CT REIT Announces Distribution Increase and Strong First Quarter 2025 Results

Announces distribution increase of 2.5%, a cumulative increase of 45.9% since initial public offering in 2013

Toronto, May 5, 2025 - CT Real Estate Investment Trust (“CT REIT” or “the REIT”) (TSX: CRT.UN) today reported its consolidated financial results for the first quarter ending March 31, 2025.

“Our performance this quarter, which delivered increases in Net Operating Income of 4.6% and Adjusted Funds From Operations per Unit of 3.9%, underscores our ability to deliver strong returns for our Unitholders and once again demonstrates our reliability, durability and growth potential in the face of ongoing macroeconomic challenges,” said Kevin Salsberg, President and Chief Executive Officer, CT REIT. “I'm also particularly proud to announce that we will be increasing our monthly distributions for the 12th time, providing our Unitholders with a compound annual growth rate in distributions of 3.3% since our initial public offering.”

Distribution Increase

As a result of CT REIT’s consistent growth and reliability, the Board of Trustees has approved a 2.5% distribution increase that will be effective with the July 15 payment to Unitholders of record on June 30, 2025. Monthly distributions will increase to $0.07903 per Unit, or $0.94836 per Unit on an annualized basis and the REIT is pleased to have been able to reward Unitholders with such increases in each year since its initial public offering in 2013.

Update on Previously Announced Investments

CT REIT entered into a ground lease with a third party to facilitate the development of a new Canadian Tire store in Kelowna, BC.

Property	Type	GLA (sf.)	Timing	Activity
Kelowna, BC	Ground Lease	--	Q1 2025	Entered into a ground lease with a third party to facilitate the development of a new Canadian Tire store

Financial and Operational Summary

Summary of Selected Information

(in thousands of Canadian dollars, except unit, per unit and square footage amounts)	Three Months Ended March 31,		
	2025	2024	**Change**
Property revenue	**$ 150,396**	$ 144,221	4.3 %
Net operating income [1]	**$ 118,703**	$ 113,481	4.6 %
Net income	**$ 105,654**	$ 101,145	4.5 %
Net income per unit - basic [2]	**$ 0.446**	$ 0.429	4.0 %
Net income per unit - diluted [2,3]	**$ 0.363**	$ 0.345	5.2 %
Funds from operations [1]	**$ 81,097**	$ 78,189	3.7 %
Funds from operations per unit - diluted [2,4,5]	**$ 0.342**	$ 0.331	3.3 %
Adjusted funds from operations [1]	**$ 76,054**	$ 72,630	4.7 %
Adjusted funds from operations per unit - diluted [2,4,5]	**$ 0.320**	$ 0.308	3.9 %
Distributions per unit - paid [2]	**$ 0.231**	$ 0.225	3.0 %
AFFO payout ratio [4]	**72.2 %**	73.1 %	(0.9)%
Cash generated from operating activities	**$ 114,033**	$ 111,919	1.9 %
Weighted average number of units outstanding [2]			
Basic	**236,992,202**	235,637,230	0.6 %
Diluted [3]	**336,833,653**	339,499,877	(0.8)%
Diluted (non-GAAP) [5]	**237,434,797**	235,995,265	0.6 %
Indebtedness ratio	**40.3 %**	41.0 %	(0.7)%
Gross leasable area (square feet) [6]	**31,027,002**	30,625,473	1.3 %
Occupancy rate [6,7]	**99.4 %**	99.5 %	(0.1)%

[1] This is a non-GAAP financial measure. See “Specified Financial Measures” below for more information.

[2] Total units means Units and Class B LP Units outstanding.

[3] Diluted units determined in accordance with IFRS Accounting Standards includes restricted and deferred units issued under various plans and the effect of assuming that all of the Class C LP Units will be settled with Class B LP Units. Refer to section 7.0 of the MD&A.

[4] This is a non-GAAP ratio. See “Specified Financial Measures” below for more information.

[5] Diluted units used in calculating non-GAAP measures include restricted and deferred units issued under various plans and exclude the effect of assuming that all of the Class C LP Units will be settled with Class B LP Units. Refer to section 7.0 of the MD&A.

[6] Refers to retail, mixed-use commercial and industrial properties and excludes Properties Under Development.

[7] Occupancy and other leasing key performance measures have been prepared on a committed basis which includes the impact of existing lease agreements contracted on or before March 31, 2025 and March 31, 2024, and vacancies as at the end of those reporting periods.

Financial Highlights

Net Income – Net income was $105.7 million for the quarter, an increase of $4.5 million, compared to the same period in the prior year, primarily due to higher revenues from the Property portfolio and increases in the fair value adjustment on investment properties, partially offset by higher interest and property expense.

Net Operating Income (NOI)* – Total property revenue for the quarter was $150.4 million, which was $6.2 million or 4.3% higher compared to the same period in the prior year. In the first quarter, NOI was $118.7 million, which was $5.2 million or 4.6% higher compared to the same period in the prior year. This was primarily due to the acquisition, intensification and development of income-producing properties completed in 2024, which added $2.3 million, rent escalations from Canadian Tire leases, which contributed $1.9 million and development fee revenue, which also contributed $1.0 million.

Same store NOI was $114.0 million and same property NOI was $115.8 million for the quarter, which were $1.7 million or 1.5%, and $3.5 million or 3.1%, respectively, higher when compared to the prior year. Same store NOI increased primarily due to the increased revenue derived from contractual rent escalations and higher property operating recoveries. Same property NOI increased primarily due to the increase in same store NOI noted, as well as from the intensifications completed in 2024.

Funds from Operations (FFO)* – FFO for the quarter was $81.1 million, which was $2.9 million or 3.7% higher than the same period in 2024, primarily due to the impact of NOI variances discussed earlier, partially offset by higher interest expense. FFO per unit - diluted (non-GAAP) for the quarter was $0.342, which was $0.011 or 3.3% higher, compared to the same period in 2024, due to the growth of FFO exceeding the growth in weighted average units outstanding - diluted (non-GAAP).

Adjusted Funds from Operations (AFFO)* – AFFO for the quarter was $76.1 million, which was $3.4 million or 4.7% higher than the same period in 2024, primarily due to the impact of NOI variances discussed earlier, partially offset by higher interest expense. AFFO per unit - diluted (non-GAAP) for the quarter was $0.320, which was $0.012 or 3.9% higher, compared to the same period in 2024, due to the growth of AFFO exceeding the growth in weighted average units outstanding - diluted (non-GAAP).

Distributions – Distributions per Unit paid in the quarter amounted to $0.231, which was 3.0% higher than the same period in 2024 due to an increase in the rate of distributions which became effective with the monthly distributions paid in July 2024.

Operating Results

Leasing – CTC is CT REIT’s most significant tenant. As at March 31, 2025, CTC represented 92.8% of total GLA and 91.8% of annualized base minimum rent.

Occupancy – As at March 31, 2025, CT REIT’s portfolio occupancy rate, on a committed basis, was 99.4%.

*NOI, FFO and AFFO are non-GAAP financial measures. See below for additional information.

Specified Financial Measures

CT REIT uses specified financial measures as defined by National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* of the Canadian Securities Administrators ("NI 52-112"). CT REIT believes these specified financial measures provide useful information to both management and investors in measuring the financial performance of CT REIT and its ability to meet its principal objective of creating unitholder value over the long term by generating reliable, durable and growing monthly cash distributions on a tax-efficient basis.

These specified financial measures used in this document include non-GAAP financial measures and non-GAAP ratios, within the meaning of NI 52-112. Non-GAAP financial measures and non-GAAP ratios do not have a standardized meaning prescribed by IFRS Accounting Standards, also referred to as generally accepted accounting principles ("GAAP"), and therefore they may not be comparable to similarly titled measures and ratios presented by other publicly traded entities and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

See below for further information on specified financial measures used by management in this document and, where applicable, for reconciliations to the nearest GAAP measures.

Net Operating Income

NOI is a non-GAAP financial measure defined as property revenue less property expense, adjusted for straight-line rent. The most directly comparable primary financial statement measure is property revenue. Management believes that NOI is a useful key indicator of performance as it represents a measure of property operations over which management has control. NOI is also a key input in determining the fair value of the Property portfolio. NOI should not be considered as an alternative to property revenue or net income and comprehensive income, both of which are determined in accordance with IFRS Accounting Standards.

(in thousands of Canadian dollars)	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change
Property revenue	**$ 150,396**	$ 144,221	4.3 %
Less:			
Property expense	**(33,562)**	(31,850)	5.4 %
Property straight-line rent adjustment	**1,869**	1,110	68.4 %
Net operating income	**$ 118,703**	$ 113,481	4.6 %

Funds From Operations and Adjusted Funds From Operations

Certain non-GAAP financial measures for the real estate industry have been defined by the Real Property Association of Canada under its publications, "REALPAC Funds From Operations & Adjusted Funds From

Operations for IFRS" and "REALPAC Adjusted Cashflow from Operations for IFRS". CT REIT calculates Fund From Operations, Adjusted Funds From Operations and Adjusted Cashflow from Operations in accordance with these publications.

The following table reconciles GAAP net income and comprehensive income to FFO and further reconciles FFO to AFFO:

(in thousands of Canadian dollars)	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change [1]
Net Income and comprehensive income	**$ 105,654**	$ 101,145	4.5 %
Fair value adjustment on investment property	**(24,813)**	(23,634)	5.0 %
Deferred income tax	**(171)**	947	NM
Lease principal payments on right-of-use assets	**(145)**	(206)	(29.6)%
Fair value adjustment of unit-based compensation	**241**	(351)	NM
Internal leasing expense	**331**	288	14.9 %
Funds from operations	**$ 81,097**	$ 78,189	3.7 %
Property straight-line rent adjustment	**1,869**	1,110	68.4 %
Direct leasing costs [2]	**(179)**	(320)	(44.1)%
Capital expenditure reserve	**(6,733)**	(6,349)	6.0 %
Adjusted funds from operations	**$ 76,054**	$ 72,630	4.7 %

[1] NM - not meaningful.

[2] Excludes internal and external leasing costs related to development projects.

Funds From Operations

FFO is a non-GAAP financial measure of operating performance used by the real estate industry, particularly by those publicly traded entities that own and operate income-producing properties. The most directly comparable primary financial statement measure is net income and comprehensive income. FFO should not be considered as an alternative to net income or cash flows provided by operating activities determined in accordance with IFRS Accounting Standards. The use of FFO, together with the required IFRS Accounting Standards presentations, has been included for the purpose of improving the understanding of the operating results of CT REIT.

Management believes that FFO is a useful measure of operating performance that, when compared period-over-period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and property taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from net income determined in accordance with IFRS Accounting Standards.

FFO adds back to net income items that do not arise from operating activities, such as fair value adjustments. FFO, however, still includes non-cash revenues related to accounting for straight-line rent and makes no deduction for the recurring capital expenditures necessary to sustain the existing earnings stream.

Adjusted Funds From Operations

AFFO is a non-GAAP financial measure of recurring economic earnings used in the real estate industry to assess an entity's distribution capacity. The most directly comparable primary financial statement measure is net income and comprehensive income. AFFO should not be considered as an alternative to net income or cash flows provided by operating activities determined in accordance with IFRS Accounting Standards.

CT REIT calculates AFFO by adjusting FFO for non-cash income and expense items such as amortization of straight-line rents. AFFO is also adjusted for a reserve for maintaining the productive capacity required for sustaining property infrastructure and revenue from real estate properties and direct leasing costs. As property capital expenditures do not occur evenly during the fiscal year or from year to year, the capital expenditure reserve in the AFFO calculation, which is used as an input in assessing the REIT's distribution payout ratio, is intended to reflect an average annual spending level. The reserve is primarily based on average expenditures as determined by building condition reports prepared by independent consultants.

Management believes that AFFO is a useful measure of operating performance similar to FFO as described above, adjusted for the impact of non-cash income and expense items.

Capital Expenditure Reserve

The following table compares and reconciles recoverable capital expenditures since 2013 to the capital expenditure reserve used in the calculation of AFFO during that period:

(in thousands of Canadian dollars) For the periods indicated		Capital expenditure reserve		Recoverable capital expenditures		Variance
October 23, 2013 to December 31, 2023	$	218,927	$	217,862	$	1,065
Year ended December 31, 2024	$	26,078	$	33,099	$	(7,021)
Period ended March 31, 2025	**$**	**6,733**	**$**	**699**	**$**	**6,034**

The capital expenditure reserve is a non-GAAP financial measure and management believes the reserve is a useful measure to understand the normalized capital expenditures required to maintain property infrastructure. Recoverable capital expenditures are the most directly comparable measure disclosed in the REIT's primary financial statements. The capital expenditure reserve should not be considered as an alternative to recoverable capital expenditures, which is determined in accordance with IFRS Accounting Standards.

The capital expenditure reserve varies from the capital expenditures incurred due to the seasonal nature of the expenditures. As such, CT REIT views the capital expenditure reserve as a meaningful measure.

FFO per unit - Basic, FFO per unit - Diluted (non-GAAP), AFFO per unit - Basic and AFFO per unit - Diluted (non-GAAP)

FFO per unit - basic, FFO per unit - diluted (non-GAAP), AFFO per unit - basic and AFFO per unit - diluted (non-GAAP) are non-GAAP ratios and reflect FFO and AFFO on a weighted average per unit basis. Management believes these non-GAAP ratios are useful measures to investors since the measures indicate the impact of FFO and AFFO, respectively, in relation to an individual per unit investment in the REIT. When calculating diluted per unit amounts, diluted units include restricted and deferred units issued under various plans and exclude the effects of settling the Class C LP Units with Class B LP Units.

Management believes that FFO per unit ratios are useful measures of operating performance that, when compared period-over-period, reflect the impact on operations of trends in occupancy levels, rental rates, operating costs and property taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from net income per unit determined in accordance with IFRS Accounting Standards. Management believes that AFFO per unit ratios are useful measures of operating performance similar to FFO as described above, adjusted for the impact of non-cash income and expense items. The FFO per unit and AFFO per unit ratios are not standardized financial measures under IFRS Accounting Standards and should not be considered as an alternative to other ratios determined in accordance with IFRS Accounting Standards. The component of the FFO per unit ratios, which is a non-GAAP financial measure, is FFO, and the component of AFFO per unit ratios, which is a non-GAAP financial measure, is AFFO.

	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change
Funds from operations/unit - basic	**$ 0.342**	$ 0.332	3.0 %
Funds from operations/unit - diluted	**$ 0.342**	$ 0.331	3.3 %

	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change
Adjusted funds from operations/unit - basic	**$ 0.321**	$ 0.308	4.2 %
Adjusted funds from operations/unit - diluted	**$ 0.320**	$ 0.308	3.9 %

Management calculates the weighted average units outstanding - diluted (non-GAAP) by excluding the full conversion of the Class C LP Units to Class B LP Units, which is not considered a likely scenario. As such, the REIT's fully diluted per unit FFO and AFFO amounts are calculated, excluding the effects of settling the Class C LP Units with Class B LP Units, which management considers a more meaningful measure.

AFFO Payout Ratio

The AFFO payout ratio is a non-GAAP ratio which measures the sustainability of the REIT's distribution payout. Management believes this is a useful measure to investors since this metric provides transparency on performance. Management considers the AFFO payout ratio to be the best measure of the REIT's distribution capacity. The AFFO payout ratio is not a standardized financial measure under IFRS Accounting Standards and should not be considered as an alternative to other ratios determined in accordance with IFRS Accounting Standards. The component of the AFFO payout ratio, which is a non-GAAP financial measure, is AFFO, and the composition of the AFFO payout ratio is as follows:

	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change
Distribution per unit - paid (A)	**$ 0.231**	$ 0.225	3.0 %
AFFO per unit - diluted (non-GAAP) [1] (B)	**$ 0.320**	$ 0.308	3.9 %
AFFO payout ratio (A)/(B)	**72.2 %**	73.1 %	(0.9)%

[1] For the purposes of calculating diluted per unit amounts, diluted units include restricted and deferred units issued under various plans and excludes the effects of settling the Class C LP Units with Class B LP Units.

Same Store NOI

Same store NOI is a non-GAAP financial measure which reports the period-over-period performance of the same asset base having consistent GLA in both periods. CT REIT management believes same store NOI is a useful measure to gauge the change in asset productivity and asset value. The most directly comparable primary financial statement measure is property revenue. Same store NOI should not be considered as an alternative to property revenue or net income and comprehensive income, both of which are determined in accordance with IFRS Accounting Standards.

Same Property NOI

Same property NOI is a non-GAAP financial measure that is consistent with the definition of same store NOI above, except that same property includes the NOI impact of intensifications. Management believes same property NOI is a useful measure to gauge the change in asset productivity and asset value, as well as measure the additional return earned by incremental capital investments in existing assets. The most directly comparable primary financial statement measure is property revenue. Same property NOI should not be considered as an alternative to property revenue or net income and comprehensive income, both of which are determined in accordance with IFRS Accounting Standards.

The following table summarizes the same store and same property components of NOI:

(in thousands of Canadian dollars)	Three Months Ended		
For the periods ended March 31,	**2025**	2024	Change [1]
Same store	**$ 114,015**	$ 112,314	1.5 %
Intensifications			
2025	**—**	—	NM
2024	**1,811**	—	NM
Same property	**$ 115,826**	$ 112,314	3.1 %
Acquisitions, dispositions, developments and other			
2025	**1,105**	(139)	NM
2024	**1,772**	1,306	35.7 %
Net operating income	**$ 118,703**	$ 113,481	4.6 %
Add:			
Property expense	**33,562**	31,850	5.4 %
Property straight-line rent adjustment	**(1,869)**	(1,110)	68.4 %
Property Revenue	**$ 150,396**	$ 144,221	4.3 %

[1] NM - not meaningful.

Management's Discussion and Analysis (MD&A) and Interim Condensed Consolidated Financial Statements (Unaudited) and Notes

Information in this press release is a select summary of results. This press release should be read in conjunction with CT REIT's MD&A for the period ended March 31, 2025 (Q1 2025 MD&A) and Interim Condensed Consolidated Financial Statements (Unaudited) and Notes for the period ended March 31, 2025, which are both available on SEDAR+ at sedarplus.ca and at ctreit.com.

Note: Unless otherwise indicated, all figures in this press release are as at March 31, 2025, and are presented in Canadian dollars.

Forward-Looking Statements

This press release contains statements and other information that constitute "forward-looking information" or "forward-looking statements" under applicable securities legislation (collectively, "forward-looking statements") that reflect management's current expectations relating to matters such as future financial performance and operating results. Forward-looking statements provide information about management's current beliefs, expectations and plans and allow investors and others to better understand the REIT's anticipated financial condition, results of operations, business strategy and financial needs. Readers are cautioned that such information may not be appropriate for other purposes.

All statements, other than statements of historical fact, included in this document that address activities, events or developments that CT REIT or a third-party expects or anticipates will or may occur in the future, including the REIT's future growth, financial condition, financial needs, results of operations, performance, business strategy, business prospects and opportunities and the assumptions underlying any of the foregoing, are forward-looking statements. Without limiting the foregoing, the REIT’s ability to complete the investments under the heading “New Investment Activity”, the timing and terms of any such investments and the benefits expected to result from such investments, are forward-looking statements.

By its very nature, forward-looking information requires the use of estimates and assumptions and is subject to inherent risks and uncertainties. It is possible that the REIT's assumptions, estimates, analyses, beliefs, and opinions are not correct, and that the REIT's expectations and plans will not be achieved. Although the forward-looking statements contained in this press release reflect management’s current beliefs and are based on information currently available to CT REIT and on assumptions CT REIT believes are reasonable about future events and financial trends that management believes may affect the REIT’s financial condition, results of operations, business strategy and financial needs, such information is necessarily subject to a number of factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements.

For more information on the risks, uncertainties, factors and assumptions that could cause the REIT's actual results to differ from current expectations, refer to section 5 “Risk Factors” of CT REIT's Annual Information Form for fiscal 2024, and to sections 12.0 “Enterprise Risk Management” and 14.0 “Forward-looking Information” of CT REIT's MD&A for Q1 2025 and fiscal 2024, as well as the REIT’s other public filings, all of which are available at sedarplus.ca and at ctreit.com.

The forward-looking statements contained herein are based on certain factors and assumptions as of the date hereof and do not take into account the effect that transactions or non-recurring or other special items announced or occurring after the statements are made can have on the REIT’s business. CT REIT does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by it or on its behalf, to reflect new information, future events or otherwise, except as required by applicable securities laws.

Information contained in or otherwise accessible through the websites referenced in this press release does not form part of this press release and is not incorporated by reference into this press release. All references to such websites are inactive textual references and are for information only.

Additional information about CT REIT has been filed electronically with various securities regulators in Canada through SEDAR+ and is available at sedarplus.ca and at ctreit.com.

Conference Call

CT REIT will conduct a conference call to discuss information included in this news release and related matters at 8:00 a.m. ET on May 6, 2025. The conference call will be available simultaneously and in its entirety to all interested investors and the news media through a webcast by visiting https://edge.media-server.com/mmc/p/mnh6n5jd or by visiting https://www.ctreit.com/English/news-and-events/events-and-webcasts/default.aspx and will be available through replay for 12 months.

Annual Meeting

CT REIT's Annual Meeting of Unitholders will take place on Tuesday, May 6 at 10:00 a.m. ET. The annual meeting will be held in a virtual format by way of a live audio webcast https://meetings.400.lumiconnect.com/r/participant/live-meeting/400177730896 and teleconference 1-877-343-2213. Please refer to http://www.ctreitagm.com for additional details on the annual meeting.

About CT Real Estate Investment Trust

CT REIT is an unincorporated, closed-end real estate investment trust formed to own income-producing commercial properties located primarily in Canada. Its portfolio is comprised of over 375 properties totalling more than 31 million square feet of GLA, consisting primarily of net lease single-tenant retail properties across Canada. Canadian Tire Corporation, Limited, is CT REIT's most significant tenant. For more information, visit ctreit.com.

For Further Information

Media: Joscelyn Dosanjh, 416-845-8392, joscelyn.dosanjh@cantire.com
Investors: Lesley Gibson, 416-480-8566, lesley.gibson@ctreit.com