

CT REIT Reports Strong Fourth Quarter and Year End 2016 Results

- CT REIT adds over 3.1 million square feet of gross leasable area (GLA) in 2016, including 1.8 million square feet of GLA completed in the fourth quarter
- Announces eight new investments, totalling \$44 million
- Delivers 6.7% growth in AFFO per unit in 2016

Toronto, Ontario, February 13, 2017 – 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, 2016.

“Our strong fourth quarter and year end results demonstrate the ongoing execution of our strategy to deliver solid growth combined with conservative financial management,” said Ken Silver, President and Chief Executive Officer, CT REIT. “Again this year, we were pleased to increase our distribution while reducing our payout ratio.”

New Investment Activity

Today, CT REIT announces eight additional investments, including three acquisitions and five property intensifications. These investments will require an estimated total investment of \$44 million. The investments are, in the aggregate, expected to earn a weighted average cap rate of 6.15% when completed and represent approximately 202,000 square feet of incremental GLA. CT REIT is funding these investments with the issuance of Class B LP Units and Class C LP Units to Canadian Tire Corporation, Limited (CTC), 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 |
|-------------------------------|-----------------|--------------|---------|---|
| Halifax (Cole Harbour), NS | Vend-in | 63,000 | Q1 2017 | Existing Canadian Tire store |
| Victoria, BC | Vend-in | 68,000 | Q2 2017 | Existing Canadian Tire store |
| Maniwaki, QC | Vend-in | 27,000 | Q2 2017 | Existing Canadian Tire store |
| Marathon, ON | Intensification | 3,000 | Q2 2017 | Expansion of existing Canadian Tire store |
| New Liskeard, ON | Intensification | 21,000 | Q4 2017 | Expansion of existing Canadian Tire store |
| Listowel, ON | Intensification | 20,000 | Q4 2017 | Expansion of existing Canadian Tire store |
| Bradford, ON | Intensification | Ground Lease | Q4 2017 | Construction of a gas bar and car wash |
| Hamilton, ON | Intensification | Ground Lease | Q4 2017 | Construction of a gas bar and car wash |

Update on Previously Announced Investments

In the fourth quarter, CT REIT completed the development of the Canadian Tire distribution centre in Bolton, ON, a redevelopment of a mall anchored by a Canadian Tire store in Arnprior, ON, a development of a Canadian Tire store in Hamilton, ON, and six intensifications of Canadian Tire stores in Hanover, Wallaceburg, Blenheim and Exeter, ON, La Sarre, QC, Smithers, BC, and the construction of a Mark's pad in Vaudreuil, QC. CT REIT also completed one third party pad ground lease in Blenheim, ON.

Subsequent to year end, CT REIT completed three previously announced vend-ins from CTC listed in the table below. This added approximately 218,000 square feet of GLA to the portfolio, at a total cost of \$37.4 million, fully satisfied with cash and the issuance of Class B LP Units to CTC.

The table below provides activity updates on the previously announced investments.

| Property | Type | GLA (sf.) | Timing | Activity |
|-----------------------------|-----------------|-----------|----------------------|---|
| Bolton, ON | Development | 1,400,000 | Completed in Q4 2016 | Development of a distribution centre |
| Arnprior, ON | Re-development | 131,078 | Completed in Q4 2016 | Redevelopment of an enclosed mall anchored by a Canadian Tire store |
| Hamilton, ON | Development | 60,827 | Completed in Q4 2016 | Development of a Canadian Tire store |
| Hanover, ON | Intensification | 8,343 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| La Sarre, QC | Intensification | 4,000 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| Smithers, BC | Intensification | 3,730 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| Wallaceburg, ON | Intensification | 3,111 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| Blenheim, ON | Intensification | 2,486 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| Exeter, ON | Intensification | 2,489 | Completed in Q4 2016 | Expansion of existing Canadian Tire store |
| Vaudreuil, QC | Intensification | 12,000 | Completed in Q4 2016 | Construction of a new Mark's store |
| Cambridge South, ON | Vend-in | 91,000 | Completed in Q1 2017 | Existing Canadian Tire anchored development |
| Sainte-Agathe-des-Monts, QC | Vend-in | 77,000 | Completed in Q1 2017 | Existing Canadian Tire anchored development |
| Victoria, BC | Vend-in | 50,000 | Completed in Q1 2017 | Existing Canadian Tire anchored development |

Update on Full Year 2016 Investment Activity

For the full year, CT REIT completed 16 acquisitions, three developments and 10 intensifications and made investments in ongoing developments at a total cost of \$598 million.

Reset/Redemption of Class C Units

The Series 10-15 Class C LP Units held by CTC, which have a face value of \$70.4 million and a coupon rate ranging from 1.65% to 2.38%, have a rate reset date of May 31, 2017. In January 2017, CT REIT delivered a notice of redemption to CTC for the Series 10-15 Class C LP Units, which allows for the series to either be redeemed or reset at CTC's discretion.

Financial and Operational Summary

Summary of Selected Information

(in thousands of Canadian dollars, except /unit, unit and square footage amounts)

| | Three Months Ended December 31, | | | Year Ended December 31, | | |
|--|---------------------------------|-------------|--------|-------------------------|-------------|--------|
| | 2016 | 2015 | Change | 2016 | 2015 | Change |
| Property revenue | \$ 104,230 | \$ 96,599 | 7.9 % | \$ 407,165 | \$ 378,180 | 7.7 % |
| Net operating income ¹ | \$ 73,675 | \$ 68,130 | 8.1 % | \$ 287,089 | \$ 265,350 | 8.2 % |
| Net income | \$ 65,455 | \$ 62,824 | 4.2 % | \$ 259,079 | \$ 234,480 | 10.5 % |
| Net income/unit (basic) ² | \$ 0.317 | \$ 0.331 | (4.2)% | \$ 1.293 | \$ 1.251 | 3.4 % |
| Net income/unit (diluted) ³ | \$ 0.269 | \$ 0.257 | 4.7 % | \$ 1.079 | \$ 0.972 | 11.0 % |
| Funds from operations ⁴ | \$ 56,765 | \$ 50,027 | 13.5 % | \$ 214,877 | \$ 194,711 | 10.4 % |
| Funds from operations/unit (diluted, non-GAAP) ^{1,2,3} | \$ 0.274 | \$ 0.264 | 3.8 % | \$ 1.071 | \$ 1.038 | 3.2 % |
| Adjusted funds from operations ¹ | \$ 46,006 | \$ 38,995 | 18.0 % | \$ 172,794 | \$ 151,660 | 13.9 % |
| Adjusted funds from operations/unit (diluted, non-GAAP) ^{1,2,3} | \$ 0.222 | \$ 0.206 | 7.8 % | \$ 0.862 | \$ 0.808 | 6.7 % |
| Distributions/unit - paid ^{1,4} | \$ 0.170 | \$ 0.166 | 2.6 % | \$ 0.680 | \$ 0.663 | 2.6 % |
| AFFO payout ratio ¹ | 77 % | 81 % | (4.9)% | 79 % | 82 % | (3.7)% |
| Weighted average number of units outstanding ⁵ | | | | | | |
| Basic | 206,829,040 | 189,582,380 | 9.1 % | 200,439,916 | 187,511,930 | 6.9 % |
| Diluted ⁴ | 308,689,596 | 318,214,711 | (3.0)% | 307,219,806 | 321,729,709 | (4.5)% |
| Diluted (non-GAAP) ^{1,4} | 206,949,852 | 189,674,625 | 9.1 % | 200,558,552 | 187,607,169 | 6.9 % |
| Indebtedness ratio | | | | 47.5 % | 48.2 % | (1.5)% |
| Interest coverage (times) | 3.74 | 3.26 | 14.7 % | 3.49 | 3.23 | 8.0 % |
| Gross leasable area ⁵ | | | | 24,659,316 | 21,512,053 | 14.6 % |
| Occupancy rate ⁵ | | | | 99.7 % | 99.9 % | (0.2)% |

¹ Non-GAAP measure. Refer to section 10.0 of the MD&A for further information.

² Total units means 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 7.0 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 Income – Net income was \$65.5 million for the quarter, up 4.2% over the prior year, primarily due to increased NOI due to acquisitions and a decrease in net interest and financing charges, partially offset by a decrease in the fair market value adjustment on investment properties. For the full year, net income was \$259.1 million, up 10.5% over the prior year primarily due to increased NOI, mainly relating to acquisitions, an increase to the fair market value adjustment on investment properties and a reduction in net interest and financing charges, partially offset by an increase in general and administrative expenses.

Net Operating Income (NOI)* – In the fourth quarter, NOI increased \$5.5 million or 8.1% over the same period last year primarily due to acquisitions and development projects completed in 2016 and 2015. These acquisitions contributed a total of \$4.3 million to NOI growth. Same store NOI and same property NOI for the quarter increased \$1.2 million or 1.8% and \$1.3 million or 1.9%, respectively, primarily due to the contractual rent escalations built into the property leases, recovery of capital expenditures, intensifications completed in 2016 and 2015, partially offset by a decrease in the net recovery of operating expenses and property taxes. NOI for the full year amounted to \$287.1 million.

Funds from Operations (FFO)* – FFO for the quarter was \$56.8 million or \$0.274 per unit (diluted non-GAAP), \$6.7 million higher than the same period in 2015 and largely due to the impact of NOI variances and higher interest capitalization. FFO for the year ended was \$214.9 million or \$1.071 per unit (diluted non-GAAP) and \$20.2 million higher than the same period in 2015 largely due to the impact of NOI variances and higher interest capitalization partially offset by an increase in general and administrative expenses.

Adjusted Funds from Operations (AFFO)* – AFFO for the fourth quarter and full year amounted to \$46.0 million or \$0.222 per unit (diluted non-GAAP) and \$172.8 million or \$0.862 per unit (diluted non-GAAP) respectively, representing a year over year growth per unit (diluted non-GAAP) of 6.7%. For the three months and year ended December 31, 2016, AFFO was \$7.0 million (18.0%) and \$21.1 million (13.9%) higher than the same period in 2015 largely due to the impact of NOI variances and higher interest capitalization partially offset by general and administrative expenses.

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. For the full year, distributions per unit amounted to \$0.680, 2.6% higher than the same period in 2015.

On January 13, 2017, CT REIT paid an increased monthly distribution of \$0.05833 per unit reflecting the previously announced 3.0% increase in the annualized distributions to \$0.70 per unit, from the previous monthly distribution of \$0.05667 per unit.

*NOI, FFO and AFFO are non-GAAP measures. Refer to Non-GAAP section in the Q4 and Year End 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 December 31, 2016, CTC represented 94.2% of total GLA and 93.8% of annualized base minimum rent.

Occupancy – At December 31, 2016, CT REIT's portfolio occupancy rate remained unchanged at 99.7% from the prior quarter.

Management Discussion and Analysis (MD&A) and Audited 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, 2016 ("the Q4 and Year End MD&A") and Audited Consolidated Financial Statements and Notes for the period ended December 31, 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 section 4 "Risk Factors" of our Annual Information Form for fiscal 2016, and to Section 10 "Enterprise Risk Management" and all subsections

thereunder of our 2016 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 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 9:00 a.m. ET on February 14, 2017. The conference call will be available simultaneously and in its entirety to all interested investors and the news media by dialing 416-340-2216 or 1-866-225-0198 or 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 24.7 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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