

This Prospectus Supplement together with the Base Shelf Prospectus to which it relates, as amended or supplemented, and each document incorporated by reference into the Base Shelf Prospectus and this Prospectus Supplement for the purpose of the distribution of the securities to which this Prospectus Supplement pertains constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States. Accordingly, these securities may not be offered or sold within the United States or to, or for the account or benefit of any, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act), except pursuant to transactions exempt from registration under the U.S. Securities Act and applicable state securities laws. The Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within the United States. See “Plan of Distribution”.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

Information has been incorporated by reference in the Prospectus from documents filed with Securities Commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Slate Grocery REIT at its head office located at: 121 King Street West, Suite 200, Toronto, Ontario, M5H 3T9, (416) 644-4264, Attention: Investor Relations, and are also available electronically at www.sedar.com.

PROSPECTUS SUPPLEMENT
(to the Short Form Base Shelf Prospectus dated March 2, 2020)

New Issue

March 26, 2021



C\$133,043,000
11,420,000 Subscription Receipts
each representing the right to receive one class U trust unit

This Prospectus qualifies the distribution (the “Offering”) of 11,420,000 subscription receipts (“**Subscription Receipts**”) of Slate Grocery REIT (the “**REIT**”) at a price of C\$11.65 per Subscription Receipt. Each Subscription Receipt will entitle the holder thereof to receive one class U trust unit of the REIT (a “**Unit**”) upon completion of the Acquisition (as defined herein) by the REIT without payment of any additional consideration or any further action on the part of the holder. The Offering is being made pursuant to an underwriting agreement dated March 26, 2021 (the “**Underwriting Agreement**”) among the REIT, BMO Nesbitt Burns Inc. (“**BMO**”) and RBC Dominion Securities Inc. (“**RBC**”) as co-lead underwriters (collectively, the “**Bookrunners**”) and CIBC World Markets Inc., National Bank Financial Inc., Scotia Capital Inc., TD Securities Inc., Raymond James Ltd., iA Private Wealth Inc., Canaccord Genuity Corp., Cormark Securities Inc., Laurentian Bank Securities Inc., and Stifel Nicolaus Canada Inc. (collectively, with the Bookrunners, the “**Underwriters**”).

The proceeds from the sale of the Subscription Receipts, net of half of the fee payable to the Underwriters (together with Earned Interest (as defined herein), the “**Escrowed Funds**”), will be delivered to and held by TSX Trust Company, as subscription receipt agent (the “**Subscription Receipt Agent**”), and upon receipt of a direction from the REIT, invested in short-term obligations of, or guaranteed by, the Government of Canada (and other approved

investments that would each be a qualified investment for Exempt Plans (as defined herein)) pending the earlier of the completion of the Acquisition or the occurrence of a Termination Event (as defined herein). Upon the completion of the Acquisition and satisfaction of certain other conditions in the Subscription Receipt Agreement (as defined herein): (a) one Unit will be automatically issued to a holder of a Subscription Receipt for each Subscription Receipt held by such holder, without payment of additional consideration or any further action on the part of the holder; (b) the Subscription Receipt Adjustment Payment (as defined herein), if any, less applicable withholding taxes, if any, will become payable in respect of each Subscription Receipt; and (c) the Escrowed Funds (less the remaining half of the Underwriters' Fee (as defined herein) payable) will be released to the REIT which will then be utilized to pay the equity purchase price for the Acquisition and related expenses.

If (a) the completion of the Acquisition does not occur on or before 5:00 p.m. (Toronto time) on September 30, 2021, (b) the REIT delivers to the Underwriters and the Subscription Receipt Agent a notice, executed by the REIT, declaring that the Purchase Agreement (as defined herein) has been terminated or that the REIT will not be proceeding with the Acquisition, or (c) the REIT formally announces to the public by way of a press release that it does not intend to proceed with the Acquisition (each, a **"Termination Event"**), each Subscription Receipt will entitle the holder thereof to receive an amount equal to the aggregate of (i) C\$11.65 (the **"Subscription Price"**), (ii) his or her *pro rata* share of the interest or other income actually earned on the investment of the Escrowed Funds from, and including, the date of the Offering Closing (as defined herein) to, but excluding, the date of the Termination Event (the **"Earned Interest"**), and (iii) his or her *pro rata* share of the interest that would have otherwise been earned on the 50% of the Underwriters' Fee paid to the Underwriters on the Offering Closing as if such 50% of the Underwriters' Fee had been held in escrow as part of the Escrowed Funds and not paid to the Underwriters (the **"Deemed Interest"**). In the event that the gross proceeds of the Offering are required to be remitted to purchasers of the Subscription Receipts, the REIT will pay an amount equal to half of the Underwriters' Fee payable with respect to the Offering plus the Deemed Interest such that all of the gross proceeds of the Offering would be refunded to purchasers of the Subscription Receipts. See "Description of the Subscription Receipts".

The issued and outstanding Units of the REIT are listed and posted for trading on the Toronto Stock Exchange (the **"TSX"**) under the symbols **"SGR.UN"** and **"SGR.U"**. The REIT has applied to the TSX for approval of the listing of the Subscription Receipts and the Units issuable pursuant to the terms of the Subscription Receipts (and the Additional Subscription Receipts (as defined herein)) to be distributed under this Prospectus on the TSX. Listing will be subject to the REIT fulfilling all of the listing requirements of the TSX. The closing price of the Units on the TSX on March 24, 2021, the last full trading day prior to the announcement of the Offering, was C\$12.23 and U.S.\$9.74. **There is currently no market through which the Subscription Receipts may be sold and purchasers may not be able to resell Subscription Receipts purchased hereunder. This may affect the pricing of the Subscription Receipts in the secondary market, the transparency and availability of trading prices, the liquidity of the Subscription Receipts and the extent of issuer regulation. See "Risk Factors".**

	Price C\$11.65 per Subscription Receipt		
	Price to the Public ⁽¹⁾	Underwriters' Fee ⁽²⁾⁽³⁾	Net Proceeds ⁽⁴⁾
Per Subscription Receipt	C\$11.65	C\$0.466	C\$11.184
Total ⁽⁵⁾	C\$133,043,000	C\$5,321,720	C\$127,721,280

Notes:

- (1) The price of the Subscription Receipts was established by negotiation between the REIT and the Underwriters with reference to the market price of the Units and other applicable factors.
- (2) The Underwriters' Fee is payable as to 50% upon the Offering Closing and 50% upon completion of the Acquisition. If the Acquisition is not completed, the Underwriters' Fee will be reduced to the amount payable upon the Offering Closing.
- (3) The Underwriters will receive a fee of C\$0.466 per Subscription Receipt (the **"Underwriters' Fee"**). See "Plan of Distribution".
- (4) Before deducting expenses of the Offering estimated at C\$873,774 (excluding interest, if any, on the Escrowed Funds and transaction costs associated with the Acquisition), which, together with the Underwriters' Fee, will be paid from the proceeds of the Offering.
- (5) The REIT has granted to the Underwriters an option (the **"Over-Allotment Option"**), exercisable at the Underwriters' sole option and without obligation, in whole or in part, at any time up to the earlier of (a) 30 days after the Offering Closing and (b) the occurrence of a Termination Event, to purchase up to an additional 1,713,000 Subscription Receipts (the **"Additional Subscription Receipts"**) at a price of C\$11.65 per Additional Subscription Receipt (equal to 15% of the aggregate number of such securities sold pursuant to the base Offering) to cover over-allotments, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in whole or in part following the completion of the Acquisition, an equal number of Units will be issuable in lieu of Subscription Receipts. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters' Fee and net proceeds (before deducting the expenses of this Offering) will be C\$152,999,450, C\$6,119,978 and C\$146,879,472, respectively. This Prospectus qualifies the distribution of the

Over-Allotment Option and any Additional Subscription Receipts issuable on the exercise thereof as well as Units issuable in lieu of Subscription Receipts if the Over-Allotment Option is exercised in whole or in part following the completion of the Acquisition. Each Additional Subscription Receipt, when issued (if applicable), will represent the right to receive one Unit if certain conditions are met as described herein. A purchaser who acquires securities forming part of the Underwriters' over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised, the proceeds received by the REIT will be used to pay a portion of the purchase price of the Acquisition and related expenses and for general trust purposes. See "Plan of Distribution" and "Use of Proceeds".

Underwriters' Position	Maximum Size or Number of Securities Available	Exercise Period	Exercise Price
Over-Allotment Option	Option to acquire up to 1,713,000 Additional Subscription Receipts	Earlier of (a) 30 days from the Offering Closing and (b) the occurrence of a Termination Event	C\$11.65 per Additional Subscription Receipt

On March 25, 2021 the REIT entered into an agreement of purchase and sale to acquire a high quality, grocery-anchored portfolio comprising 25 properties and 3.1 million square feet in major metro markets across the United States (the "**Portfolio**"). The Portfolio is valued at U.S.\$390 million (the "**Acquisition**") and is being acquired for an equity purchase price of U.S.\$90 million (approximately C\$113.4 million) and the assumption of existing debt. The Acquisition represents a 7.8% capitalization rate or U.S.\$127 per square foot. The REIT intends to use the net proceeds of the Offering (including the net proceeds, if any, of the Over-Allotment Option) to pay the equity purchase price for the Acquisition and related expenses. See "The Acquisition" and "Use of Proceeds".

A return on a purchaser's investment in Units received pursuant to the terms of the Subscription Receipts is not comparable to the return on an investment in a fixed income security. The recovery of a purchaser's initial principal investment is at risk, and the anticipated return on a purchaser's investment is based on many performance assumptions. Although the REIT intends to make distributions from AFFO (as defined herein) to Unitholders (as defined herein), these distributions may be reduced or suspended. The actual amount distributed will depend on numerous factors including the financial performance of the REIT's properties, compliance with debt covenants and other contractual obligations, working capital requirements and future capital requirements, all of which are subject to a number of risks. The market value of the Units may decline if the REIT is unable to meet its AFFO targets in the future, and that decline may be material. See "Non-IFRS Measures" in the Base Shelf Prospectus for a further discussion of AFFO.

There are certain risks inherent in an investment in the Subscription Receipts, the Units issuable pursuant to the terms of the Subscription Receipts and in the activities of the REIT. Prospective investors should carefully consider these risk factors before purchasing Subscription Receipts. See "Risk Factors". It is important for investors to consider the particular risk factors that may affect the industry in which they are investing, and therefore the stability of the distributions paid by the REIT. The section entitled "Risk Factors" herein and the section entitled "Risk Factors" on pages 34 to 49 of the AIF (as defined herein) incorporated by reference herein also describes the REIT's assessment of those risk factors, as well as the potential consequences to an investor if any such risk should materialize.

In connection with this Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the securities at levels other than those which otherwise might prevail on the open market. **The Underwriters may offer the securities at prices lower than that stated above. See "Plan of Distribution".**

The after-tax return from an investment in Units acquired pursuant to the terms of the Subscription Receipts to Unitholders subject to Canadian federal income tax will depend, in part, on the composition for Canadian federal income tax purposes of distributions paid by the REIT on its Units, portions of which may be fully or partially taxable or may constitute "tax deferred" returns of capital (i.e., returns that are non-taxable, but which reduce the adjusted cost base of the Unitholder's Units). The composition of distributions for Canadian federal income tax purposes may change over time, thus affecting the after-tax return to Unitholders. Prospective purchasers of Subscription Receipts should consult their own tax advisors with respect to the Canadian income tax considerations in their circumstances. See "Certain Canadian Federal Income Tax Considerations".

The REIT is not a trust company and it is not registered under applicable legislation governing trust companies as it does not carry on or intend to carry on the business of a trust company. The REIT qualifies as a mutual fund trust for the purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”) and offers and sells its Subscription Receipts and Units to the public. Subscription Receipts and Units are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that statute or any other legislation.

The Underwriters, as principals, conditionally offer the Subscription Receipts, subject to prior sale, if, as and when issued, sold and delivered by the REIT and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution” and subject to the approval of certain legal matters on behalf of the REIT by McCarthy Tétrault LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP. The Underwriters may engage in market stabilization activities as described under “Plan of Distribution”. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering (the “**Offering Closing**”) is expected to occur on March 31, 2021 or such later date as may be agreed to in writing by the REIT and the Underwriters, but in any event not later than April 6, 2021. Registrations and transfers of Subscription Receipts will be effected electronically through the non-certificated inventory (“**NCI**”) system administered by CDS Clearing and Depository Services Inc. (“**CDS**”). Beneficial owners of Subscription Receipts (and Additional Subscription Receipts, if any) will not, except in certain limited circumstances, be entitled to receive physical certificates evidencing their ownership of Subscription Receipts. See “Description of the Subscription Receipts – Non-Certificated Inventory System”.

The REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario pursuant to a fourth amended and restated declaration of trust dated August 17, 2020, as further amended or amended and restated from time to time (the “**Declaration of Trust**”). The REIT’s head and registered office is located at 121 King Street West, Suite 200, Toronto, Ontario M5H 3T9.

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GENERAL MATTERS

In this Prospectus Supplement, references to the “REIT” refer to Slate Grocery REIT and its subsidiaries, except where the context otherwise requires; “Units” means class U trust units of the REIT and “Unitholders” means holders of Units. All capitalized terms used herein are (unless otherwise specified) defined elsewhere in this Prospectus Supplement, including under “Glossary of Terms”. Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Over-Allotment Option is not exercised.

References to “management” in this Prospectus Supplement means the persons acting in the capacities of the REIT’s Chief Executive Officer and Chief Financial Officer. Any statements in this Prospectus Supplement or incorporated by reference in this Prospectus Supplement made by or on behalf of management are made in such persons’ capacities as officers of the REIT and not in their personal capacities.

RELIANCE

Prospective investors should rely only on information contained in the Prospectus and should not rely on parts of the information contained in the Prospectus to the exclusion of others. None of the REIT or the Underwriters has authorized any other person to provide prospective investors with additional or different information. If a prospective investor is provided with different or inconsistent information, the prospective investor should not rely on such information. Neither the REIT nor the Underwriters is making an offer to sell Subscription Receipts in any jurisdiction where such an offer or sale is prohibited. Unless otherwise stated, the information contained in this Prospectus Supplement is accurate only as of the date of this Prospectus Supplement, regardless of the time of delivery of this Prospectus Supplement or any sale of Subscription Receipts. The REIT’s business, financial condition, results of operations and the information contained in this Prospectus Supplement may have changed since the date of this Prospectus Supplement.

NOTICE CONCERNING FORWARD-LOOKING STATEMENTS

This Prospectus contains “forward-looking information” as defined under Canadian securities laws (collectively, “**forward-looking statements**”) which reflect management’s expectations regarding objectives, plans, goals, strategies, future growth, results of operations, performance, business prospects and opportunities of the REIT. The words “plans”, “expects”, “does not expect”, “scheduled”, “estimates”, “intends”, “anticipates”, “does not anticipate”, “projects”, “believes”, or variations of such words and phrases or statements to the effect that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “occur”, “be achieved”, or “continue” and similar expressions identify forward-looking statements. Some of the specific forward-looking statements in this Prospectus include, but are not limited to statements with respect to the intention of the REIT to complete the closing of the Acquisition, the Offering and the related transactions contemplated herein on the terms and conditions described herein, the effect of the Acquisition, the Offering and the related transactions contemplated herein on the financial performance of the REIT, the expected timing for completion of the Acquisition and the closing date of the Offering. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the transactions contemplated herein are completed.

These forward-looking statements are not guarantees of future events or performance and, by their nature, are based on the REIT’s current estimates and assumptions, which are subject to significant risks and uncertainties. The REIT believes that these statements are made based on reasonable assumptions; however, there is no assurance that the events or circumstances reflected in these forward-looking statements will occur or be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements including, but not limited to the risks that are more fully discussed under the “Risk Factors” section of the AIF (as defined herein), this Prospectus Supplement, and in Part I of the MD&A (as defined herein) related to the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the ability of the REIT to satisfy the requirements of the TSX with respect to the Offering, risks incidental to ownership and operation of real estate properties including local real estate conditions; financial risks related to obtaining available equity and debt financing at reasonable costs and interest rate fluctuations; operational risks including timely leasing of vacant space and re-leasing of occupied space on expiration of current leases on terms at current or anticipated rental rates; tenant defaults and bankruptcies; uncertainties of acquisition activities including availability of suitable property acquisitions and integration of acquisitions; competition including development of properties in close proximity to the REIT’s properties; loss of key management and employees; potential environmental liabilities; catastrophic events, such as earthquakes and hurricanes; the REIT’s expectations regarding

the impact of COVID-19 and government measures to contain it, including with respect to the REIT's ability to weather the impact of COVID-19, the effectiveness of measures intended to mitigate such impact, and the impact of COVID-19 on the financial results and cash flows of the REIT; governmental, taxation and other regulatory risks and litigation risks.

Forward-looking statements included in this Prospectus are made as of the date of this Prospectus and accordingly are subject to change after such date. The REIT does not undertake to update any forward-looking statements that are included in this Prospectus, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities laws. Certain statements included in this Prospectus may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this Prospectus. Investors are cautioned against placing undue reliance on forward-looking statements.

CURRENCY AND EXCHANGE RATE INFORMATION

In this Prospectus Supplement, except as otherwise stated, all dollar amounts are in U.S. dollars and references to "C\$" and "Canadian dollars" are to the lawful currency of Canada and references to "\$", "U.S.\$" and "U.S. dollars" are to the lawful currency of the United States.

The following table sets forth: (i) the daily closing exchange rates for one Canadian dollar, expressed in U.S. dollars, in effect at the end of the periods indicated; (ii) the average daily closing exchange rates for such periods; and (iii) the high and low daily closing exchange rates during such periods, based on rates quoted by the Bank of Canada.

	Year Ended December 31		
	2020	2019	2018
	(U.S.\$)	(U.S.\$)	(U.S.\$)
Rate at end of period.....	0.7854	0.7699	0.7330
Average rate for period	0.7461	0.7537	0.7721
High for period.....	0.7863	0.7699	0.8138
Low for period	0.6898	0.7353	0.7330

On March 25, 2021, the last trading day prior to the filing of this Prospectus Supplement, the daily closing rate of the exchange posted by the Bank of Canada for conversion of Canadian dollars into U.S. dollars was C\$1.00 equals U.S.\$0.7933.

ELIGIBILITY FOR INVESTMENT

In the opinion of McCarthy Tétrault LLP, counsel to the REIT, and Blake, Cassels & Graydon LLP, counsel to the Underwriters, based on the provisions of the Tax Act in force on the date hereof the Subscription Receipts and the Units issuable pursuant to the terms of the Subscription Receipts will be qualified investments at the time of acquisition by trusts governed by registered retirement savings plans ("RRSPs"), registered retirement income funds ("RRIFs"), registered disability savings plans ("RDSPs"), deferred profit sharing plans, registered education savings plans ("RESPs") and tax-free savings accounts ("TFSA"), each as defined in the Tax Act (collectively, "Exempt Plans") provided that, at the time of the acquisition by the Exempt Plan, (i) in the case of the Subscription Receipts, the Subscription Receipts are listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX), and (ii) in the case of the Units, either the Units are listed on a "designated stock exchange" or the REIT qualifies as a "mutual fund trust" (as defined in the Tax Act).

Notwithstanding the foregoing, if the Subscription Receipts and/or Units are a "prohibited investment" (as defined in the Tax Act) for a trust governed by a TFSA, RRSP, RDSP, RESP or RRIF, the holder, subscriber or annuitant thereof will be subject to a penalty tax as set out in the Tax Act. Generally, the Subscription Receipts and Units will not be a prohibited investment for a TFSA, RRSP, RDSP, RESP or RRIF provided the holder, subscriber or

annuitant of such Exempt Plan, as the case may be, (i) deals at arm's length with the REIT for purposes of the Tax Act, and (ii) does not have a "significant interest" (as defined in the Tax Act) in the REIT. In addition, the Units generally will not be a "prohibited investment" if such Units are "excluded property" (as defined in the Tax Act) for trusts governed by a TFSA, RRSP, RDSP, RESP or RRIF. Prospective purchasers who intend to hold Subscription Receipts or Units in a TFSA, RRSP, RDSP, RESP or RRIF are advised to consult their own tax advisors as to whether the Subscription Receipts and/or Units will be a "prohibited investment" in their particular circumstances.

NON-IFRS MEASURES

Funds from operations ("FFO"), adjusted funds from operations ("AFFO") and net asset value ("NAV") are key measures of performance used by real estate businesses. However, such measures are not defined by IFRS and do not have standardized meanings prescribed by IFRS. The REIT believes that FFO, AFFO and NAV are important measures of economic performance.

FFO, AFFO and NAV should not be construed as alternatives to net income or cash flow from operating activities determined in accordance with IFRS as indicators of the REIT's performance. This method of calculating FFO, AFFO and NAV may differ from other issuers' methods and accordingly may not be comparable to measures used by other issuers. See the MD&A for a reconciliation of FFO, AFFO and NAV to the most directly comparable measure under IFRS. See "Non-IFRS Measures" in the Base Shelf Prospectus for a further discussion.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus solely for the purposes of the Offering.

Information has been incorporated by reference in the Prospectus from documents filed with the Securities Commissions. Copies of the documents incorporated herein by reference may be obtained on request without charge from the REIT at 121 King Street West, Suite 200, Toronto, Ontario, M5H 3T9, (416) 644-4264, Attention: Investor Relations. In addition, copies of the documents incorporated by reference herein may be obtained from the Securities Commissions electronically on SEDAR, at www.sedar.com.

As of the date hereof, the following documents or portions of documents, filed with the Securities Commissions, are specifically incorporated by reference into the Base Shelf Prospectus for the purposes of the Offering, and form an integral part of the Prospectus:

- (a) annual information form of the REIT for the year ended December 31, 2020 dated February 23, 2021 (the "**AIF**");
- (b) audited consolidated financial statements of the REIT and accompanying notes for the years ended December 31, 2020 and December 31, 2019, together with the independent auditor's report thereon;
- (c) management's discussion and analysis for the results of operations and financial condition of the REIT for the year ended December 31, 2020 ("**MD&A**");
- (d) the management information circular of the REIT dated March 24, 2020 in connection with the annual and special meeting of Unitholders held on May 13, 2020;
- (e) the investor presentation dated March 25, 2021 in connection with the Offering (the "**Investor Presentation**"); and
- (f) the term sheet dated March 25, 2021 in connection with the Offering (together with the Investor Presentation, the "**Marketing Materials**").

Any documents of the type described in Item 11 of Form 44-101F1 – *Short Form Prospectus Distributions* which are filed by the REIT with the Securities Commissions subsequent to the date of this Prospectus Supplement and prior to the termination of this distribution, shall be deemed to be incorporated by reference into the Base Shelf Prospectus for the purposes of the Offering.

Notwithstanding anything herein to the contrary, any statement contained in this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference in the Base Shelf Prospectus shall be deemed to be modified or superseded for the purposes of the Offering to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference in the Base Shelf Prospectus modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that was required to be stated or that was necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Prospectus.

MARKETING MATERIALS

The Marketing Materials are not part of the Prospectus to the extent that the contents of the Marketing Materials have been modified or superseded by a statement contained in the Prospectus or any amendment to the Prospectus. Any template version of “marketing materials” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed with the Securities Commissions in connection with this Offering after the date hereof but prior to the termination of the distribution of the Subscription Receipts (and any Additional Subscription Receipts offered hereunder) under this Prospectus Supplement (including any amendments to, or an amended version of, the Marketing Materials) is deemed to be incorporated into the Prospectus.

BUSINESS OF THE REIT

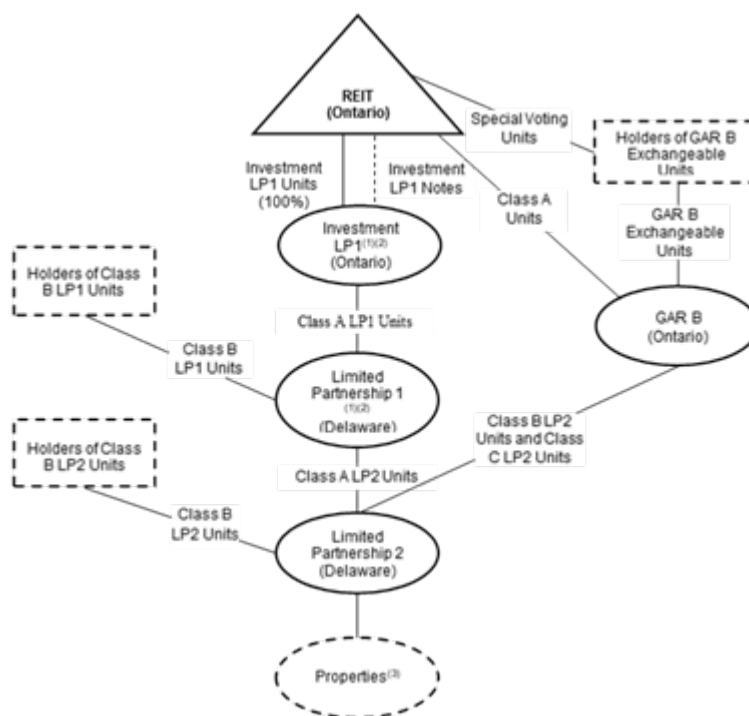
General

The REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario. The REIT focuses on acquiring, owning and leasing a portfolio of diversified revenue-producing commercial real estate properties in the United States with an emphasis on grocery-anchored retail properties. The REIT's portfolio currently consists of approximately U.S.\$1.3 billion of grocery-anchored retail commercial properties located in the United States. The objectives of the REIT are to: (i) provide unitholders with stable cash distributions from a portfolio of diversified revenue-producing commercial real estate properties in the United States with a focus on grocery-anchored retail properties; (ii) enhance the value of the REIT's assets and maximize long-term unitholder value through active management; and (iii) expand the asset base of the REIT through accretive acquisitions and increase the REIT's earnings on a per unit basis.

On August 21, 2020, the REIT completed its name change from "Slate Retail REIT" to "Slate Grocery REIT", including the change of its ticker symbols to "SGR.U" and "SGR.UN", quoted in U.S. and Canadian dollars, respectively, on the TSX.

The following diagram illustrates the simplified structure of the REIT:

The REIT may form certain additional entities in connection with making the Acquisition (which are not depicted below). See "The Acquisition".



Notes:

- (1) Investment LP1 and Limited Partnership 1 own a direct interest in Slate U.S. Opportunity (No. 1) Holding L.P., a subsidiary of Limited Partnership 2.
- (2) Limited Partnership 1 and Limited Partnership 2 own a direct interest in Slate U.S. Opportunity (No. 3) Holding L.P.
- (3) The REIT's properties are owned indirectly by the REIT through various holding entities. The REIT's properties are also held directly and indirectly through a series of limited partnerships.

RECENT DEVELOPMENTS

COVID-19 Pandemic Update

Further to the REIT's previous updates on the impacts of the COVID-19 pandemic on its operations, the status of rent collection for the fourth quarter of 2020 and January 2021 and requests for deferral or abatement as at the date of this Prospectus Supplement are as follows:

- the REIT has received 96% of rent due in the fourth quarter of 2020 and received 96% of January rent due (compared to 93% as reported at November 30, 2020);
- no further rent deferral requests have been made or granted; and
- no COVID-19 pandemic related rent abatements have been agreed upon since the December 31, 2020 reporting period.

Completed Acquisitions

On February 10, 2021, the REIT acquired a portfolio of five grocery-anchored properties, located in the Southeastern United States for \$54.3 million. These acquisitions contributed 396,471 square feet to the REIT's portfolio.

Financings

On January 14, 2021, the REIT closed a \$169.0 million mortgage loan ("**Mortgage Transaction**") with a 2031 maturity. The net proceeds from the loan were used to reduce the REIT's nearest term debt maturity in 2023 to \$83.0 million, resulting in an increase of the REIT's debt portfolio to a weighted average term to maturity of 5.9 years. In conjunction with the Mortgage Transaction, the REIT terminated its \$150.0 million interest rate swap, with a maturity date of February 26, 2021.

General

Consistent with its past practice and in the normal course, the REIT may have outstanding non-binding letters of intent and/or conditional agreements or may otherwise be engaged in discussions with respect to possible acquisitions or dispositions (directly or indirectly) of new properties or investments by the REIT which may or may not be material. However, there can be no assurance that any of these letters, agreements and/or discussions will result in an acquisition, disposition or investment and, if they do, what the final terms or timing of any acquisition, disposition or investment would be. The REIT expects to continue to actively pursue other acquisition, disposition and investment opportunities during the course of the Offering.

THE ACQUISITION

Overview

On March 25, 2021 the REIT entered into an agreement of purchase and sale (the “**Purchase Agreement**”) to acquire the Portfolio. The Portfolio is valued at U.S.\$390 million, and is being acquired from an institutional owner (the “**Vendor**”), for an equity purchase price of U.S.\$90 million (being approximately C\$113.4 million) and the indirect assumption of existing debt. The REIT will be purchasing majority interests between 85% and 95% ownership in each of the properties comprising the Portfolio, with the remaining 5% to 15% ownership interests retained by three institutional operators. The form of the Acquisition will include acquiring interests in U.S. limited liability companies (the “**LLC Acquisition Targets**”) from the Vendor.

The Acquisition will be financed through the indirect assumption of approximately U.S.\$300 million of existing property-level mortgage debt (4.2% weighted average interest rate), the net proceeds from the Offering and existing balance sheet liquidity. The REIT’s pro forma leverage will be 60.8% debt to IFRS gross book value.

The Acquisition represents a 7.8% capitalization rate or U.S.\$127 per square foot, which is well below replacement cost, and is expected to close by the middle of 2021 (the “**Acquisition Closing**”). The REIT will acquire these assets from an institutional owner pursuant to a sale contract between the REIT, the vendor and an affiliate of Slate Asset Management. As a result of Slate Asset Management’s involvement as a separate purchaser of assets from the vendor, the board of trustees of the REIT (the “**Board**”) established a special committee composed entirely of independent trustees (the “**Special Committee**”) to, among other things, review and oversee the REIT’s negotiation of the Acquisition. The Special Committee retained Blair Franklin Capital Partners Inc. (“**Blair Franklin**”) as financial advisor with respect to the Acquisition. Blair Franklin has provided a fairness opinion to the Special Committee stating that, in their opinion, and subject to the assumptions, limitations and qualifications contained in the fairness opinion, as of the date of the fairness opinion, the consideration to be paid for the Acquisition is fair, from a financial point of view, to the REIT. Following its consideration of the Fairness Opinion, and after careful deliberation, the Special Committee determined that the Acquisition is in the best interests of the REIT and unanimously recommended approval of the Acquisition by the Board. Following receipt of the unanimous recommendation by the Special Committee, the Board (with interested trustees abstaining) unanimously approved the Acquisition.

The REIT will effect the Acquisition through one or more subsidiary entities of the REIT and in a manner that is tax efficient. The REIT will finalize that acquisition structure prior to the Acquisition Closing. The REIT may acquire the LLC Acquisition Targets pursuant to the Acquisition through Limited Partnership 2 or through a newly formed U.S. corporation (“**Holdco1**”) that will be a direct wholly-owned subsidiary of the REIT. If the REIT chooses to acquire the LLC Acquisition Targets through Holdco1, it expects to capitalize Holdco1 with equity share capital subscriptions and by making interest-bearing shareholder loan advances (“**Holdco1 Notes**”) to Holdco1.

The Acquisition will increase the REIT’s ownership of grocery-anchored real estate, which is essential logistics. Upon completion of the Acquisition, the REIT will have over 95% grocers with distribution, and pro forma real estate assets of \$1.7 billion, calculated as fair market value of the REIT’s properties at December 31, 2020, plus a five-property portfolio acquisition which closed on February 10, 2021, plus the Portfolio.

The Acquisition is an opportunistic, off-market transaction that increases exposure to certain of the largest metropolitan markets and essential tenants in the U.S.:

- 83% of the Portfolio’s income is derived from the top 50 Metropolitan Statistical Area, as defined by the U.S. Office of Management and Budget (“**MSAs**”) in the U.S.
- Materially increases the REIT’s presence in New York, NY and Dallas, TX two of the largest MSAs in the United States, which account for 46% of the Portfolio’s income (calculated as a percentage of base rent of the Portfolio).
- 74% of the Portfolio’s income is derived from essential tenants (calculated as a percentage of base rent of the Portfolio).

- 39% of income from grocers and is anchored by well-performing high-credit grocers, including Tom Thumb / Albertsons (No. 3); Walmart (No. 1), Kroger (No. 2), Tops Friendly Markets, Ahold Delhaize (No. 5).¹
- Portfolio is anchored by market leading grocers including Tops and Market 32 (Price Chopper), Tom Thumb (Albertson's), Kroger, Stop & Shop (Ahold Delhaize), Acme Markets (Albertson's) and Walmart among others.
- Omnichannel focused assets with over 95% of grocers offering e-commerce store-based fulfillment of delivery and/or pick-up sales, and strategically located in high density neighborhoods in close proximity to transportation routes.
- Approximately 74% of tenants are classified as essential services and have remained open throughout 2020 (calculated as a percentage of base rent of the Portfolio).
- The Portfolio will be acquired significantly below vendor's cost and market comparables.

The Acquisition is expected to create meaningful value for unitholders, raising capital above the REIT's December 2020 unit issue price of U.S.\$9.16 (the offering issuance price of C\$11.65 is equivalent to U.S.\$9.24, translated at the prevailing exchange rate at the time of pricing, which is above the U.S.\$ equivalent issue price from the REIT's December 2020 unit offering price, being U.S.\$9.16, converted using the prevailing exchange rate at the time of pricing of the December offering) and is expected to be immediately accretive to FFO per Unit and AFFO per Unit and long-term NAV per unit.

Summary of the Acquisition by Anchor Tenant

Anchor Tenant	State	Number of Properties	Square Feet
Tops + Market 32 (Price Chopper) ¹	New York	9	1,160,218
Tom Thumb (Albertson's)	Texas	8	664,162
Kroger	Georgia, Ohio	2	295,160
Stop & Shop (Ahold Delhaize)	New York	1	202,493
Acme Markets (Albertson's)	New York	1	126,379
Walmart	Florida	1	89,149
Other	California, Indiana, New York	3	526,947
Total		25	3,064,508

(1) Tops and Market 32 (Price Chopper) publicly announced plans to merge on February 8, 2021. Information is pro forma such merger.

Assessment of the Acquisition Properties

Environmental Site Assessments

Historic Phase I environmental site assessment reports ("Phase I ESA Reports") were reviewed for each of the properties in the Portfolio. Based on the Phase I ESA Reports, the REIT is not aware of any non-compliance with environmental laws at any of the properties in the Portfolio that the REIT believes would have a material adverse effect on it. The REIT is not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of the properties that would materially adversely affect the REIT or the values of the properties, taken as a whole.

¹ Ranking refers to the grocer rank by share of groceries sold in the U.S. Progressive Grocer, 2019.

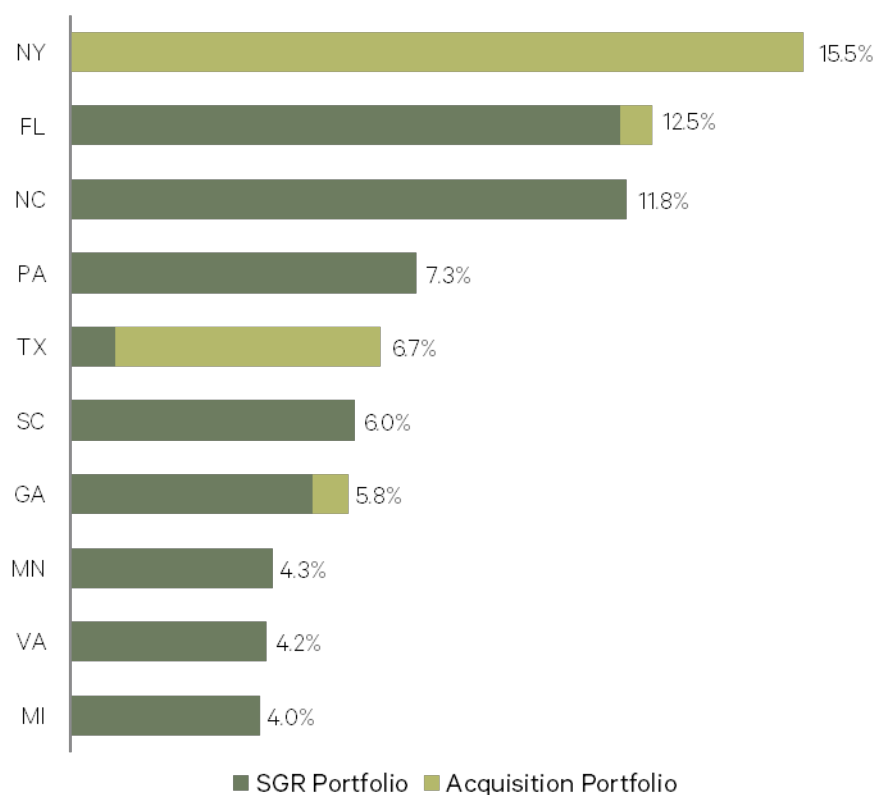
Building Condition Assessments

Historic building condition assessment reports were reviewed for each of the properties in the Portfolio.

Expansion into Major U.S. Markets

The Acquisition will add significant concentrations in the New York (No. 1) and Dallas (No. 4) MSAs, with strategic omnichannel distribution channels for major grocers.² The REIT's properties are key to the distribution of in-store, click-and-collect and home delivery grocery sales. Over 95% of properties provide omnichannel grocery distributions.

Expansion into major U.S. markets (% base rent)^{1,2}



(1) Calculated as a percentage of pro forma portfolio base rent. Pro forma base rent is the sum of annualized base rent for leases as at December 31, 2020, plus base rent from the five-property portfolio acquisition closed February 10, 2021, plus base rent from the 25 property portfolio acquisition.

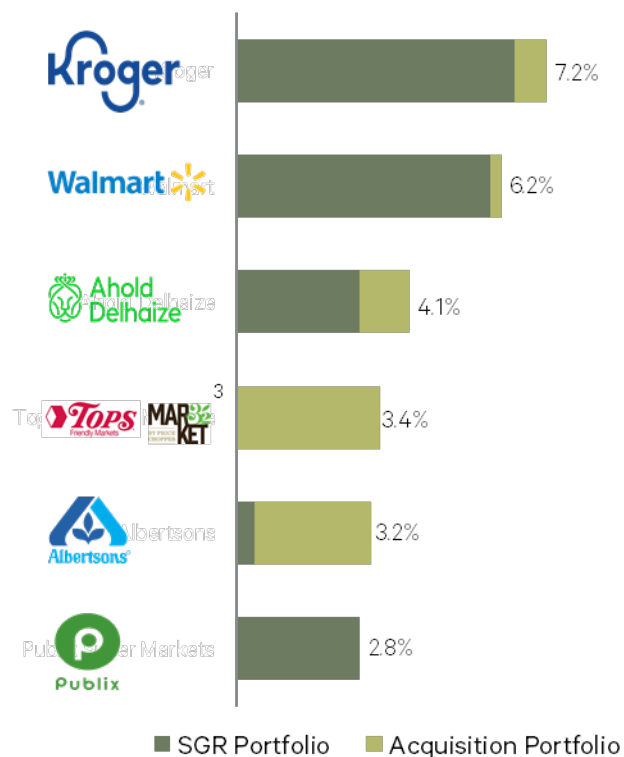
(2) Other states make up 21.9% of pro forma base rent.

² Ranking data derives from the Metropolitan Statistical Areas Population totals compiled by the United States Census Bureau, 2019.

The Portfolio is Comprised of World Class Grocery and Essential Based Tenants

Top grocery tenants (% base rent)^{1,2}

Portfolio boasting diverse roster of the world's largest, most sophisticated, credit-worthy grocers



Essential tenancies

High concentration of essential and grocery tenants

98%	Grocery-anchored properties ⁴
67%	Essential tenancies ²
39%	Grocery tenancies ²

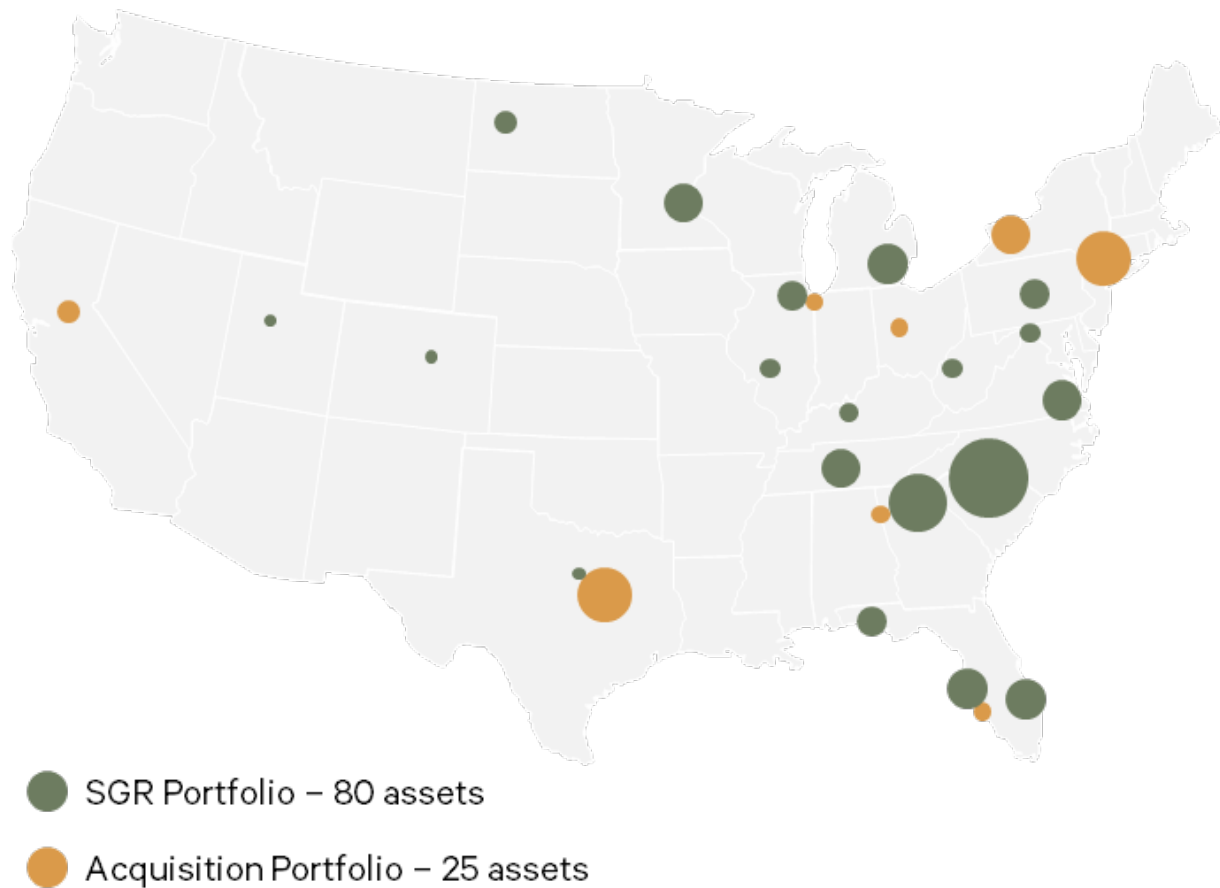
(1) Other grocers make up 11.8% of the REIT's pro forma base rent.

(2) Calculated as a percentage of pro forma portfolio base rent. Pro forma base rent is the sum of annualized base rent for leases as at December 31, 2020, plus base rent from the five-property portfolio acquisition closed February 10, 2021, plus base rent from the Portfolio acquisition.

(3) Tops and Market 32 (Price Chopper) publicly announced plans to merge on February 8, 2021.

(4) Calculated as a percentage of pro forma property count.

The combined portfolio of the REIT will comprise 105 properties, aggregating to 13.0 million square feet of gross leasable area as at December 31, 2020 (and adjusted for the five-property portfolio acquisition which closed on February 10, 2021, plus gross leasable area from the Portfolio) and U.S.\$1.7 billion of critical real estate infrastructure in major markets across the United States (calculated as fair market value of properties at December 31, 2020, plus five-property portfolio acquisition which closed on February 10, 2021, plus the Portfolio).



The Acquisition will Significantly Enhance the REIT's Scale and Market Presence

The Acquisition will significantly enhance the REIT's scale and market presence as illustrated below across a range of metrics.

	Current ¹	Acquisition ²	Pro Forma ³
Gross leasable area Millions of square feet	9.9	3.1	13.0
Real estate assets US\$ billions	\$1.3	\$0.4	\$1.7
Household income 3-mile radius, US\$ thousands	\$81.6	\$94.5	\$85.1
Top 50 MSA % of base rent	56%	83%	63%
Weighted average lease term Years	5.2	4.9	5.1

(1) The REIT's current metrics are as at December 31, 2020 and adjusted for the five-property portfolio acquisition closed February 10, 2021.

(2) Portfolio acquisition metrics only.

(3) Pro forma portfolio on a weighted average basis.

Why Grocery Real Estate?

Stable and durable income

- Low volatility, non-cyclical sector
- Resilient cashflows due to essential service nature

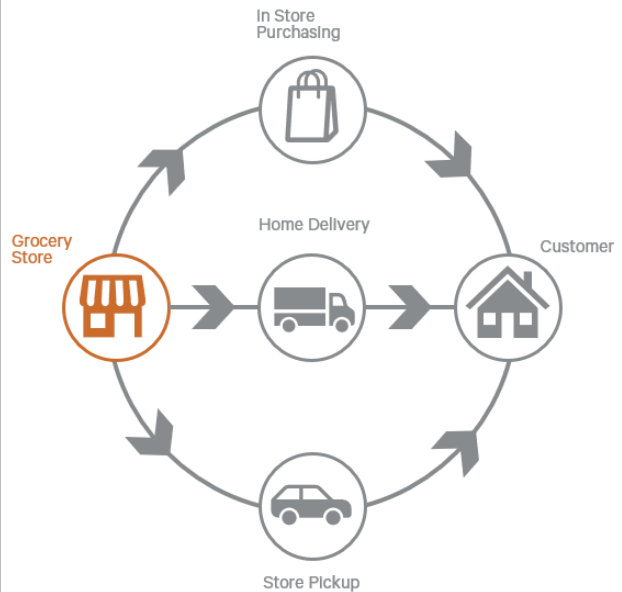
Strong value proposition

- Yields are materially higher than other logistics assets
- Well located for last mile logistics
- Anchor tenants are large, investment grade quality grocers

Grocery omnichannel

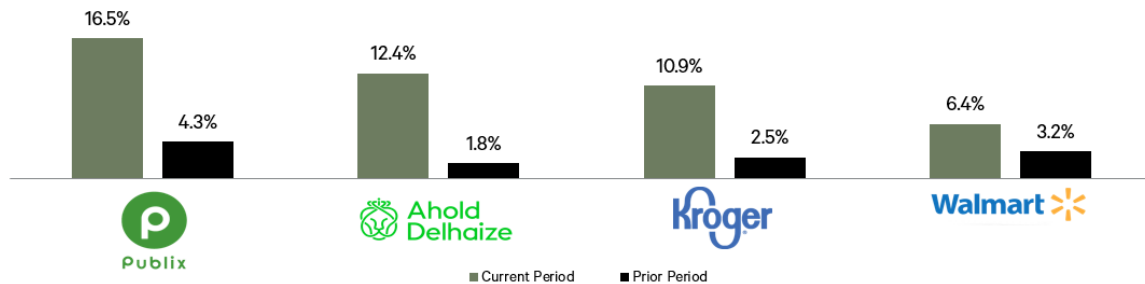
- Flexible customer service model providing in-store retailing, online order fulfillment and home delivery
- Strategically located in high density areas close to major transportation networks
- Proven business model that has been rapidly adopted during the pandemic
- Grocers are investing significant amounts of capital in their stores, making them stickier for renewal

Grocery omnichannel model



Strength of Grocery Real Estate

Omnichannel grocers are experiencing tremendous sales growth (quarterly same-store sales growth¹)



Neighborhood stores are essential in minimizing grocers' last mile logistics costs

Labor and transportation comprise largest supply chain costs²

...So grocers are fulfilling sales through neighborhood stores



(1) Company public disclosure for Q3 2020 or latest available.

(2) Prologis Research, 2020.

(3) Per Mercatus and Incisiv's research report "eGrocery's New Reality" published in September 2020, online grocery sales will account for 10% of total grocery sales post COVID, meaning 90% of grocery sales will be executed through traditional in-store channels; additionally, Green Street's base case forecast estimates that 50% of online grocery sales are currently being fulfilled through stores, meaning an estimated 95% of total grocery sales are fulfilled through stores.

Description of the Portfolio

Pine Creek Shopping Center

Pine Creek Shopping Center is an approximately 216,630 square foot grocery-anchored center located in Grass Valley, California (Sacramento MSA). The center is anchored by Raley's.

Barclay Square

Barclay Square is a grocery-anchored asset comprising approximately 99,054 square feet, located in Largo, Florida (Tampa Bay MSA). The asset is anchored by Wal-Mart.

Josey Oaks Crossing

Josey Oaks Crossing is a grocery-anchored asset comprising approximately 90,208 square feet, located in Carrollton, Texas (Dallas MSA). The asset is anchored by Tom Thumb.

Hunters Glen Crossing

Hunters Glen Crossing is a grocery-anchored asset comprising approximately 97,425 square feet, located in Plano, Texas (Dallas MSA). The asset is anchored by Tom Thumb.

Heritage Heights

Heritage Heights is an approximately 92,521 square foot grocery-anchored center located in Grapevine, Texas (Dallas MSA). The center is anchored by Tom Thumb.

The Highlands

The Highlands is an approximately 90,946 square foot grocery-anchored center located in Flower Mound, Texas (Dallas MSA). The center is anchored by Tom Thumb.

Park West Plaza

Park West Plaza is an approximately 82,977 square foot grocery-anchored center located in Grapevine, Texas (Dallas MSA). The center is anchored by Tom Thumb.

Cross Timbers Court

Cross Timbers Court is a grocery-anchored asset comprising approximately 81,169 square feet, located in Flower Mound, Texas (Dallas MSA). The center is anchored by Tom Thumb.

Flower Mound Crossing

Flower Mound Crossing is a grocery-anchored asset comprising approximately 84,443 square feet, located in Flower Mound, Texas (Dallas MSA). The center is anchored by Tom Thumb.

14th Street Market

14th Street Market is a grocery-anchored asset comprising approximately 79,429 square feet, located in Plano, Texas (Dallas MSA). The center is anchored by Tom Thumb.

Beach

Beach is an approximately 238,227 square foot grocery-anchored center located in Peekskill, New York (New York-Newark-Jersey City MSA). The center is anchored by Stop & Shop.

Mid Valley

Mid Valley is a grocery-anchored asset comprising approximately 244,378 square feet, located in Newburgh, New York (New York-Newark-Jersey City MSA). The center is anchored by Market 32.

Mahopac

Mahopac is an approximately 148,681 square foot grocery-anchored center located in Mahopac, New York (New York-Newark-Jersey City MSA). The center is anchored by Acme Markets.

Crossroads

Crossroads is a grocery-anchored asset comprising approximately 152,134 square feet, located in Schererville, Indiana (Chicago MSA). The asset is anchored by Strack & Van Til.

Panorama

Panorama is a grocery-anchored asset comprising approximately 278,795 square feet, located in Penfield, New York (Rochester, NY MSA). The asset is anchored by Tops Markets.

Orchard Park

Orchard Park is a grocery-anchored asset comprising approximately 167,805 square feet, located in Buffalo, New York (Buffalo MSA). The asset is anchored by Tops Markets.

Cheektowaga

Cheektowaga is an approximately 151,561 square foot grocery-anchored center located in Cheektowaga, New York (Buffalo MSA). The center is anchored by Tops Markets.

Amherst

Amherst is an approximately 148,276 square foot grocery-anchored center located in Amherst, New York (Buffalo MSA). The center is anchored by Tops Markets.

Ontario

Ontario is an approximately 77,040 square foot grocery-anchored center located in Ontario, New York (Rochester, NY MSA). The center is anchored by Tops Markets.

LeRoy

LeRoy is an approximately 62,747 square foot grocery-anchored center located in LeRoy, New York (Rochester, NY MSA). The center is anchored by Tops Markets.

Jamestown

Jamestown is an approximately 98,001 square foot grocery-anchored center located in Jamestown, New York (Buffalo MSA). The center is anchored by Tops Markets.

Warsaw

Warsaw is an approximately 74,105 square foot grocery-anchored center located in Warsaw, New York (Buffalo MSA). The center is anchored by Tops Markets.

Chillicothe and Lowes Chillicothe

Chillicothe is an approximately 106,262 square foot grocery-anchored center located in Chillicothe, Ohio (Columbus MSA). The center is anchored by Kroger. Lowes Chillicothe is an approximately 130,497 square foot center located in Chillicothe, Ohio (Columbus MSA). The center is adjacent to Chillicothe and anchored by Lowe's Home Improvement.

Loganville

Loganville is a grocery-anchored asset comprising approximately 91,196 square feet, located in Loganville, Georgia (Atlanta MSA). The center is anchored by Kroger.

Irondequoit

Irondequoit is a 225,185 square foot center located in Irondequoit, New York (Rochester, NY MSA). The center is anchored by Regal Cinemas and Marshalls.

CONSOLIDATED CAPITALIZATION OF THE REIT

The following table sets forth the consolidated capitalization of the REIT as at December 31, 2020 and the *pro forma* consolidated capitalization of the REIT as at December 31, 2020 adjusted to give effect to the Offering and the Acquisition. The figures set forth below do not account for the exercise, if any, of the Over-Allotment Option, unless otherwise stated.

	As at December 31, 2020 (U.S.\$000s)	As at December 31, 2020 (<i>pro forma</i> after giving effect to the Offering and the Acquisition (without the exercise of the Over- Allotment Option) ⁽¹⁾⁽⁴⁾ (U.S.\$000s)
Debt	\$726,373	\$1,062,099
Exchangeable Units ⁽²⁾	\$9,566	\$9,566
Equity ⁽³⁾	\$452,718	\$553,346
Total Capitalization	\$1,188,657	\$1,625,011

Notes:

- (1) Assumes proceeds of the Offering of U.S.\$100,628,480 (gross proceeds of U.S.\$ 105,543,012, net of the Underwriters' Fee in connection with the Offering of U.S.\$4,221,720 and other expenses totaling approximately U.S.\$692,812). The *pro forma* capitalization of the REIT has been calculated with the proceeds of the Offering and the expense of the Acquisition adjusted from Canadian dollars to U.S. dollars using an exchange rate of U.S.\$1.00 = C\$1.2606. Converted dollar amounts may vary due to rounding.
- (2) Includes issued and outstanding GAR B Exchangeable Units, Class B LP1 Units and Class B LP2 Units.
- (3) Includes issued and outstanding Units, Class A units and Class I units of the REIT.
- (4) Adjusted to reflect the acquisition of five grocery-anchored properties, located in the Southeastern United States for \$54.3 million completed February 10, 2021.

USE OF PROCEEDS

The net proceeds from the Offering, assuming the completion of the Acquisition and the release of the Escrowed Funds, after deducting the Underwriters' Fee of approximately C\$5,321,720 and the expenses of the Offering of C\$873,774, will be C\$126,847,506, excluding Earned Interest, if any, on the Escrowed Funds and the transaction costs associated with the Acquisition. The REIT intends to use the net proceeds of the Offering to pay for the equity purchase price of the Acquisition and related expenses.

If the Over-Allotment Option is exercised in full, the additional net proceeds to the REIT, after deducting the Underwriters' Fee in respect thereof of C\$798,258 will be approximately C\$19,158,192. The net proceeds from the issue of Additional Subscription Receipts on exercise of the Over-Allotment Option will be used to pay any remaining expenses associated with the Acquisition and the Offering and for general trust purposes.

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement dated March 26, 2021 between the REIT and the Underwriters, the REIT has agreed to issue and sell, and the Underwriters have agreed to purchase on the Offering Closing, 11,420,000 Subscription Receipts at a price of C\$11.65 per Subscription Receipt, for aggregate gross consideration of C\$133,043,000 payable in cash (less 50% of the Underwriter's Fee) to the Subscription Receipt Agent against delivery of the Subscription Receipts. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion pursuant to market standard "disaster out", "regulatory out" and "material tax change out" provisions and may also be terminated upon the occurrence of certain stated events. In addition, the Underwriting Agreement provides that, if a Termination Event has occurred prior to or on the Acquisition Closing Time (as defined herein), the Offering will be terminated. The Underwriters are, however, obligated to take up and pay for all of the Subscription Receipts if any of the Subscription Receipts are purchased under the Underwriting Agreement. The Subscription Price has been determined by negotiation between the REIT and the Underwriters with reference to the market price of the Units and other applicable factors.

The Underwriting Agreement provides that the REIT will pay the Underwriters a fee equal to 4.0% of the gross proceeds from the sale of the Subscription Receipts on account of their services rendered in connection with the Offering. The REIT will also pay the Underwriters a fee equal to \$0.466 per Additional Subscription Receipt sold by the REIT if the Over-Allotment Option is exercised. The Underwriters' Fee in respect of the Subscription Receipts is payable as to 50% upon the Offering Closing and 50% upon the Acquisition Closing. The Underwriters' Fee payable in respect of the Subscription Receipts upon the Acquisition Closing will be payable from the Escrowed Funds under the Subscription Receipt Agreement, in accordance with the terms and conditions thereof. If the Acquisition is not completed and the Escrowed Funds are refunded to the purchasers of Subscription Receipts, the Underwriters' Fee in respect of the Subscription Receipts shall consist solely of such 50% amount payable at the Offering Closing. In the Underwriting Agreement, the Underwriters have agreed, subject to compliance with all necessary legal requirements and to the conditions set forth therein, to purchase all but not less than all of the Subscription Receipts.

Pursuant to the Underwriting Agreement, the REIT has granted to the Underwriters an option, exercisable at the Underwriters' sole option and without obligation, in whole or in part, and at any time not later than the earlier of (i) 30 days after the Offering Closing and (ii) the occurrence of a Termination Event, to purchase up to 1,713,000 Additional Subscription Receipts at a price of C\$11.65 per Additional Subscription Receipt on the same terms and conditions set forth above, solely to cover over allocations, if any, and for market stabilization purposes. If the Over-Allotment Option is exercised in full, the total price to the public, the total Underwriters' Fee and net proceeds to the REIT (before deducting the expenses of this Offering) will be C\$152,999,450, C\$6,119,978 and C\$146,879,472, respectively. If the Over-Allotment Option is exercised in whole or in part following the completion of the Acquisition, an equal number of Units will be issued in lieu of Subscription Receipts. This Prospectus qualifies the distribution of the Over-Allotment Option and any Additional Subscription Receipts issuable on the exercise thereof as well as the Units issuable in lieu of Subscription Receipts if the Over-Allotment Option is exercised in whole or in part following the completion of the Acquisition. A purchaser who acquires securities forming part of the Underwriters' over allocation position acquires those securities under this Prospectus, regardless of whether the Underwriters' over allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. If the Over-Allotment Option is exercised, the proceeds received by the REIT will be used by the REIT to pay for a portion of the purchase price of the Acquisition and related expenses and for general trust purposes. See "Use of Proceeds".

In the event that the closing of the Offering, and the closing date for the Over-Allotment Option (the "**Over-Allotment Closing Date**"), if applicable, occur after the record date for the REIT's distribution for the months of March 2021 or April 2021, which record date is expected to be March 31, 2021, and April 30, 2021, respectively, the REIT will, conditional upon the Acquisition Closing, make a contractual cash payment pursuant to the Underwriting Agreement (a "**Distribution Equivalency Payment**") to the purchasers of the Subscription Receipts or the Units issuable in lieu thereof of the Over-Allotment Closing Date occurs after the Acquisition Closing, as applicable, equal to the amount per Unit distributed by the REIT to the holders of Units for the month of March 2021 and April 2021, as applicable, less applicable withholding taxes, if any, as if such purchasers had been holders of Units on the record date for such distribution. Such payment is to be made on the later of: (i) the later of the Acquisition Closing and Over-Allotment Closing Date, as applicable; and (ii) the date the payment for the March 2021 distribution and April 2021 distribution is made to the holders of the Units, which is expected to be April 15, 2021 and May 15, 2021, respectively. For greater certainty, in no event shall the REIT be responsible for any Distribution Equivalency Payment under the Underwriting Agreement for any period if the REIT has made a Subscription Receipt Adjustment Payment with respect to such period.

The Offering is being made in each of the provinces and territories of Canada and in the U.S. in an offering to "qualified institutional buyers", as defined in Rule 144(a)(i) of the U.S. Securities Act, pursuant to the exemption from the registration requirement provided under Rule 144A thereunder. The Subscription Receipts will be offered in each of the provinces and territories of Canada through those Underwriters or their affiliates who are registered to offer the Subscription Receipts for sale in such provinces and territories and such other registered dealers as may be designated by the Underwriters. Subject to applicable law, and residency restrictions under the Declaration of Trust, the Underwriters may offer the Subscription Receipts outside of Canada.

All of the Subscription Receipts sold in the Offering will be freely tradable without restriction or further registration under applicable Canadian securities laws.

The obligations of the Underwriters under the Underwriting Agreement are several and not joint or joint and several, are subject to certain closing conditions and may be terminated at their discretion on the basis of their assessment of

the state of the financial markets and upon the occurrence of certain stated events. The Underwriters are, however, obligated to take up and pay for all of the Subscription Receipts if any Subscription Receipts are purchased under the Underwriting Agreement. The Underwriters are entitled under the Underwriting Agreement to indemnification by the REIT against certain liabilities and expenses.

The REIT has applied to the TSX for approval of the listing of the Subscription Receipts and the Units issuable pursuant to the terms of the Subscription Receipts (and the Additional Subscription Receipts) to be distributed under this Prospectus on the TSX. Listing will be subject to the REIT fulfilling all of the listing requirements of the TSX.

The REIT has agreed that until the date which is 90 days after the Offering Closing, the REIT will not without the consent of the Bookrunners, on behalf of the Underwriters, whose consent shall not be unreasonably withheld, issue or sell, or announce an intention to issue or sell any additional Units of the REIT or any securities convertible into, or exercisable or exchangeable for any equity securities of the REIT, except (a) pursuant to the Over-Allotment Option; (b) pursuant to the exercise of convertible or exchangeable securities, options or warrants to purchase Units which are currently outstanding; and (c) Units issued as full or partial consideration for direct or indirect acquisitions of real estate assets or assets ancillary or incidental thereto or otherwise deriving their revenue principally from real property.

This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Subscription Receipts in the United States, as defined in Regulation S under the U.S. Securities Act. The Subscription Receipts have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to any U.S. person, except in transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws. Each Underwriter has agreed that it and any U.S. registered broker-dealer affiliate of an Underwriter which conducts offers and sales in the United States will not offer or sell the Subscription Receipts within the United States or to any U.S. person, except as permitted by the Underwriting Agreement. The Underwriting Agreement provides that the Underwriters, acting through their U.S. registered broker-dealer affiliates, may offer and re-sell the Subscription Receipts, purchased from the REIT, to “qualified institutional buyers”, as defined in Rule 144A(a)(1) of the U.S. Securities Act, pursuant to Rule 144A of the U.S. Securities Act; and in accordance with applicable state securities laws. Moreover, the Underwriting Agreement provides that the Underwriters will offer and sell the Subscription Receipts outside the United States only to non-U.S. persons in accordance with Rule 903 of Regulation S under the U.S. Securities Act. The Subscription Receipts that are sold in the United States or to, or for the account or benefit of, a U.S. Person will be restricted securities within the meaning of Rule 144 of the U.S. Securities Act and may only be offered, sold or otherwise transferred pursuant to certain exemptions from the registration requirements of the U.S. Securities Act. Further, until 40 days after the Offering Closing, an offer or sale of the Subscription Receipts within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from such registration requirements. The Underwriters propose to offer the Subscription Receipts initially at the Subscription Price.

After the Underwriters have made a reasonable effort to sell all of the Subscription Receipts at the Subscription Price, the offering price may be decreased and may be further changed from time to time to an amount not greater than that set out on the cover page, and the compensation realized by the Underwriters will be decreased by the amount that the aggregate price paid by purchasers of the Subscription Receipts is less than the price paid by the Underwriters to the REIT.

Price Stabilization, Short Positions and Passive Market Making

In connection with the Offering, the Underwriters may over-allocate or effect transactions which stabilize or maintain the market price of the Subscription Receipts at levels other than those which otherwise might prevail on the open market, including: stabilizing transactions; short sales; purchases to cover positions created by short sales; imposition of penalty bids; and syndicate covering transactions.

Stabilizing transactions consist of bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Subscription Receipts while the Offering is in progress. These transactions may also include making short sales of the Subscription Receipts, which involve the sale by the Underwriters of a greater number of Subscription Receipts than they are required to purchase in the Offering. Short sales may be “covered short sales”, which are short positions in an amount not greater than the Over-Allotment Option, or may be “naked short sales”, which are short positions in excess of that amount. The Underwriters may close out any covered short position either by exercising the Over-Allotment Option, in whole or in part, or by purchasing Subscription Receipts in the open

market. In making this determination, the Underwriters will consider, among other things, the price of Subscription Receipts available for purchase in the open market compared with the price at which they may purchase Subscription Receipts through the Over-Allotment Option. If, following the Offering Closing, the market price of the Subscription Receipts decreases, the short position created by the over-allocation position in Subscription Receipts may be filled through purchases in the market, creating upward pressure on the price of the Subscription Receipts. If, following the Offering Closing, the market price of Subscription Receipts increases, the over-allocation position in Subscription Receipts may be filled through the exercise of the Over-Allotment Option in respect of Subscription Receipts at the Subscription Price. The Underwriters must close out any naked short position by purchasing Subscription Receipts in the open market. A naked short position is more likely to be created if the Underwriters are concerned that there may be downward pressure on the price of the Subscription Receipts in the open market that could adversely affect investors who purchase in the Offering. Any naked short sales will form part of the Underwriters' over-allocation position.

In addition, in accordance with rules and policy statements of certain Canadian securities regulators, the Underwriters may not, at any time during the period of distribution, bid for or purchase Subscription Receipts. The foregoing restriction is, however, subject to exceptions where the bid or purchase is not made for the purpose of creating actual or apparent active trading in, or raising the price of, the Subscription Receipts. These exceptions include a bid or purchase permitted under the by-laws and rules of applicable regulatory authorities and the TSX, including the Universal Market Integrity Rules for Canadian Marketplaces, relating to market stabilization and passive market making activities and a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of distribution.

As a result of these activities, the price of the Subscription Receipts may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Underwriters at any time. The Underwriters may carry out these transactions on any stock exchange on which the Subscription Receipts are listed, in the over-the-counter market, or otherwise.

DESCRIPTION OF THE SUBSCRIPTION RECEIPTS

The following is a summary of the material attributes and characteristics of the Subscription Receipts and the Subscription Receipt Agreement. This summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the terms of the Subscription Receipt Agreement, which will be filed with the Canadian securities regulatory authorities at www.sedar.com.

Overview

The Subscription Receipts will be issued at the Offering Closing pursuant to a subscription receipt agreement (the “**Subscription Receipt Agreement**”) to be dated the date of the Offering Closing between the REIT, the Bookrunners and the Subscription Receipt Agent. The proceeds from the sale of the Subscription Receipts, less 50% of the Underwriters' Fee in respect of the issue and sale of Subscription Receipts pursuant to the Underwriting Agreement, will be delivered to and held by the Subscription Receipt Agent and invested in short-term obligations of, or guaranteed by, the Government of Canada (and other approved investments that would each be a qualified investment for Exempt Plans) pending the earlier to occur of the Acquisition Closing and the occurrence of a Termination Event. Upon the Acquisition Closing and satisfaction of certain other conditions in the Subscription Receipt Agreement: (a) one Unit will be automatically issued to a holder of Subscription Receipts for each Subscription Receipt held by such holder, without payment of additional consideration or any further action on the part of the holder; (b) the Subscription Receipt Adjustment Payment, if any, less applicable withholdings taxes, if any, will become payable in respect of each Subscription Receipt; and (c) the Escrowed Funds (less the remaining half of the Underwriters' Fee) will be released to the REIT, which will then be utilized to pay a portion of the purchase price for the Acquisition and the REIT's expenses of the Acquisition. The Escrowed Funds may be subject to a special release to the REIT or, at its direction, under other escrow conditions, in order to facilitate the actual completion of the Acquisition. The Subscription Receipt Agreement will contain customary anti-dilution provisions with respect to the Subscription Receipts.

Upon determining that the time of the Acquisition Closing (the “**Acquisition Closing Time**”) will occur on or before September 30, 2021 (the “**Deadline**”), the REIT will execute and deliver to the Subscription Receipt Agent, the Underwriters and the Transfer Agent (as defined herein), a notice of the Acquisition Closing Time, and will issue and deliver the Units (one Unit for each Subscription Receipt then outstanding) to the Subscription Receipt Agent. If the Acquisition Closing Time occurs on or before the Deadline, holders of Subscription Receipts will

automatically receive one Unit for each Subscription Receipt held without any further action on the part of the holder and become entitled to receive from the Subscription Receipt Agent, without duplication, on or about the third business day following the date of the Acquisition Closing, an amount representing the Subscription Receipt Adjustment Payment, if any, less applicable withholdings taxes, if any, for each Subscription Receipt so held. The Subscription Receipt Adjustment Payment payable to a holder of a Subscription Receipt will include such holder's *pro rata* share of the Earned Interest (provided such amount shall not exceed the Subscription Receipt Adjustment Payment payable to such holder), and if the Earned Interest is insufficient to pay the Subscription Receipt Adjustment Payment to such holder, the REIT will pay the amount of such shortfall to such holder as a reduction in the purchase price of the Units issuable to such holder pursuant to the Subscription Receipts held by such holder. To the extent that the Subscription Receipt Adjustment Payment includes amounts calculated in respect of cash distributions on the Units for which record dates have occurred (during the period from and including the Offering Closing to and including the date immediately preceding the date Units are issued or deemed to be issued pursuant to the Subscription Receipt Agreement) and have not yet been paid, such amounts shall not be payable to holders of Subscription Receipts, unless the REIT otherwise elects, until the date that such related cash distributions are paid to Unitholders. If the Acquisition Closing Time occurs on or before the Deadline, the REIT shall be entitled to receive the Escrowed Funds (including all Earned Interest in excess of the Subscription Receipt Adjustment Payment, if applicable, but less the remaining half of the Underwriters' Fee) from the Subscription Receipt Agent. Promptly following the Acquisition Closing Time, the REIT will issue a press release announcing that the Acquisition Closing has occurred and that the Units have been issued.

If a Termination Event occurs, the REIT will immediately notify the Subscription Receipt Agent and the Underwriters, and promptly issue a press release specifying the Termination Event. Upon the occurrence of a Termination Event, the subscription evidenced by each Subscription Receipt will be automatically terminated and cancelled and each Subscription Receipt will entitle the holder thereof to receive an amount equal to the full Subscription Price and his or her *pro rata* share of the Earned Interest and Deemed Interest. Despite the fact that 50% of the Underwriters' Fee will be paid by the REIT to the Underwriters from the proceeds from the sale of the Subscription Receipts at the Offering Closing, the REIT will nonetheless, following a Termination Event, be responsible to compensate each holder of a Subscription Receipt for an amount equal to the full Subscription Price and his or her *pro rata* share of the Earned Interest and Deemed Interest. The obligation to make the payment of the amounts specified above will be satisfied by mailing payment by cheques payable to the holders of Subscription Receipts at such holders' registered address or by making a wire transfer for the accounts of such holders through CDS. Upon the mailing or delivery of a cheque or the making of any wire transfer as provided above (and provided such cheque has been honoured for payment, if presented for payment within six months of the date thereof, as the case may be) all rights evidenced by the Subscription Receipts relating thereto shall be satisfied and such Subscription Receipts shall be void and of no value or effect.

Holders of Subscription Receipts are not Unitholders and Subscription Receipts do not carry any voting rights in the REIT. Holders of Subscription Receipts are entitled only to receive Units on surrender of their Subscription Receipts to the Subscription Receipt Agent or to a return of the Subscription Price for the Subscription Receipts together with any payments in respect of interest or distributions, in each case as applicable, as described above.

Non-Certificated Inventory System

Other than pursuant to certain exceptions, registration of interests in and transfers of Subscription Receipts held through CDS or its nominee will be made electronically through the NCI system of CDS. On the Offering Closing, the REIT, via the Subscription Receipt Agent, will electronically deliver the Subscription Receipts registered to CDS or its nominee. Subscription Receipts held in CDS must be purchased, transferred and surrendered for redemption through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of purchasers of Subscription Receipts who hold Subscription Receipts in CDS must be exercised through, and all payments or other property to which such purchasers of Subscription Receipts are entitled will be made or delivered by, CDS or the CDS participant through which the purchaser holds such Subscription Receipts. A holder of Subscription Receipts participating in the NCI system will not be entitled to a certificate or other instrument from the REIT or the Subscription Receipt Agent evidencing that person's interest in or ownership of Subscription Receipts, nor, to the extent applicable, will such purchaser be shown on the records maintained by CDS, except through an agent who is a CDS participant. The ability of a beneficial owner of Subscription Receipts to pledge such Subscription Receipts or otherwise take action with respect to such purchaser's interest in such Subscription Receipts (other than through a CDS participant) may be limited due to the lack of a physical certificate.

Neither the REIT, the Underwriters nor the Subscription Receipt Agent shall have any responsibility or liability for: (a) any aspect of the records relating to the beneficial ownership of the Subscription Receipts held by CDS or any payments relating thereto; (b) maintaining, supervising or reviewing any records relating to the Subscription Receipts; or (c) any advice or representation made by or with respect to CDS and contained in this prospectus and relating to the rules governing CDS or any action to be taken by CDS or at the direction of a participant of CDS. The rules governing CDS provide that it acts as the agent and depository for the participants of CDS. As a result, participants of CDS must look solely to CDS and a purchaser acquiring a beneficial interest in the Subscription Receipts must look solely to participants of CDS for any payments relating to the Subscription Receipts paid by or on behalf of the REIT to CDS.

DESCRIPTION OF THE UNITS

General

As at March 25, 2021, there were 46,916,435 Units issued and outstanding. In addition to the outstanding Units, as at March 25, 2021, the REIT and its subsidiaries also have outstanding 152,743 Class A Units, 282,219 class I trust units of the REIT, 132,561 GAR B Exchangeable Units (each with one Special Voting Unit attached thereto), 28,158 Class B LP1 Units and 997,087 Class B LP2 Units issued and outstanding. Holders of Class A Units and class I trust units have the right to convert all or any portion of their Class A Units and class I trust units, at any time into Units by giving written notice to the REIT's transfer agent in accordance with the provisions of the Declaration of Trust.

Each Class A Unit and class I trust unit of the REIT is convertible into a Unit on a one-for-one basis and each GAR B Exchangeable Unit, Class B LP1 Unit and Class B LP2 Unit is redeemable for cash or Units on a one-for-one basis, as determined by the GAR B General Partner (with respect to the GAR B Exchangeable Units) or LP General Partner (with respect to the Class B LP1 Units and Class B LP2 Units), respectively, in their sole discretion.

Non-Certificated Inventory System

Other than pursuant to certain exceptions, registration of interests in and transfers of Units, including Units issued pursuant to the terms of the Subscription Receipts held through CDS or its nominee will be made electronically through the NCI system of CDS. If the Acquisition Closing Time occurs on or before the Deadline, holders of Subscription Receipts will automatically receive one Unit for each Subscription Receipt held without any further action on the part of the holder. Units held in CDS must be purchased, transferred and surrendered for redemption through a CDS participant, which includes securities brokers and dealers, banks and trust companies. All rights of Unitholders who hold Units in CDS must be exercised through, and all payments or other property to which such Unitholders are entitled will be made or delivered by, CDS or the CDS participant through which the Unitholder holds such Units. A holder of Units participating in the NCI system will not be entitled to a certificate or other instrument from the REIT or the Transfer Agent evidencing that person's interest in or ownership of Units, nor, to the extent applicable, will such Unitholder be shown on the records maintained by CDS, except through an agent who is a CDS participant. The ability of a beneficial owner of Units to pledge such Units or otherwise take action with respect to such Unitholder's interest in such Units (other than through a CDS participant) may be limited due to the lack of a physical certificate.

PRIOR SALES

The following table sets forth the details regarding all issuances of Units, including issuances of all securities convertible into, or, at the option of the GAR B General Partner and LP General Partner, as applicable, redeemable for, Units for the 12-month period prior to the date of this Prospectus Supplement.

Date of Issuance	Security Issued	Reason for Issuance	Number of Securities Issued	Issuance Price Per Unit (C\$) ¹
11-Mar-20	Units	Conversions	3,527	11.18
12-Mar-20	Units	Conversions	503	9.79
24-Mar-20	Units	Conversions	1,006	6.06
25-Mar-20	Units	Conversions	10,078	7.19
22-Apr-20	Units	Conversions	5,039	8.69
29-May-20	Units	Conversions	705	9.57
10-Jun-20	Units	Conversions	2,015	10.59
11-Jun-20	Units	Conversions	302	10.07
23-Jul-20	Units	Conversions	503	9.30
07-Dec-20	Units	Conversions	1,591	11.59
10-Dec-20	Units	Pursuant to a public offering	6,360,000	11.80
11-Dec-20	Units	Conversions	1,026	11.33
23-Dec-20	Units	Conversions	438	11.40
07-Jan-21	Units	Conversions	9,070	11.50
11-Jan-21	Units	Conversions	1,007	11.51
14-Jan-21	Units	Conversions	5,039	11.88
04-Feb-21	Units	Conversions	4,032	11.60
12-Feb-21	Units	Conversions	28,924	11.65
18-Feb-21	Units	Conversions	2,016	11.59
19-Feb-21	Units	Conversions	1,432	11.59
Total / Weighted Average			6,438,254	\$11.79

Notes:

- (1) The issuance price per unit for Units issued pursuant to conversions of Class B LP1 Units and Class B LP2 Units to Units are based on the closing foreign exchange rate on the day of issuance of the applicable Units.

PRICE RANGE AND TRADING VOLUME OF UNITS

The Units are listed and posted for trading on the TSX in both Canadian dollars (under the trading symbol “SGR.UN”) and U.S. dollars (under the trading symbol “SGR.U”). The following tables show the monthly range of high and low prices per Unit and total monthly volumes traded on the TSX for the 12-month period prior to the date of this Prospectus Supplement:

SGR.UN

Month	Price per Unit (C\$) Monthly High	Price per Unit (C\$) Monthly Low	Total Monthly Volume
March 2020	12.95	4.95	3,543,084
April 2020	9.17	5.80	2,429,047
May 2020	9.86	7.72	2,082,249
June 2020	11.49	9.37	2,114,760
July 2020	9.86	8.80	960,306
August 2020	10.45	8.95	883,082
September 2020	11.04	10.06	1,137,019
October 2020	11.24	10.37	1,104,205
November 2020	12.49	10.26	1,178,915
December, 2020	12.40	11.20	2,784,456
January 2021	12.40	11.15	1,965,345
February 2021	12.20	11.50	1,655,230
March 1, 2021 – March 25, 2021	12.47	11.57	1,969,644

SGR.U

Month	Price per Unit (U.S.\$) Monthly High	Price per Unit (U.S.\$) Monthly Low	Total Monthly Volume
March 2020	9.65	3.88	167,372
April 2020	6.88	4.13	112,843
May 2020	6.75	5.46	37,329
June 2020	8.37	7.06	24,294
July 2020	7.10	6.50	19,934
August 2020	8.09	6.79	28,822
September 2020	8.31	7.68	46,904

Month	Price per Unit (U.S.\$) Monthly High	Price per Unit (U.S.\$) Monthly Low	Total Monthly Volume
October 2020	8.52	7.87	35,978
November 2020	9.57	7.73	31,970
December 2020	9.46	8.80	48,443
January 2021	9.81	8.80	28,543
February 2021	9.33	9.05	11,228
March 1, 2021 – March 25, 2021	9.90	9.15	31,107

On March 24, 2021, being the last day on which the Units traded prior to the announcement of the Offering, the closing price of the Units on the TSX was C\$12.23 and U.S.\$9.74. On March 25, 2021, being the last day on which the Units traded prior to the date of this Prospectus Supplement, the closing price of the Units was C\$12.28 and U.S.\$9.66.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of McCarthy Tétrault LLP, counsel to the REIT, and Blake, Cassels & Graydon LLP, counsel to the Underwriters (together, “**Counsel**”), the following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable as of the date hereof to a holder who acquires Subscription Receipts pursuant to the Offering or Units issuable pursuant to the terms of such Subscription Receipts (collectively “**Securities**”). This summary is applicable to a holder who is an individual (other than a trust) and who, for purposes of the Tax Act and at all relevant times, is, or is deemed to be, resident in Canada, deals at arm’s length (within the meaning of the Tax Act) with the REIT and each of the Underwriters, is not affiliated (within the meaning of the Tax Act) with the REIT or any of the Underwriters and holds the Securities as capital property (a “**Holder**”). Generally, the Securities will be considered to be capital property to a holder provided that the holder does not hold such Securities in the course of carrying on a business of buying and selling securities and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

Certain holders who might not otherwise be considered to hold their Securities as capital property may be entitled to make an irrevocable election under subsection 39(4) of the Tax Act to have any Units acquired pursuant to the terms of the Subscription Receipts and any other “Canadian securities” (as defined in the Tax Act) owned by such holders in the taxation year of the election and all subsequent taxation years treated as capital property. Such holders should consult their own tax advisors regarding the availability and the advisability of such election in their particular circumstances. The election under subsection 39(4) of the Tax Act will not be applicable to Subscription Receipts.

This summary does not apply to a Holder who enters into a “derivative forward agreement” as such term is defined in the Tax Act with respect to the Holder’s Securities. Any such Holder should consult such Holder’s own tax advisors. Furthermore, this summary does not address the deductibility of interest by a Holder who borrows money to acquire Securities pursuant to this Offering.

This summary does not address any Canadian federal income tax considerations applicable to Non-Residents, and Non-Residents should consult their own tax advisors regarding the tax consequences of acquiring Securities.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and Counsel’s understanding of the current administrative policies and assessing practices of the CRA published in writing by it prior to the date hereof, and relies upon a certificate as to certain factual matters from an executive officer of the REIT. Except for the Tax Proposals, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the CRA’s administrative policies and assessing practices, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein. This summary assumes that the Tax Proposals will be enacted as currently proposed, but no assurances can be given that this will be the case. Furthermore, no assurances can be given that CRA will not change its administrative

policies and assessing practices. Modification or amendment of the Tax Act or the Tax Proposals could significantly alter the tax status of the REIT and/or the tax consequences of investing in Securities.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to an investment in Securities. The income and other tax consequences of acquiring, holding or disposing of Securities will vary depending on an investor's particular circumstances including the province or territory in which the investor resides or carries on business. This summary is not intended to be, nor should it be construed to be, legal or tax advice to any particular investor. Investors should consult their own tax advisors for advice with respect to the tax consequences of an investment in Securities, based on their particular circumstances.

For the purposes of this opinion and the opinion given under the heading "Eligibility for Investment", a reference to the "REIT" is a reference to Slate Grocery REIT only and is not a reference to any of its subsidiaries.

Currency

For purposes of the Tax Act, a taxpayer (including a Holder and the REIT) generally is required to compute its income (including any "foreign accrual property income" ("FAPI") of a "controlled foreign affiliate" ("CFA") of the taxpayer) using Canadian currency. Where an amount that is relevant in computing a taxpayer's Canadian tax results is expressed in a currency other than Canadian currency, such amount must be converted to Canadian currency using exchange rates determined in accordance with the Tax Act. As a result, such taxpayer may realize gains and losses for tax purposes by virtue of the fluctuation of the value of foreign currencies relative to Canadian dollars.

Status of the REIT

This summary assumes that the REIT will qualify at all times as a "mutual fund trust" within the meaning of the Tax Act. An executive officer of the REIT has advised Counsel that the REIT intends to ensure that the REIT will meet the requirements necessary for it to qualify as a mutual fund trust at all times.

This summary assumes that the REIT will at no time be a "SIFT trust" (as defined in the Tax Act). Provided that the REIT does not hold any "non-portfolio property" (as defined in the Tax Act), it will not be a SIFT trust. Counsel has been advised by an executive officer of the REIT that the REIT does not currently own any non-portfolio property and has no current intention to acquire non-portfolio property.

If the REIT were not to qualify as a mutual fund trust at all times or the REIT were to become a SIFT trust, the income tax considerations described below would, in some respects, be materially and adversely different.

Taxation of the REIT

The taxation year of the REIT is the calendar year. In each taxation year, the REIT generally will be subject to tax under Part I of the Tax Act on its income for the year, including net realized taxable capital gains, less the portion thereof that it deducts in respect of amounts paid or payable to Unitholders. The REIT will be required to include in its income for each taxation year, among other things, (a) all interest on the Investment LP1 Notes and any Holdco1 Notes that accrues to the REIT to the end of the year, or that becomes receivable or is received by it before the end of the year, except to the extent that such interest was included in computing its income for a preceding taxation year, (b) subject to the discussion in the following paragraph about dividends that were previously included in FAPI, dividends received by the REIT on shares of any subsidiaries and (c) its *pro rata* share of the income (or loss) of Investment LP1 and GAR B, as more fully described below. Capital gains realized by the REIT through a CFA, rather than through one or more partnerships, may be subject to increased tax since net proceeds would have to be distributed by the CFA as a return of capital or dividend. Costs incurred on the issuance of Units generally may be deducted by the REIT on a five year, straight-line basis, pro-rated for short taxation years. The REIT also will be entitled to deduct reasonable administrative and other expenses that are incurred to earn income.

The REIT's income for purposes of the Tax Act will also include, among other things, its share of FAPI realized by an entity that is, or is deemed to be, a CFA of the REIT and any dividends received as further described below. Any FAPI earned by a CFA of the REIT must be included in computing its income for the taxation year of the REIT in which the taxation year of the CFA ends, subject to a deduction for grossed-up "foreign accrual tax" as computed in accordance with the Tax Act, whether or not the REIT actually receives a distribution of FAPI in the taxation year,

and less certain amounts that are otherwise included in income. Where Limited Partnership 2 acquires LLC Acquisition Targets in connection with the Acquisition, the ability of the REIT to claim a deduction for “foreign accrual tax” will be restricted. The adjusted cost base to the REIT of the shares of the applicable CFA will be increased by the net amount so included in the income of the REIT. At such time as the REIT receives a dividend of amounts that were previously included in its income as FAPI (net of any deduction in respect of “foreign accrual tax”), that dividend effectively will not be taxable to the REIT and there will be a corresponding reduction in the adjusted cost base to the REIT of the shares of the applicable CFA. It is expected that if Holdco1 is established to make the Acquisition, such subsidiary will be a CFA of the REIT and certain income earned by such subsidiary will be FAPI of the REIT. Similarly, subsequent to the Acquisition, certain LLC Acquisition Targets are expected to be CFAs of the REIT and certain income earned by such LLC Acquisition Targets will be FAPI of the REIT.

The REIT computes its income or loss for a taxation year as though it were an individual resident in Canada. The REIT may deduct all amounts which are paid or become payable by it to Unitholders in a year in computing its income for such year. An amount will be considered to be payable to a Unitholder in a taxation year if it is paid to the Unitholder in the year by the REIT or if the Unitholder is entitled in the year to enforce payment of the amount. Where the REIT does not have sufficient cash to distribute such amounts in a particular taxation year, the REIT will make in-kind distributions in the form of additional Units. Counsel has been advised by an executive officer of the REIT that it is the current intention of the Trustees to make payable to Unitholders each year sufficient amounts such that the REIT is not liable to pay tax under Part I of the Tax Act.

A distribution by the REIT of its property *in specie* upon a redemption of Units will be treated as a disposition by the REIT of such property for proceeds of disposition equal to the fair market value thereof. The REIT will realize a capital gain (or a capital loss) to the extent that the proceeds from the disposition of capital property exceed (or are less than) the aggregate of the adjusted cost base of the relevant property and any reasonable costs of disposition and it may realize income in certain circumstances.

Losses incurred by the REIT cannot be allocated to Unitholders, but may be deducted by the REIT in future years in computing its taxable income, in accordance with the provisions of the Tax Act. In the event the REIT would otherwise be liable for tax on its net realized taxable capital gains for a taxation year, it would be entitled for such taxation year to reduce (or receive a refund in respect of) its liability for such tax by an amount determined under the Tax Act based on the redemption of Units during the year (the “**capital gains refund**”). In certain circumstances, the capital gains refund in a particular taxation year may not completely offset the REIT’s tax liability for the taxation year arising in connection with the transfer of property *in specie* to redeeming Unitholders on the redemption of Units. The Declaration of Trust provides that all or a portion of any capital gain or income realized by the REIT in connection with such redemptions may, at the discretion of the Trustees, be treated as capital gains or income paid to, and designated as capital gains or income of, the redeeming Unitholder. However, pursuant to Tax Proposals released on July 30, 2019 the REIT generally will not be entitled to a deduction in computing its income in respect of amounts allocated to redeeming Unitholders to the extent of (i) the portion of any such amount that would be paid out of the income (other than taxable capital gains) of the REIT, and (ii) the portion of any such amount that is a taxable capital gain to the extent that the amount so allocated, generally, exceeds the taxable capital gain that would otherwise be realized by the redeeming Unitholder from the redemption of the Units. As a result, the taxable component of distributions by the REIT to non-redeeming Unitholders may be adversely affected if the Tax Proposals are enacted as proposed.

In computing its income, the REIT is required to include (or deduct) its share of the income (or loss) of Investment LP1 and GAR B for the fiscal period of the relevant partnership ending in or coincidentally with the taxation year of the REIT. The adjusted cost base of the partnership units held by the REIT in the relevant partnership will be increased (or decreased) at a particular time by the REIT’s allocated share of the amount of income (or loss, other than losses the deductibility of which was denied by the “at-risk” rules discussed below) of the relevant partnership for a fiscal year of such partnership ended before that time, and will be reduced by all distributions of cash or other property made by such partnership to the REIT before that time. If at the end of any fiscal period of a relevant partnership, the adjusted cost base of the relevant partnership units held by the REIT would otherwise be less than zero, the REIT will be deemed to have realized a capital gain equal to the negative amount and the adjusted cost base of the relevant partnership units will be increased by the amount of such deemed capital gain.

Taxation of the Partnerships

This summary assumes that each partnership directly or indirectly held by the REIT, including for greater certainty Investment LP1, Limited Partnership 1, Limited Partnership 2, and GAR B (individually a “**Partnership**” and

collectively, the “Partnerships”), is not a “SIFT partnership” (as defined in the Tax Act). Provided that the Partnerships do not hold any non-portfolio property, they will not be SIFT partnerships. Counsel has been advised by an executive officer of the REIT that the Partnerships do not currently own any non-portfolio property and have no current intention of acquiring non-portfolio property.

If any Partnership were to become a SIFT partnership, the income tax considerations described below would, in some respects, be materially and adversely different.

The Partnerships are not subject to tax under the Tax Act. Each partner of a Partnership is required to include (or deduct) in computing its income for a particular taxation year, the partner’s share of the income (or loss) of the Partnership for its fiscal period ending in, or coincidentally with, the partner’s taxation year, whether or not any of that income is distributed to the partner in the year. Deductibility of losses allocated by any of the Partnerships to a limited partner of such Partnership may be limited by the “at-risk” rules in the Tax Act. For this purpose, the income or loss of each Partnership will be computed for each fiscal period as if the Partnership were a separate person resident in Canada. In computing the income or loss of any Partnership, such Partnership is entitled to deduct its reasonable administrative and other expenses incurred by it to earn income. The income or loss of each Partnership for a fiscal period will be computed according to Canadian tax principles and allocated to the partners of the Partnerships in the manner set out in the limited partnership agreement of such Partnership, subject to the detailed rules in the Tax Act.

Taxation of Holders of Subscription Receipts

Acquisition of Units pursuant to Subscription Receipts

No gain or loss will be realized by a Holder on the acquisition of a Unit pursuant to a Subscription Receipt. The cost to a Holder of a Unit acquired pursuant to a Subscription Receipt will be the amount paid by that Holder for the Subscription Receipt, plus the Holder’s *pro rata* share of any Earned Interest that is included in the Holder’s income and remitted to the REIT upon the acquisition of the Unit pursuant to the Subscription Receipt Agreement and less any amount paid to the Holder by the REIT as a reduction in the purchase price of the Unit, as applicable (see “– *Subscription Receipt Adjustment Payments*” below). The adjusted cost base of a Holder’s Units will be determined by averaging the cost of Units acquired pursuant to the Subscription Receipts with the adjusted cost base of other Units, if any, held by the Holder as capital property at such time.

Other Dispositions of Subscription Receipts

A disposition or deemed disposition by a Holder of a Subscription Receipt (other than where such Holder acquires a Unit pursuant to a Subscription Receipt) will generally result in the Holder realizing a capital gain (or capital loss) equal to the amount by which the proceeds of disposition are greater (or less) than the aggregate of the Holder’s adjusted cost base thereof and any reasonable costs of disposition (see “– *Taxation of Capital Gains and Capital Losses*” below). Any Earned Interest or Deemed Interest that is included in a Holder’s income (as described below) will be excluded in computing the Holder’s proceeds of disposition of the Subscription Receipt. A Holder’s cost of a Subscription Receipt will generally be the amount paid therefor plus any reasonable costs of acquisition. The adjusted cost base of a Subscription Receipt acquired at any time will be determined by averaging the cost of such Subscription Receipt with the adjusted cost base of any other Subscription Receipts owned by the Holder as capital property at such time. Holders should consult their own tax advisors as to whether a Holder would be required to include in income an amount of interest considered to have accrued on the Escrowed Funds to the time of an assignment or other transfer of the Subscription Receipt.

Subscription Receipt Adjustment Payments

The receipt by a Holder of the Subscription Receipt Adjustment Payment will include the Holder’s *pro rata* share of Earned Interest. The taxation of any such Earned Interest paid to a Holder as part of a Subscription Receipt Adjustment Payment is described below under “– *Repayment of Issue Price and Interest*”. If the amount of such *pro rata* share of the Earned Interest is less than the Subscription Receipt Adjustment Payment, the REIT will pay to the Holder the amount of any shortfall as a reduction in the purchase price of the Holder’s Units. A Holder will not be required to include in income the amount of any such purchase price reduction; however, any such amount will reduce the cost to the Holder of the Holder’s Units acquired pursuant to the Subscription Receipts.

Repayment of Issue Price and Interest

If a Termination Event occurs, Holders of the Subscription Receipts will be entitled to receive an amount equal to the issue price thereof and their *pro rata* share of Earned Interest and Deemed Interest. The Holder will not generally realize any income, gain or loss on the repayment to the Holder of the issue price.

A Holder will be required to include in income for a taxation year such interest (including Earned Interest) as is received or receivable by the Holder in that taxation year, depending on the method regularly followed by the Holder in computing income, to the extent that such interest was not included in computing the Holder's income for a preceding taxation year. Holders should consult their own tax advisors concerning whether any Deemed Interest would constitute interest income to such Holder.

Distribution Equivalency Payment

In the event that the Closing Date (or the Over-Allotment Closing Date) occurs after the record date for the REIT's distribution for March 2021 (or April 2021), Holders should consult their own tax advisors with respect to the tax consequences of the receipt of a Distribution Equivalency Payment.

Taxation of Holders of Units

REIT Distributions

A Holder generally will be required to include in computing the Holder's income for a particular taxation year the portion of the net income of the REIT (including FAPI attributed to the REIT, dividends received by the REIT from CFAs, except to the extent that the amount included in the REIT's income in respect of such dividends is effectively reduced in connection with prior FAPI recognition as described above under “– *Taxation of the REIT*”, and any net realized taxable capital gains) for the taxation year of the REIT ending on or before the taxation year end of the Holder, that is paid or becomes payable to the Holder in that taxation year, whether or not those amounts are received in cash, additional Units or otherwise. Any loss of the REIT for purposes of the Tax Act cannot be allocated to, or treated as a loss of, a Holder.

Provided that the appropriate designations are made by the REIT, net taxable capital gains realized by the REIT that are paid or become payable to a Holder will retain their character as taxable capital gains to the Holder for purposes of the Tax Act. The non-taxable portion of any net realized capital gains of the REIT that is paid or becomes payable to a Holder in a year will not be included in computing the Holder's income for the year. Any other amount in excess of the net income and net taxable capital gains of the REIT that is paid or payable to a Holder in a year (other than as proceeds of disposition in respect of the redemption of Units or any part thereof and the non-taxable portion of net capital gains, the taxable portion of which was designated by the REIT in respect of the Holder) generally should not be included in the Holder's income for the year but will reduce the adjusted cost base of the Units held by such Holder. To the extent that the adjusted cost base of a Unit otherwise would be less than zero, the Holder will be deemed to have realized a capital gain equal to the negative amount and the Holder's adjusted cost base of the Units will be increased to nil.

Provided that the appropriate designations are made by the REIT, such portion of the foreign source income that is paid or becomes payable by the REIT to a Holder will retain its character in the hands of the Holder for purposes of the Tax Act. Foreign taxes paid by the REIT will be deemed to be paid by the Holder and each Holder's share of the “business income tax” and “non-business income tax” (each as defined in the Tax Act) paid in a foreign country for a year will be creditable against the Holder's Canadian federal income tax liability to the extent permitted by the detailed rules contained in the Tax Act. Although the foreign tax credit provisions are designed to avoid double taxation, the maximum credit is limited. Because of this, and because of timing differences in recognition of expenses and income and other factors, double taxation may arise. Holders should consult their own tax advisors with respect to the availability of a foreign tax credit or deduction, having regard to their own circumstances.

The Tax Act contains rules that address certain foreign tax credit generator transactions (the “**Foreign Tax Credit Generator Rules**”). Under the Foreign Tax Credit Generator Rules, the foreign “business income tax” or “non-business income tax” for any taxation year may be limited in certain circumstances, including where a partner's share of the partnership's income under the income tax laws of any country (other than Canada) under whose laws the income of the partnership is subject to income taxation, is less than the partner's share of such income for purposes of the Tax Act. No assurances can be given that the Foreign Tax Credit Generator Rules will not apply to any Holder. If the Foreign Tax Credit Generator Rules apply, a Holder's foreign tax credits will be limited.

Disposition of Units

Upon the disposition or deemed disposition of Units by a Holder, whether on a redemption or otherwise, the Holder generally will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition (excluding any amount payable by the REIT which represents an amount that must otherwise be included in the Holder's income as described herein) exceed (or are less than) the aggregate of the Holder's adjusted cost base of the Units immediately before such disposition and any reasonable costs of disposition.

The adjusted cost base to a Holder of a Unit generally will include all amounts paid by the Holder for the Unit, subject to certain adjustments, and may be reduced by certain distributions made by the REIT to the Holder. The cost of additional Units received in lieu of a cash distribution will be the amount of income of the REIT distributed by the issuance of such additional Units. For purposes of determining the adjusted cost base to a Holder of Units, when a Unit is acquired, the cost of the newly-acquired Unit will be averaged with the adjusted cost base of all of the Units owned by the Holder as capital property immediately before that acquisition.

A redemption of Units in consideration for cash or other property of the REIT, as the case may be, will be a disposition of such Units for proceeds of disposition equal to such cash or the fair market value of such other property, as the case may be, less any income or capital gain realized by the REIT in connection with the redemption of such Units to the extent that such income or capital gain is designated by the REIT to the redeeming Holder. Holders exercising the right of redemption will consequently realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Units redeemed and any reasonable costs of disposition. Where income or capital gain realized by the REIT in connection with the distribution of property *in specie* on the redemption of Units has been designated by the REIT to a redeeming Holder, the Holder will be required to include in income the income and taxable portion of the capital gain so designated. The cost of any property distributed *in specie* by the REIT to a Holder upon a redemption of Units will be equal to the fair market value of the property at the time of the distribution. The Holder will thereafter be required to include in the Holder's income interest or other income derived from the property, in accordance with the provisions of the Tax Act.

Capital Gains and Losses

Generally, one-half of any capital gain realized by a Holder from a disposition or deemed disposition of Subscription Receipts or Units and the amount of any net taxable capital gains designated by the REIT in respect of a Holder will be included in the Holder's income under the Tax Act as a taxable capital gain. One-half of any capital loss (an "**allowable capital loss**") realized on the disposition of Subscription Receipts or Units will be deducted against any taxable capital gains realized by the Holder in the year of disposition, and any excess of allowable capital losses over taxable capital gains may be carried back to the three preceding taxation years or forward to any subsequent taxation year and applied against net taxable capital gains in those years, subject to the detailed rules contained in the Tax Act.

Alternative Minimum Tax

A Holder may have an increased liability for alternative minimum tax as a result of capital gains realized on a disposition of Subscription Receipts or Units and net income of the REIT, paid or payable, or deemed to be paid or payable, to the Holder and that is designated as net taxable capital gains.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain material U.S. federal income tax considerations applicable to the REIT, Investment LP1 and GAR B, as well as Limited Partnership 1, Limited Partnership 2 and Holdco1 (if Holdco1 is formed to directly or indirectly own the LLC Acquisition Targets) that was prepared by Hodgson Russ LLP, special U.S. tax counsel to the REIT. Except as specifically set forth below, this summary does not address any U.S. federal tax considerations applicable to a Unitholder. U.S. state, local, non-U.S. and U.S. federal non-income tax matters, are not discussed herein. No legal or U.S. tax opinion is being given, nor will any rulings be sought from the Internal Revenue Service ("**IRS**"), with respect to any U.S. federal income tax issue. As a result, there can be no assurance that the IRS will not assert positions contrary to the U.S. federal income tax treatment described herein. U.S. federal income tax consequences that are different from those described in this summary, as a result of a change in law or a successful challenge by the IRS, could negatively impact the cash available for distribution to the Unitholders and the value of the Units.

This summary does not address all possible U.S. federal income tax considerations applicable to the REIT, Investment LP1, GAR B, Limited Partnership 1, Limited Partnership 2, Holdco1 or the LLC Acquisition Targets. This summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Units. Prospective investors should consult their own tax advisors regarding the application of the U.S. federal tax rules to their particular circumstances as well as the state, local, non-U.S. and other tax consequences to them of the purchase, ownership and disposition of the Units.

This summary is based on the Code, Treasury Regulations, IRS rulings and official pronouncements, judicial decisions, the Convention between the United States of America and Canada with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended (the “**U.S.-Canada Tax Treaty**”), and the Agreement Between the Government of the United States of America and the Government of Canada to Improve International Tax Compliance through Enhanced Exchange of Information under the Convention Between the United States of America and Canada with Respect to Taxes on Income and on Capital (the “**IGA**”), all as in effect on the date of this Prospectus Supplement and all of which are subject to change, possibly with retroactive effect, or different interpretations, which could affect the accuracy of the analysis set forth below..

United States Federal Income Taxation of Foreign Corporations

As described below, each of the REIT, Investment LP1 and GAR B have made an election under applicable Treasury Regulations to be classified as a corporation for U.S. federal tax purposes, effective on the date of each entity’s formation. Consequently, each is considered a “foreign corporation” for U.S. federal income tax purposes.

A foreign corporation engaged in a U.S. trade or business generally is subject to U.S. federal income tax on income that is “effectively connected” with such U.S. trade or business and, if an income tax treaty with the United States applies, is attributable to a permanent establishment maintained by the foreign corporation in the United States (“**ECI**”). A foreign corporation that is a partner in a partnership engaged in a U.S. trade or business will itself be deemed to be engaged in a U.S. trade or business (through a permanent establishment if the partnership itself has a place of business in the U.S.). Income earned from rental operations of U.S. real property by a partnership engaged in such business generally will be ECI with respect to a foreign corporate partner, as will the income and gain on disposition of such real property.

A foreign corporation will be subject to U.S. federal income tax on its taxable ECI at the regular U.S. federal corporate tax rate (currently 21%). A foreign corporation’s taxable ECI is computed by claiming allowable deductions that are attributable to its effectively connected gross income on a timely filed U.S. federal income tax return. A foreign corporation that derives ECI from a partnership engaged in a U.S. trade or business generally is subject to U.S. federal income tax withholding at the corporate tax rate (currently 21%) under Section 1446 of the Code on the income and gains allocable to such foreign corporation as a partner in the partnership, and the foreign corporation is required to file a U.S. federal income tax return to report its allocable share of the partnership’s income, gains, deductions, losses and credits. Withheld tax is allowed as a credit in computing the foreign corporation’s U.S. tax liability on such return. Furthermore, a foreign corporation with ECI may also be subject to U.S. federal branch profits taxes, as discussed below under “United States Federal Income Taxation of Investment LP1 and GAR B – Branch Taxes”.

A foreign corporation that owns “United States Real Property Interests” (“**USRPI**”), including an interest in a partnership that owns U.S. real property, is subject to U.S. federal income tax on gains arising on the sale of such real property or on the sale of such partnership interest, at the U.S. federal corporate tax rate (currently 21%). Presently, there is no preferential U.S. federal capital gains tax rate for a foreign corporation on the gain derived on disposition of a USRPI (such as an interest in a partnership owning U.S. real property), or the gain allocated to such foreign corporation on the disposition of U.S. real property by the partnership. Withholding on gains from the disposition of a USRPI is required under Section 1445 of the Code (the “**FIRPTA**” withholding rules), although if withholding is made under the Code Section 1446 rules applicable to income allocable to non-U.S. partners of a partnership engaged in a U.S. trade or business, the FIRPTA withholding rules generally will also be satisfied.

A foreign corporation is also subject to a 30% U.S. withholding tax on certain types of U.S. source income which are not ECI, unless the foreign corporation otherwise establishes an exemption from, or a reduced rate of, withholding tax under an applicable income tax treaty. These types of income generally include passive income such as dividends, rents (that are not otherwise ECI), interest, royalties and other “fixed or determinable annual or periodic” income (collectively referred to as “**FDAP**”). Unless an exception applies, a foreign corporation will be

subject to U.S. withholding tax on the gross amount of any FDAP income, and will not be entitled to deductions for any expenses to the extent allocable to FDAP income.

United States Federal Income Taxation of the REIT

As noted, the REIT has elected under applicable Treasury Regulations to be treated as a corporation for U.S. federal income tax purposes. The REIT has not and does not intend to be engaged in a U.S. trade or business nor does it expect to be a direct member of a partnership or disregarded entity that is engaged in a U.S. trade or business. Therefore, the REIT does not expect to have any ECI that would be subject to U.S. federal income tax.

While the REIT will have FDAP in the form of U.S. source interest income arising on the Investment LP1 Notes, the rate of U.S. withholding tax on such interest income is reduced to zero under the U.S.-Canada Tax Treaty. Thus, no U.S. federal income tax liability arises for the REIT on such interest. See discussion below under “United States Federal Income Taxation of Investment LP1 – Branch Taxes”.

FIRPTA Withholding Tax

Because the REIT is treated as a foreign corporation for U.S. federal income tax purposes, the Units are not USRPIs for U.S. federal income tax purposes. As a result, a Unitholder would not be subject to FIRPTA withholding tax upon the disposition of the Unitholder’s Units.

United States Federal Income Taxation of Investment LP1 and GAR B

As noted, each of Investment LP1 and GAR B have elected under applicable Treasury Regulations to be treated as a corporation for U.S. federal income tax purposes effective on the date of formation. None of Limited Partnership 1 and Limited Partnership 2, each of which is classified as a partnership for U.S. federal income tax purposes, will be subject to U.S. federal income tax but rather will “flow through” its (and its allocable share from subsidiary partnerships’ and the LLC Acquisitions Targets’ if, pursuant to the Acquisition, Limited Partnership 2 owns the LLC Acquisition Targets, each of which is anticipated to be classified as a partnership for U.S. federal income tax purposes) income, gains, deductions, losses and credits to its partners, including, as the case may be, Investment LP1 and GAR B, based on such partners’ allocable shares in Limited Partnership 1 and Limited Partnership 2, as the case may be, and any subsidiary partnership thereof (or entity classified as a partnership for U.S. federal income tax purposes) thereof, potentially including the LLC Acquisitions Targets.

Because of the partnership interests held, each of Investment LP1 and GAR B will have a permanent establishment in the U.S. and will be subject to U.S. federal income tax on any ECI of its own or that flows through to it as a partner of subsidiary limited partnerships or entities classified as partnerships for U.S. federal income tax purposes, including, as the case may be, Limited Partnership 1, Limited Partnership 2 and potentially the LLC Acquisition Targets. Thus, each of Investment LP1 and GAR B will be subject to U.S. federal income taxation on its allocable share of rental income derived directly or indirectly through such subsidiary entity, on a net basis (e.g., taking into account allowable deductions). Furthermore, the gain from a sale of any of the U.S. real properties owned (directly or indirectly through a subsidiary limited partnership or potentially the LLC Acquisition Targets) that is allocable to Investment LP1 and/or GAR B, or a sale or other disposition by Investment LP1 or GAR B of its interest (directly or indirectly) in a subsidiary limited partnership or entity classified as a partnership for U.S. federal income tax purposes, will also be considered ECI with respect to Investment LP1 and GAR B, as the case may be, and will be subject to U.S. federal income taxation at the corporate tax rate (currently 21%). Income or gains of a subsidiary limited partnership or entity taxable as a partnership, allocable to Investment LP1 and/or GAR B, as the case may be, generally will be subject to U.S. withholding tax under Section 1446 of the Code at the corporate tax rate (currently 21%), which generally will also apply in lieu of any FIRPTA withholding requirements otherwise arising on disposition of a USRPI. Such U.S. withholding tax will be allowed as a credit against U.S. tax as shown on Investment LP1’s or GAR B’s, as the case may be, U.S. federal income tax return. See “United States Federal Income Taxation of Foreign Corporations”, above.

In computing Investment LP1’s and GAR B’s U.S. federal taxable income derived from ECI, certain deductions (subject to limitations) are allowable, such as the “ordinary and necessary” business expenses of Limited Partnership 1, Limited Partnership 2 or any subsidiary partnership or entity classified as a partnership (potentially including the LLC Acquisition Targets) including interest expense on mortgages and reasonable manager fees), depreciation of the rental properties (as computed under U.S. federal income tax rules) of Limited Partnership 1, Limited

Partnership 2 and the aforementioned subsidiaries, and, in the case of Investment LP1, interest expense with respect to the Investment LP1 Notes. See “– Deductions”, below.

In addition to the U.S. federal income tax on taxable income which is ECI, each of Investment LP1 and GAR B generally will be liable for a branch profits tax on its after-tax earnings attributable to ECI, to the extent of the reduction in the entity’s “U.S. net equity” (generally, as a result of distributions). See “– Branch Taxes”, below. Moreover, any FDAP of Investment LP1 or GAR B will be subject to U.S. withholding tax on a gross basis at 30%, or such lower reduced rate of withholding tax as may be applicable under the US-Canada Tax Treaty.

Deductions

The REIT holds Investment LP1 Notes issued by Investment LP1. A number of U.S. federal income tax rules affect the treatment of the Investment LP1 Notes and the interest arising thereon.

The REIT and Investment LP1 intend to treat the Investment LP1 Notes as debt allocable to Investment LP1’s interest in Limited Partnership 1 and its subsidiary limited partnerships for U.S. federal income tax purposes, and Investment LP1 intends to claim interest deductions to the maximum extent allowable in computing its U.S. federal taxable income (subject to the limitations discussed below); however neither the REIT nor Investment LP1 have obtained an opinion of counsel on this issue. The determination of whether the Investment LP1 Notes are debt or equity for U.S. federal income tax purposes is based on an analysis of the facts and circumstances. Generally, the IRS will not issue a ruling on whether an advance is to be treated as debt or equity. There is no clear definition of debt under the Code, and its characterization is governed by principles developed in case law, which analyzes numerous factors that are intended to identify the economic substance of the investment. Although the REIT and Investment LP1 intend to treat the Investment LP1 Notes as debt for U.S. federal income tax purposes, the IRS could challenge this position and could recharacterize the debt instrument as equity. If such a challenge were successful, interest payments on the Investment LP1 Notes would be recharacterized as non-deductible and Investment LP1’s taxable income, which is ECI, and thus its U.S. federal income tax liability, would be increased. Branch profits tax (discussed below) may also be increased in such situation. As a result, Investment LP1’s cash flow would be reduced, which would negatively impact the cash available for distribution to the Unitholders and the value of the Units.

Under Code section 163(j), the deduction for U.S. federal income tax purposes of the interest paid by either Investment LP1 or GAR B on its debt, including both the debt owing to the REIT and third party debt, potentially could be limited to 30% of such entity’s “adjusted taxable income”, which generally means earnings before interest, taxes, depreciation and amortization for the 2021 tax year, and before interest and taxes thereafter (for the 2022 tax year and beyond). Any disallowed interest expense under these provisions generally may be carried forward to future years. Elections, under Code section 163(j)(7)(B), are in effect to treat the trade or business conducted by Investment LP1 and GAR B through their subsidiary entities as an “electing real property trade or business” and, therefore, be excluded from the limitation on interest deductibility discussed above (in exchange for being subject to generally less favorable depreciation rules). These elections generally apply to all future tax years, absent a change in such real property trade or business that would cause the election(s) to terminate. Investment LP1 and GAR B have business interest expense allocable to an electing real property trade or business, and thus the Section 163(j) limitation on interest deductibility does not currently apply to such interest expense incurred by Investment LP1 and GAR B.

In addition, other limitations on the deductibility of interest under U.S. federal income tax laws could apply, potentially including limitations (i) that require the interest to actually be paid in order for the interest to be deducted, regardless of Investment LP1’s method of accounting, because Investment LP1 and the REIT are “related parties”, (ii) if the IRS claims that the interest rate on the Investment LP1 Notes is in excess of an arm’s-length rate (in which case a portion of the interest could be recharacterized as a non-deductible distribution), (iii) if the Investment LP1 Notes are issued with “original issue discount”, and (iv) if the Investment LP1 Notes are subject to the applicable high yield debt obligations rules. In any such case, Investment LP1’s taxable income (and thus its tax liability) could be increased. As a result, the amount of funds available for distribution to the Unitholders could be reduced and the value of the Units adversely affected.

Furthermore, Section 267A of the Code disallows interest deductions in a “hybrid” related party situation. While the Treasury Regulations do not appear to implicate interest payments between related entities in a situation such as the REIT structure, these rules are fairly new and have not been broadly interpreted to date by the IRS or the courts. If the hybrid rules of Section 267A of the Code were applicable to the debt arrangements between the REIT and

Investment LP1 and GAR B, then the interest paid by Investment LP1 and GAR B on such debt would not be allowed as a deduction from income of those entities.

Certain other provisions in the Code, if applicable, also affect the U.S. federal tax liability of Investment LP1 or GAR B, although the extent to which that occurs is dependent on the factual situation of such entity. There are limitations on the use of net operating losses (generally, those can only be utilized to the extent of 80% of taxable income in any given year, although unused net operating losses can be carried forward indefinitely). In addition, Code section 59A, known as “BEAT”, which is the acronym for “base erosion anti-abuse tax”, is designed to potentially limit the tax effectiveness of deductions for payments between U.S. corporations (or non-U.S. corporations with U.S. “effectively connected income” (such as Investment LP1 and GAR B)) and non-U.S. related parties (such as the REIT) by imposing a minimum tax. The BEAT regime generally does not apply unless the payor corporation has average annual gross receipts for the 3-tax-year period ending with the preceding tax year that are at least \$500 million.

If any of the aforementioned Code provisions were to apply to Investment LP1 or GAR B, U.S. tax costs could increase, thus decreasing cash available for distribution to the Unitholders and the value of the Units.

Branch Taxes

Under the “branch profits tax” rules of Section 884 of the Code, each of Investment LP1 and GAR B may be subject to an additional 30% tax (which may be reduced by the U.S.-Canada Tax Treaty, if applicable) on its effectively connected earnings and profits for the taxable year which exceed C\$500,000 (as applied cumulatively and not on a yearly basis), as adjusted for certain items. Reductions in the “U.S. net equity” of Investment LP1 or GAR B in the U.S. trade or business conducted through their subsidiary limited partnerships by, for example, Investment LP1’s distributions to the REIT, may result in the imposition of the branch profits tax. If, pursuant to the Acquisition, Limited Partnership 2 owns the LLC Acquisition Targets, the U.S.-Canada Tax Treaty may not apply to reduce the branch profits tax rate. The REIT intends to acquire and hold the Portfolio in a structure that is as tax efficient as possible for the REIT and the Unitholders.

Moreover, if deductions for interest paid on the Investment LP1 Notes are denied or limited (as discussed above), or other restrictions apply that increase taxable income such as those discussed above (see “United States Federal Income Taxation of Investment LP 1 and GAR B – Deductions”), Investment LP1’s earnings and profits and its resulting liability for branch profits tax could increase substantially. The imposition of branch profits tax will reduce Investment LP1’s after-tax cash flow.

Provided that the Investment LP1 Notes are respected as debt for U.S. federal income tax purposes (see “United States Federal Income Taxation of Investment LP1 and GAR B – Deductions”), as long as at least 80% of the assets of Investment LP1 are United States assets (or such debt is properly reflected as a liability on books maintained with respect to Investment LP1’s U.S. trade or business arising from its ownership of interests in subsidiary limited partnerships), interest paid on the Investment LP1 Notes will be “branch interest” under Code Section 884 and will be treated as U.S. source income paid by a U.S. corporation. Generally, such interest is FDAP of the REIT and subject to U.S. withholding tax, but under the U.S.-Canada Tax Treaty this U.S. withholding tax is reduced to zero.

U.S. Federal Income Taxation of Acquisition Structure

In order to facilitate the Acquisition, the REIT may form Holdco1 as the acquisition entity to directly or indirectly acquire the LLC Acquisition Targets. If the Holdco1 structure is implemented, the U.S. federal income taxation of Holdco1 would vary to some extent from the foregoing discussion. As a domestic (*i.e.*, U.S.) corporation, Holdco1 would be subject to U.S. federal, state, and local taxation. Complex tax rules would apply to the operations of Holdco1 and its relationship with the REIT. The following discussion highlights certain, but not all, of the U.S. federal income tax considerations with the Holdco1 structure.

If the Holdco1 structure is utilized to acquire the LLC Acquisition Targets, it is anticipated that Holdco1 would be capitalized with the Holdco1 Notes and equity provided by the REIT.

U.S. Federal Income Taxation of Holdco1

As a U.S. corporation, Holdco1 would be subject to U.S. federal income tax on its taxable income at the U.S. federal corporate tax rate (currently 21%). The LLC Acquisition Targets are classified as partnerships for U.S. federal income tax purposes. Therefore, for U.S. federal income tax purposes, the income, deductions, gains, losses and credits of the LLC Acquisition Targets would “flow through” to Holdco1, based on Holdco1’s allocable share of such items from the LLC Acquisition Targets. In computing Holdco1’s U.S. federal taxable income, certain deductions (subject to limitations) would be allowable to the extent of Holdco1’s allocable share of such items from the LLC Acquisition Targets, such as “ordinary and necessary” business expenses, depreciation of the rental properties, and interest expense.

The REIT and Holdco1 would intend to treat the Holdco1 Notes as debt for U.S. federal income tax purposes, and Holdco1 would intend to claim interest deductions to the maximum extent allowable in computing its U.S. federal taxable income (subject to the limitations discussed below); however neither the REIT nor Holdco1 intend to obtain an opinion of counsel on this issue. The determination of whether the Holdco1 Notes would be debt or equity for U.S. federal income tax purposes is based on an analysis of the facts and circumstances. Generally, the IRS will not issue a ruling on whether an advance is to be treated as debt or equity. There is no clear definition of debt under the Code, and its characterization is governed by principles developed in case law, which analyzes numerous factors that are intended to identify the economic substance of the investment. Although the REIT and Holdco1 would intend to treat the Holdco1 Notes as debt for U.S. federal income tax purposes, the IRS could challenge this position and could recharacterize the debt instrument as equity. If such a challenge were successful, interest payments on the Holdco1 Notes would be recharacterized as non-deductible and Holdco1’s U.S. federal income tax liability would be increased. As a result, Holdco1’s cash flow would be reduced, which would negatively impact the cash available for distribution to the Unitholders and the value of the Units.

Under Code section 163(j), the deduction for U.S. federal income tax purposes of the interest paid by Holdco1 on its debt, including both the debt owing to the REIT and third party debt, potentially could be limited to 30% of Holdco1’s “adjusted taxable income”, which generally means earnings before interest, taxes, depreciation and amortization for the 2021 tax year, and before interest and taxes thereafter (for the 2022 tax year and beyond). Any disallowed interest expense under these provisions generally may be carried forward to future years. Holdco1 may elect, under Code section 163(j)(7)(B), to treat its trade or business as an “electing real property trade or business” and, therefore, be excluded from the limitation on interest deductibility discussed above (in exchange for being subject to generally less favorable depreciation rules). This election generally would apply to all future tax years, absent a change in such real property trade or business that would cause the election to terminate.

In addition, other limitations on the deductibility of interest under U.S. federal income tax laws could apply, potentially including limitations (i) that require the interest to actually be paid in order for the interest to be deducted, regardless of Holdco1’s method of accounting, because Holdco1 and the REIT would be “related parties”, (ii) if the IRS claims that the interest rate on the Holdco1 Notes is in excess of an arm’s-length rate (in which case a portion of the interest could be recharacterized as a non-deductible distribution), (iii) if the Holdco1 Notes are issued with “original issue discount”, and (iv) if the Holdco1 Notes are subject to the applicable high yield debt obligations rules. In any such case, Holdco1’s taxable income (and thus its tax liability) could be increased. As a result, the amount of funds available for distribution to the Unitholders could be reduced and the value of the Units adversely affected.

Moreover, Treasury regulations under section 385 of the Code (“**Section 385 Regulations**”) could potentially apply to re-characterize as equity certain related party indebtedness, even if the Section 163(j) (or any other) limitation on deductibility is not applicable. While it would not be anticipated that the Holdco1 Notes would exceed the threshold amount which must be met before the Section 385 Regulations apply, there can be no assurance that the threshold would not be met.

Certain other provisions of the Code, if applicable, also could affect the U.S. federal income tax liability of Holdco1, although the extent to which that occurs is dependent on the factual situation of Holdco1 and the LLC Acquisition Targets. There are limitations on the use of net operating losses (generally, those can only be utilized to the extent of 80% of taxable income in any given year, although unused net operating losses can be carried forward indefinitely). In addition, Code section 59A, known as “BEAT”, which is the acronym for “base erosion anti-abuse tax”, is designed to potentially limit the tax effectiveness of deductions for payments between U.S. corporations (such as Holdco1) and non-U.S. related parties (such as the REIT) by imposing a minimum tax on the U.S. corporation. The BEAT regime generally does not apply unless the payor U.S. corporation has average annual gross receipts for the 3-tax-year period ending with the preceding tax year that are at least \$500 million.

If any of the aforementioned Code provisions were to apply to Holdco1, U.S. tax costs could increase, thus decreasing cash available for distribution to the Unitholders and the value of the Units.

United States Federal Income Taxation of the REIT's Ownership of Holdco1

Disposition of Holdco1 Stock.

A foreign corporation like the REIT that owns USRPIs is subject to U.S. federal income tax on gains arising on the sale of such USRPIs, at the U.S. federal corporate tax rate (currently 21%). For this purpose, a USRPI includes an interest (other than solely as a creditor) in a domestic (*i.e.*, U.S.) corporation that was a "United States Real Property Holding Corporation" ("USRPHC") on any applicable determination date during the shorter of (1) the interest holder's holding period in the interest, or (2) the five-year period preceding the date the interest holder disposes of the interest. A domestic corporation generally is a USRPHC if the fair market value of its USRPIs equals or exceeds 50% of the sum of the fair market values of its (1) USRPIs, (2) interests in real property located outside the United States, and (3) other assets used or held for use in a trade or business. Holdco1 likely would constitute a USRPHC and, therefore, the REIT would be subject to U.S. federal income tax on gains arising on the sale of shares of stock in Holdco1, at the U.S. federal corporate tax rate (currently 21%).

Taxation of Distributions from Holdco1

The U.S. federal income tax considerations related to a distribution from Holdco1 to the REIT would depend on whether the distribution constitutes a (1) dividend, (2) a return of basis, or (3) a sale or exchange. If the distribution constitutes a dividend, the REIT would have FDAP subject to U.S. withholding tax at a 5% rate under the U.S.-Canada Tax Treaty. If the distribution, or any portion thereof, constitutes a return of basis or a deemed sale or exchange, the REIT generally would be subject to FIRPTA withholding tax at a 15% rate. In addition, if the distribution, or any portion thereof, is treated as a sale or exchange of Holdco1's stock, the REIT would be subject to U.S. federal income tax on gains arising on the deemed sale of such USRPIs. *See Disposition of Holdco1 Stock.*

Taxation of the Interest Income Received by the REIT

While the REIT would have FDAP in the form of U.S. source interest income arising on the Holdco1 Notes, the rate of U.S. withholding tax on such interest income is reduced to zero under the U.S.-Canada Tax Treaty. Thus, no U.S. federal income tax liability arises for the REIT on such interest.

U.S. Foreign Account Tax Compliance Act ("FATCA")

FATCA is U.S. law that imposes certain reporting, information gathering and U.S. withholding tax obligations on non-U.S. "foreign financial entities" and "non-financial foreign entities" that may include the REIT, Investment LP1 and GAR B, or other of their non-U.S. subsidiaries. The implementation of FATCA with respect to Canadian entities is governed by the IGA, which was signed by the governments of the United States and Canada in early 2014, the Tax Act and a set of complex Treasury Regulations. The REIT may, in order to avoid adverse U.S. tax consequences imposed by FATCA, require Unitholders to provide certain tax and reporting information necessary for the REIT to comply with FATCA. There can also be adverse U.S. tax consequences under FATCA to persons who do not provide such information, such as a 30% withholding tax on REIT distributions to such persons. If penalties do apply under FATCA to the REIT or any of its subsidiary entities, cash available for distributions to the Unitholders could be reduced and the value of the Units adversely affected.

RISK FACTORS

An investment in the Subscription Receipts and Units issuable pursuant to the terms of the Subscription Receipts is subject to a number of risks. Prospective investors should carefully consider the risk factors set forth below, the risks described under "Risk Factors" in the Base Shelf Prospectus and the AIF and all of the other information contained in this Prospectus (including without limitation the documents incorporated herein by reference) before deciding whether to invest in the Subscription Receipts and Units issuable pursuant to the terms of the Subscription Receipts. The risks described in the Prospectus are not the only risks that affect the REIT. Other risks and uncertainties that the REIT does not presently consider to be material, or of which the REIT is not presently aware, may become important factors that affect the REIT's future financial condition and results of operations.

Risks Related to the Acquisition

Possible Failure to Complete the Acquisition

Closing of the Offering of Subscription Receipts will occur before the Acquisition Closing (other than with respect to the closing of Additional Subscription Receipts which may occur following the Acquisition Closing). Completion of the Acquisition is subject to the satisfaction of certain closing conditions, including certain of which are outside of the control of the REIT. There is no certainty, nor can the REIT provide any assurance, that these conditions will be satisfied and, as such, there is no assurance that the Acquisition will be completed, or if completed, will be on terms that are exactly the same as discussed in this prospectus. If the Acquisition Closing does not take place as contemplated, the REIT will not benefit from the Acquisition, will have incurred significant management time and expenses and could suffer adverse consequences, including the loss of investor confidence.

Potential Undisclosed Liabilities Associated with the Acquisition

Upon the Acquisition Closing, the REIT will assume liabilities arising out of or related to the Portfolio. The REIT may assume unknown liabilities that could be significant. Although the REIT has conducted a comprehensive due diligence review of each of the properties comprising the Portfolio, there may be liabilities, including under applicable environmental laws, that the REIT failed to discover or was unable to quantify in its due diligence review and the REIT may not be fully indemnified for some or all of these liabilities under the Purchase Agreement. The subsequent discovery or quantification of any other material liabilities (including if the assessment of the environmental condition of the Portfolio turns out to be incorrect) could have a material adverse effect on the REIT's business, financial condition or future prospects, which could include diminution in the value of the affected assets or the inability to finance or dispose of the affected assets on acceptable terms.

Limited Recourse Against the Vendor

Purchasers under this Prospectus will not have a direct statutory right or any other rights against the Vendor and its securityholders. The sole remedy of the REIT against the Vendor or any of its securityholders will be through the REIT bringing an action for a breach of the representations and warranties contained in the Purchase Agreement. While the REIT is indemnified for breaches of representations and warranties contained in the Purchase Agreement, recourse for such breaches may be limited due to qualifications related to knowledge of the Vendor, contractual and time limits on recourse under applicable laws, and the ability of the Vendor to satisfy third-party claims. The inability to recover fully any significant liabilities incurred with respect to breaches of representations and warranties under the Purchase Agreement may have adverse effects on the REIT's financial position. In addition, the Vendor has not made any representation to the REIT, and is not making any representation to investors in the Offering, as to the disclosure in this Prospectus Supplement constituting full, true and plain disclosure of all material facts related to the Portfolio, or that this Prospectus Supplement does not contain a misrepresentation with respect to such Portfolio. Accordingly, the Vendor will not have any liability to investors in the Offering if the disclosure in this Prospectus Supplement relating to the Portfolio does not meet such standard or contains a misrepresentation.

Information Provided by the Vendor

All information relating to the assets to be acquired pursuant to the Purchase Agreement contained in this Prospectus Supplement has been provided to the REIT by the Vendor or other third parties. Although the REIT has conducted what it believes to be a prudent and thorough level of investigation in connection with such assets, an unavoidable level of risk remains regarding the accuracy and completeness of such information. While the REIT has no reason to believe that the information provided by the Vendor or other third parties is misleading, untrue or incomplete in any material respect, neither the REIT nor the Underwriters assume any responsibility for the accuracy or completeness of such information or the failure by the Vendor or other third parties to disclose events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to the REIT or the Underwriters.

Possible Failure to Realize Expected Returns on the Acquisition

Acquisitions involve risks that could materially and adversely affect the REIT's business plan, including the failure of the Acquisition to realize the results the REIT expects. While management of the REIT, based on an analysis of accretion (as well as other information deemed appropriate and sufficient for such purposes), believes the Acquisition will be accretive to the REIT's AFFO per unit and FFO per unit, such determination should not be

regarded as a guarantee of future performance or results and includes certain estimates and assumptions, the actual result of which may be different. If the Acquisition fails to realize the results that the REIT expects, including continued high occupancy rates and renewal rates or the general state of the economy and interest rate volatility, the Acquisition could have a material adverse effect on the REIT and its financial results.

Joint Venture Arrangements

The REIT will hold its interests in the Portfolio through certain joint venture arrangements. Joint venture or partnership arrangements involve certain additional risks including: (i) the possibility that a co-owner may at any time have economic or business interests or goals that are inconsistent with those of the REIT or take actions contrary to the instructions or requests of the REIT or contrary to the REIT's policies or objectives with respect to its real estate investments; (ii) the risk that the co-owners with which the REIT has entered into a joint venture or partnership could experience financial difficulties or seek the protection of bankruptcy, insolvency or other laws, which could result in additional financial demands on the REIT to maintain and operate the properties or repay the co-owners' share of property debt guaranteed by the REIT or for which the REIT is jointly and severally liable and which could result in delays, expenses and other problems associated with obtaining a court approval of joint venture or partnership decisions; (iii) the need to obtain co-owners' consents with respect to certain major decisions, including the decision to distribute cash or refinance or sell a property. In addition, the sale or transfer of an interest in joint ventures and limited partnerships could be subject to rights of first refusal or first offer and certain other joint venture or limited partnership agreements may provide for buy-sell or similar arrangements. Such rights may also inhibit the ability of the REIT to sell its interest in a property or joint venture/limited partnership within the time frame or otherwise on the basis desired by the REIT. The REIT cannot be guaranteed that a joint venture partner will continue to have adequate access to capital or that they will not experience financial difficulties or that could impair their ability to perform their obligations as the REIT's joint venture partner in connection with any joint venture or limited partnership. While the REIT attempts to mitigate a number of the risks or factors discussed above in connection with any investments in joint ventures and limited partnerships, there is no guarantee that the REIT will be protected from such risks or other risks inherent in participating in any joint venture arrangement.

Risks Related to the Offering

Trading Market for Subscription Receipts

There is currently no trading market for the Subscription Receipts. The REIT has applied to have the Subscription Receipts and the Units issuable pursuant to the terms of the Subscription Receipts listed on the TSX. There can be no assurance that an active or liquid market for the Subscription Receipts will develop following the completion of the Offering, or if developed, that such a market will be sustained. If an active public market does not develop or is not maintained, investors may have difficulty selling their Subscription Receipts.

Assumption of Risks relating to the Units

Units will automatically be issued pursuant to the terms of the Subscription Receipt Agreement on the Acquisition Closing upon notice thereof by the REIT to the Subscription Receipt Agent. Purchasers of Subscription Receipts will therefore assume the same risk as though they had invested directly in Units on the Offering Closing. The REIT may waive certain closing conditions in its favour in the Purchase Agreement or agree to amend the Purchase Agreement and consummate the Acquisition on terms that may be different from those described in this prospectus, subject to the Underwriters' consent in certain circumstances. As a result, the expected benefits of the Acquisition may not be fully realized. As a consequence, holders of Subscription Receipts will essentially assume the same risk as though they had invested directly in Units on the Offering Closing.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The transmission of COVID-19 and efforts to contain its spread have recently resulted in international, national and local border closings; travel restrictions; significant disruptions to business operations, supply chains and customer activity and demand; cancellations, reductions and other changes to services; and quarantines; as well as considerable general concern and uncertainty.

The economic downturn resulting from the COVID-19 pandemic and government measures to contain it may materially adversely impact the REIT's operations and financial performance. Such impacts may include: reductions

in tenants' ability to pay rent in full or at all; reductions in demand for tenants' products or services; temporary or long-term suspension of development projects; temporary or long-term labour shortages or disruptions; further disruptions to local and global supply chains; increased risks to the REIT's information technology systems and internal control systems as a result of the need to increase remote work arrangements; and continued or further deterioration of worldwide credit and financial markets that could limit the REIT's ability to obtain external financing to fund operations and capital expenditures, or result in losses on the REIT's holdings of cash and investments due to failures of financial institutions and other parties.

The REIT continues to closely monitor business operations and may take further actions that respond to directives of governments and public health authorities or that are in the best interests of tenants, suppliers or other stakeholders, as necessary. These changes and any additional changes in operations in response to COVID-19 could materially impact the financial results of the REIT.

For more information, see Part I of the MD&A, in particular the section entitled "Impact of COVID-19."

EXPERTS

The matters referred to under "Eligibility for Investment" and "Certain Canadian Federal Income Tax Considerations", as well as certain other legal matters relating to the issue and sale of the Subscription Receipts, will be passed upon on behalf of the REIT by McCarthy Tétrault LLP and on behalf of the Underwriters by Blake, Cassels & Graydon LLP. The matters referred to under "Certain U.S. Federal Income Tax Considerations" will be passed upon by Hodgson Russ LLP.

As of the date of this Prospectus Supplement, the partners, counsel, associates and professionals of each of McCarthy Tétrault LLP, Blake, Cassels & Graydon LLP, Hodgson Russ LLP, and Blair Franklin beneficially owned, directly or indirectly, less than 1% of the outstanding securities of the REIT.

GLOSSARY OF TERMS

In this Prospectus Supplement, the following terms will have the meanings set forth below, unless otherwise indicated. Words importing the singular include the plural and *vice versa* and words importing any gender include all genders:

“**Acquisition Closing Time**” has the meaning ascribed thereto under “Description of the Subscription Receipts”;

“**Acquisition Closing**” has the meaning ascribed thereto under “The Acquisition”;

“**Acquisition**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Additional Subscription Receipts**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**affiliate**” has the meaning ascribed thereto in the *Securities Act* (Ontario);

“**AFFO**” has the meaning ascribed thereto under “Non-IFRS Measures”;

“**AIF**” has the meaning ascribed thereto under “Documents Incorporated by Reference”;

“**allowable capital loss**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations – Taxation of Holders of Units – Capital Gains and Losses”;

“**Base Shelf Prospectus**” means the short form base shelf prospectus dated March 2, 2020;

“**Blair Franklin**” has the meaning ascribed thereto under “The Acquisition”;

“**BMO**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Board**” has the meaning ascribed thereto under “The Acquisition”;

“**Bookrunners**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**capital gains refund**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations – Taxation of the REIT”;

“**CDS**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**CFA**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations - Currency”;

“**Class A Units**” means the units of beneficial interest in the REIT, designated as “Class A Units”;

“**Class B LP1 Units**” means class B limited partnership units of Limited Partnership 1, which are economically equivalent to Units (subject to certain adjustments) and redeemable for cash or Units, as determined by the LP General Partner (in its capacity as general partner of Limited Partnership 1) in its sole discretion;

“**Class B LP2 Units**” means class B limited partnership units of Limited Partnership 2;

“**Class C LP2 Units**” means class C limited partnership units of Limited Partnership 2;

“**Code**” means the United States Internal Revenue Code of 1986, as amended;

“**Counsel**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations”;

“**CRA**” means the Canada Revenue Agency;

“**Deadline**” has the meaning ascribed thereto under “Description of the Subscription Receipts”;

“**Declaration of Trust**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Deemed Interest**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Distribution Equivalency Payment**” has the meaning ascribed thereto under “Plan of Distribution”;

“**Earned Interest**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**ECI**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations – United States Federal Income Taxation of Foreign Corporations”;

“**Escrowed Funds**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Exempt Plans**” has the meaning ascribed thereto under “Eligibility for Investment”;

“**FAPI**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations - Currency”;

“**FATCA**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations”;

“**FDAP**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations – United States Federal Income Taxation of Foreign Corporations”;

“**FFO**” has the meaning ascribed thereto under “Non-IFRS Measures”;

“**FIRPTA**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations – United States Federal Income Taxation of Foreign Corporations”;

“**Foreign Tax Credit Generator Rules**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations – Taxation of Holders of Units – REIT Distributions”;

“**forward-looking statements**” has the meaning ascribed thereto under “Notice Concerning Forward-Looking Statements”;

“**GAR B Exchangeable Units**” means the exchangeable limited partner units of GAR B which are economically equivalent to Units (subject to certain adjustments including any taxes incurred by GAR B), and redeemable for Units or cash as determined by the GAR B General Partner;

“**GAR B General Partner**” means GAR I GP Inc., the general partner of GAR B, which is controlled by the REIT;

“**GAR B**” means U.S. Grocery-Anchored Retail (1B) Limited Partnership, an Ontario limited partnership;

“**Holdco1 Notes**” has the meaning ascribed thereto under “The Acquisition”;

“**Holdco1**” has the meaning ascribed thereto under “The Acquisition”;

“**Holder**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations”;

“**IFRS**” means International Financial Reporting Standards as issued by the International Accounting Standards

“**IGA**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations”;

“**Investment LP1 Notes**” means subordinated unsecured promissory notes issued by Investment LP1 to the REIT from time to time;

“**Investment LP1 Units**” means limited partnership units of Investment LP1;

“**Investment LP1**” means Slate Grocery Investment L.P., an Ontario limited partnership;

“**IRS**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations”;

“**Limited Partnership 1**” means Slate Grocery One L.P., a limited partnership formed under the laws of the State of Delaware;

“**Limited Partnership 2**” means Slate Grocery Two L.P., a limited partnership formed under the laws of the State of Delaware;

“**LLC Acquisition Targets**” has the meaning ascribed thereto under “The Acquisition”;

“**LP General Partner**” means Slate Grocery GP Inc., the general partner of each of Limited Partnership 1 and Limited Partnership 2, which is indirectly controlled by the REIT;

“**management**” has the meaning ascribed thereto under “General Matters”;

“**Marketing Materials**” has the meaning ascribed thereto under “Documents Incorporated by Reference”;

“**MD&A**” has the meaning ascribed thereto under “Documents Incorporated by Reference”;

“**Mortgage Transaction**” has the meaning ascribed thereto under “Recent Developments”;

“**MSAs**” has the meaning ascribed thereto under “The Acquisition”;

“**NAV**” has the meaning ascribed thereto under “Non-IFRS Measures”;

“**NCI**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**NI 51-102**” means National Instrument 51-102 – Continuous Disclosure Obligations;

“**Non-Resident**” means a “non-resident” of Canada or a partnership that is not a “Canadian partnership”, each within the meaning of the Tax Act;

“**Offering Closing**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Offering**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Over-Allotment Closing Date**” has the meaning ascribed thereto under “Plan of Distribution”;

“**Partnership**” and “**Partnerships**” each have the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations – Taxation of the Partnerships”;

“**Phase I ESA Reports**” has the meaning ascribed thereto under “The Acquisition”;

“**Portfolio**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Prospectus Supplement**” means this prospectus supplement of the REIT qualifying the distribution of the Subscription Receipts;

“**Prospectus**” means the Base Shelf Prospectus together with the Prospectus Supplement and each document incorporated by reference into the Base Shelf Prospectus for the purpose of the distribution of the securities to which this Prospectus Supplement pertains;

“**Purchase Agreement**” has the meaning ascribed thereto under “The Acquisition”;

“**RBC**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**RDSP**” means a registered disability savings plan;

“**REIT**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**RESP**” means a registered education savings plan;

“**RRIF**” means a registered retirement income fund;

“**RRSP**” means a registered retirement savings plan;

“**Rule 144A**” has the meaning ascribed thereto under “Plan of Distribution”;

“**Section 385 Regulations**” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations - U.S. Federal Income Taxation of Holdco1”;

“**Securities Commissions**” means each securities commission or securities regulatory authority in the provinces and territories in which the REIT is a reporting issuer;

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval, available at www.sedar.com;

“**Slate**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Special Committee**” has the meaning ascribed thereto under “The Acquisition”;

“**Special Voting Unit**” means a special voting unit of the REIT;

“**Subscription Price**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Subscription Receipt Adjustment Payment**” means an amount per Subscription Receipt equal to the amount per Unit of any cash distributions made by the REIT for which record dates have occurred during the period from and including the Offering Closing to and including the date immediately preceding the date upon which Units are issued or deemed to be issued pursuant to the Subscription Receipt Agreement;

“**Subscription Receipt Agent**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**Subscription Receipt Agreement**” has the meaning ascribed thereto under “Description of the Subscription Receipts – Overview”;

“**Subscription Receipts**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**subsidiary**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended;

“**Tax Proposals**” has the meaning ascribed thereto under “Certain Canadian Federal Income Tax Considerations”;

“**Termination Event**” has the meaning ascribed therefor on the cover page of this Prospectus Supplement;

“**TFSA**” means a tax-free savings account;

“**Transfer Agent**” means TSX Trust Company, at its principal office in Toronto, Ontario;

“**Treasury Regulations**” means the tax regulations issued by the U.S. Department of the Treasury;

“**Trustees**” mean the trustees of the REIT from time to time;

“**TSX**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“**U.S. Securities Act**” has the meaning ascribed thereto on the cover page of this Prospectus Supplement.

“U.S.-Canada Tax Treaty” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations”;

“Underwriters’ Fee” has the meaning ascribed thereto on the cover page of this Prospectus Supplement, as described under “Plan of Distribution”;

“Underwriters” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“Underwriting Agreement” has the meaning ascribed thereto on the cover page of this Prospectus Supplement, as described under “Plan of Distribution”;

“Unit” has the meaning ascribed thereto on the cover page of this Prospectus Supplement;

“Unitholder” means a holder of Units;

“USRPHC” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations - United States Federal Income Taxation of the REIT’s Ownership of Holdco1”;

“USRPI” has the meaning ascribed thereto under “Certain U.S. Federal Income Tax Considerations – United States Federal Income Taxation of Foreign Corporations”; and

“Vendor” has the meaning ascribed thereto under “The Acquisition”.

CERTIFICATE OF THE UNDERWRITERS

March 26, 2021

To the best of our knowledge, information and belief, the short form prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

BMO NESBITT BURNS INC.

By: (Signed) Jonathan Li

RBC DOMINION SECURITIES INC.

By: (Signed) David Switzer

CIBC WORLD MARKETS INC.

By: (Signed) Chris Bell

NATIONAL BANK FINANCIAL INC.

By: (Signed) Andrew Wallace

SCOTIA CAPITAL INC.

By: (Signed) Mary Vitug

TD SECURITIES INC.

By: (Signed) Derek Dermott

RAYMOND JAMES LTD.

By: (Signed) Richard Yu

IA PRIVATE WEALTH INC.

By: (Signed) Dennis Kunde

CANACCORD GENUITY CORP.

By: (Signed) Dan Sheremeto

CORMARK SECURITIES INC.

By: (Signed) Chris Shaw

**LAURENTIAN BANK
SECURITIES INC.**

By: (Signed) Denim Smith

STIFEL NICOLAUS CANADA INC.

By: (Signed) Paul Bissett