Choice Properties REIT

Choice Properties Real Estate Investment Trust Reports Results for the First Quarter Ended March 31, 2015

Continues to Deliver Solid, Secure and Predictable Operating and Financial Performance

Toronto, Ontario, Apr. 28, 2015 /CNW/ - Choice Properties Real Estate Investment Trust ("Choice Properties" or the "Trust") (TSX: CHP.UN) today announced its consolidated financial results for the first quarter ended March 31, 2015. The Trust's First 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.

Quarter Highlights:

- Reported FFO(1) per unit diluted of $0.238, $0.014 or 6.3% higher compared to $0.224 in the first quarter of 2014;
- Acquired two income producing properties for $86.4 million, excluding acquisition costs, that added approximately 1.0 million square feet of gross leasable area ("GLA") and an estimated stabilized NOI(1) of $5.8 million;
- Expanded development pipeline through the acquisition of two properties under development: a 16-acre site in Barrie, Ontario for $9.6 million, excluding acquisition costs; and a 50% co-ownership interest for $1.9 million, excluding acquisition costs, in a nine-acre parcel of land in Kanata, Ontario with a total value of $3.9 million;
- Issued senior unsecured debentures totaling $250,000 with a coupon rate of 2.297% per annum that mature on September 14, 2020, decreasing the Trust's weighted average interest rate; and
- Maintained a high occupancy rate of 98.3% compared to 98.1% as at December 31, 2014.

"Our first quarter results reflect the strength of our business model and our focus on creating long-term value. With our internalization initiatives complete and an expanded team fully engaged, we will continue to make great strides in building our business and capabilities," said John Morrison, President and Chief Executive Officer. "Our plans remain firmly focused on maximizing the value of our portfolio through development leasing and operating initiatives. In addition, we expect to continue to grow through acquisitions and strategic development partnerships while maintaining a strong balance sheet with a prudent debt profile."

Financial and Operational Summary

For the three months ended March 31 (in thousands of Canadian dollars, except where otherwise noted) (unaudited)		**2015**		2014
Number of properties		**475**		436
Gross Leasable Area ("GLA") (in millions of square feet)		**39.9**		36.4
Occupancy		**98.3%**		97.7%
Rental revenue	**$**	**181,674**	$	167,045
Net Operating Income ("NOI")(1)	**$**	**125,285**	$	115,332
Net Loss	**$**	**(211,050)**	$	(8,171)
Net Loss per unit diluted	**$**	**(0.533)**	$	(0.022)
Funds from Operations ("FFO")(1) per unit diluted(2)	**$**	**0.238**	$	0.224
Adjusted Funds from Operations ("AFFO")(1) per unit diluted	**$**	**0.191**	$	0.185
Adjusted Funds from Operations(1) payout ratio		**85.1%**		87.8%
Distribution declared per unit	**$**	**0.162501**	$	0.162501
Total assets (in millions)	**$**	**8,159**	$	7,407
Debt to total assets(3)		**45.8%**		46.9%
Debt service coverage(3)		**3.5x**		3.5x

(1) See "Non-GAAP Financial Measures" beginning on page 5.

(2) For the three months ended March 31, 2014, a non-cash finance gain of $3,342 was deducted from net loss to calculate FFO(1) (excluding other adjustments). The gain was the result of accelerated amortization of debt premiums due to early repayment of notes issued to Loblaw Companies Limited ("Loblaw") in connection with the IPO. FFO(1) per unit on a diluted basis, before adjusting for other adjustments, was $0.233.

(3) Debt ratios include Class C LP Units but exclude Exchangeable Units. The ratios are non-GAAP financial measures calculated based on the trust indentures, as supplemented.

Financial Highlights for the Quarter:

- **Net Operating Income**[(1)] **-** First quarter NOI[(1)] of $125.3 million represented an increase of $10.0 million, or 8.6%, over the first quarter of 2014. The positive variance was driven primarily by acquisitions, which contributed $7.7 million to NOI[(1)]. Based on a portfolio of properties that were owned throughout the current and comparative periods, Same Properties NOI[(1)] of $117.5 million increased by $2.5 million or 2.2% over the first quarter of 2014. This improvement was driven by an increase of $1.4 million in base rent and net recoveries that included $0.5 million in rental revenue generated from the development of new GLA, and $0.8 million in revenue from the recovery of capital expenditures and interest.
- **Adjusted Net Income** - First quarter adjusted net income was $43.8 million, excluding the charge of $254.8 million (2014 - $48.4 million) as a result of fair value adjustment on Exchangeable Units and investment properties, an increase of $3.6 million or 8.8% over adjusted net income of $40.2 million in the first quarter of 2014. This increase was primarily due to NOI[(1)] from acquisitions, which was partially offset by higher financing charges of $6.1 million. Including the fair value adjustments, first quarter net loss was $211.0 million.
- **Funds from Operations**[(1)] **-** First quarter FFO[(1)] was $94.3 million or $0.238 per unit, compared with $83.4 million or $0.224 per unit in the first quarter of 2014, excluding a non-cash finance gain of 3.3 million. The year-over-year improvement in FFO[(1)], of $0.014 per unit, was primarily driven by NOI[(1)] from acquisitions.
- **Adjusted Funds from Operations**[(1)] **-** First quarter AFFO[(1)] was $75.5 million or $0.191 per unit, compared to $68.7 million or $0.185 per unit in the first quarter of 2014. Similar to FFO[(1)], the improvement in AFFO[(1)] was primarily driven by NOI[(1)] from acquisitions, partially offset by higher capital expenditures and financing charges.
- **Distribution** - Distribution declared per unit during the quarter totaled $0.162501, for an AFFO[(1)] payout ratio of 85.1% (2014 - 87.8%).

Operational Highlights for the Quarter:

- **Accretive Acquisitions**
  - As previously announced, Choice Properties completed the acquisition of two income producing properties, a warehouse of approximately 920,000 square feet in Pickering, Ontario for a purchase price of $81.2 million, excluding acquisition costs and a shopping centre of approximately 55,000 square feet in Porters Lake, Nova Scotia for a purchase price of $5.2 million, excluding acquisition costs. The acquisitions were immediately accretive with year-one capitalization rates of 6.50% and 9.50% and estimated stabilized NOI of $5.3 million and $0.5 million, respectively. The shopping centre is currently 86% occupied by 20 tenants and anchored by a 47,000 square foot stand-alone grocery store on an adjacent property owned by Choice Properties; upon acquisition the two sites were combined and re-categorized as a multi-tenant property.
- **Land for Retail Development**
  - As previously announced, Choice Properties acquired land for development in the first quarter of 2015, a 16-acre parcel in Barrie, Ontario from Loblaw for a purchase price of approximately $9.6 million, excluding acquisition costs and a nine-acre parcel in a 50% co-ownership for a purchase price of approximately $3.9 million, excluding acquisition costs. Choice Properties intends to develop a retail centre at the Barrie property in conjunction with an adjacent 21-acre parcel of land as part of co-development arrangements, and develop the Kanata property for future retail.
- **Leasing Profile -** During the first quarter of 2015, Choice Properties entered into leases or offers to lease for 234,689 square feet of GLA with an average lease term of 4.6 years, including renewals of 33,924 square feet with an average increase in base rent of 8.9%.
- **Occupancy -** At March 31, 2015, the Trust's portfolio occupancy rate was 98.3%, compared to 98.1% at December 31, 2014.

Capital Structure:

- **Capacity to Invest for Further Growth -** As at March 31, 2015, the Trust's debt service coverage ratio[(2)] was 3.5 times. With stable cash flow from operations and access to a $500 million unsecured revolving credit facility, the Trust believes it has the financial capacity to meet ongoing obligations and invest for further growth.
- **Strengthened Financial Flexibility Through Debt Financing -** As previously announced Choice Properties issued $250 million of Series E senior unsecured debentures with a coupon rate of 2.297% that mature on September 14, 2020. This financing served to reduce Choice Properties' overall weighted average interest rate while maintaining the weighted average term to maturity of its debt instruments. The net proceeds of the offering were used by the Trust to repay existing indebtedness and for general business purposes.

(1) See "Non-GAAP Financial Measures" beginning on page 5.

(2) Debt ratios include Class C LP Units but exclude Exchangeable Units. The ratios are non-GAAP financial measures calculated based on the trust indentures, as supplemented.

Outlook

While the Canadian economy presents uncertainty given volatility in commodity pricing, in particular, oil and gas prices, as well as the Canadian dollar exchange rate and interest rates, Choice Properties believes that the fundamentals of the retail real estate market remain stable. Even though the Canadian retail landscape continues to be ever evolving, underscored by recent notable exits and anticipated new entrants of retailers, Choice Properties' grocery anchored real estate focus and its stable and reliable cash flows from long-term leases position it well to execute on potential opportunities to drive growth. With consistent cash flow from operations and a strong balance sheet, Choice Properties expects to meet its ongoing obligations, including providing its Unitholders with monthly distributions and to invest in growth. For the balance of the 2015 fiscal year, Choice Properties intends to continue focusing on:

- Acquiring accretive assets that meet its investment criteria and that are strategically aligned with its current portfolio;
- Leveraging the excess density within its portfolio for at-grade intensification;
- Accelerating greenfield and mixed-used development programs; and
- Enhancing internally managed operations to strengthen relationships with tenants and to optimize cash flows and profitability within its portfolio.

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 of this press release and in the MD&A of Choice Properties' First Quarter 2015 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 the "Enterprise Risks and Risk Management" section of Choice Properties' 2014 Annual Report. 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; (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 to obtain 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 Choice Properties Limited 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 2014 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: NOI, FFO, and AFFO. 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.

Same Properties Properties that were owned throughout both the current and comparative periods are grouped as same properties for comparative calculations.

Net Operating Income NOI is defined as cash rental revenue from investment properties less property operating costs. NOI is a key performance indicator as it evaluates the results of the portfolio and represents a measure over which management has control. It is also a key input in determining the fair value of the portfolio. 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 real estate investment trusts. FFO adds back to net income (or net loss) 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 distribution declared 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 views AFFO as an alternative measure of cash generated from operations and considers AFFO generated as one of its inputs in determining the appropriate level of distribution to Unitholders. 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 distribution declared per unit divided by the AFFO per unit diluted.

Choice Properties Real Estate Investment Trust

Calculation of Non-GAAP Financial Measures

For the three months ended March 31 (in thousands of Canadian dollars, except per unit amounts) (unaudited)	2015	2014
Rental revenue	**$ 181,674**	$ 167,045
Reverse - Straight-line rental revenue	**(8,819)**	(8,562)
Property operating costs	**(47,570)**	(43,151)
Net Operating Income[1]	**$ 125,285**	$ 115,332
Net Loss	**$ (211,050)**	$ (8,171)
Fair value adjustments on Exchangeable Units	**254,203**	48,293
Fair value adjustments on investment properties	**612**	110
Fair value adjustments on unit-based compensation	**341**	(88)
Distributions on Exchangeable Units	**49,774**	46,162
Direct leasing costs	**2**	—
Amortization of tenant improvement allowances	**375**	450
Funds from Operations[1][3]	**$ 94,257**	$ 86,756
Reverse: Finance gain[3]	**—**	(3,342)
Funds from Operations[1] excluding other adjustments	**$ 94,257**	$ 83,414
Funds from Operations[1][3]	**$ 94,257**	$ 86,756
Straight-line rental revenue	**(8,819)**	(8,562)
Effective interest rate amortization of finance charges	**(313)**	(1,887)
Unit-based compensation expense	**559**	417
Property capital expenditures - incurred	**(22)**	(476)
Property and leasing capital expenditures - normalized[2]	**(9,942)**	(5,741)
Leasing capital expenditures - incurred	**(238)**	(1,800)
Adjusted Funds from Operations[1]	**$ 75,482**	$ 68,707
AFFO[1] per unit - basic	**$ 0.191**	$ 0.185
AFFO[1] per unit - diluted	**$ 0.191**	$ 0.185
AFFO[1] payout ratio	**85.1%**	87.8%
Distribution declared per unit	**$ 0.162501**	$ 0.162501
Weighted average Units outstanding - basic	**395,740,551**	371,885,952
Weighted average Units outstanding - diluted	**396,217,727**	372,066,094
Number of Units outstanding, end of quarter	**395,976,907**	372,029,705

(1) See “Non-GAAP Financial Measures” beginning on page 5.

(2) Seasonality impacts the timing of capital expenditures. AFFO calculation was adjusted for this factor to make the quarters more comparable.

(3) For the three months ended March 31, 2014, a non-cash finance gain of $3,342 was deducted from net loss to calculate FFO[1] (excluding other adjustments). The gain was the result of accelerated amortization of debt premiums due to early repayment of notes issued to Loblaw in connection with the IPO. FFO[1] per unit on a diluted basis, before adjustments was $0.233.

Selected Financial Information

The following includes quarterly financial information prepared by management in accordance with IFRS and based on the Trust's First Quarter 2015 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 2014 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
Consolidated Balance Sheets

(unaudited) (in thousands of Canadian dollars)	**As at March 31, 2015**	As at December 31, 2014
Assets		
Non-current Assets		
Investment properties	**$ 8,028,226**	$ 7,905,978
Equity accounted investments	**6,750**	6,230
Accounts receivable and other assets	**10,136**	10,057
Notes receivable	**25,086**	22,539
	8,070,198	7,944,804
Current Assets		
Accounts receivable and other assets	**18,600**	9,473
Notes receivable	**61,830**	236,829
Cash and cash equivalents	**8,866**	1,332
	89,296	247,634
Total Assets	**$ 8,159,494**	$ 8,192,438
Liabilities and Unitholders' Equity		
Non-current Liabilities		
Long term debt and Class C LP Units	**$ 3,682,118**	$ 3,435,628
Credit facility	**—**	120,187
Exchangeable Units	**3,464,227**	3,207,216
Trade payables and other liabilities	**1,264**	1,020
	$ 7,147,609	$ 6,764,051
Current Liabilities		
Long term debt due within one year	**1,011**	993
Trade payables and other liabilities	**193,559**	388,997
	194,570	389,990
Total Liabilities	**7,342,179**	7,154,041
Equity		
Unitholders' equity	**809,619**	1,030,701
Non-controlling interests	**7,696**	7,696
Total Equity	**817,315**	$ 1,038,397
Total Liabilities and Equity	**$ 8,159,494**	$ 8,192,438

Choice Properties Real Estate Investment Trust
Consolidated Statements of Loss and Comprehensive Loss

(unaudited) (in thousands of Canadian dollars)	**Three months ended March 31, 2015**	Three months ended March 31, 2014
Net Property Income		
Rental revenue from investment properties	**$ 181,674**	$ 167,045
Property operating costs	**(47,570)**	(43,151)
Net Property Income	**134,104**	123,894
Other Expenses		
General and administrative expenses	**(5,857)**	(5,329)
Amortization of other assets	**(168)**	(131)
Net interest expense and other financing charges	**(84,314)**	(78,202)
Fair value adjustment on Exchangeable Units	**(254,203)**	(48,293)
Fair value adjustment on investment properties	**(612)**	(110)
Net Loss and Comprehensive Loss	**$ (211,050)**	$ (8,171)

Choice Properties Real Estate Investment Trust
Consolidated Statements of Cash Flows

(unaudited) (in thousands of Canadian dollars)	Three months ended March 31, 2015	Three months ended March 31, 2014
Operating Activities		
Net loss	**$ (211,050)**	$ (8,171)
Amortization of straight-line rental revenue	**(8,819)**	(8,562)
Amortization of tenant improvement allowances	**2**	450
Amortization of other assets	**168**	131
Net interest expense and other financing charges	**84,314**	78,202
Value of unit-based compensation granted	**900**	329
Fair value adjustment on Exchangeable Units	**254,203**	48,293
Fair value adjustment on investment properties	**612**	110
Leasing capital expenditures	**(238)**	(1,800)
Interest received	**67**	115
Net change in non-cash working capital	**(20,428)**	(40,071)
Cash Flows from Operating Activities	**99,731**	69,026
Investing Activities		
Acquisitions of investment properties	**(95,720)**	(15,739)
Additions to investment properties	**(14,783)**	(7,122)
Additions to fixtures and equipment	**(247)**	(163)
Notes receivable issued to third-party	**(2,065)**	—
Equity investment	**(520)**	—
Cash Flows used in Investing Activities	**(113,335)**	(23,024)
Financing Activities		
Long term debt		
Issued - Senior unsecured debentures, net of debt placement costs	**248,886**	447,540
Retired - Transferor Notes	**—**	(440,000)
Principal repayments - Mortgage	**(242)**	—
Credit facility		
Repayments	**(122,000)**	—
Debt placement costs	**(10)**	—
Notes receivable		
Issued to related party	**(61,322)**	(57,725)
Repaid by related party	**236,328**	92,057
Interest paid	**(80,415)**	(46,981)
Distributions paid on Exchangeable Units	**(190,078)**	(73,219)
Distributions paid to Unitholders	**(10,009)**	(10,761)
Cash Flows used in Financing Activities	**21,138**	(89,089)
Change in cash and cash equivalents	**7,534**	(43,087)
Cash and cash equivalents, beginning of period	**1,332**	51,405
Cash and Cash Equivalents, end of period	**$ 8,866**	$ 8,318

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' First Quarter Report to Unitholders, which includes the unaudited interim period condensed 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 April 29, 2015 at 10:00AM (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: 2223028. To access the conference call via webcast, a link is available at www.choicereit.ca in the "Events and Webcasts" section under "News and Events".

Annual Meeting of Unitholders

The 2015 annual Meeting of Unitholders of Choice Properties Real Estate Investment Trust will be held on Wednesday, April 29, 2015 at 11:00AM (ET) at St. Andrew's Club and Conference Centre, St. Andrew's Hall, 150 King Street West, 27th Floor, Toronto, Ontario.

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: 2295850. To access the meeting 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 39.9 million square feet of gross leasable area and consists of 475 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 accretive acquisitions, strategic development and active property management. 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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