Statement of Trust Income Allocations and Designations

Select: ☑ T3 ☑ R16 ☐ AMENDED POSTING ☐ SUBSCRIPTION RECEIPTS

TAXATION YEAR: 2016

TRUST NAME: Granite Real Estate Investment Trust
ADDRESS (1): 77 King Street West, Suite 4010
ADDRESS (2): PO Box 159, TD Centre, Royal Trust Tower
CITY: Toronto
PROVINCE: Ontario
COUNTRY CODE: CAN
POSTAL CODE: M5K 1H1

TIN#: T32017540
CUSIP#: 387437114
QUEBEC TAX ID:

Preparer information:
CONTACT NAME: Investor Relations
DATE PREPARED: 2017/02/23
PHONE: (647) 925-7500
PRIMARY E-MAIL: ir@granitereit.com
SECONDARY E-MAIL: N/A

SYMBOL: GRT.UN
WEBSITE: http://www.granitereit.com Go

1) CORPORATE ACTIONS
WAS THE TRUST INVOLVED IN ANY CORPORATE ACTION(S) THAT COULD AFFECT T3/RL-16 TAX REPORTING?: No

2) WAS THERE ANY U.S.-SOURCE INCOME DISTRIBUTED IN REPORTING TAX YEAR?: Yes

TAXABLE CANADIAN PROPERTY (TCP) APPLICABLE TO NON-RESIDENT UNITHOLDERS (NR4):

3) IS CAPITAL GAINS (BOX 21/A) DISTRIBUTION NR TAXABLE?: No
Part XIII Tax (Income Tax Act)

4) IS ASSESSABLE DISTRIBUTIONS (ROC BOX 42/M) NR TAXABLE?: No
Part XIII.2 Tax (Income Tax Act)

CALCULATION METHOD: PER CENT
PER CENT - ALLOCATION MUST ADD TO 100
RATE - ALLOCATION TOTAL MUST ADD TO TOTAL INCOME ($) PER UNIT BEING ALLOCATED

T3 Box No.	R16 Box No.		Distribution 1	Distribution 2	Distribution 3	Distribution 4	Distribution 5	Distribution 6	Distribution 7	Distribution 8	Distribution 9	Distribution 10	Distribution 11	Distribution 12	Distribution 13	Distribution 14
		Total Distribution ($) Per Unit	0.19200	0.19200	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.21700		
		Record Date	2016/01/29	2016/02/29	2016/03/31	2016/04/29	2016/05/31	2016/06/30	2016/07/29	2016/08/31	2016/09/30	2016/10/31	2016/11/30	2016/12/30		
		Payment Date	2016/02/16	2016/03/15	2016/04/15	2016/05/16	2016/06/15	2016/07/15	2016/08/15	2016/09/15	2016/10/14	2016/11/15	2016/12/15	2017/01/16		
		Total Cash Distribution ($) Per Unit	0.19200	0.19200	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.20300	0.21700		
		Total Non Cash Distribution ($) Per Unit														
		Total Income ($) per unit being allocated	**0.19200**	**0.19200**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.20300**	**0.21700**		
21	A	Capital gain	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470	9.28470		
49	C1	Actual Amount of Eligible Dividends														
23	C2	Actual Amount of Non Eligible Dividend	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043	0.00043		
24	E	Foreign Business Income														
25	F	Foreign Non-Business Income	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578	60.13578		
26 OTHER INCOME	G	**G- Other Income** (Investment Income)	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169	24.16169		
42	M	Return of Capital	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740	6.41740		
X	X	Non Reportable Distribution														
30	H	Capital gains eligible for deduction														
33	K	Foreign business income tax paid														
34	L	Foreign non-business income tax paid														
Total Income Allocation (check figure)			**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**	**100.00000**		

CHECK: When the calculation method is Rate, row 24 should match row 40; when the calculation method is Percentage rows 25 to 39 should add up to 100, when correct, no error message will appear in this row for completed columns.

NOTES: