



CT REIT Announces Distribution Increase and Reports Strong Third Quarter Results

- CT REIT increases annual distribution by 3.0% beginning January 2017
- Announces five new investments totalling \$74 million
- 9.4% increase in AFFO per unit

Toronto, Ontario, November 1, 2016 – CT Real Estate Investment Trust (“CT REIT”) (TSX: CRT.UN) today reported its consolidated financial results for the third quarter ended September 30, 2016.

“Our growth strategy continues to contribute to our strong operating results, generating solid growth in AFFO per unit,” said Ken Silver, President and Chief Executive Officer, CT REIT. “As we celebrate the third anniversary of our initial public offering, we are also pleased to announce our third increase in the annual rate of distribution to \$0.70 per unit, an increase of 3.0%, commencing with the January 2017 payment date.”

New Investment Activity

Today, CT REIT announces five additional investments, including four acquisitions and one property intensification. These investments will require an estimated total investment of \$74 million. The investments are, in the aggregate, expected to earn a weighted average cap rate of 6.82% when completed and represent approximately 416,000 square feet of incremental gross leasable area (GLA). CT REIT is funding these investments with Class B LP Units, Class C LP Units, cash, and/or draws on its credit facility or any combination thereof. The table below summarizes the new investments and anticipated completion dates:

Property	Type	GLA (sf.)	Timing	Activity
Fort St. John, BC	Acquisition	198,000	Q4 2016	Acquisition of an enclosed mall and development lands
Cambridge South, ON	Vend-in	91,000	Q1 2017	Existing Canadian Tire anchored development
Sainte-Agathe-des-Monts, QC	Vend-in	77,000	Q1 2017	Existing Canadian Tire anchored development
Victoria, BC	Vend-in	50,000	Q1 2017	Existing Canadian Tire anchored development
Waterloo, ON	Intensification	Ground Lease	Q4 2017	Development of a Canadian Tire Car Wash

Financial and Operational Summary

Summary of Selected Quarterly Information

(in thousands of Canadian dollars, except per Unit, Unit and square footage amounts)

For the periods ended September 30,	Three Months Ended September 30,			Nine Months Ended September 30,		
	2016	2015	Change	2016	2015	Change
Property revenue	\$ 102,932	\$ 95,916	7.3 %	\$ 302,935	\$ 281,581	7.6 %
Net operating income ¹	\$ 72,812	\$ 67,478	7.9 %	\$ 213,414	\$ 197,220	8.2 %
Net income	\$ 72,124	\$ 58,885	22.5 %	\$ 193,624	\$ 171,656	12.8 %
Net income/Unit (basic) ²	\$ 0.349	\$ 0.311	12.2 %	\$ 0.976	\$ 0.919	6.2 %
Net income/Unit (diluted) ⁴	\$ 0.290	\$ 0.242	19.8 %	\$ 0.811	\$ 0.709	14.4 %
Funds from operations ¹	\$ 56,486	\$ 49,369	14.4 %	\$ 158,112	\$ 144,684	9.3 %
Funds from operations/Unit (diluted, non-GAAP) ^{1,2,3}	\$ 0.273	\$ 0.260	5.0 %	\$ 0.797	\$ 0.774	3.0 %
Adjusted funds from operations ¹	\$ 45,889	\$ 38,548	19.0 %	\$ 126,788	\$ 112,665	12.5 %
Adjusted funds from operations/Unit (diluted, non-GAAP) ^{1,2,3}	\$ 0.222	\$ 0.203	9.4 %	\$ 0.639	\$ 0.603	6.0 %
Distributions/Unit - paid ^{2,4}	\$ 0.170	\$ 0.166	2.6 %	\$ 0.510	\$ 0.497	2.6 %
AFFO payout ratio ¹	77 %	82 %	(6.1)%	80 %	82 %	(2.4)%
Weighted average number of Units outstanding ²						
Basic	206,793,551	189,543,754	9.1 %	198,294,662	186,814,195	6.1 %
Diluted ⁴	308,370,794	320,882,645	(3.9)%	306,412,920	325,905,939	(6.0)%
Diluted (non-GAAP) ^{1,2}	206,925,409	189,630,969	9.1 %	198,412,568	186,891,378	6.2 %
Indebtedness ratio ¹				46.6 %	48.1 %	(3.1)%
Interest coverage (times) ¹	3.79	3.22	17.7 %	3.41	3.22	5.9 %
Debt / enterprise value ratio ¹				41.8 %	46.0 %	(9.1)%
Gross leaseable area ⁵				22,865,231	21,295,013	7.4 %
Occupancy rate ⁵				99.7 %	99.9 %	(0.2)%

¹ Non-GAAP key performance indicators. Refer to section 9.0 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 section 6.0 of the MD&A.

⁵ Refers to retail, mixed-use and distribution centre properties and excludes properties under development.

⁶ Period-over-period percentage change is calculated based on exact fractional amounts rather than rounded fractional amounts.

Financial Highlights

Net Operating Income (NOI)* – In the third quarter, NOI increased \$5.3 million or 7.9% over the same period last year primarily due to acquisitions completed in 2016 and 2015. These acquisitions contributed a total of \$4.0 million to NOI growth. Same store NOI and same property NOI increased \$1.0 million or 1.5% and \$1.3 million or 2.0%, respectively, primarily due to the contractual rent escalations built into the property leases, intensifications completed in 2016 and 2015 and the recovery of capital expenditures, partially offset by a decrease in the recovery of operating expenses and property taxes.

Net Income – Net income was \$72.1 million for the quarter, up 22.5% primarily due to an increase in the fair market adjustment on investment properties of \$6.2 million, the impact of NOI variances discussed earlier, and reduced interest and other financing charges of \$2.0 million over the same period last year. The reduction in interest charges was the result of increased capitalization of interest from the June 2016 investment in the Bolton Distribution Centre development project.

Funds from Operations (FFO)* – FFO for the third quarter was \$56.5 million or \$0.273 per unit (diluted non-GAAP) as compared to \$49.4 million or \$0.260 per unit for the third quarter of 2015. This is \$7.1 million (14.4%) or \$0.013 per unit (5.0%) higher than the same period last year. This is largely due to the impact of NOI variances and higher interest capitalization discussed earlier.

Adjusted Funds from Operations (AFFO)* – In the third quarter, AFFO increased \$7.3 million or 19.0% to \$45.9 million. AFFO per unit increased to \$0.222 per unit (diluted non-GAAP), 9.4% or \$0.019 per unit over the same period last year. This is largely due to the impact of NOI variances and higher interest capitalization discussed earlier.

Distributions – Distributions per unit in the quarter amounted to \$0.170, 2.6% higher than the same period in 2015 due to the increase in the annual rate of distributions effective with the first distribution paid in 2016.

*AFFO, FFO and NOI are non-GAAP measures. Refer to Non-GAAP section in the Q3 2016 Management's Discussion & Analysis which is available on SEDAR and at newswire.ca.

Operating Results

Leasing – CTC is CT REIT's largest tenant. At September 30, 2016, CTC represented 94.7% of total GLA and 94.5% of annualized base minimum rent.

Occupancy – At September 30, 2016, CT REIT's portfolio occupancy rate remained unchanged at 99.7% from the prior quarter.

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 September 30, 2016 ("the Q3 MD&A") and Condensed Consolidated Financial Statements and Notes for the period ended September 30, 2016, which are available on SEDAR at www.sedar.com and at www.ctreit.com.

Forward-Looking Statements

This document contains forward-looking information that reflects management's current expectations related to matters such as 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 the REIT's ability to complete any of the investments in acquisitions and property intensifications under the heading "New Investment Activity," the timing and terms of any such investments and the benefits expected to result from such investments 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 2015, and to Section 10 (Enterprise Risk Management) and all subsections thereunder of our 2015 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 and at www.ctreit.com.

Conference Call

CT REIT will conduct a conference call to discuss information included in this news release and related matters at 8:30 a.m. ET on November 2, 2016. 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 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 over 300 properties totalling over 22.8 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 www.ctreit.com.

For Further Information

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