretion of the Board.

	<b>3 Months Ended September 30, 2021</b>	3 Months Ended September 30, 2020	<b>9 Months Ended September 30, 2021</b>	9 Months Ended September 30, 2020
Cash distributions paid to unitholders <sup>(1)</sup>	\$ 7,124	\$ 7,124	\$ 21,374	\$ 21,388

<sup>(2)</sup> Cash distributions paid to unitholders exclude cash distributions paid on Class B exchangeable LP units classified as finance costs.

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#### 19. Additional Cash Flow Information

##### (a) Changes in Non-Cash Working Capital

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
Receivables	\$ 1,475	\$ 4,639	\$ 4,959	\$ (2,001)
Prepaid expenses and deposits	2,954	2,417	(1,569)	(2,463)
Change in construction accruals removed from investing activities	(507)	1,874	(1,586)	1,358
Accounts payable, accrued liabilities, tenant payables and tenant deposits	(1,334)	2,445	2,024	3,684
Total cash from change in non-cash working capital	\$ 2,588	\$ 11,375	\$ 3,828	\$ 578

##### (b) Changes in Liabilities Arising from Financing Activities

	September 30, 2021	December 31, 2020
Current and long-term debt <sup>(1)</sup> – beginning of the period	\$ 651,977	\$ 644,287
Gross proceeds from convertible debentures	12,019	-
Redemption/repayment of mortgage bonds and debentures	(11,365)	(4,195)
Periodic mortgage principal repayments	(9,006)	(10,762)
Mortgage interest deferral program	-	997
Land lease addition	-	7,532
Land lease principal repayments	(567)	(693)
Mortgages repaid	(55,371)	(53,394)
Mortgages repaid on sale of investment properties	(2,506)	-
Mortgages assumed by purchasers on sale of investment properties	-	(7,484)
Gross mortgage proceeds	56,044	73,489
Gross mortgage bond proceeds	-	3,395
Fees incurred for placement of debt	(474)	(354)
Increase (decrease) in notes payable	-	(220)
Non-cash changes in current and long-term debt:		
Net change in fair value of Class B exchangeable LP units	1,060	(1,144)
Net change in fair value of interest rate swaps	(2,436)	3,386
Net change in fair value of convertible debentures	2,833	(3,429)
Amortization of finance charges	453	731
Mark to market amortization	(71)	(165)
Current and long-term debt <sup>(1)</sup> – end of the period	\$ 642,590	\$ 651,977

<sup>(1)</sup> Debt defined for this purpose as mortgage bonds, debentures, mortgages payable, notes payable, Class B exchangeable LP units and land lease liabilities.

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#### (c) Reconciliation for Additions to Investment Properties

	3 Months Ended September 30, 2021	3 Months Ended September 30, 2020	9 Months Ended September 30, 2021	9 Months Ended September 30, 2020
<b>Reconciliation with Note 3</b>				
Additions to Investment Properties (note 3)	\$ 7,289	\$ 12,390	\$ 17,976	\$ 24,983
Acquisitions of investment properties and land (note 3)	25	8,727	2,630	8,727
Non-cash impacts included in above:				
Addition to right-of-use land lease assets	-	(7,532)	-	(7,532)
Amortization of tenant improvements	12	14	40	45
Change in construction accrual	(506)	1,873	(1,586)	1,358
<b>Additions to Investment Properties – cash</b>	<b>\$ 6,820</b>	<b>\$ 15,472</b>	<b>\$ 19,060</b>	<b>\$ 27,581</b>
Recorded on Consolidated Statement of Cash Flows in:				
Operating activities: Leasing commissions paid	\$ 78	\$ 48	\$ 235	\$ 329
Investing activities: Investment Properties – additions	6,717	6,697	16,195	18,525
Investing activities: Acquisitions of investment properties and land	25	8,727	2,630	8,727
<b>Additions to Investment Properties - cash</b>	<b>\$ 6,820</b>	<b>\$ 15,472</b>	<b>\$ 19,060</b>	<b>\$ 27,581</b>

## 20. Related Party Transactions

The following are the related party transactions of the Trust. All related party transactions have been recorded at the exchange amount.

#### (a) Bonds and Debentures

The trustees of the Trust (individually a “Trustee”, collectively the “Trustees”) own directly or indirectly the following unsecured debentures of the Trust (stated at face value):

	September 30, 2021	December 31, 2020
Earl Brewer (Trustee)	\$ 300	\$ 325
Stephen Johnson (Trustee)	200	200
Doug McGregor (Chairman and Trustee)	200	400
Lynda Savoie (Trustee) <sup>(1)</sup>	15	-
Total	<b>\$ 715</b>	<b>\$ 925</b>

<sup>(1)</sup> Lynda Savoie was elected a Trustee at the annual and special unitholders’ meeting on May 27, 2021.

No other Trustee or key management personnel own mortgage bonds or debentures of the Trust at September 30, 2021 (December 31, 2020 - nil).

#### (b) Notes Payable to Related Parties

The following non-interest bearing notes existed at the time of acquisition of properties in September 2000. The notes are repayable on sale or refinancing of the related asset.

	September 30, 2021	December 31, 2020
Entities owned (directly or indirectly), controlled or significantly influenced by Michael Zakuta.	<b>\$ 261</b>	<b>\$ 261</b>

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#### (c) Other Transactions with Related Parties

- (i) Plaza leases 9 parcels of land from an entity owned by the below-noted related parties at market rates. The land leases expire at various times from October 2043 to November 2047, subject to options to renew. All the land leases have options to purchase in favour of the Trust, of which one is at a fixed price with the remainder at fair market value.

Related Parties:	Annual Land Rent Paid	
	September 30, 2021	December 31, 2020
A company beneficially-owned by Earl Brewer and Michael Zakuta	\$ 1,200	\$ 1,200

- (ii) The following related parties hold interests in common with the Trust's interest in the noted properties below:

Property	Ownership %		
	Earl Brewer	Barbara Trenholm	Michael Zakuta
Gateway Mall, Sussex, NB	25.00%	-	21.50%
Mountainview Plaza, Midland, ON and Park Street Plaza, Kenora, ON	4.33%	-	4.81%
Amherstview, Amherstview, ON and 1865 Scugog St, Port Perry, ON	4.87%	-	4.67%
KGH Plaza, Miramichi, NB, 681 Mountain Rd., Moncton, NB, 201 Main St., Sussex, NB, and Robie St Truro Plaza, Truro, NS	2.62%	5.08%	5.08%
Main St Alexandria, Alexandria, ON, Ottawa Street Plaza, Almonte, ON, and Hastings Street Plaza, Bancroft, ON	2.68%	-	5.19%
Quispamsis Town Centre, Quispamsis, NB	-	-	5.91%
Scott Street Plaza, St. Catharines, ON, St. Joseph's Boulevard, Orleans, ON, Dufferin and Wilson, Perth, ON, Ontario Street Port Hope, Port Hope, ON, Civic Centre Road, Petawawa, ON, and 615 King Street, Gananoque, ON	2.17%	-	2.17%
Boulevard Hebert Plaza and Victoria Street Plaza in Edmundston, NB, Grand Falls Shopping Centre and Madawaska Road Plaza, Grand Falls, NB, Connell Road Plaza, Woodstock, NB, Welton Street Plaza, Sydney, NS, and Pleasant Street Plaza and Starrs Road Plaza in Yarmouth, NS	0.69%	-	5.17%
5628 4th Street NW, Calgary, AB, 303 Main St., Antigonish, NS, 912 East River Rd., New Glasgow, NS, 1 Mont-Royal Ave E, and 8222 Maurice-Duplessis Blvd., Montreal, QC	-	5.35%	4.28%

The related parties resulting beneficial interest in accounts receivable owing to the Trust from the underlying properties, and in fees earned by a subsidiary of the Trust from the underlying properties are as follows:

Related Party:	Related parties beneficial ownership of accounts receivable balance owing to the Trust from the underlying properties		Related parties beneficial ownership of fees earned by a subsidiary of the Trust from the underlying properties	
	September 30, 2021	December 31, 2020	September 30, 2021	September 30, 2021
Earl Brewer	\$ 408	\$ 392	\$ 29	\$ 26
Barbara Trenholm	\$ 1	\$ -	\$ 6	\$ 3
Michael Zakuta	\$ 454	\$ 436	\$ 43	\$ 37

- (iii) The Montreal office of Plaza Group Management Limited, a wholly-owned subsidiary of the Trust, shares office space with a company indirectly owned by Michael Zakuta in an office building owned by that related party. The Trust pays no rent for the space.

## Plaza Retail REIT

### Notes to the Condensed Interim Consolidated Financial Statements

September 30, 2021 (unaudited)

(tabular amounts in thousands of Canadian dollars, except per unit amounts and as otherwise indicated)

## 21. Financial Instruments and Risk Management

In accordance with IFRS, the Trust is required to classify its financial instruments carried at fair value in the financial statements using a fair value hierarchy that exhibits the significance of the inputs used in making the measurements.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data.

The following table provides information on financial assets and liabilities measured at fair value.

	September 30, 2021			December 31, 2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Investment properties	\$ -	\$ -	\$ 1,029,804	\$ -	\$ -	\$ 994,390
Investment properties held for sale	-	-	-	3,128	-	-
	\$ -	\$ -	\$ 1,029,804	\$ 3,128	\$ -	\$ 994,390
Class B exchangeable LP units	\$ 5,360	\$ -	\$ -	\$ 4,300	\$ -	\$ -
Series E convertible debentures	48,100	-	-	45,667	-	-
Series VII convertible debentures	-	-	-	-	5,316	-
Series VIII convertible debentures	-	12,235	-	-	-	-
	\$ 53,460	\$ 12,235	\$ -	\$ 49,967	\$ 5,316	\$ -

The fair value of investment properties is based on a combination of external appraisals and internal valuations based on a capitalization matrix provided by independent appraisers (see Note 3 for a more detailed description of the Trust's valuation approach). The significant unobservable inputs include normalized net operating income, which is supported by the terms of existing leases in place and current market rents to renew or lease up vacant or expiring space, adjusted for estimated or normalized vacancy rates based on market conditions and factoring in expected maintenance costs.

## 22. Subsequent Events

### Financings

In October 2021, the Trust obtained financing for a property located in Shawinigan, QC in the amount of \$3.9 million for five years with an interest rate of 3.89%, for two properties located in Saint John, NB in the amount of \$10.0 million for seven years with an interest rate of 3.318%, and for a property located in Montmagny, QC in the amount of \$500 thousand for five years with an interest rate of 3.311%. The Trust also renewed a mortgage for two properties located in Saint John, NB in the amount of \$2.7 million for five years with an interest rate of 3.44%.

### Unitholders' Equity

Between October 1<sup>st</sup> and November 9<sup>th</sup>, 2021, an additional 2,725 units have been repurchased under the normal course issuer bid at an average unit price of \$4.5666.

### Distributions

The Trust paid a cash distribution of \$0.02333 per unit for a total of \$2.4 million on Oct 15, 2021.