Choice Properties Real Estate Investment Trust Reports Results for the Third Quarter Ended September 30, 2014

Year-Over-Year Growth in Net Operating Income and Funds from Operations

Brampton, Ontario, Nov. 10, 2014 /CNW/ - Choice Properties Real Estate Investment Trust ("Choice Properties" or the "Trust") (TSX: CHP.UN) today announced its consolidated financial results for the third quarter and year-to-date period ended September 30, 2014. The Trust's third quarter report will be available in the Investor Relations section of the Trust's website at www.choicereit.ca, filed with SEDAR and available at www.sedar.com.

The comparative information presented in this Press Release covers the period from July 5, 2013, the date when Choice Properties completed its initial public offering ("IPO"), to September 30, 2013. While comparative information is presented on a year-to-date basis, the operating periods in the 2014 and 2013 fiscal years cover different time frames and, as such, are not comparable. The analysis of the results of operations will focus on the three month periods ended September 30, 2014 and 2013.

Quarter Highlights:

- Funds from operations ("FFO")(1) per unit diluted of $0.229(2) were $0.009 or 4.1% higher compared to $0.220(2) in the third quarter of 2013;
- Occupancy remained strong at a rate of 97.9% compared to 97.6% in the third quarter of 2013;
- Ancillary leasing activity resulted in binding leases or offers to lease totaling 234,874 square feet, with the majority of new leases signed with national tenants; and
- Initiatives to internalize the leasing and property management functions remained on plan, including the implementation of a real-estate focused enterprise resource planning system and recruitment and training of new employees.

"We continue to execute on our strategy and deliver results as planned. Throughout the year, we have been focused on enhancing our portfolio and establishing a solid business platform to enable us to manage our future growth." said John Morrison, President and Chief Executive Officer. "We are pleased with our performance to date and will continue to take a disciplined and focused approach to achieving our objectives and adding value for all of our stakeholders."

Financial and Operational Summary

For the periods ended September 30 (in thousands of Canadian dollars, except per unit amounts) (unaudited)	Three Months		Year-to-Date	
	2014	2013(5)	2014	2013(5)
Number of properties	454	425	454	425
Gross Leasable Area ("GLA") (in millions of square feet)	37.6	35.3	37.6	35.3
Occupancy	97.9 %	97.6 %	97.9 %	97.6 %
Rental revenue	$ 170,293	$ 153,655	$ 507,677	$ 153,655
Net Operating Income ("NOI")(1)	$ 118,551	$ 108,159	$ 352,564	$ 108,159
Net Income	$ 122,306	$ 73,626	$ 112,597	$ 73,626
Net Income per unit diluted	$ 0.318	$ 0.205	$ 0.297	$ 0.205
Funds from Operations ("FFO")(1) per unit diluted (2)(3)	$ 0.229	$ 0.220	$ 0.682	$ 0.220
Adjusted Funds from Operations ("AFFO")(1) per unit diluted	$ 0.189	$ 0.184	$ 0.558	$ 0.184
Adjusted Funds from Operations(1) payout ratio	86.0 %	85.0 %	87.4 %	85.0 %
Distributions per unit	$ 0.162501	$ 0.156416	$ 0.487503	$ 0.156416
Total assets (in millions)	$ 7,774	$ 7,174	$ 7,774	$ 7,174
Debt to total assets(4)	45.7 %	49.4 %	45.7 %	49.4 %
Debt service coverage(4)	3.4x	3.3x	3.4x	3.3x

(1) See "Non-GAAP Financial Measures" beginning on page 4.
(2) Including internalization costs in 2014 and start-up costs in 2013, FFO per unit on a diluted basis for third quarter 2014 and 2013 were $0.223 and $0.212, respectively.
(3) Including internalization costs and the reversal of the finance charge associated with the Transferor Note transactions as described in the MD&A Section 6, "Long Term Debt and Class C LP Units" in 2014 and start-up costs in 2013, FFO per unit on a diluted basis for the year-to-date periods ended 2014 and 2013 were $0.546 and $0.212, respectively.
(4) Debt ratios include Class C LP Units but exclude Exchangeable Units. The ratios are non-GAAP financial measures calculated based on the Trust Indenture, as supplemented.
(5) Based on operations beginning July 5, 2013.

Financial Highlights for the Quarter:

- Net Operating Income[(1)] - Third quarter NOI[(1)] of $118.6 million represented an increase of $10.4 million, or 9.6%, over the third quarter of 2013. The positive variance was driven primarily by acquisitions, which contributed $5.9 million to NOI[(1)]. Based on a portfolio of 423 properties that were owned throughout both the current and comparative period, same properties NOI[(1)] of $112.1 million increased $4.1 million or 3.8% over the comparative period. This improvement was primarily attributable to the shorter operating period in 2013. Year-to-date NOI[(1)] was $352.6 million, of which $337.6 million was attributed to same properties, $13.9 million to acquisitions and $1.1 million to dispositions.
- Net Income - Third quarter net income was $122.3 million, an increase of $48.7 million or 66.1% over the third quarter of 2013. Excluding a $84.8 million (2013 - $40.1 million) net gain from fair value adjustments, net income was $37.5 million, an increase of $4.0 million or 11.9% over net income of $33.5 million in third quarter of 2013. This increase was primarily attributable to NOI[(1)] from acquisitions and lower general and administrative expenses of $1.0 million, which were partially offset by higher financing charges of $7.7 million. Year-to-date net income, excluding fair value adjustments, was $64.9 million.
- Funds from Operations[(1)] - Third quarter FFO[(1)] was $88.0 million or $0.229 per unit, compared with $79.1 million or $0.220 per unit in the third quarter of 2013. Including one-time internalization costs of $2.4 million or $0.006 per unit, FFO per unit was $0.223. Third quarter 2013 FFO was impacted by one-time start-up costs of $3.0 million or $0.008 per unit; including these costs, third quarter 2013 FFO per unit was $0.212. The year-over-year improvement in FFO[(1)] was driven by acquisitions and lower general and administrative expenses, partially offset by higher financing charges. Year-to-date FFO[(1)] was $258.1 million, excluding internalization costs and $48.9 million of non-cash finance charges related to the replacement of Transferor Notes with senior unsecured debentures, which were recorded in the previous quarters.
- Adjusted Funds from Operations[(1)] - Third quarter AFFO[(1)] was $72.7 million or $0.189 per unit, compared to $66.3 million or $0.184 per unit in the third quarter of 2013. Similar to FFO[(1)], the improvement in AFFO[(1)] was driven by NOI[(1)] from acquisitions and lower general and administrative expenses, which were partially offset by higher financing charges. Year-to-date AFFO[(1)] was $211.1 million or $0.558 per unit.
- Distributions declared during the quarter totaled $0.162501 per unit, for an AFFO[(1)] payout ratio of 86.0%.

Operational Highlights:

- Leasing Profile - During the third quarter of 2014, Choice Properties entered into binding leases or offers to lease for 234,874 square feet of gross leasable area ("GLA"), of which 143,158 square feet, or 60.9% represented the renewal of expiring leases. Year-to-date binding leases or offers to lease totaled 417,763 square feet.
- Occupancy - At September 30, 2014, the Trust's portfolio occupancy rate was 97.9%, compared to 97.6% at the end of the third quarter of 2013.
- Development Program - During the quarter, construction of a new Fortinos food store in Stoney Creek, Ontario was completed. This project, along with new GLA recently completed for two retail tenants in Toronto, Ontario, opened for business in the quarter as planned. Construction of a Real Canadian Superstore food store in Surrey, British Columbia continued to proceed on plan to open in 2015. Subsequent to the quarter, Choice Properties acquired, for $18 million, a 70% interest in a limited partnership which holds 21 acres of land in Brampton, Ontario intended for future retail development.
- Active Management - During the quarter, hiring and training of new employees continued in preparation for the internalization of leasing and property management functions that were previously outsourced to a third party. In addition, as part of building its business platform, Choice Properties successfully completed the implementation of a real-estate focused enterprise resource planning system.
- Accretive Acquisitions - As previously announced, subsequent to the third quarter of 2014, Choice Properties acquired a 16-property portfolio from Loblaw Companies Limited ("Loblaw") for an aggregate purchase price of approximately $211.9 million, excluding transaction costs. The acquisition, with an overall year-one capitalization rate of 6.56%, excluding the $4 million cost of land purchased with the portfolio and available for immediate development, will be immediately accretive. The portfolio spans the country, adds approximately 1.3 million square feet of GLA and is expected to provide an estimated annual stabilized NOI[1] of approximately $13.6 million. The portfolio also offers potential to develop up to 280,000 square feet of additional GLA within five years and mixed-use redevelopment potential for three urban Toronto sites over the medium to long-term. In particular, Choice Properties expects to commence development of 200,000 square feet of the new GLA to expand the warehouse in Boucherville, Quebec in the fourth quarter of 2014. This project is expected to return a yield of 7.50%. Separately, Choice Properties entered into an agreement with Loblaw to acquire a warehouse of approximately 921,000 square feet in Pickering, Ontario for a purchase price of approximately $81.5 million, which represents a capitalization rate of 6.50%. The transaction is expected to close in the first quarter of 2015.

Capital Structure:

- Capacity to invest for further growth - For the third quarter and year-to-date period ended September 30, 2014, the Trust's debt service coverage ratio[(2)] was 3.4 times. With stable cash flow from operations and access to a $500 million unsecured revolving credit facility, the Trust has the capacity to meet ongoing obligations and invest for further growth.

(1) See "Non-GAAP Financial Measures" beginning on page 4.
(2) Debt ratios include Class C LP Units but exclude Exchangeable Units. The ratios are non-GAAP financial measures calculated based on the Trust Indenture, as supplemented.

Outlook

Choice Properties expects that its solid balance sheet and secure and reliable cash flows from long-term leases will enable it to meet its ongoing obligations and invest in further growth, even though the economic environment, particularly with respect to interest rates, creates some uncertainty. Choice Properties believes that the current Canadian retail and commercial real estate markets are relatively stable, and present development, acquisition and improved tenancy potential for future growth. As a result, the Trust expects to execute on its opportunities to develop and redevelop existing at-grade excess land, acquire assets from a dedicated pipeline from Loblaw's remaining portfolio and strengthen its underlying operations through improved leasing strategies and active property management. Over the longer-term, Choice Properties will seek to further expand through its development program with Loblaw and third parties, and the acquisition of properties from third-parties that meet its investment criteria.

Forward-Looking Statements

This press release contains forward-looking statements about Choice Properties' objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects and opportunities. Specific statements with respect to anticipated future results can be found in various sections included but not limited to Section 3 "Objectives and Strategies", Section 5 "Investment Properties", Section 7 "Results of Operations", Section 8 "Other Measures of Performance", Section 10 "Liquidity and Capital Resources" and Section 16 "Outlook" in the MD&A of Choice Properties' Third Quarter 2014 Report to Unitholders. Forward-looking statements are typically identified by words such as "expect", "anticipate", "believe", "foresee", "could", "estimate", "goal", "intend", "plan", "seek", "strive" , "will", "may", "should" and similar expressions, as they relate to Choice Properties and its management.

Forward-looking statements reflect Choice Properties' current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. Choice Properties' expectation of operating and financial performance is based on certain assumptions, including assumptions about future growth potential, prospects and opportunities, industry trends, future levels of indebtedness, current tax laws, current economic conditions and no new competition in the market that leads to reduced revenues and profitability. Management's estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other uncertainties and contingencies regarding future events and as such, are subject to change. Choice Properties can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause Choice Properties' actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including, those described in Section 12 "Enterprise Risks and Risk Management" in the MD&A of Choice Properties' Third Quarter 2014 Report to Unitholders. Such risks and uncertainties include:

- changes in economic conditions, including changes in interest rates, and the rate of inflation or deflation;
- the inability of Choice Properties to maintain and leverage its relationship with Loblaw, including in respect of: (i) Loblaw's retained interest in Choice Properties and its current intention with respect thereto; (ii) the services to be provided to Choice Properties (whether directly or indirectly) by Loblaw; (iii) expected transactions to be entered into between Loblaw and Choice Properties (including Choice Properties' acquisition of certain interests in properties held by Loblaw); and (iv) the Strategic Alliance Agreement between Choice Properties and Loblaw;
- changes in Loblaw's business, activities or circumstances which may impact Choice Properties, including Loblaw's inability to make rent payments or perform its obligations under its leases;
- failure to manage its growth effectively in accordance with its growth strategy or acquire assets on an accretive basis;
- changes in timing including municipal approvals, development costs, and tenant leasing and occupancy of properties under development or intensification;
- changes in Choice Properties' capital expenditure and fixed cost requirements;
- the inability of the Partnership to make distributions or other payments or advances;
- the inability of Choice Properties to obtain financing;
- changes in Choice Properties' degree of financial leverage;
- changes in laws or regulatory regimes, which may affect Choice Properties, including changes in the tax treatment of the Trust and its distributions to Unitholders or the inability of the Trust to continue to qualify as a "mutual fund trust" and as a "real estate investment trust", as such terms are defined in the *Income Tax Act* (Canada); and
- changes in Choice Properties' competitiveness in the real estate market or the unavailability of desirable commercial real estate assets.

This is not an exhaustive list of the factors that may affect Choice Properties' forward-looking statements. Other risks and uncertainties not presently known to Choice Properties could also cause actual results or events to differ materially from those expressed in its forward-looking statements. Additional risks and uncertainties are discussed in Choice Properties' materials filed with the Canadian securities regulatory authorities from time to time, including the Trust's 2013 Annual Information Form. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Choice Properties' expectations only as of the date of this press release. Except as required by applicable law, Choice Properties does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

Choice Properties uses the following non-GAAP financial measures: FFO, AFFO, and NOI. The Trust believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Trust for the reasons outlined below.

Management uses these and other non-GAAP financial measures to exclude the impact of certain expenses and income that must be recognized under GAAP when analyzing underlying operating performance, as the excluded items are not necessarily reflective of Choice Properties' underlying operating performance or impact the comparability of financial performance between periods. From time to time, the Trust may exclude additional items if it believes doing so would result in a more effective analysis of underlying operating performance. The exclusion of certain items does not imply that they are non-recurring.

These measures do not have a standardized meaning prescribed by GAAP and therefore they may not be comparable to similarly titled measures presented by other publicly traded REITs, and should not be construed as an alternative to other financial measures determined in accordance with GAAP.

Net Operating Income NOI is defined as cash rental revenue from investment properties less property operating costs. NOI is used as a key indicator of performance as it represents a measure over which management has control. The Trust evaluates performance of management by comparing the performance of the portfolio adjusted for the effects of certain items and current year acquisitions. The Trust's method of calculating NOI may differ from other issuers' methods and, accordingly, may not be comparable to NOI reported by other issuers.

Funds from Operations FFO is not a term defined under IFRS and may not be comparable to similar measures used by other real estate entities. Except as otherwise noted, Choice Properties calculates its FFO in accordance with the Real Property Association of Canada White Paper on Funds from Operations for IFRS issued in April 2014. The purpose of the White Paper was to provide reporting issuers and investors with greater guidance on the definition of FFO and to help promote more consistent disclosure from reporting issuers.

An advantage of the FFO measure is improved comparability between Canadian and foreign REITs. 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.

Funds from Operations Payout Ratio FFO payout ratio is calculated as the distributions per unit divided by the FFO per unit diluted.

Adjusted Funds from Operations AFFO is a supplemental measure of operating performance widely used in the real estate industry. Choice Properties calculates AFFO by adjusting FFO for non-cash income and expense items such as amortization of straight-line rents and finance charges. AFFO includes a reduction for capital expenditures for maintaining productive capacity required for sustaining property infrastructure and revenue from real estate properties and direct leasing costs. Property capital expenditures do not occur evenly over the fiscal year. The property capital expenditures in the AFFO calculation are adjusted to reflect an average annual spending level.

There is currently no standard industry-defined measure of AFFO. As such, Choice Properties' method of calculating AFFO may differ from that of other real estate entities and, accordingly, may not be comparable to such amounts reported by other issuers.

Adjusted Funds from Operations Payout Ratio AFFO payout ratio is calculated as the distributions per unit divided by the AFFO per unit diluted.

Choice Properties Real Estate Investment Trust
Reconciliation of Non-GAAP Financial Measures to GAAP Financial Measure

For the periods ended September 30. (in thousands of Canadian dollars, except per unit amounts) (unaudited)	Three Months 2014	Three Months 2013	Year-to-Date 2014	Year-to-Date 2013
Rental revenue	$ 170,293	$ 153,655	$ 507,677	$ 153,655
Reverse - Straight-line rental revenue	(8,576)	(8,109)	(25,851)	(8,109)
Property operating costs	(43,166)	(37,387)	(129,262)	(37,387)
Net Operating Income(1)	$ 118,551	$ 108,159	$ 352,564	$ 108,159
Net Income	$ 122,306	$ 73,626	$ 112,597	$ 73,626
Fair value adjustments on Exchangeable Units	(100,414)	35,425	(63,206)	35,425
Fair value adjustments on investment properties	15,612	(75,539)	15,521	(75,539)
Fair value adjustments on unit-based compensation	(322)	(7)	(550)	(7)
Loss on disposal of investment properties	450	—	450	—
Distributions on Exchangeable Units	47,993	42,623	141,537	42,623
Amortization of tenant improvement allowances	2	—	454	—
Funds from Operations(1)(3)	$ 85,627	$ 76,128	$ 206,803	$ 76,128
Reverse: Finance charge	—	—	48,911	—
Reverse: Internalization costs	2,372	—	2,372	—
Reverse: Start-up costs	—	2,974	—	2,974
Funds from Operations(1) excluding other charges	$ 87,999	$ 79,102	$ 258,086	$ 79,102
Funds from Operations(1)	$ 85,627	$ 76,128	$ 206,803	$ 76,128
Internalization costs	2,372	—	2,372	—
Start-up costs	—	2,974	—	2,974
Straight-line rental revenue	(8,576)	(8,109)	(25,851)	(8,109)
Effective interest rate amortization of finance charges	(362)	244	50,393	244
Unit-based compensation expense	607	370	1,665	370
Property capital expenditures - incurred	(15,534)	(1,165)	(18,276)	(1,165)
Property and leasing capital expenditures - normalized(2)	8,908	(3,835)	(3,670)	(3,835)
Leasing capital expenditures - incurred	(374)	(348)	(2,296)	(348)
Adjusted Funds from Operations(1)	$ 72,668	$ 66,259	$ 211,140	$ 66,259
AFFO(1) per unit - basic	$ 0.189	$ 0.184	$ 0.558	$ 0.184
AFFO(1) per unit - diluted	$ 0.189	$ 0.184	$ 0.558	$ 0.184
AFFO(1) payout ratio	86.0 %	85.0 %	87.4 %	85.0 %
Distribution per unit	$ 0.162501	$ 0.156416	$ 0.487503	$ 0.156416
Weighted average Units outstanding - basic	383,875,893	359,179,689	378,336,719	359,179,689
Weighted average Units outstanding - diluted	384,736,396	359,286,244	378,612,253	359,286,244
Number of Units outstanding, end of quarter	384,073,936	359,997,871	384,073,936	359,997,871

(1) See “Non-GAAP Financial Measures” beginning on page 4.
(2) Seasonality impacts the timing of capital expenditures. The AFFO calculation was adjusted for this factor to make the quarters more comparable.
(3) Including internalization costs and the reversal of the finance charge associated with the Transferor Note transactions as described in the MD&A Section 6, “Long Term Debt and Class C LP Units” in 2014 and start-up costs in 2013, FFO per unit on a diluted basis for the year-to-date periods ended 2014 and 2013 were $0.546 and $0.212, respectively..

Selected Financial Information

The following includes quarterly financial information prepared by management in accordance with IFRS and based on Trust's Third Quarter 2014 Report to Unitholders. This financial information does not contain all interim period disclosures required by IFRS, and accordingly should be read in conjunction with the Trust's 2013 Report to Unitholders, which are available in the Investor Relations section of the Trust's website at www.choicereit.ca.

Choice Properties Real Estate Investment Trust
Condensed Consolidated Balance Sheets

(in thousands of Canadian dollars) (unaudited)	As at September 30, 2014	As at December 31, 2013
Assets		
Non-current Assets		
Investment properties	$ 7,539,448	$ 7,287,759
Accounts receivable and other assets	8,645	7,693
	7,548,093	7,295,452
Current Assets		
Accounts receivable and other assets	218,080	100,885
Cash and cash equivalents	8,262	51,405
	226,342	152,290
Total Assets	$ 7,774,435	$ 7,447,742
Liabilities and Unitholders' Equity		
Non-current Liabilities		
Long term debt and Class C LP Units	$ 3,433,764	$ 3,286,442
Credit facility	75,427	—
Exchangeable Units	3,044,892	2,988,466
Trade payables and other liabilities	617	379
	6,554,700	6,275,287
Current Liabilities		
Long term debt due within one year	—	89,725
Trade payables and other liabilities	266,873	211,078
	266,873	300,803
Total Liabilities	6,821,573	6,576,090
Unitholders' Equity	952,862	871,652
Total Liabilities and Unitholders' Equity	$ 7,774,435	$ 7,447,742

Choice Properties Real Estate Investment Trust
Condensed Consolidated Statements Income and Comprehensive Income

(in thousands of Canadian dollars) (unaudited)	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Period from May 21, 2013 to September 30, 2013
Net Property Income				
Rental revenue from investment properties	$ 170,293	$ 153,655	$ 507,677	$ 153,655
Property operating costs	(43,166)	(37,387)	(129,262)	(37,387)
Net Property Income	127,127	116,268	378,415	116,268
Other Expenses				
General and administrative expenses	(6,411)	(7,445)	(17,102)	(7,445)
Amortization of other assets	(64)	(284)	(327)	(284)
Net interest expense and other financing charges	(82,698)	(75,027)	(295,624)	(75,027)
Fair value adjustment on Exchangeable Units	100,414	(35,425)	63,206	(35,425)
Fair value adjustment on investment properties	(15,612)	75,539	(15,521)	75,539
Loss on disposal of investment properties	(450)	—	(450)	—
Net Income and Comprehensive Income	$ 122,306	$ 73,626	$ 112,597	$ 73,626

Choice Properties Real Estate Investment Trust
Condensed Consolidated Statements of Cash Flows

(in thousands of Canadian dollars) (Unaudited)	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Period from May 21, 2013 to September 30, 2013
Operating Activities				
Net Income	$ 122,306	$ 73,626	$ 112,597	$ 73,626
Amortization of straight-line rent	(8,576)	(8,109)	(25,851)	(8,109)
Amortization of tenant improvement allowances	2	—	454	—
Amortization of other assets	64	284	327	284
Net interest expense and other financing charges	82,698	75,027	295,624	75,027
Value of unit-based compensation granted	285	363	1,115	363
Fair value adjustment on Exchangeable Units	(100,414)	35,425	(63,206)	35,425
Fair value adjustment on investment properties	15,612	(75,539)	15,521	(75,539)
Loss on disposal of investment property	450	—	450	—
Leasing capital expenditures	(374)	(348)	(2,296)	(348)
Interest received	161	180	361	180
Net change in non-cash working capital	7,780	51,699	(59,384)	51,699
Cash Flows from Operating Activities	119,994	152,608	275,712	152,608
Investing Activities				
Acquisition of initial properties	—	(23,910)	—	(23,910)
Acquisitions of investment properties	—	—	(96,555)	—
Additions to investment properties	(21,236)	(1,165)	(35,490)	(1,165)
Additions to fixtures and equipment	(2,364)	(3,451)	(2,723)	(3,451)
Proceeds of disposition	13,030	—	13,030	—
Cash Flows used in Investing Activities	(10,570)	(28,526)	(121,738)	(28,526)
Financing Activities				
Long term debt				
Issued - Senior unsecured debentures, net of debt placement costs	—	597,050	447,540	597,050
Retired - Transferor Notes	—	(660,000)	(440,000)	(660,000)
Retired - Class A LP Notes	—	(544,821)	—	(544,821)
Credit facility, net of debt placement costs	(12,932)	(2,175)	77,049	(2,175)
Note receivable from related party				
Issued to related party	(59,554)	(35,138)	(175,614)	(35,138)
Repaid by related party	—	—	92,057	—
Issuance of Trust Units	—	660,000	—	660,000
Trust Unit issue cost	—	(42,526)	—	(42,526)
Interest paid	(33,363)	(4,987)	(93,604)	(4,987)
Distributions on Exchangeable Units	—	—	(73,219)	—
Distributions to Unitholders	(10,181)	(8,947)	(31,326)	(8,947)
Cash Flows used in Financing Activities	(116,030)	(41,544)	(197,117)	(41,544)
Change in cash and cash equivalents	(6,606)	82,538	(43,143)	82,538
Cash and cash equivalents, beginning of period	14,868	—	51,405	—
Cash and Cash Equivalents, end of period	$ 8,262	$ 82,538	$ 8,262	$ 82,538

Management Discussion and Analysis and Financial Statements and Notes

Information appearing in this news release is a consolidated select summary of results. This news release should be read in conjunction with Choice Properties' Third Quarter Report to Unitholders, which includes the consolidated financial statements and MD&A for the Trust and is available at www.choicereit.ca and on SEDAR at www.sedar.com.

Conference Call and Webcast

Senior management will host a conference call to discuss the results on November 10, 2014 at 2:00PM (ET). To access via teleconference, please dial (647) 427-7450. A playback will be made available two hours after the event at (416) 849-0833, access code: 13777389.
To access the conference call via webcast, a link is available at www.choicereit.ca in the "Events and Webcast" section under "News and Events".

About Choice Properties Real Estate Investment Trust

Choice Properties Real Estate Investment Trust is an owner, manager and developer of well-located commercial real estate across Canada. Choice Properties' portfolio spans approximately 38.9 million square feet of gross leasable area and consists of 471 properties primarily focused on supermarket-anchored shopping centres and stand-alone supermarkets. Choice Properties' strategy is to create value by enhancing and optimizing its portfolio through active property management, accretive acquisitions and strategic development. Choice Properties' principal tenant and largest Unitholder is Loblaw Companies Limited, Canada's largest retailer. Choice Properties' strong alliance with Loblaw positions it well for future growth. For more information, visit Choice Properties' website at www.choicereit.ca and Choice Properties' issuer profile at www.sedar.com.

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