



CT REIT Exceeds Forecast in First Full Year of Operation

Investments in 2014 add approximately 1.5 million square feet of gross leasable area (GLA), including 243 thousand square feet of GLA closed in the fourth quarter

Toronto, Ontario, February 23, 2015 - CT Real Estate Investment Trust (CT REIT), (TSX: CRT.UN) today reported its consolidated financial results for the fourth quarter and year ended December 31, 2014.

“In our first full year of operations we exceeded our IPO forecast, posted strong growth, closed strategic acquisitions and announced our first distribution increase,” said Ken Silver, CEO, CT REIT. “We enter 2015 well-positioned to build on our early success and we are optimistic about the opportunities ahead of us.”

New Investment Activity

Today, CT REIT announces that it intends to make five investments in developments or property intensifications over the next year for a total investment of \$45.3 million. The investments are, in the aggregate, expected to earn a 6.78% weighted average going in cap rate and represent approximately 192,000 square feet of incremental GLA. CT REIT expects to fund these investments by a combination of Class B LP Units and Class C LP Units and draws on its credit facility. The table below summarizes the new investments and anticipated completion dates:

| Property | Type | GLA (sf.) | Anticipated Timing | Activity |
|-------------------|---------------------------|-----------|---|--|
| High River, AB | Development | 64,222 | Land purchase complete; construction to be completed in Q4 2015 | New Canadian Tire and Mark's stores; ancillary retail uses |
| Swift Current, SK | Development | 22,504 | Land purchase complete; construction to be completed in Q4 2015 | Land adjacent to existing Canadian Tire store; new Mark's and Sport Chek stores; ancillary retail uses |
| Martensville, SK | Development | 67,767 | To close Q1 2015; construction to be completed in Q4 2015 | New Canadian Tire store; ancillary retail uses |
| Dawson Creek, BC | Intensification-expansion | 21,487 | Q1 2015 | Expansion of existing Canadian Tire store |
| Selkirk, MB | Intensification-pad | 16,003 | Construction to be completed Q4 2015 | Expansion of existing Mark's store; new Sport Chek store |

Update on Previously Announced Investments

The table below provides current activity updates on previously announced properties. Properties, developments and intensifications were funded through a combination of Class B LP Units and draws on CT REIT's credit facility.

| Property | Type | GLA (sf.) | Status |
|--------------------|--------------------------------|-----------|----------|
| St. John's, NF | Canadian Tire development | 94,704 | Complete |
| Charlottetown, PE | Canadian Tire development | 94,704 | Complete |
| Thunder Bay, ON | Intensification-expansion | 17,792 | Complete |
| Regina East, SK | Intensification-expansion | 7,700 | Complete |
| Sturgeon Falls, ON | Intensification-expansion | 8,220 | Complete |
| Oshawa South, ON | Intensification – pad (Mark's) | 12,000 | Complete |
| Shawinigan, QC | Intensification-expansion | 3,801 | Complete |
| Hull, QC | Intensification-expansion | 4,433 | Complete |
| Strathmore, AB | Vend-in | 39,721 | Complete |
| London South, ON | Vend-in | 105,075 | Complete |
| Prescott, ON | Vend-in | 37,731 | Complete |
| Val-d'Or, QC | Vend-in | 90,225 | Complete |
| Chambly, QC | Vend-in | 51,322 | Complete |

2014 Investment Activity

In the fourth quarter, two land acquisitions, two developments and six intensifications were completed at a total cost of \$36.1 million, all of which was funded by a combination of draws on CT REIT's credit facility and cash.

For the full year, thirteen property acquisitions, two land acquisitions, two developments and six intensifications were completed at a total cost of \$264.6 million. Of the total cost, \$138.6 million was paid in cash, \$59.2 million was satisfied by the assumption of mortgages, \$19.5 million was satisfied with the issuance of Class B LP Units to CTC and the balance of \$47.3 million was satisfied with the issuance of Class C LP Units to CTC.

From its Initial Public Offering in October 2013 to date, including the five new investments noted above, CT REIT has closed or planned \$389.7 million of investment activity, comprising approximately 2.0 million square feet of GLA and generating a going-in cap rate of 6.83%.

2015 Investment Activity

Subsequent to year end, CT REIT completed five vend-ins from CTC listed in the above table. This added more than 324,000 square feet of GLA to the portfolio, at a total cost of \$62 million fully satisfied with the issuance of Class B LP Units to CTC.

Reset/Redemption of Class C Units

The Series 1 Class C LP Units held by CTC, which have a face value of \$200 million and a coupon rate of 3.5%, have a rate reset date of May 31, 2015. In January, CT REIT delivered a notice of redemption to CTC for the Series 1 Class C LP Units, keeping both the option to redeem or reset open, the choice of which is at CTC's discretion. If redeemed, CT REIT may be required to access the unsecured debt market to refinance the Series. If reset, the coupon will reference then-current rates in the unsecured debt market, as per terms of the contract.

Base Shelf Prospectus

CT REIT intends to file its first preliminary shelf prospectus. This will facilitate potential future financings of debt and equity.

Subsequent Event

CT REIT's Property Management Agreement and Services Agreement have been renewed, for an additional year, to December 31, 2016.

Financial and Operational Summary

Summary of Selected Annual Information

| (in thousands of Canadian dollars, except per Unit, Unit and square footage amounts) | | | | | | |
|--|-------------|------------------|--------------|-------------|---------------|--------------|
| | Q4 2014 | Q4 2014 Forecast | Variance | 2014 | 2014 Forecast | Variance |
| Property revenue | \$ 89,212 | \$ 83,110 | \$ 6,102 | \$ 344,791 | \$ 333,510 | \$ 11,281 |
| Net operating income ¹ | \$ 62,115 | \$ 57,903 | \$ 4,212 | \$ 239,648 | \$ 231,196 | \$ 8,452 |
| Net income | \$ 53,711 | \$ 42,295 | \$ 11,416 | \$ 318,261 | \$ 169,425 | \$ 148,836 |
| Net income/Unit (basic) ² | \$ 0.296 | \$ 0.241 | \$ 0.055 | \$ 1.762 | \$ 0.965 | \$ 0.797 |
| Net income/Unit (diluted) ⁴ | \$ 0.222 | \$ 0.176 | \$ 0.046 | \$ 1.203 | \$ 0.704 | \$ 0.499 |
| Funds from operations ¹ | \$ 46,528 | \$ 42,295 | \$ 4,233 | \$ 176,798 | \$ 169,425 | \$ 7,373 |
| Funds from operations/Unit (diluted, non-GAAP) ^{1,2,3} | \$ 0.256 | \$ 0.241 | \$ 0.015 | \$ 0.979 | \$ 0.965 | \$ 0.014 |
| Adjusted funds from operations ¹ | \$ 34,657 | \$ 31,656 | \$ 3,001 | \$ 132,866 | \$ 126,836 | \$ 6,030 |
| Adjusted funds from operations/Unit (diluted, non-GAAP) ^{1,2,3} | \$ 0.191 | \$ 0.180 | \$ 0.011 | \$ 0.736 | \$ 0.722 | \$ 0.014 |
| Distributions/Unit - paid ² | \$ 0.163 | \$ 0.163 | \$ - | \$ 0.650 | \$ 0.650 | \$ - |
| AFFO payout ratio ¹ | 85% | 90% | 5% | 88% | 90% | 2% |
| Weighted average number of Units outstanding ² | | | | | | |
| Basic | 181,468,432 | 175,620,865 | 5,847,567 | 180,599,151 | 175,620,865 | 4,978,286 |
| Diluted ⁴ | 334,627,758 | 355,620,865 | (20,993,107) | 332,346,061 | 355,620,865 | (23,274,804) |
| Diluted (non-GAAP) ^{1,3} | 181,524,387 | 175,620,865 | 5,903,522 | 180,643,636 | 175,620,865 | 5,022,771 |
| Indebtedness ratio ¹ | 49.4% | 50.0% | 0.6% | 49.4% | 50.0% | 0.6% |
| Interest coverage (times) ¹ | 3.18 | 3.05 | 0.13 | 3.13 | 3.07 | 0.06 |
| Debt / enterprise value ratio ¹ | 47.0% | 50.6% | 3.6% | 47.0% | 50.6% | 3.6% |
| Gross leaseable area ⁵ | 20,358,120 | 18,887,158 | 1,470,962 | 20,358,120 | 18,887,158 | 1,470,962 |
| Occupancy rate ⁶ | 99.9% | 99.9% | - | 99.9% | 99.9% | - |

¹ Non-GAAP key performance indicators. Refer to Part IX of the MD&A for further information.

² Total Units consists of REIT Units and Class B LP Units outstanding.

³ 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.

⁴ Diluted Units determined in accordance with IFRS 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 Part VI of the MD&A.

⁵ Gross leaseable area refers to retail, mixed-use and distribution properties and excludes development lands.

⁶ Refers to retail, mixed-use and distribution properties and excludes development lands.

Financial Highlights

Net Operating Income (NOI)* – For the fourth quarter, NOI including adjustments for straight line rent and land lease expenses amounted to \$62.1 million, which is \$4.2 million higher than the Financial Forecast for the quarter that was published in the October 23, 2013 prospectus (“the Forecast”). This positive difference is principally the result of acquisition activity. NOI for the full year amounted to \$239.6 million.

Net Income – Net income was \$53.7 million for the quarter and \$318.3 million for the year, \$11.4 million and \$148.8 million higher, respectively than the Forecast. This positive difference is primarily due to fair market value adjustments of \$7.3 million during the quarter and \$141.2 million for the year and due to higher NOI from property acquisitions that were not assumed in the Forecast.

Funds from Operations (FFO)* – FFO for the quarter and full year was \$46.5 million or \$0.256 per unit and \$176.8 million or \$0.979 per unit respectively, \$4.2 million and \$7.4 million higher than Forecast. This is largely due to the impact of NOI variances noted above, including differing assumptions in the Forecast for property taxes and general and administrative expenses, and interest income earned on investing CT REIT’s existing cash balances which are higher than Forecast, all partially offset by higher interest expense.

Adjusted Funds From Operations (AFFO)* – AFFO for the fourth quarter and full year amounted to \$34.7 million or \$0.191 per unit and \$132.9 million or \$0.736 per unit respectively.

For the three months and year ended December 31, 2014, AFFO was \$3.0 million and \$6.0 million higher than Forecast largely due to the reasons noted above.

Distributions – On November 3, 2014, CT REIT announced a 2% increase in its monthly distributions and a new annualized rate of \$0.663, effective with the first distribution paid in 2015.

Refinancing – In December 2014, CT REIT and its co-owners completed the refinancing of Canada Square. The loan amount remains the same at \$31 million (CT REIT share), the term was extended to December 2019, and the credit spread was reduced by 135 basis points. The new loan is a variable rate loan, consistent with the previous loan.

*AFFO, FFO and NOI are non-GAAP measures. Refer to Non-GAAP section in the Q4 2014 Management's Discussion & Analysis which is available on the Company's website and on SEDAR.

Operating Results

Leasing – CTC is CT REIT's largest tenant. At December 31, 2014, CTC represented 97.9% of total GLA and 96.4% of annualized base minimum rent.

Occupancy – At December 31, 2014, CT REIT's portfolio occupancy rate was 99.9%

Management Discussion and Analysis (MD&A) and Unaudited Consolidated Financial Statements 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 December 31, 2014 ("the Q4 and Year End MD&A") and Consolidated Financial Statements and Notes for the year ended December 31, 2014, which are available on CT REIT's website at: www.ctreit.com and on SEDAR at www.sedar.com.

Forward-Looking Statements

This document contains forward-looking information that reflects management's current expectations related to matters such as increases in distribution, future financial performance and operating results of CT REIT. Forward-looking statements are provided for the purposes of providing information about CT REIT's future outlook and anticipated events or results. Readers are cautioned that such information may not be appropriate for other purposes.

All statements other than statements of historical facts included in this document may constitute forward-looking information, including but not limited to, statements concerning future acquisitions under the heading, "2014 Investment Activity", "2015 Investment Activity", "filing of its shelf prospectus" and other statements concerning developments, intensifications, results, performance, achievements, prospects or opportunities for CT REIT. Forward-looking information is based on reasonable assumptions, estimates, analyses, beliefs and opinions of management made in light of its experience and perception of prospects and opportunities, current conditions and expected trends, as well as other factors that management believes to be relevant and reasonable at the date such information is provided.

By its very nature forward-looking information requires us to make assumptions and is subject to inherent risks and uncertainties, which give rise to the possibility that the REIT's assumptions, estimates, analyses, beliefs and opinions may not be correct and that the REIT's expectations and plans will not be achieved. Although the forward looking information contained in this press release is based on information, assumptions and beliefs which are reasonable and complete, this 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 information.

For more information on the risks, uncertainties and assumptions that could cause the REIT's actual results to differ from current expectations, refer to the "Risk Factors" section of our Annual Information Form for fiscal 2014, and to Part X (Enterprise Risk Management) and all subsections thereunder of our 2014 Management's Discussion and Analysis, as well as the REIT's other public filings, available at www.sedar.com and at www.ctreit.com.

The forward-looking statements and information contained herein are based on certain factors and assumptions as of the date hereof. CT REIT does not undertake to update any forward-looking information, 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 is required by applicable securities laws.

Information contained in or otherwise accessible through the websites referenced in this press release (other than CT REIT's profile on SEDAR at www.sedar.com) 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 online at www.sedar.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 February 24, 2015. The conference call will be available simultaneously and in its entirety to all interested investors and the news media through a webcast at <http://ctreit.com/en/investors/financial-reporting>, and will be available through replay at this website for 12 months.

About CT Real Estate Investment Trust

CT Real Estate Investment Trust (TSX:CRT.UN) is an unincorporated, closed end real estate investment trust formed to own income producing commercial properties primarily located in Canada. Its portfolio is comprised of more than 275 properties totaling over 20 million square feet of GLA, consisting primarily of retail properties located across Canada. Canadian Tire Corporation, Limited is CT REIT's most significant tenant. For more information, visit ctreit.com.

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