



MANAGEMENT PROXY CIRCULAR

**CHOICE PROPERTIES REAL ESTATE INVESTMENT TRUST
ANNUAL MEETING OF UNITHOLDERS**

APRIL 24, 2020

THIS DOCUMENT CONTAINS:

NOTICE OF ANNUAL MEETING OF UNITHOLDERS
MANAGEMENT PROXY CIRCULAR



March 13, 2020

Dear Fellow Unitholder,

On behalf of the Board and management of Choice Properties Real Estate Investment Trust ("Choice Properties"), we are pleased to invite you to our Annual Meeting of Unitholders, which will be held on Friday, April 24, 2020 at 10:00 a.m. (Toronto time). Due to the uncertain public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year's meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

The Notice of Annual Meeting of Unitholders and related materials are enclosed.

This Management Proxy Circular describes the business to be conducted at the meeting. The Circular contains information on our governance practices and our approach to executive compensation. At the meeting, unitholders will be voting on important matters. We hope that you take the time to review these meeting materials and that you exercise your vote. You may vote either by attending the virtual meeting or by completing and sending in your proxy form. Please read the enclosed materials as they contain relevant information for voting on the business to be conducted at the meeting.

We hope you will be able to join us at our meeting, which will occur by live webcast at <https://web.lumiagm.com/166996853>. Additional information on how to attend the virtual meeting is enclosed. This meeting is an opportunity to listen to and ask questions of the people who are responsible for the performance of Choice Properties. The webcast of the meeting will be archived on our website following the meeting.

We thank you for your continued support of Choice Properties and look forward to your attendance at this year's meeting.

Yours truly,

A handwritten signature in black ink, appearing to read "G. Weston", with a stylized flourish at the end.

Galen G. Weston
Chairman

MANAGEMENT PROXY CIRCULAR

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NOTICE OF ANNUAL MEETING OF UNITHOLDERS

The 2020 Annual Meeting of Unitholders (the “Meeting”) of Choice Properties Real Estate Investment Trust (“Choice Properties” or the “Trust”) will be held on Friday, April 24, 2020 at 10:00 a.m. (Toronto time) for the following purposes:

- A. to receive the audited consolidated financial statements of the Trust for the financial year ended December 31, 2019, and the external auditor’s report;
- B. to elect members of the Board of Trustees of Choice Properties (see “Elect the Board of Trustees” in the Management Proxy Circular (the “Circular”) for additional details);
- C. to appoint the external auditor and to authorize the trustees to fix the external auditor’s remuneration (see “Appoint the External Auditor” in the Circular for additional details);
- D. to vote on the advisory resolution on the approach to executive compensation; and
- E. to transact such other business as may properly be brought before the Meeting or any reconvened meeting.

Record Date and Voting

Only unitholders of record at the close of business on March 9, 2020 are entitled to vote at the Meeting.

Due to the uncertain public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s Meeting will be held in a virtual meeting format only. Unitholders will be able to listen to, participate in and vote at the Meeting in real time through a web-based platform instead of attending the Meeting in person.

You can attend the Meeting by joining the live webcast online at <https://web.lumiagm.com/166996853>. See “How do I attend and participate at the virtual Meeting?” in the Circular for detailed instructions on how to attend and vote at the Meeting.

In order to determine how to vote at the Meeting, you should first determine whether you are: (i) a beneficial holder of units of the Trust (the “Trust Units”), as are most of the Trust’s unitholders; or (ii) a registered holder of Trust Units.

- You are a beneficial unitholder (also known as a non-registered unitholder) if you own Trust Units indirectly and your Trust Units are registered in the name of a bank, trust company, broker or other intermediary. For example, you are a beneficial unitholder if your Trust Units are held in a brokerage account of any kind.
- You are a registered unitholder if you hold a paper unit certificate or certificates and your name appears directly on the unit certificate(s).

Notice and Access

Choice Properties is using the “notice and access” procedure adopted by the Canadian Securities Administrators for the delivery of the Circular. Under the notice and access procedure, you are still entitled to receive a form of proxy (or voting instruction form) enabling you to vote at the Meeting. However, instead of paper copies of the Circular, you are receiving this Notice of Meeting that contains information about how to access the Circular electronically. The principal benefit of the notice and access procedure is that it reduces costs and the environmental impact of producing and distributing paper copies of documents in large quantities. Unitholders who have consented to electronic delivery of materials are receiving this Notice of Meeting in an electronic format.

The Circular and form of proxy (or voting instruction form) for the Trust Units and the special voting units of the Trust issued in connection with the Class B limited partnership units of Choice Properties Limited Partnership (the “Special Voting Units” and, together with the Trust Units, the “Units”) provide additional information concerning the matters to be dealt with at the Meeting. **You should access and review all information contained in the Circular before voting.**

Unitholders with questions about the notice and access procedure can call Broadridge Investor Communications Corporation (“Broadridge”) toll free at 1-855-887-2244.

Websites Where the Circular is Posted

The Circular can be viewed online on the Trust's website, www.choicereit.ca, or under Choice Properties' SEDAR profile at www.sedar.com.

How to Obtain a Paper Copy of the Circular

All unitholders may request that paper copies of the Circular be mailed to them at no cost for up to one year from the date that the Circular was filed on SEDAR.

If you are a beneficial unitholder, a request may be made by going to www.proxyvote.com and entering the 16-digit control number located on your voting instruction form and following the instructions provided. Alternatively, you may submit a request by calling Broadridge at 1-877-907-7643. A request must be received by April 14, 2020 (i.e., at least seven business days in advance of the date and time specified in your voting instruction form as the voting deadline) if you would like to receive the Circular in advance of the voting deadline and Meeting date.

If you hold a paper unit certificate or certificates and your name appears directly on the unit certificate(s), and, if you would like to receive the Circular: (i) in advance of the voting deadline and Meeting date; or (ii) after the Meeting date and within one year from the date the Circular was filed on SEDAR, then a request may be made by calling AST Trust Company (Canada) ("AST") at 1-888-433-6443, or outside Canada and the United States, at 416-682-3801 or by emailing fulfilment@astfinancial.com. A request must be received by April 14, 2020 (i.e., at least seven business days in advance of the date and time specified in your proxy form as the voting deadline) if you would like to receive the Circular in advance of the voting deadline and Meeting date.

Voting

Beneficial Unitholders

Beneficial unitholders are entitled to vote through Broadridge or their intermediary, or during the Meeting by online ballot through the live webcast platform. Beneficial unitholders should vote by following the instruction of Broadridge or their intermediary as indicated on their voting instruction form. Voting instruction forms will be provided by Broadridge or your intermediary. Voting instruction forms may be returned as follows:

INTERNET: www.proxyvote.com

TELEPHONE: 1-800-474-7493 (English) or 1-800-474-7501 (French)

MAIL: Data Processing Centre, P.O. Box 3700, STN. INDUSTRIAL PARK, Markham, Ontario L3R 9Z9

Broadridge or your intermediary must receive your voting instructions at least one business day in advance of the proxy deposit date noted on your voting instruction form. If you are a beneficial unitholder and you wish to attend and vote at the Meeting (or have another person attend and vote on your behalf), you must complete the voting instruction form in accordance with the instructions provided. These instructions include the additional step of registering the person you have designated to attend the Meeting (either yourself or the person you designated to attend on your behalf) with our transfer agent, AST, after submitting the form of proxy or voting instruction form. Failure to register the proxyholder you have designated to attend the Meeting with AST will result in such proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

Registered Unitholders

Registered unitholders are entitled to vote by proxy or during the Meeting by online ballot through the live webcast platform. Registered unitholders who are unable to attend the Meeting should exercise their right to vote by signing and returning the form of proxy, or voting in advance by telephone, in accordance with the directions on the form. AST must receive completed proxies not later than 5:00 p.m. (Toronto time) on April 22, 2020 or, if the Meeting is adjourned or postponed, two business days before the Meeting is reconvened.

By Order of the Board of Trustees,



Doris L. Baughan
Senior Vice President, General Counsel and Secretary
March 13, 2020
Toronto, Ontario

VOTING INFORMATION

ABOUT THIS CIRCULAR AND RELATED PROXY MATERIALS

This Management Proxy Circular (the “Circular”) and other materials are being provided in connection with the 2020 Annual Meeting of Unitholders (the “Meeting”) of Choice Properties Real Estate Investment Trust (“Choice Properties” or the “Trust”) to be held on Friday, April 24, 2020, at 10:00 a.m. (Toronto time). Due to the uncertain public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of our unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

This Circular describes the items to be voted on at the Meeting as well as the voting process, and provides information about trustee and executive compensation, governance practices and other relevant matters.

Please see the “Questions and Answers Regarding the Voting Process” section below for an explanation of how you can vote on the matters to be considered at the Meeting, whether or not you decide to attend the Meeting.

Unless otherwise indicated, the information contained in this Circular is given as of March 9, 2020 and all dollar amounts used are in Canadian dollars.

NOTICE AND ACCESS

Choice Properties is using the “notice and access” procedure that allows it to furnish proxy materials over the internet instead of mailing paper copies to Unitholders. Under the notice and access procedure, Choice Properties will deliver proxy-related materials by: (i) posting the Circular (and other proxy related materials) on www.choicereit.ca; and (ii) sending the Notice of Meeting informing holders of units of the Trust (“Trust Units”) and holders of the special voting units of Choice Properties issued in connection with the Class B limited partnership units of Choice Properties Limited Partnership (the “Special Voting Units”, and together, with the Trust Units, the “Units”, and any holder thereof being a “Unitholder”) that the Circular and proxy related materials have been posted on the Trust’s website and explaining how to access them.

On or about March 25, 2020, Choice Properties will send to Unitholders the Notice of Meeting and the relevant voting document (a form of proxy or a voting instruction form). The Notice of Meeting contains basic information about the Meeting and the matters to be voted on, instructions on how to access the proxy materials, and explains how to obtain a paper copy of the Circular.

QUESTIONS AND ANSWERS REGARDING THE VIRTUAL MEETING

Q: Why will the Meeting be completely virtual?

A: Due to the uncertain public health impact of the coronavirus outbreak (COVID-19) and in consideration of the health and safety of our Unitholders, colleagues and the broader community, this year’s meeting will be held in a virtual meeting format only, by way of a live webcast. Unitholders will be able to listen, participate and vote at the meeting in real time through a web-based platform instead of attending the meeting in person.

Q: Who can attend and vote at the virtual Meeting?

A: Registered Unitholders and duly appointed proxyholders who log in to the Meeting online will be able to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Circular. Unitholders who wish to appoint a proxyholder to represent them at the Meeting (including non-registered Unitholders who wish to appoint themselves as proxyholder to attend, participate and vote at the Meeting) must submit their duly completed proxy or voting instruction form AND register the proxyholder with Choice Properties’ registrar and transfer agent, AST Trust Company (Canada) (“AST”) as described below. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with AST will result in that proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Beneficial Unitholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, provided that they are connected to the internet. Guests will be able to listen to the Meeting but will not be able to ask questions or vote.

Q: How do I attend and participate in the virtual Meeting?

A: In order to attend the Meeting, registered Unitholders, duly appointed proxyholders (including beneficial Unitholders who have duly appointed themselves as proxyholder) and guests (including beneficial Unitholders who have not duly appointed themselves as proxyholder) must log in online as set out below.

- Step 1: Log in online at <https://web.lumiagm.com/166996853>
- Step 2: Follow the instructions below:

Registered Unitholders: Click “Login” and then enter your control number and password “**choice2020**” (case sensitive). The control number located on the form of proxy or in the email notification you received from AST is your control number. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.

Duly appointed proxyholders: Click “Login” and then enter your control number and password “**choice2020**” (case sensitive). Proxyholders who have been duly appointed and registered with AST as described in this Circular will receive a control number by email from AST and the proxy voting deadline has passed.

Guests: Click “Guest” and then complete the online form.

Registered Unitholders and duly appointed proxyholders may ask questions at the Meeting and vote by completing a ballot online during the Meeting. If you plan to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures.

Beneficial Unitholders who have not duly appointed themselves as proxyholders may listen to the Meeting as guests. Guests will not be permitted to ask questions or vote at the Meeting.

QUESTIONS AND ANSWERS REGARDING THE VOTING PROCESS

Q: What items of business am I voting on?

A: You will be voting on:

- the election of trustees;
- the appointment of the external auditor and authorization of the trustees to fix the external auditor’s remuneration; and
- the advisory resolution on the Trust’s approach to executive compensation.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a Unitholder as at the close of business on March 9, 2020, which was the record date of the Meeting. As at March 9, 2020, Choice Properties had 310,441,663 Trust Units outstanding and 389,961,783 Special Voting Units outstanding, each carrying the right to one vote per Trust Unit or Special Voting Unit, as the case may be. Special Voting Units are issued only in connection with Class B limited partnership units of Choice Properties Limited Partnership (“Class B LP Units”) for the purpose of providing voting rights with respect to Choice Properties to the holders of such exchangeable securities. The Class B LP Units are, in all material respects, economically equivalent to the Trust Units on a per Trust Unit basis. All of the outstanding Special Voting Units are held by George Weston Limited (“Weston”).

Q: How do I vote?

A: How you vote depends on whether you are a registered or a beneficial Unitholder. Please read the voting instructions below that are applicable to you.

Q: Am I a registered Unitholder?

A: You are a registered Unitholder if you hold Units in your own name and you hold a unit certificate. As a registered Unitholder, you are identified on the unit register maintained by AST, as being a Unitholder.

Q: Am I a beneficial or non-registered Unitholder?

A: Most Unitholders are beneficial Unitholders. You are a beneficial Unitholder if your Trust Units are held in an account in the name of an intermediary, such as a bank, broker or trust company. As a beneficial Unitholder, you do not have a unit certificate registered in your name, but your ownership interest in Trust Units is recorded in an electronic system. As such, you are not identified on the unit register maintained by AST as being a Unitholder. Instead, Choice Properties' unit register shows the holder of your Trust Units as being the intermediary or depository through which you own your Trust Units.

The Trust distributes copies of the proxy-related materials in connection with the Meeting to intermediaries so that they may distribute the materials to the beneficial Unitholders. Intermediaries often forward the materials to beneficial Unitholders through a service company (such as Broadridge Investor Communications Corporation). The Trust pays for an intermediary to deliver the proxy-related materials to all beneficial Unitholders.

Q: How do I vote if I am a registered Unitholder?

A: If you are a registered Unitholder, you may vote your Units by proxy or during the Meeting by online ballot through the live webcast platform.

1. Voting at the Meeting

If you wish to vote your Units at the Meeting, do not complete or return the form of proxy sent to you by AST. Your vote will be taken and counted at the Meeting through the live webcast platform.

2. Voting by proxy

You can vote by proxy whether or not you attend the Meeting. To vote by proxy, please complete the form of proxy and return it by mail, courier or hand to AST at the address listed below.

You may authorize the Trust's representatives named in the form of proxy to vote your Units, **or you may appoint another person to be your proxyholder**. The names already inserted on the form of proxy are Galen G. Weston, Chairman of the board of trustees (the "Board" or "Board of Trustees") of Choice Properties and Doris L. Baughan, Senior Vice President, General Counsel and Secretary of Choice Properties. Unless you choose another person to be your proxyholder, you are giving these persons the authority to vote your Units at the Meeting.

To appoint another person to be your proxyholder, you must insert the other person's name in the blank space provided. That person must attend the Meeting to vote your Units by online ballot through the live webcast platform. If you do not insert a name in the blank space, the Trust's representatives named above are appointed to act as your proxyholder. You may also use a different form of proxy than the one included with the materials sent to you.

If you wish to appoint another person or company to be your proxyholder, you must complete the additional step of registering such proxyholder with AST at 1-800-387-0825, or outside Canada and United States, at 416-682-3860 after submitting your form of proxy. Failure to register the proxyholder with AST will result in the proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Please note that in order for your vote to be recorded, your proxy must be received by AST at Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1, no later than 5:00 p.m. (Toronto time) on April 22, 2020, or two business days before the convening of any adjourned or postponed Meeting.

Q: How do I vote if I am a beneficial Unitholder?

A: If you are a beneficial Unitholder, you may vote your Trust Units in one of the following ways:

1. Through your intermediary

A voting instruction form will be included with the materials sent to you by your intermediary. The purpose of this form is to instruct your intermediary on how to vote on your behalf. Please follow the instructions provided on the voting instruction form.

2. By attending the Meeting

If you wish to vote your Trust Units during the Meeting by online ballot through the live webcast platform, you should take these steps:

- Step 1: Insert your name in the space provided on the voting instruction form provided by your intermediary and sign and return it in accordance with the instructions provided. By doing so, you are instructing your intermediary to appoint you as proxyholder. Do not otherwise complete the form, as you will be voting at the Meeting.
- Step 2: Register yourself as a proxyholder with AST at AST by phone at 1-800-387-0825, or outside Canada and United States, at 416-682-3860 by no later than 5:00 p.m. (Toronto time) on April 22, 2020, or two business days before reconvening any adjourned or postponed Meeting. Failure to register yourself as proxyholder with AST will result in you not receiving a control number to participate in the Meeting and you would only be able to attend the Meeting as a guest.

3. By designating another person to be appointed as your proxyholder

You can choose another person (including someone who is not a Unitholder) to vote for you as a proxyholder. If you appoint someone else, he or she must attend Meeting to vote for you. If you wish to appoint a proxyholder, you should insert that person's name in the space provided on the voting instruction form provided to you by your intermediary and sign and return it in accordance with the instructions provided. By doing so, you are instructing your intermediary to appoint that person as proxyholder. Do not otherwise complete the form, as your proxyholder will be voting at the Meeting. You must also register your proxyholder with AST at 1-800-387-0825, or outside Canada and United States, at 416-682-3860 by no later than 5:00 p.m. (Toronto time) on April 22, 2020, or two business days before reconvening any adjourned or postponed Meeting. Failure to register the proxyholder you have designated to attend the Meeting on your behalf with AST will result in the proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

Q: How will my Units be voted?

A: On the form of proxy, you can indicate how you want your proxyholder to vote your Units or you can let your proxyholder decide for you. If you have specified on the form of proxy how you want your Units to be voted on a particular issue (by marking FOR, WITHHOLD, or AGAINST, as applicable), then your proxyholder must vote your Units accordingly. If you have not specified on the form of proxy how you want your Units to be voted on a particular issue, then your proxyholder can vote your Units as he or she sees fit.

Unless contrary instructions are provided, Units represented by proxies appointing the Trust's representatives provided as the proxyholder will be voted:

- **FOR the election of the trustees;**
- **FOR the re-appointment of KPMG LLP as the external auditor of Choice Properties and the authorization of the trustees to fix the external auditor's remuneration; and**
- **FOR the advisory resolution on the approach to executive compensation.**

Q: Can I revoke my proxy or voting instruction?

A: If you are a **beneficial Unitholder**, you should contact your intermediary through which you hold Trust Units and obtain instructions regarding the procedure for the revocation of any voting or proxyholder instructions that you have previously provided to your intermediary.

If you are a **registered Unitholder**, you may revoke your proxy by taking one of the following steps:

- you may submit a new proxy to AST before 5:00 p.m. (Toronto time) on April 22, 2020, or two business days before an adjourned or postponed Meeting is reconvened;
- you (or your attorney, if authorized in writing) may sign a written notice of revocation addressed to the Secretary of Choice Properties and deposit it at the registered office of AST at any time up to and including the last business day preceding the day of the Meeting or an adjourned or postponed Meeting, at which the proxy is to be used; or you (or your attorney, if authorized in writing) may sign a written notice of revocation and deliver it to the Chair of the Meeting on the day of the Meeting, or any adjournment or postponement of the Meeting, at which the proxy is to be used.
- you may vote during the Meeting by submitting an online ballot through the live webcast platform, which will revoke your previous proxy.

Q: What if there are amendments or if other matters are brought before the Meeting?

A: Your proxyholder has discretionary authority to vote in respect of amendments that are made to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting or the date that any adjourned or postponed Meeting is reconvened. As of the date of this Circular, management of the Trust is not aware of any such amendments or other matters to be presented at the Meeting; however, if any such matter is presented, your Units will be voted in accordance with the best judgment of the proxyholder named in the form. If you have not specifically appointed a person as proxyholder, a Trust representative named in the enclosed proxy form will be your proxyholder, and your Units will be voted in accordance with the best judgment of the Trust representative.

GENERAL INFORMATION

Q: How many Units are entitled to be voted?

A: The Board fixed March 9, 2020 as the record date for the purpose of determining those Unitholders entitled to vote at the Meeting. On March 9, 2020, there were 310,441,663 Trust Units and 389,961,783 Special Voting Units outstanding. Each Trust Unit and Special Voting Unit is entitled to one vote on each matter to be voted upon at the Meeting.

Q: Who counts the votes?

A: Votes cast in advance by way of proxy and votes cast at the Meeting through the live webcast platform will be counted by representatives of AST who will be appointed as scrutineers at the Meeting.

Q: Who is soliciting my proxy?

A: Management of the Trust is soliciting your proxy. Proxies will be solicited primarily by mail, but employees and agents of the Trust may also use electronic means. Intermediaries will be reimbursed for their reasonable charges and expenses in forwarding the proxy materials to beneficial Unitholders. The Trust will bear the cost of all proxy solicitations on behalf of management of the Trust.

Q: Can I access the annual disclosure documents electronically?

A: The Trust's Annual Report, which includes its annual financial statements and notes, the Circular and the Annual Information Form, are available on the Trust's website at www.choicereit.ca or under the Trust's SEDAR profile at www.sedar.com.

Q: Who do I contact if I have questions?

A: If you have any questions, you may call AST at 1-800-387-0825, or outside Canada and the United States, at 416-682-3860, for further information.

UNIT CAPITAL AND PRINCIPAL UNITHOLDER

As of March 9, 2020, the record date for the Meeting, there were 310,441,663 Trust Units outstanding. Weston beneficially owned 50,661,415 Trust Units and 389,961,783 Special Voting Units, representing a 62.91% effective interest in the Trust. In addition, as of March 9, 2020, Mr. W. Galen Weston, the controlling shareholder of Weston, also beneficially owned 234,738 Trust Units, representing a 0.03% effective interest in the Trust.

As of March 9, 2020, Mr. W. Galen Weston beneficially owned, directly and indirectly through companies which he controls, including Wittington Investments, Limited, a total of 81,706,054 Weston common shares, representing approximately 53.2% of Weston's outstanding common shares.

To the knowledge of the Trust, except as set out above, no other person beneficially owns, directly or indirectly, or exercises control or direction over, 10% or more of the outstanding Trust Units or Special Voting Units.

BUSINESS TO BE TRANSACTED AT THE MEETING

The following business will be transacted at the Meeting:

1. RECEIVE THE FINANCIAL STATEMENTS

Management will present Choice Properties' annual audited consolidated financial statements at the Meeting and Unitholders and proxyholders will be given an opportunity to discuss the financial results with management.

2. ELECT THE BOARD OF TRUSTEES

Eight trustee nominees are proposed for election to the Board. Unitholders and proxyholders will vote on the election of the trustees.

3. APPOINT THE EXTERNAL AUDITOR

The Board, on the advice of the Audit Committee, recommends the re-appointment of KPMG LLP as the Trust's external auditor. Unitholders and proxyholders will vote on the re-appointment of the external auditor and the authorization of the Board to fix the external auditor's remuneration.

4. VOTING ON THE APPROACH TO EXECUTIVE COMPENSATION

Unitholders or their proxyholders will vote on an advisory resolution on the Trust's approach to executive compensation, as discussed in more detail under the "Advisory Resolution on Approach to Executive Compensation" section in this Circular.

RECEIVE THE FINANCIAL STATEMENTS

The Trust's annual audited consolidated financial statements and management's discussion and analysis for the year ended December 31, 2019, together with the external auditor's report will be placed before the Unitholders at the Meeting. These documents are included in the Trust's 2019 Annual Report. Copies of the 2019 Annual Report in English or French may be obtained from the Secretary of Choice Properties upon request. The 2019 Annual Report in English or French is also available under the Trust's SEDAR profile at www.sedar.com and on the Trust's website at www.choicereit.ca.

ELECT THE BOARD OF TRUSTEES

The Trust's Declaration of Trust provides for a minimum of five and a maximum of twelve trustees. The Board has determined that eight trustees will be elected at the Meeting. Mr. Anthony Graham and Mr. Paul Weiss have decided not to stand for re-election at the Meeting. The Governance, Compensation and Nominating Committee (the "Governance Committee") assessed the effectiveness and optimal size of the Board and determined that it would be in the best interest of the Trust to reduce the size of the Board from 10 to 8 trustees. All nominees have established their eligibility and willingness to serve on the Board for the next annual term. Management does not believe that any of the nominees will be unable to serve as a trustee, but if that should occur for any reason prior to the Meeting, a proxyholder may vote for another nominee at the proxyholder's discretion. At the Meeting, the trustee nominees will be voted on individually, and, in accordance with applicable Canadian securities legislation, the voting results for each nominee will be publicly disclosed. Each trustee will be elected to hold office until the next annual meeting of Unitholders or until such office is earlier vacated.

The trustee nominee profiles, starting on page 11, describe each nominee's experience and other important information to consider, including how much equity he or she owns in the Trust, and any other public company boards on which he or she serves. The trustee nominees have been selected based on their collective ability to address the broad range of issues the Board considers when overseeing the Trust's business and affairs.

Independence

Seven of the eight nominated trustees are independent and none of these independent trustees has ever served as an executive of the Trust.

Skills

Each trustee nominee has a wealth of experience in leadership and strategic planning and collectively they possess the skills and expertise that enable the Board to carry out its responsibilities. The skills matrix set out below, which is reviewed annually, is used to assess the Board's overall strengths. The matrix assists in the Board's ongoing renewal process, which balances the need for experience and knowledge of the Trust's business with the benefit of board renewal and diversity. Although the trustees have a breadth of experience in many areas, the skills matrix lists eight important qualifications determined by the

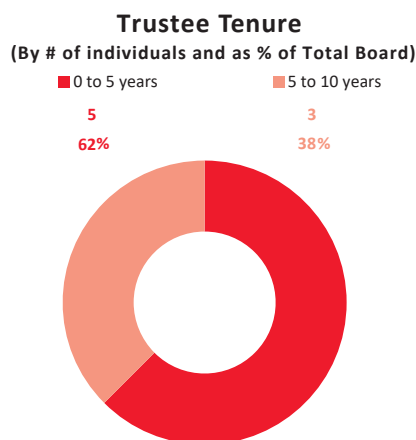
Board and highlights five key skills for each trustee nominee. This is not intended to be an exhaustive list of each trustee nominee's skills.

Skills	Adams	Clark	Eadie	Kinsley	Latimer	Lockhart	Ponder	Weston
Real Estate Industry	✓	✓	✓	✓	✓	✓	✓	✓
Executive Leadership / Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
Real Estate Construction, Planning and Development			✓	✓	✓	✓		
Accounting and Financial Reporting	✓	✓	✓	✓			✓	
Risk Management		✓	✓	✓		✓		✓
HR / Compensation	✓	✓			✓	✓	✓	✓
Finance / Capital Markets	✓				✓			
M&A							✓	✓

In addition to the skills set out above, each trustee nominee was selected in large part because of his or her key leadership attributes. The trustee nominees have demonstrated informed judgment, knowledge of important business issues and a commitment to operational excellence. Each trustee is expected to act ethically and with integrity. Trustees must understand the Trust's strategic objectives and reflect its values. Trustees are expected to prepare for and actively participate in Board and committee meetings. They must understand the Trust's governance policies and practices and comply with the Trust's Code of Conduct.

Trustee Tenure and Gender Diversity

The Board has a diversity policy and tenure guidelines. The tenure guidelines aim to foster the ongoing renewal of the Board's membership. The tenure guidelines provide that the Chairman of the Board and the Governance Committee will undertake an assessment of each trustee's continued participation on the Board upon reaching the age of 75, and annually thereafter, or upon a change in principal occupation. The average tenure of the trustee nominees is 3.3 years. The following diagram shows trustee tenure broken down by the applicable time periods set out below:



The Governance Committee, in conjunction with its review of the trustees' skills and experience, also reviews each trustee's tenure on the Board as further set out below.

In addition to the Trust's formal Board Tenure Guidelines, the Governance Committee:

1. undertakes an annual Board effectiveness evaluation that enables the Governance Committee and the Board to solicit feedback regarding contribution, skill set and expertise of individual trustees;
2. maintains a trustee skills matrix to ensure that, in choosing trustee candidates, it focuses appropriately on critical competencies and experience;

3. annually reviews Board and Committee chairs and Committee memberships with a view to balancing the desire for diverse perspectives with the need for experience and subject matter expertise; and
4. annually reviews disclosure for inclusion in the Circular regarding trustee tenure, the evaluation process and applicable turnover with an explanation of how the Trust's approach ensures diversity of skills, experience and background.

In summary, each year, the Governance Committee undertakes a review of the composition and performance of the Board and its mandate and the composition of the committees of the Board. Recommendations for changes, if any, are developed by the Governance Committee and subsequently discussed with the Board. The Board is of the view that this process has worked well and has resulted in governance that has been both effective and adaptive to the changing nature of the business and the markets in which Choice Properties operates. The leadership of the committees of the Board will also evolve over time, to reflect the changing needs of Choice Properties and the experience and capabilities of the individual trustees.

The Trust's Board Diversity Policy has a target that women comprise at least 30% of the Board's trustees. This year, 50% of the trustee nominees are women. Further details on the Trust's Board Tenure Guidelines and Diversity Policy can be found on page 30 of this Circular.

Majority Voting

The Trustees are elected annually by the Unitholders. The Trust has established a Majority Voting Policy. Under the policy, the Governance Committee reviews and considers the voting results for each trustee nominee after the Meeting. Any nominee proposed for election as a trustee in an uncontested election who receives a greater number of votes withheld than votes in favour of their election must promptly tender his or her resignation to the Chairman of the Board. In such circumstances, the Governance Committee will expeditiously consider the trustee's offer to resign and make a recommendation to the Board on whether it should be accepted. The Board will have 90 days from the date of the Meeting to make a final decision and will promptly announce that decision (including, if applicable, the reasons for rejecting the resignation) through a news release. Any such resignation will take effect upon acceptance by the Board. Any trustee who tenders his or her resignation will not participate in any meeting of the Board or any committee of the Board at which the resignation is considered. This policy applies only to uncontested elections of trustees where the number of nominees is equal to the number of trustees to be elected.

Voting Results from the 2019 Annual Meeting of Unitholders

In 2019, each trustee who stood for election at the Annual Meeting of Unitholders held on May 3, 2019, received votes in favour from at least 96% of the total votes cast by holders of the Units. Below are the voting results for the election of the trustees at the Trust's Annual Meeting of Unitholders held on May 3, 2019:

Trust Units

Name of Nominee	Votes For		Votes Withheld	
Kerry D. Adams	189,888,478	98.63%	2,632,658	1.37%
Christie J.B. Clark	189,859,885	98.62%	2,661,251	1.38%
Graeme M. Eadie	189,838,236	98.61%	2,682,900	1.39%
Anthony R. Graham ⁽¹⁾	192,060,623	99.76%	460,513	0.24%
Karen Kinsley	192,141,717	99.80%	379,419	0.20%
R. Michael Latimer	189,874,801	98.63%	2,646,335	1.37%
Nancy H.O. Lockhart	191,341,991	99.39%	1,179,145	0.61%
Dale R. Ponder	192,137,014	99.80%	384,122	0.20%
Paul R. Weiss ⁽¹⁾	192,109,368	99.79%	411,768	0.21%
Galen G. Weston	185,473,032	96.34%	7,048,104	3.66%

(1) Messrs. Graham and Weiss will not be standing for re-election at the Meeting.

Class B Limited Partnership Special Voting Units

Name of Nominee	Votes For		Votes Withheld	
Kerry D. Adams	319,080,557	100%	Nil	Nil
Christie J.B. Clark	319,080,557	100%	Nil	Nil
Graeme M. Eadie	319,080,557	100%	Nil	Nil
Anthony R. Graham	319,080,557	100%	Nil	Nil
Karen Kinsley	319,080,557	100%	Nil	Nil
R. Michael Latimer	319,080,557	100%	Nil	Nil
Nancy H.O. Lockhart	319,080,557	100%	Nil	Nil
Dale R. Ponder	319,080,557	100%	Nil	Nil
Paul R. Weiss	319,080,557	100%	Nil	Nil
Galen G. Weston	319,080,557	100%	Nil	Nil

Trustee Interlock Policy

The Board has established a Trustee Interlock Policy with the aim of ensuring that interlocking trustee relationships will not adversely affect the relevant trustee's independent judgement. The Board determines that a prohibited interlock occurs when more than two Board members are also board members of another public entity. The Trustee Interlock Policy prohibits such an interlock unless otherwise approved by the Governance Committee. The policy does not apply to the Chairman of the Board or any management trustees. There are currently no prohibited interlocks.

Trustee Profiles

The following is a summary of relevant biographical and compensation information of each trustee nominee, including a description of his or her background and experience; year first elected or appointed as a trustee; age; meeting attendance record; other boards on which he or she sits; public board interlocks with other trustee nominees, if applicable; and trustee fees received. The equity holdings of each trustee nominee in the Trust as of March 9, 2020 and March 14, 2019, consisting of Trust Units and Deferred Units ("DUs"), is also indicated. "Total Market Value of Trust Units and DUs" for non-management trustees is calculated for 2020 based on the Toronto Stock Exchange ("TSX") closing price of the Trust Units on March 9, 2020, which was \$13.46 and for 2019, based on the TSX closing price of the Trust Units on March 14, 2019, which was \$13.48.

The persons designated in the form of proxy (or voting instruction form) intend to vote **FOR** the election of the nominees listed below.



Kerry D. Adams FCA, FCPA, 67

Toronto, Ontario, Canada

Trust Board Details:

- Trustee since 2013
- Independent

Ms. Adams serves as President of K. Adams & Associates Limited. She is the past Chair of the Scotia Institutional Real Estate Inc. Advisory Committee.

Ms. Adams is a Fellow Chartered Accountant and a Fellow Chartered Professional Accountant and holds a B.A. (Honours Economics) from Queen's University. Ms. Adams is an Institute-certified Director of the Institute of Corporate Directors.

Ms. Adams previously served as a member of Fidelity Investments Canada ULC's Independent Review Committee, as well as a Director of Primaris Retail Real Estate Investment Trust. In addition to her public board experience, Ms. Adams has served as a Commissioner and Director of the Ontario Securities Commission, the Chair of its Investor Education Fund, and was a member of the board and governance committee of the Investment Industry Regulatory Organization of Canada. Ms. Adams has also served as Director of Walmart Canada Bank, President of Widcor Limited and Widcor Financial and was a Partner of KPMG Peat Marwick.

Board/Committee Membership			Attendance	Attendance Total		Trustee Fees Received	
Board			7/7	15/15	100%	Year	Amount
Audit Committee ⁽¹⁾			2/2			2019	\$124,388
Governance Committee			6/6			2018	\$133,000
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs		Minimum Equity Ownership	In Progress/Satisfies Equity Ownership Guidelines
2019	25,000	55,468	80,468	\$1,083,099		\$432,000	Yes
2018	25,000	48,754	73,754	\$994,204			
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
—			—	—		—	
Past Public Board Memberships in Last Five Years							
—			—				

(1) Ms. Adams stepped down from the Audit Committee on May 3, 2019.



Christie J.B. Clark FCA, FCPA, 66

Toronto, Ontario, Canada

Trust Board Details:

- Trustee since 2013
- Independent

Mr. Clark, a corporate director, was the former Chief Executive Officer and a senior partner of PricewaterhouseCoopers LLP from 2005 to 2011. Prior to being elected as its Chief Executive Officer, Mr. Clark was a National Managing Partner and a member of the firm's Executive Committee from 2001 to 2005.

Mr. Clark graduated from Queen's University with a B.Comm. and the University of Toronto with an M.B.A. He is a Fellow Chartered Accountant and a Fellow Chartered Professional Accountant.


In addition to his public company board memberships listed below, Mr. Clark is a member of the boards of the Canadian Olympic Committee, Canadian Olympic Foundation, Own the Podium and the Sunnybrook Hospital Foundation, and a member of the Advisory Council of the Stephen J.R. Smith School of Business at Queen's University.

Board/Committee Membership			Attendance	Attendance Total		Trustee Fees Received	
Board			7/7	13/13	100%	Year	Amount
Governance Committee ⁽¹⁾			4/4			2019	\$120,663
Audit Committee ⁽²⁾			2/2			2018	\$120,000
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs ⁽³⁾		Minimum Equity Ownership	In Progress/Satisfies Equity Ownership Guidelines
2019	28,413	20,333	48,746	\$1,511,774		\$432,000	Yes
2018	28,413	15,279	43,692	\$1,417,846			
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
Loblaw Companies Limited			2011 to present	Galen G. Weston		Loblaw Companies Limited	
Air Canada			2013 to present				
Past Public Board Memberships in Last Five Years							
Hydro One Limited/Hydro One Inc.			2015 to 2018				


(1) Mr. Clark stepped down from the Governance Committee on May 3, 2019.

(2) Mr. Clark was appointed to the Audit Committee on May 3, 2019.


(3) Mr. Clark held 12,750 Loblaw Companies Limited ("Loblaw") common shares as at July 5, 2013, the date of Choice Properties' IPO, indirectly through his spouse as permitted under the Trust's Equity Ownership Guidelines. The Guidelines allow trustees to count any Loblaw common shares held as of the date of Choice Properties' IPO towards satisfying the ownership requirements. The value of these holdings was \$855,653 based on the March 9, 2020 closing price of the Loblaw common shares on the TSX which was \$67.11.

 <p>Graeme M. Eadie 67</p> <p>Toronto, Ontario, Canada</p> <p>Trust Board Details:</p> <ul style="list-style-type: none">• Trustee since 2013• Independent• Lead Trustee				<p>Mr. Eadie is the former Senior Managing Director for the Canada Pension Plan Investment Board ("CPPIB") having retired from CPPIB on March 31, 2018. Mr. Eadie currently acts as a Senior Advisor on a consulting basis to CPPIB, participating in their Executive and Private Equity investment committees. Mr. Eadie previously held the position of Senior Managing Director, Global Head of Real Assets for CPPIB. Mr. Eadie is also a director of Neiman Marcus Group and GLP FM Holdings Limited. Prior to joining CPPIB, Mr. Eadie held multiple positions, including Chief Financial Officer, Chief Operating Officer and President of Cadillac Fairview. Mr. Eadie also held senior management positions with a number of entities in the retail and manufacturing areas and formerly was a director of the Ontario Realty Corporation and Aliance Shopping Centres Brazil.</p> <p>Mr. Eadie graduated from the University of British Columbia with a B.Comm. and Master of Science in Business Administration.</p>			
Board/Committee Membership		Attendance		Attendance Total		Trustee Fees Received	
Board		7/7		13/13	100%	Year	Amount
Governance Committee (Chair)		6/6				2019	\$138,000
						2018	\$128,735
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs		Minimum Equity Ownership	In Progress/ Satisfies Equity Ownership Guidelines
2019	10,000	20,875	30,875	\$415,578		\$432,000	Yes ⁽¹⁾
2018	10,000	10,429	20,429	\$275,383			
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
Morguard Corporation			2018 to present	—		—	
Morguard Real Estate Investment Trust			2018 to present				
Past Public Board Memberships in Last Five Years							
Aliance Shopping Centers S.A.			2013 to 2017				


(1) Mr. Eadie joined the Board in 2013 and originally had until 2017 to satisfy the Trust's Equity Ownership Guidelines. Effective January 1, 2017, the trustee ownership requirement under the Trust's Equity Ownership Guidelines increased. As a result, Mr. Eadie now has until December 31, 2020 to satisfy the Trust's Equity Ownership Guidelines.

				<p>Karen Kinsley FCA, FCPA, 63 Ottawa, Ontario, Canada</p> <p>Trust Board Details:</p> <ul style="list-style-type: none">• Trustee since 2018• Independent				<p>Ms. Kinsley, a corporate director, previously held the position of President and Chief Executive Officer of the Canada Mortgage and Housing Corporation (“CMHC”) from 2003 to 2013. Prior to being appointed as Chief Executive Officer, Ms. Kinsley held multiple positions at CMHC including Chief Financial Officer, Treasurer and head of its mortgage insurance and securitization businesses.</p> <p>Ms. Kinsley holds a B.Comm from the University of Ottawa.</p> <p>Ms. Kinsley is a fellow of the Chartered Professional Accountants of Ontario and has received the Certified Director designation (ICD.D) from the Institute of Corporate Directors.</p>			
Board/Committee Membership				Attendance		Attendance Total		Trustee Fees Received			
Board Audit Committee				7/7		11/11	100%	Year	Amount		
				4/4				2019	\$121,000		
								2018	\$77,195		
Equity Ownership											
Year	Trust Units	DUs	Total Trust Units and DUs		Total Market Value of Trust Units and DUs		Minimum Equity Ownership		In Progress/ Satisfies Equity Ownership Guidelines		
2019	15,711	15,619	31,330		\$421,702		\$432,000	Yes ⁽¹⁾			
2018	11,711	6,576	18,287		\$246,509						
Current Public Board Memberships					Public Board Interlocks						
					Trustee		Board				
National Bank of Canada					—		—				
Saputo Inc.											
Past Public Board Memberships in Last Five Years											
Canadian Real Estate Investment Trust					2017 to 2018						

(1) Ms. Kinsley has until May 2022 to satisfy the Trust's Equity Ownership Guidelines.


 <div>R. Michael Latimer 68 Toronto, Ontario, Canada</div> <div>Trust Board Details:<ul style="list-style-type: none">Trustee since 2018Independent</div>				<p>Mr. Latimer is the Chief Executive Officer of OMERS, a pension plan providing defined pension benefits to local government employees, retirees and beneficiaries in Ontario. Prior to this role, Mr. Latimer was the Chief Investment Officer of OMERS where he oversaw the strategic, operational and financial leadership of the investment activities at OMERS.</p> <p>Prior to joining OMERS, Mr. Latimer was responsible for Oxford Properties Group, a wholly-owned real estate entity of OMERS. Mr. Latimer is a former President and CEO of Primaris Real Estate Investment Trust.</p> <p>Mr. Latimer also serves as the Chief Executive Officer of OMERS Administration Corporation.</p>			
Board/Committee Membership		Attendance		Attendance Total		Trustee Fees Received	
Board		7/7		13/13	100%	Year	Amount
Governance Committee		6/6				2019	\$120,000
						2018	\$76,740
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs		Minimum Equity Ownership	In Progress/Satisfies Equity Ownership Guidelines
2019	3,872	15,506	19,378	\$260,828		\$432,000	Yes ⁽¹⁾
2018	3,872	6,538	10,410	\$140,327			
Current Public Board Memberships				Public Board Interlocks			
—				Trustee		Board	
—				—		—	
Past Public Board Memberships in Last Five Years							
Canadian Real Estate Investment Trust			2016 to 2018				

(1) Mr. Latimer has until May 2022 to satisfy the Trust's Equity Ownership Guidelines.

<div></div> <div>Nancy H.O. Lockhart O.Ont 65 Toronto, Ontario, Canada</div> <div>Trust Board Details:<ul style="list-style-type: none">Trustee since 2019Independent</div>				<p>Ms. Lockhart, a corporate director, is the former Chief Administrative Officer of Frum Development Group and a former Vice President of Shoppers Drug Mart Corporation.</p> <p>In addition to her public board memberships below, Ms. Lockhart is a director of The Royal Conservatory of Music and a member of the Sotheby’s Canada Advisory Board. Ms. Lockhart is also Chair Emeritus of the Crow’s Theatre Company. She is a former Chair of the Ontario Science Centre, former President of the Canadian Club of Toronto and a former Chair of the Canadian Film Centre. Ms. Lockhart is also a former director of the Canada Deposit Insurance Corporation, the Centre for Addiction and Mental Health Foundation and the Loran Scholars Foundation.</p> <p>Ms. Lockhart has an Institute of Corporate Directors ICD.D certification.</p>			
Board/Committee Membership ⁽¹⁾		Attendance		Attendance Total		Trustee Fees Received	
Board		2/3		4/5	80%	Year	Amount
Governance Committee		2/2				2019	\$79,500
						2018	—
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs ⁽²⁾		Minimum Equity Ownership	In Progress/ Satisfies Equity Ownership Guidelines
2019	25,000	5,696	30,696	\$4,667,741		\$432,000	Yes
2018	25,000	—	25,000	\$4,560,713			
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
Atrium Mortgage Investment Corporation			2013 to present	Galen G. Weston		George Weston Limited	
George Weston Limited			2019 to present				
Past Public Board Memberships in Last Five Years							
Loblaw Companies Limited			2005 to 2019				
Gluskin Sheff & Associates Inc.			2013 to 2019				
Barrick Gold Corporation			2014 to 2018				


(1) Ms. Lockhart was elected to the Board and appointed to the Governance Committee on May 3, 2019.

(2) Pursuant to the Trust's Equity Ownership Guidelines, Ms. Lockhart's Loblaw holdings, as at the date of her election to the Board of the Trust on May 3, 2019, count towards her minimum equity ownership in the Trust. Ms. Lockhart held 63,397 Loblaw common shares and deferred share units with a value of \$4,254,573 based on the March 9, 2020 Loblaw common share price of \$67.11.

	<p>Dale R. Ponder 63</p> <p>Toronto, Ontario, Canada</p> <p>Trust Board Details:</p> <ul style="list-style-type: none">• Trustee since 2019• Independent	<p>Ms. Ponder is the Co-Chair of Osler, Hoskin and Harcourt LLP (“Osler LLP”), a law firm, and also serves on the firm’s Partnership Board. She is the former Chief Executive and Managing Partner of Osler LLP. Ms. Ponder’s practice experience as a Partner of Osler LLP focused on mergers and acquisitions, securities regulation and corporate governance. Ms. Ponder has had extensive experience throughout her career leading transactions relating to public and private merger and acquisition matters and advising boards of public companies.</p> <p>Ms. Ponder graduated from the University of Western Ontario with a LL.B.</p> <p>In addition to her public board membership below, Ms. Ponder is a member of the boards of Holland Bloorview Kids Rehabilitation Hospital, the Governors’ Council of St. Michael’s Hospital Foundation and the Caldwell Partners Top 40 Under 40 Advisory Board. She is also Chair of the Canadian Business Growth Fund.</p>					
Board/Committee Membership ⁽¹⁾		Attendance		Attendance Total		Trustee Fees Received	
Board		3/3		5/5	100%	Year	Amount
Audit Committee		2/2				2019	\$80,163
						2018	—
Equity Ownership							
Year	Trust Units	DUs	Total Trust Units and DUs	Total Market Value of Trust Units and DUs		Minimum Equity Ownership	In Progress/ Satisfies Equity Ownership Guidelines
2019	2,327	5,743	8,070	\$108,622		\$432,000	Yes ⁽²⁾
2018	—	—	—	—			
Current Public Board Memberships				Public Board Interlocks			
				Trustee		Board	
Morneau Shepell Inc.			2016 to present	—		—	
Past Public Board Memberships in Last Five Years							
Canadian Real Estate Investment Trust			2016 to 2018				

(1) Ms. Ponder was elected to the Board and appointed to the Audit Committee on May 3, 2019.

(2) Ms. Ponder has until May 2024 to satisfy the Trust's Equity Ownership Guidelines.



Galen G. Weston 47

Toronto, Ontario, Canada

Trust Board Details:

- Trustee since 2019
- Non-Independent
- Chairman of the Board

Mr. Weston is the Executive Chairman of Loblaw and Chairman and Chief Executive Officer of Weston. He served as Chairman and trustee of the Trust between 2013 and 2017. He previously held several senior executive positions with Loblaw and its subsidiaries, including as President. Prior to joining Loblaw, he was an investment banking analyst for Salomon Brothers in the U.K.

Mr. Weston graduated from Harvard University with a B.A. and from Columbia University with an M.B.A.

Mr. Weston is Chairman and director of President's Choice Bank and a director of Weston, Loblaw and Wittington Investments, Limited. He is also a Director of Selfridges Group Limited and is the President of The W. Garfield Weston Foundation.

Board/Committee Membership		Attendance		Attendance Total		Trustee Fees Received	
Board ⁽¹⁾		3/3		3/3 100%		Year	Amount
						2019	\$91,425
						2018	—
Equity Ownership							
Year	Trust Units	DUs ⁽²⁾	Total Trust Units and DUs	Total Market Value of Trust Units and DUs		Minimum Equity Ownership	In Progress/ Satisfies Equity Ownership Guidelines
2019	50,000	65,255	115,255	\$1,551,332		\$432,000	Yes
2018	50,000	56,151	106,151	\$1,430,915			
Current Public Board Memberships				Public Board Interlocks			
Loblaw Companies Limited			2006 to present	Trustee		Board	
George Weston Limited			2016 to present	Christie J.B Clark Nancy H.O. Lockhart		Loblaw Companies Limited George Weston Limited	
Past Public Board Memberships in Last Five Years							
Choice Properties Real Estate Investment Trust			2013 to 2017				

(1) Mr. Weston joined the Board and was appointed as Chairman on May 3, 2019.

(2) Reflects DUs received when Mr. Weston served as a member of the Board from 2013 to 2017.

Meeting Attendance

The following table provides a summary of each trustee's attendance at Board and committee meetings in 2019:

Name	Board (7 meetings)	Audit Committee (4 meetings)	Governance Committee (6 meetings)	Overall Attendance	
Kerry D. Adams ⁽¹⁾	7/7	2/2	6/6	15/15	100%
Christie J.B. Clark ⁽²⁾	7/7	2/2	4/4	13/13	100%
Graeme M. Eadie	7/7	—	6/6	13/13	100%
Anthony R. Graham ⁽³⁾	7/7	—	—	7/7	100%
Stephen E. Johnson ⁽⁴⁾	3/4	—	—	3/4	75%
Karen Kinsley	7/7	4/4	—	11/11	100%
R. Michael Latimer	7/7	—	6/6	13/13	100%
Nancy H. O. Lockhart ⁽⁵⁾	2/3	—	2/2	4/5	80%
John R. Morrison ⁽⁶⁾	4/4	—	—	4/4	100%
Dale R. Ponder ⁽⁷⁾	3/3	2/2	—	5/5	100%
Paul R. Weiss ⁽⁸⁾	7/7	4/4	—	11/11	100%
Galen G. Weston ⁽⁹⁾	3/3	—	—	3/3	100%
TOTAL	97%	100%	100%		98%

(1) Ms. Adams stepped down from the Audit Committee on May 3, 2019.

(2) Mr. Clark was appointed to the Audit Committee and stepped down from the Governance Committee on May 3, 2019.

(3) Mr. Graham will not be standing for re-election at the Meeting.

(4) Mr. Johnson did not stand for re-election at the annual meeting of Unitholders on May 3, 2019.

(5) Ms. Lockhart was elected to the Board and appointed to the Governance Committee on May 3, 2019.

(6) Mr. Morrison did not stand for re-election at the annual meeting of Unitholders on May 3, 2019.

(7) Ms. Ponder was elected to the Board and appointed to the Audit Committee on May 3, 2019.

(8) Mr. Weiss will not be standing for re-election at the Meeting.

(9) Mr. Weston was elected to the Board and appointed Chairman on May 3, 2019.

TRUSTEE COMPENSATION

Trustee compensation is structured to compensate trustees appropriately for their time, commitment and responsibility as a Board member and to remain competitive with director and trustee compensation practices in Canada. The trustee compensation program is designed to attract and retain committed and qualified trustees and align their compensation with the long-term interests of Unitholders. To achieve these objectives, pursuant to the Deferred Unit Plan ("DU Plan"), trustees are required to take 100% of their board retainer and committee fees in DUs until they satisfy the Equity Ownership Guidelines, after which a trustee has the option to receive up to 50% of all fees in cash, with the balance taken in DUs. Trustees who are executives of the Trust do not receive compensation for their service as a trustee.

Trustee Deferred Unit Plan

A DU represents a right to receive one Trust Unit or a cash amount equal to the value of one Trust Unit. The number of DUs to be awarded to a trustee is equal to the value of the compensation that the trustee elects or is required to receive in the form of DUs divided by the volume-weighted average trading price of a Trust Unit on the TSX for the five trading days prior to the date of the award. Trustees must complete an election form to receive any portion of their fees in the form of DUs by no later than December 31 of the year preceding the applicable grant year. Elections are irrevocable for the year in respect of which they are made. DUs do not entitle a trustee to any voting or other Unitholder rights.

Distribution equivalents in the form of additional DUs that are equal in value to distributions paid on Trust Units are credited to a trustee's account on each distribution payment date based on the number of DUs in such account on the distribution record date. The number of additional DUs credited to a trustee's account are calculated by multiplying the aggregate number of DUs held by such trustee on the relevant distribution record date by the amount of cash distributions paid on each Trust Unit, and dividing the result by the volume-weighted average trading price of a Trust Unit on the TSX for the five trading days prior to such payment date.

The maximum number of Trust Units issuable pursuant to the DU Plan at any time cannot exceed 4,075,000 Trust Units. The aggregate number of Trust Units issued to insiders of the Trust within any 12-month period, or issuable to insiders of the Trust at any time, under the DU Plan and any other security-based compensation arrangement of the Trust, may not exceed 10% of the total number of issued and outstanding Units during such period or at such time, as applicable.

A summary of the outstanding Trust Units and Deferred Units and the number of Deferred Units available for future grants as at December 31, 2019 and March 9, 2020 are set out below:

	As at December 31, 2019	As at March 9, 2020
Issued and Outstanding Trust Units		
Trust Units Outstanding	310,292,869	310,441,663
Maximum Number of Trust Units Issuable Pursuant to the DU Plan		
Number Issuable	4,075,000	4,075,000
Number Issuable as a Percentage of the Issued and Outstanding Trust Units	1.3%	1.3%
Outstanding Deferred Units		
Number Outstanding	258,294	279,307
Number Outstanding as a Percentage of the Total Issued and Outstanding Trust Units	0.1%	0.1%
Deferred Units Available for Future Grants		
Number Available	3,816,706	3,795,693
Number Available as a Percentage of the Total Issued and Outstanding Trust Units	1.2%	1.2%

DUs vest immediately on each applicable award date. DUs are non-transferable and non-assignable other than by operation of law. DUs are not paid out until the trustee ceases to serve on the Board, thereby providing an equity stake in the Trust throughout a trustee's term as a Board member. Following cessation of Board service, settlement of DUs will be made either in Trust Units or in cash at the election of the trustee. A trustee may elect to defer this exercise until December 15th of the calendar year following the year when he or she ceases to be a trustee. If the trustee (or the trustee's beneficiary) fails to exercise by such date, he or she will be deemed to have elected to receive Trust Units as of that date. In the event of any consolidation, subdivision or reclassification of the Trust Units or any other relevant changes in the capital structure of the Trust, the number of outstanding DUs will be appropriately adjusted by the Governance Committee to ensure that such DUs represent a benefit substantially similar to the benefit they represented before such event.

The Governance Committee reviews and confirms the terms of the DU Plan from time to time and may, subject to applicable stock exchange rules, amend or suspend the DU Plan in whole or in part as well as terminate the DU Plan without prior notice as it deems appropriate. Unitholders must approve any amendment to the DU Plan that would: (a) result in any increase in the number of Trust Units issuable under the DU Plan; (b) extend eligibility to participate in the DU Plan to persons other than non-employee trustees of Choice Properties; (c) permit awards other than DUs; (d) extend the term of DUs; (e) increase the insider participation limits; or (f) amend the amendment provision of the DU Plan.

Without limitation, the Governance Committee may, without obtaining the approval of the Unitholders: (a) make amendments of a minor nature; (b) make amendments which are necessary or desirable to remove conflicts or inconsistencies in the DU Plan; (c) make amendments as necessary or desirable as a result of changes in tax laws; and (d) make a change to or the addition of any vesting provisions for DUs. Notwithstanding the foregoing, and subject to the terms of the DU Plan, no amendment may be made that may adversely affect the DUs previously granted under the DU Plan without the written consent of the affected trustees. The Trust's annual "burn rate" for the DUs, which represents the number of DUs awarded under the DU Plan during a fiscal year divided by the weighted average number of Units outstanding for the applicable fiscal year, was 0.01% in 2019, 0.01% in 2018 and 0.01% in 2017.

Equity Ownership Guidelines

The Board believes that it is important that trustees demonstrate their commitment to the Trust through Trust Unit ownership. In that regard, the Board has established Equity Ownership Guidelines for non-management trustees. Under these Guidelines, non-management trustees are expected to hold Trust Units and/or DUs with a value of not less than four times the amount of the trustees' annual retainer. Based on this multiple of the annual retainer, the ownership requirement was \$432,000 in 2019. For purposes of the Guidelines, securities are valued at their market value and trustees are expected to meet the required level of Trust Unit ownership within five years of initially being elected or appointed to the Board. Trustees elected or appointed to the Board, who are or were previously directors of either Weston and/or Loblaw, are permitted under the Guidelines to count their holdings in Weston and/or Loblaw towards their target ownership at the time of their election or appointment to the Board. All trustees either satisfy the required level of unit ownership or are in the process of accumulating securities as required under the Guidelines. For the status of each trustee nominee under the Trust's Equity Ownership Guidelines, see their profiles on pages 11 to 14 of the Circular.

Trustee Compensation Review

The Board, through the Governance Committee, is responsible for reviewing and approving any changes to the trustee's compensation arrangements. The Governance Committee reviewed the compensation paid to trustees in 2019 and determined that no changes were required.

2019 Trustee Compensation Amounts

A summary of the 2019 non-management trustee compensation amounts are set out below:

Type of Fee	Amount (\$)
Annual Fees	
Total Board Retainer	108,000
Chair and Committee Fees	
Board Chairman	30,000
Governance Committee Chair and Lead Trustee	30,000 ⁽¹⁾
Governance Committee member	12,000
Audit Committee Chair	20,000 ⁽¹⁾
Audit Committee member	13,000

(1) Includes fee received as a committee member.

2019 Trustee Compensation Table

The following table sets out the compensation elements and total compensation earned by each non-management trustee in 2019 and the manner in which the compensation was paid:

Name	Fee Breakdown				Allocation of Total Trustee Fees				
	Board Retainer (\$) ⁽¹⁾	Board & Committee Chair Retainers (\$)	Committee Member Retainers (\$)	Total Trustee Fees Earned (\$)	All Other Compensation (\$)	Total Compensation (\$)	Cash (\$)	DUs (\$) ⁽²⁾	Allocation of Fees between Cash and DUs (%)
Kerry D. Adams	108,000	—	16,388	124,388	—	124,388	62,194	62,194	50% DUs
Christie J.B. Clark	108,000	—	12,663	120,663	—	120,663	60,331	60,332	50% DUs
Graeme M. Eadie	108,000	30,000 ⁽⁵⁾	—	138,000	—	138,000	—	138,000	100% DUs
Anthony R. Graham	108,000	10,125	—	118,125	—	118,125	—	118,125	100% DUs
Karen Kinsley	108,000	—	13,000	121,000	—	121,000	—	121,000	100% DUs
R. Michael Latimer	108,000	—	12,000	120,000	—	120,000	—	120,000	100% DUs
Nancy H.O. Lockhart ⁽³⁾	71,550	—	7,950	79,500	—	79,500	—	79,500	100% DUs
John Morrison ⁽⁴⁾	36,450	—	—	36,450	—	36,450	—	36,450	100% DUs
Dale R. Ponder ⁽³⁾	71,550	—	8,613	80,163	—	80,163	—	80,163	100% DUs
Paul R. Weiss	108,000	20,000	—	128,000	—	128,000	78,000	50,000	39% DUs
Galen G. Weston ⁽³⁾	71,550	19,875	—	91,425	—	91,425	—	91,425	100% DUs
Total (\$)	1,007,100	80,000	70,614	1,157,714	—	1,157,714	200,525	957,189	

(1) Trustees are required to take 100% of their board retainer and committee fees in DUs until they satisfy the Equity Ownership Guidelines, after which a trustee has the option to receive up to 50% of all fees in cash.

(2) In accordance with the DU Plan, amounts reflect the grant date fair value of DUs based on the volume-weighted average trading price of the Trust Units on the TSX for the five trading days prior to the date of the grant. As well, additional DUs were accumulated based on notional equivalents of distributions paid on Trust Units throughout the year. These notional equivalents of distributions are not included in the table.

(3) Mses. Lockhart and Ponder and Mr. Weston were elected to the Board on May 3, 2019.

(4) Mr. Morrison, who became a non-executive Trustee on January 1, 2019, received compensation for his services on the Board from January 1, 2019 until May 3, 2019. Mr. Morrison did not stand for re-election at the annual meeting of Unitholders on May 3, 2019.

(5) Includes Lead Trustee fee.

Outstanding Trust Unit-Based Awards

The following table sets forth the value of all Trust Unit-based awards granted in the form of DUs to non-management trustees that were outstanding as at January 2, 2020:

Name	Number of Trust Units That Have Not Vested (#)	Market or Payout Value of Trust Unit-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Trust Unit-Based Awards Not Paid Out or Distributed (\$) ⁽¹⁾
Kerry D. Adams	—	—	762,130
Christie J.B. Clark	—	—	279,375
Graeme M. Eadie	—	—	286,823
Anthony R. Graham	—	—	398,515
Karen Kinsley	—	—	214,605
R. Michael Latimer	—	—	213,052
Nancy H.O. Lockhart	—	—	78,263
John Morrison ⁽²⁾	—	—	36,782
Dale R. Ponder	—	—	78,909
Paul R. Weiss	—	—	561,155
Galen G. Weston	—	—	896,604

(1) The value of outstanding DUs awarded to the trustees is based on the closing price of the Trust Units on the TSX on January 2, 2020, which was \$13.74 multiplied by the number of outstanding DUs as of that date.

(2) Mr. Morrison, who became a non-executive Trustee on January 1, 2019, received compensation for his services on the Board from January 1, 2019 until May 3, 2019. Mr. Morrison did not stand for re-election at the annual meeting of Unitholders on May 3, 2019.

APPOINT THE EXTERNAL AUDITOR

The Auditor of the Trust is KPMG LLP. The Board, on the recommendation of the Audit Committee, recommends that KPMG LLP be re-appointed as the auditor of the Trust to hold office until the next annual meeting of Unitholders and that the trustees be authorized to fix KPMG LLP's remuneration. The persons named in the form of proxy intend to vote **FOR** the appointment of KPMG LLP as the Trust's auditor until the next meeting of Unitholders.

Audit and Other Service Fees

The Audit Committee oversees the fees paid to the independent external auditor, KPMG LLP, for audit and non-audit services. The following table sets forth the consolidated fees billed for professional services rendered by KPMG LLP for the fiscal years 2019 and 2018, respectively:

	2019	2018
	\$	\$
Audit fees ⁽¹⁾	1,177,000	1,596,850
Audit-related fees ⁽²⁾	132,000	258,150
Tax fees ⁽³⁾	—	190,798
All other fees	5,000	—
Total Fees	1,314,000	2,045,798

(1) Audit fees include fees for services related to the audit of the Trust's consolidated financial statements, review of quarterly financial statements and auditor involvement with the acquisition of Canadian Real Estate Investment Trust ("CREIT") on May 4, 2018 (the "Transaction"), prospectus and offering documents.

(2) Audit-related fees include fees for French translation services associated with the Trust's financial and regulatory filings.

(3) Tax fees related to the Transaction.

As part of the Trust's governance practices, the Audit Committee prohibits the external auditor from providing non-audit services to the Trust or its subsidiaries unless the services are approved in advance by the Audit Committee. The Audit Committee may delegate to one or more members the authority to pre-approve the retention of the auditors for any non-audit service to the extent permitted by law. The external auditor is required to report directly to the Audit Committee.

ADVISORY RESOLUTION ON APPROACH TO EXECUTIVE COMPENSATION

At the Meeting, the Unitholders will be asked to consider an advisory resolution (the "Say on Pay Resolution") regarding the Trust's approach to executive compensation, which is described in detail in the section of the Circular titled "Compensation Discussion and Analysis", which commences on page 33. In 2019, Unitholders were asked to consider an advisory resolution regarding the Trust's approach to executive compensation, which received the approval of 87.78% of Unitholders.

Pay for performance is a cornerstone of the Trust's compensation philosophy, which is intended to align the interests of the Trust's executives with those of its Unitholders. This compensation philosophy enables the Trust to attract and retain high-performing executives who will be motivated to create value for Unitholders.

The Board and management of the Trust recommend that the Unitholders vote **FOR** the adoption of the advisory Say on Pay Resolution.

The persons named in the accompanying form of proxy intend to vote **FOR** the adoption of the Say on Pay Resolution.

Votes on the Say on Pay Resolution are advisory and will not be binding on the Board. However, the Governance Committee will review and analyze the results of the vote and take them into consideration when reviewing the Trust's executive compensation philosophy.

The form of Say on Pay Resolution to be submitted to the Unitholders at the Meeting, subject to such amendments, variations or additions as may be approved at the Meeting, is set forth below:

BE IT RESOLVED THAT on an advisory basis and not to diminish the role and responsibilities of the Board of Trustees, the Unitholders accept the approach to executive compensation disclosed in this Circular, delivered in advance of the 2020 Annual Meeting of the Unitholders of the Trust.

COMMITTEE REPORTS

AUDIT COMMITTEE



Paul R. Weiss (Chair)
Independent



Christie J.B. Clark
Independent



Karen Kinsley
Independent



Dale R. Ponder
Independent

The Audit Committee, on behalf of the Board, oversees the integrity of the Trust's financial statements and related public disclosure. In doing so, the Audit Committee oversees the Trust's internal controls over financial reporting, disclosure controls and procedures and the internal audit function. The Committee also oversees procedures for the receipt, retention and follow-up of any complaints regarding the Trust's accounting, internal controls and auditing matters. The Audit Committee also assists the Board in its oversight of the Trust's enterprise risk management ("ERM") program.

Each year, the Audit Committee reviews and evaluates the qualifications, performance and independence of the external auditor and recommends the external auditor to the Board for appointment by the Unitholders. The Chair of the Audit Committee is involved in the selection process for the Lead Audit Partner.

All members of the Audit Committee are independent and financially literate as required under applicable Canadian securities legislation.

AUDIT COMMITTEE REPORT TO UNITHOLDERS

Dear Unitholders:

On behalf of the Board, the Audit Committee is pleased to share with you its report and some of its significant accomplishments in 2019.

2019 Highlights

- ✓ Oversaw the implementation of new accounting standards
- ✓ Oversaw management's monitoring and mitigation of information security risks
- ✓ Supervised the Trust's internal control compliance program and ERM program and reviewed risks facing the Trust and how those risks are being managed
- ✓ Oversaw the assessment of the Trust's external auditor

Overview

The Audit Committee meets at least once every quarter. The Audit Committee's specific duties and responsibilities are based on its mandate and work plan. At each meeting, the Audit Committee meets separately *in camera* with each of the President and Chief Executive Officer, Chief Financial Officer, representatives of the internal audit group, and the external auditor. In addition, the Audit Committee holds an *in camera* session without management present at each meeting. The Audit Committee met four times in 2019.

Each year, the Audit Committee reviews its mandate to ensure the Audit Committee's effectiveness in fulfilling its responsibilities. The Audit Committee communicates regularly with management and the internal and external auditors.

The Audit Committee approved its mandate in February 2019 and it is available at www.choicereit.ca. The Audit Committee is satisfied that it fulfilled its responsibilities in 2019.

Financial Reporting

The Audit Committee reviewed and discussed with management the Trust's annual and interim financial statements and management's discussion and analysis for the year ended December 31, 2019 and the interim quarters. The Audit Committee also reviewed the external auditor's reports thereon and heard directly from the external auditor on key issues. The purpose of this review is to provide reasonable assurance that the Trust's financial reporting is complete and fairly presented in all material respects, and that the accounting principles used to prepare the financial statements are appropriate, in particular, where judgments, estimates and risks are involved. This review also ensures that adequate disclosure of material issues has been provided. The Audit Committee also assessed the use of non-GAAP financial measures and their presentation within the financial statements. Based on the Audit Committee's review, it recommended to the Board that the Trust's annual audited consolidated financial statements be approved and released on February 12, 2020.

Implementation of Accounting Standards

Throughout the year, the Audit Committee reviewed with management the implementation of significant accounting standards, including the implementation of IFRS 16.

Internal and External Auditor

Throughout the year, the Chair of the Audit Committee met with the external auditor, representatives of the internal audit group and senior members of the Trust's financial reporting group. In 2019, the Audit Committee reviewed and approved the annual audit plan of the internal audit group and the external auditor and received regular reports from the internal audit group. In addition, the Audit Committee received reports on key audit matters from the external auditor.

Following the year-end audit cycle, the Audit Committee conducted an assessment of KPMG LLP's performance and effectiveness in 2019. In conducting this assessment, the Audit Committee considered factors such as the quality of overall audit services and communications to the Audit Committee and KPMG LLP's independence and objectivity. The Audit Committee was satisfied with KPMG LLP's performance and concluded that KPMG LLP is independent from the Trust and management. The Audit Committee proposed that the Board recommend the re-appointment of KPMG LLP as the external auditor of the Trust at the Meeting.

Enterprise Risk Management

The Board has tasked the Audit Committee with overseeing certain aspects of the Trust's ERM program and key risks facing the Trust. At Audit Committee meetings throughout the year, the Audit Committee requested and received reports from management on the various risks facing the Trust based on significant changes from the prior report, anticipated impacts in future quarters and significant changes in key risk indicators. The Audit Committee carefully reviewed these reports and discussed them with management with a view to addressing the risks facing the Trust.

Legal and Regulatory

Throughout 2019, the Audit Committee also reviewed updates on key matters relating to the financial statements including reports on compliance related matters, significant legislative and regulatory developments, material litigation, regulatory filings, transactions with related parties and tax matters affecting the Trust. The Audit Committee also discussed legal developments and issues involving the Trust with the Vice President, General Counsel and Secretary.

Respectfully submitted,

Audit Committee

Paul R. Weiss (Chair)

Christie J.B. Clark

Karen Kinsley

Dale R. Ponder

For additional information regarding each member of the Audit Committee, please see pages 11 to 14. For additional information regarding the activities of the Audit Committee, see the Trust's Statement of Governance Practices on pages 25 to 32.

GOVERNANCE COMMITTEE



Graeme M. Eadie
(Chair)
Independent



Kerry D. Adams
Independent



R. Michael Latimer
Independent



Nancy H.O. Lockhart
Independent

The Governance Committee believes that good governance is essential to strong performance. The Trust's governance practices are designed to provide oversight and accountability, ensure trust with stakeholders and promote the long-term interests of Unitholders.

The Governance Committee is responsible for overseeing the Trust's governance practices and developing and implementing of governance principles which are consistent with high standards of governance. On an annual basis, the Governance Committee evaluates the performance and practices of the Board, including a review of Board policies and mandates and a review of the composition of the Board committees.

As part of its mandate, the Governance Committee, together with the Chair, identifies and recommends candidates for nomination to the Board as trustees. The Governance Committee recommends to the Board any changes to the trustees' compensation arrangements. In addition, the Governance Committee monitors the orientation program for new trustees and continuing education for all trustees, and oversees the process for assessing the performance of the Board, its committees and individual trustees.

The Governance Committee assists the Board with overseeing the design of the Trust's executive compensation programs, including its incentive programs and the individual compensation of the named executive officers (the "NEOs") identified on page 34. The Governance Committee is also responsible for overseeing talent management and succession planning for the Trust's senior executive positions.

In addition, the Governance Committee also oversees the process for assessing the performance of the Board, its committees and individual trustees.

Key Skills and Experiences

The Board believes that the members of the Governance Committee individually and collectively have the requisite knowledge, skill and experience in governance and compensation matters, including human resource management, executive compensation and general business leadership, to fulfill the Governance Committee's mandate. All members of the Governance Committee have substantial knowledge and experience as current and former senior executives of large and complex organizations and as board members of other publicly traded entities, including real estate investment trusts ("REITs"). The chart below sets out the relevant experience of each member of the Governance Committee:

Name of Member	Experience in Governance and Executive Compensation
Kerry D. Adams	<ul style="list-style-type: none"> Former member of Fidelity Investments Canada ULC's Independent Review Committee Former member of the Bank of Nova Scotia's Master Trust and Pension Investment and Administration Committees Former Chair of Primaris Retail Real Estate Investment Trust's Governance Committee and former member of Investment Industry Regulatory Organization of Canada's Governance Committee Knowledge of governance and executive compensation issues as a former Commissioner and director of the Ontario Securities Commission Obtained the Institute of Corporate Directors ICD.D certificate
Graeme M. Eadie	<ul style="list-style-type: none"> Member of the Compensation Committee of the Neiman Marcus Group Governance and executive compensation experience as former Senior Managing Director of the Canada Pension Plan Investment Board
R. Michael Latimer	<ul style="list-style-type: none"> Executive experience as Chief Executive Officer of OMERS Governance and executive compensation experience as former member of the Compensation and Governance Committee of CREIT Governance and executive compensation experience as former President and Chief Executive Officer of Primaris Real Estate Investment Trust
Nancy H.O. Lockhart	<ul style="list-style-type: none"> Director and Chair of Atrium Mortgage Investment Corporation's Governance Committee Director and member of the Governance, Human Resources, Nominating and Compensation Committee of Weston Former director and member of Loblaw's Governance, Employee Development, Nominating and Compensation Committee Former Board Chair and member of the Corporate Governance & Nominating Committee for Gluskin Sheff & Associates Inc. Former director and member of Barrick Gold Corporation's Governance Committee

GOVERNANCE COMMITTEE REPORT TO UNITHOLDERS

Dear Unitholders:

On behalf of the Board, the Governance Committee is pleased to share with you its philosophy and approach to executive compensation and some of its significant accomplishments in 2019.

2019 Highlights

- ✓ Oversaw the design of the Trust's 2020 Short-Term Incentive Plan and Long-Term Incentive Plan
- ✓ Oversaw the appointment of Rael L. Diamond as President and Chief Executive Officer of the Trust following the retirement of Stephen E. Johnson
- ✓ Oversaw the Board's succession plan and the integration of three new Board members and corresponding changes to Board committees

EXECUTIVE COMPENSATION PHILOSOPHY

The Trust's compensation philosophy guides every aspect of the Trust's strategy, programs, policies and decisions on executive compensation. The Governance Committee reviews and approves the Trust's compensation philosophy and programs for executives. The Trust's executive compensation philosophy is set out below.

1. Benchmarked Against Peer Companies

Competitive compensation is important as it enables Choice Properties to attract and retain talented and qualified individuals to lead the business. Choice Properties has developed processes to ensure that its compensation programs are competitive with market and industry practices. Choice Properties regularly benchmarks compensation and incentive design relative to other REITs.

2. Pay for Performance

Choice Properties structures its compensation programs to align executive compensation with the financial and strategic performance of the Trust, including the performance of its Trust Units. A significant portion of executive compensation is in the form of at-risk pay, namely short-term incentive plan ("STIP") and long-term incentive plan ("LTIP") compensation. This creates a performance-based culture that rewards individual and team-based contributions to the achievement of the Trust's operational and financial goals and aligns executive compensation with total return to Unitholders. The at-risk components (the STIP and LTIP awards) for the NEOs, other than Mr. Johnson, in 2019 ranged from 34.6% to 74.4% of their total direct target compensation.

3. Aligned with Long-Term Unitholder Value

Choice Properties structures its executive compensation programs to align the interests of its executives with those of its Unitholders. A significant portion of executive compensation takes the form of long-term equity-based awards. Structuring executive compensation in this manner rewards executives for the creation of sustainable, long-term Unitholder value.

4. Tailored to Business Strategy

Choice Properties believes that its executive compensation programs should be tailored to the Trust's business strategy. The Trust's STIP has performance measures and targets that are aligned with annual business and strategic objectives.

5. Consistent with Good Governance Practices

Choice Properties structures its executive compensation programs to reward senior executives for the execution of business strategies while taking an expected and reasonable level of risk. Choice Properties' STIP and LTIP programs use multiple performance measures to reduce the risk of executives putting a disproportionate focus on a single performance measure. The Trust's executive compensation programs demonstrate a commitment to sound business conduct, accountability and responsible decision-making.

OVERSIGHT OF TALENT MANAGEMENT, SUCCESSION PLANNING, BOARD LEADERSHIP AND GOVERNANCE PRACTICES

Talent Management and Succession Planning

The Governance Committee is entrusted with the responsibility of overseeing the Trust's approach to talent management and succession planning for senior executive roles. To that end, the Governance Committee received reports on the development of senior executives, updates on the talent management plans across the organization and reports on performance evaluation processes, which are designed to improve individual leadership and management skills.

The succession planning process includes an annual review of the Chief Executive Officer and Chief Financial Officer positions and the performance of the incumbent.

The Governance Committee oversaw succession planning for the President and Chief Executive Officer role. Upon Mr. Johnson's retirement in May 2019, Mr. Diamond was appointed as the incoming President and Chief Executive Officer of the Trust.

Board Composition and Succession

The Governance Committee's focus is to maintain a strong, vibrant and engaged Board that understands the Trust's dynamic business needs and the real estate industry generally. One of the key areas of responsibility for the Governance Committee is the succession planning for the Board. The Governance Committee assesses and evaluates the effectiveness of the Board and identifies areas where the Board may benefit from trustees with additional skills and experience and with diverse backgrounds.

In May 2019, Messrs. Stephen E. Johnson and John R. Morrison did not stand for re-election to the Board and Ms. Nancy H.O. Lockhart and Dale R. Ponder and Mr. Galen G. Weston were elected to the Board.

Messrs. Graham and Weiss will not stand for re-election at the Meeting. On behalf of the Board, the Governance Committee would like to acknowledge Messrs. Graham and Weiss for their dedicated service and outstanding contribution to the Trust.

Trustee Education and Training Program

The Governance Committee is responsible for ensuring the provision of continuing education programs for the trustees. The education program includes presentations by internal and external experts on specific topics of interest and importance to the Board and each of its committees and on specialized or complex areas of the Trust's business. These presentations are in addition to regular reporting from senior management and other elements of the Trust's continuing education program.

Governance Practices

The Governance Committee is committed to ensuring that the Trust's approach to governance practices satisfies regulatory requirements and aligns with best practices. For example, the Governance Committee continues to work with management to ensure adherence to a robust process for reviewing and approving related party transactions. This is particularly relevant for Choice Properties given that Loblaw is an affiliate of the Trust and the Trust's largest tenant. Management has considered the relevant legal and governance considerations associated with related party transactions and has implemented a sound governance framework to address these transactions.

The Board Diversity Policy includes a target that women will comprise at least 30% of the Trustees. The Governance Committee considers this target and other diversity criteria during the Board candidate selection process.

The Governance Committee is confident that the Trust has strong and practical governance systems in place and well designed and administered executive compensation programs to appropriately incent and reward the Trust's executives for performance while not taking on unacceptable risk. At the same time, the Governance Committee remains committed to the ongoing evaluation of the Trust's practices and monitoring emerging best practices to deliver Unitholder value to you.

Respectfully submitted,

Governance Committee

Graeme M. Eadie (Chair)

Kerry D. Adams

R. Michael Latimer

Nancy H.O. Lockhart

For additional information regarding each member of the Governance Committee, please see pages 11 to 14. For additional information regarding the activities of the Governance Committee, see the Trust's Statement of Governance Practices on pages 25 to 32.

STATEMENT OF GOVERNANCE PRACTICES

OVERVIEW

The Board and management are dedicated to strong governance practices designed to maintain high standards of oversight, accountability, integrity and ethics while promoting long-term growth and complying with the Canadian Securities Administrators' Corporate Governance Guidelines (the "Governance Guidelines"). The Governance Committee regularly reviews the Trust's governance practices and considers any changes necessary to ensure they reflect evolving best practices in a rapidly changing environment.

The Trust's website, www.choicereit.ca, includes additional governance information, including the Trust's Code of Conduct, Disclosure Policy, Majority Voting Policy, the position description for the Chairman of the Board and mandates of the Board and of its committees.

Board Responsibilities and Duties

The Board is responsible for the overall stewardship and governance of the Trust. It oversees the management of the business and affairs of the Trust, both directly and through its committees. In addition, the Board has the following responsibilities and duties:

Strategic Planning

The Board oversees the development, execution and fulfillment of the Trust's strategic plan and assigns responsibility to management for achievement of that strategy. As part of its responsibility for overseeing the strategic direction of the Trust, the Board reviews and approves:

- management's strategic plan;
- material capital expenditures, acquisitions, divestitures and restructurings; and
- investments that are either outside the ordinary course of business or above a certain monetary threshold.

In 2019, the Board continued to oversee the development of the Trust's strategy after the Transaction. In overseeing the strategic planning of the Trust, the Board has a high level of engagement with management. The Board regularly receives updates from management on the Trust's achievements against its strategic plans. At each meeting, the Board monitors the Trust's performance against both short-term and long-term strategic plans and annual operating objectives.

Oversight of Management

Although the Board delegates to management the responsibility for managing the day-to-day affairs of the Trust, the Board reviews management's performance and effectiveness on an ongoing basis. The Board's expectations of management are communicated to management directly and through committees of the Board. The Board approves the Trust's business and operating plans and budgets, which take into account the opportunities and risks of the business. The Board also regularly receives reports on the operating and financial results of the Trust. The Board receives reports on non-operational matters, such as pension, tax, treasury and legal matters.

Enterprise Risk Management

The Board has oversight responsibility for risk management activities associated with the Trust's business. In order to identify and address any material risks, the Board undertakes an annual assessment of the Trust's ERM structure. The annual ERM assessment is carried out through interviews, surveys and/or facilitated workshops between management and the Board. Risks are identified and then assessed and evaluated based on the Trust's vulnerability to the risk and the potential impact that the underlying risks would have on the Trust's ability to execute its strategies and achieve its objectives. Following the Transaction, the Trust has undertaken significant work in examining its ERM program to ensure its suitability to its changing business. The types of risks the Trust is exposed to include: strategic; financial; operational; information security; regulatory risks. Management periodically provides an update on the status of the key risks based on significant changes from the prior update, anticipated impacts in future quarters, and significant changes in key risk indicators. In addition, long-term risk levels are assessed to monitor potential long-term risk impacts, which may assist in risk mitigation planning activities. Accountability for oversight of each risk is allocated by the Board either to the full Board or to a committee of the Board. For more information on the Trust's ERM program and the types of risks the Trust is exposed to, refer to the Trust's 2019 Annual Report and the Annual Information Form for the year ended December 31, 2019, which are available on SEDAR at www.sedar.com.

Internal Controls and Financial Reporting

The Board is responsible for overseeing the Trust's financial reporting and disclosure obligations to ensure compliance with applicable audit, accounting, regulatory and reporting requirements. The Board, through the Audit Committee, assesses and evaluates the integrity and effectiveness of the Trust's internal control over financial reporting and information systems.

Talent Management and Succession Planning

The Board, through the Governance Committee, oversees the Trust's succession planning for senior executive roles. The Governance Committee receives reports on the development of senior executives and on the talent management plans across the organization and reports on performance evaluation processes, which are designed to improve individual leadership and management skills. The succession planning process includes an annual review of each senior executive position and the performance of the incumbents to ensure the Trust has a pipeline of talented leaders.

Governance Matters

The Board is responsible for developing and monitoring the Trust's approach to governance. The Board, through the Audit and Governance Committees, closely monitors any potential conflicts of interest between the Trust and its affiliates and related parties, including Loblaw and Weston, and reviews and approves any material related party transactions. The Governance and Audit Committees ensure that a robust process is followed in reviewing and approving related party transactions. Individual trustees, with the approval of the Lead Trustee, may also retain an outside advisor at the expense of the Trust. This is particularly relevant for Choice Properties as Loblaw, an affiliate of the Trust, is the Trust's largest tenant.

The Trust, Weston and Loblaw, are part of a common control group (the "Weston Group"). Although the entities making up the Weston Group each have their own strategies and, for the most part, focus on different businesses, the entities acknowledge that from time to time new corporate opportunities may arise that potentially could be of interest to more than one entity of the Weston Group. Accordingly, the entities making up the Weston Group have adopted a framework that facilitates the decision making process to deal with any such opportunities in a manner that is consistent with good governance, taking into account existing businesses and other considerations.

A copy of the Board mandate is attached as Schedule "A" of this Circular.

Board Leadership Structure

Mr. Galen G. Weston is currently Chairman of the Board. Recognizing the importance of strong independent board oversight, the Board has appointed an independent trustee, Mr. Graeme M. Eadie, to serve as Lead Trustee. The Lead Trustee ensures that the Board operates independently of management and that the trustees have an independent leadership contact. The Board's view on the effective role of an independent lead trustee has been endorsed by leading corporate governance organizations.

The Board maintains a position description for the Chairman that is reviewed annually and approved by the Governance Committee and the Board also maintains a position description for the Lead Trustee. The following is a description of the roles of the Chairman and Lead Trustee:



Chairman
Galen G. Weston

- Directs the operations of the Board
- Chairs each meeting of the Board
- Provides leadership to the Board in all matters
- Ensures that the Board has all the information it needs to discuss the matters brought before the Board
- Ensures that all of the Board's responsibilities, as set out in the Board mandate, are being fulfilled
- Monitors the reports from the committees of the Board to ensure the committees are fulfilling the responsibilities delegated to them by the Board
- Chairs meetings of Unitholders and facilitates the response by management to Unitholder concerns
- Ensures that strategic plans are communicated to and evaluated by the Board
- Works in consultation with members of senior management to, among other things, set the agenda for each Board meeting



Independent Lead Trustee
Graeme M. Eadie

- Provides leadership to the Board in any situation where the Chairman's role may be perceived to be in conflict
- Chairs meetings if and when the Chairman is absent
- Chairs independent trustee meetings that follow Board meetings
- Regularly meets with the Chairman and serves as liaison between the Chairman and the independent trustees
- Works with the Chairman on appropriate agenda items
- Oversees the Board's self-assessment and evaluation of its leadership structure
- Meets periodically with the other independent trustees to obtain insight as to areas where the Board and its committees can operate more effectively and to ensure that the Board is able to discharge its responsibilities independent of management

Trustee Independence

The Board mandate provides that a majority of the Board shall be comprised of independent trustees. The independence of each trustee is assessed by the Governance Committee with reference to the Governance Guidelines and the requirements set by the Canadian Securities Administrators in National Instrument 52-110 – *Audit Committees*. In determining independence, the Governance Committee determines whether a trustee has any material relationship with the Trust or its affiliates that could reasonably be expected to interfere with the exercise of such trustee's independent judgment. Trustees who have a material relationship with the Trust, including management trustees, are not considered independent. This determination is conducted through a due diligence process that includes reviewing the following:

- each trustee's responses to a detailed annual questionnaire about his or her individual circumstances;
- biographical information;
- internal records and documents on relationships between a trustee and any entity affiliated with such trustee on one hand, and the Trust and its affiliated entities on the other hand; and
- discussions with the trustee as may be required.

When assessing whether there is a material relationship, the Governance Committee considers all relevant factors and circumstances including transactions between the Trust and the trustee directly, immediate family members of the trustee, or organizations with which the trustee is affiliated, and the frequency and dollar amounts associated with any such transactions. The Governance Committee has reviewed each trustee's factual circumstances and relationships with the Trust to determine whether he or she is independent within the meaning of the Governance Guidelines. The Governance Committee determined that seven of the eight trustee nominees are independent. The Governance Committee reviewed its findings with the Board.

The table below describes whether each trustee nominee is independent or non-independent and, in the case where certain trustee nominees are of non-independent status, the reason for such status is provided.

Status of Trustee Nominees			
Name	Independent	Not Independent	Reason for Non-Independent Status
Kerry D. Adams	x		
Christie J.B. Clark	x		
Graeme M. Eadie	x		
Karen Kinsley	x		
R. Michael Latimer	x		
Nancy H.O. Lockhart	x		
Dale R. Ponder	x		
Galen G. Weston		x	Executive Chairman of Loblaw and Chairman and Chief Executive Officer of Weston and a relative of Mr. W. Galen Weston, the Trust's ultimate controlling unitholder.

The Trust has taken steps to ensure that adequate structures and processes are in place to permit the Board to function independently of management of the Trust. The Chairman of the Board and Chair of each committee meet separately with the Board or committee members after each meeting without management present. The independent trustees meet separately following each Board and committee meeting and may meet on other occasions as required or desirable without the non-independent trustees or management present.

Lead Trustee

The Board is confident that the current leadership structure ensures the appropriate level of oversight, independence and responsibility is applied to Board decisions. The Board is of the view that having a Lead Trustee who is independent ensures that any potential conflicts of interest between the Trust and the controlling Unitholder are addressed. The Chair of the Governance Committee serves as the Lead Trustee. The Lead Trustee's role is to ensure that the interests of the Trust and of the minority Unitholders and other relevant stakeholders are protected and the Board is following good governance processes and prioritizing the right matters.

Individual trustees may, with the approval of the Lead Trustee, retain an outside advisor at the expense of the Trust as necessary.

Board Committees

The Board has two standing committees: the Audit Committee and the Governance Committee. The Chair of each committee reports to the Board on material issues discussed and the actions taken at each committee meeting.

Position Descriptions for the Chair of each Committee

The Chair of each committee is responsible for the leadership and effective functioning of the committee. Specifically, the Chair is responsible for the following: maintaining a productive and effective relationship between the committee and management of the Trust; holding management accountable for matters delegated to the Committee by the Board; ensuring the proper flow of information from the committee to the Board regarding the matters discussed and decisions taken at each committee meeting; reviewing the agenda for each meeting of the committee to ensure that all appropriate matters are brought forward for discussion; ensuring that the committee meets as frequently as is necessary to fulfill its mandate and ensuring, with the assistance of management, that all proper materials and information are brought before the committee in connection with matters to be discussed at each meeting.

Committee Membership

At least once a year, the Governance Committee will review the composition and Chair of each committee and table its recommendations to the Board for approval. All committees may engage outside advisors or consultants as necessary, and have the authority to approve fees for any such engagements.

The Audit and Governance Committees are comprised solely of independent trustees.

Committee Responsibilities

Each committee has a formal mandate and a position description for its Chair established by the Board. Each committee reviews its mandate and the position description annually to ensure they reflect best practices and address applicable regulatory and other requirements. The results of those reviews are presented to the Board for approval. Copies of the committees' mandates are available on the Trust's website at www.choicereit.ca.

The following is a summary of the responsibilities of each committee:

Governance, Compensation and Nominating Committee

The Governance Committee assists the Board in its oversight responsibilities related to succession planning and compensation for trustees and senior management. The Governance Committee's responsibilities include:

- assessing the effectiveness of the Board, each of its committees and the individual trustees;
- overseeing the recruitment and selection of candidates as trustees of the Trust;
- organizing an orientation and education program for new trustees;
- overseeing the ongoing education for trustees;
- overseeing the protocol for reviewing related party transactions and conflicts of interest;
- considering and approving proposals by the trustees to engage outside advisors on behalf of the Board as a whole or on behalf of the independent trustees;
- reviewing and making recommendations to the Board concerning any change in the composition or in the number of trustees composing the Board;
- considering and advising the Board on questions of management succession;
- administering the Trust Unit Option Plan, the employee unit purchase plan, the DU Plan, the Restricted Unit Plan (the "RU Plan"), the Unit-Settled Restricted Unit Plan (the "URU Plan"), the Performance Unit Plan (the "PU Plan") and any other compensation incentive programs;
- assessing the performance of management of the Trust;
- reviewing and approving the compensation paid by the Trust to the senior executives of the Trust;
- reviewing and making recommendations to the Board concerning the compensation payable to the trustees of the Trust; and
- developing and implementing the Trust's governance practices and guidelines.

The Governance Committee, whose membership currently includes Graeme M. Eadie (Chair), Kerry D. Adams, R. Michael Latimer and Nancy H.O. Lockhart had six meetings in 2019. Further information relating to the Governance Committee's accomplishments in 2019 is set out in "Governance Committee Report to Unitholders" on pages 23 to 24.

Audit Committee

The Audit Committee assesses and evaluates the integrity of the Trust's internal controls over financial reporting and information systems. Although the Board oversees the Trust's ERM Program, it delegates the oversight of certain risks to the Audit Committee. The Audit Committee periodically reports to the Board on the oversight of such risks and on management's overall effectiveness in managing the ERM Program. In addition, the Audit Committee assists the Board in its oversight of the following:

- reviewing the Trust's procedures for internal controls over financial reporting with the Trust's Chief Financial Officer and external auditor;

- reviewing and approving the engagement of the external auditor;
- reviewing annual and quarterly consolidated financial statements and all other material continuous disclosure documents, including the Trust's annual information form and management's discussion and analysis;
- assessing the Trust's financial and accounting personnel;
- assessing the Trust's accounting policies;
- reviewing the Trust's risk management procedures;
- reviewing any significant transactions outside the Trust's ordinary course of business, including related party transactions, and any legal matters that may significantly affect the Trust's consolidated financial statements;
- receiving reports and plans from the internal audit group of the Trust;
- overseeing the work and confirming the independence of the external auditor; and
- reviewing, evaluating and approving management's assessment and reporting on the effectiveness of internal controls and procedures and financial disclosure controls and reviewing any proposed corrective actions.

The Audit Committee, whose membership currently includes Paul R. Weiss (Chair), Christie J.B. Clark, Karen Kinsley and Dale R. Ponder, had four meetings in 2019. Further information relating to the Audit Committee's accomplishments in 2019 is set out in "Audit Committee Report to Unitholders" on pages 20 to 21.

Ethical Business Conduct

The Trust's Code of Conduct (the "Code") reflects the Trust's commitment to high standards of ethical conduct and business practices. The Code is reviewed annually to ensure it is current and reflects best practices in the area of ethical business conduct and includes a strong "tone from the top" message. The Code addresses, among other things, conflicts of interest, several compliance issues including compliance with laws, rules and regulations, confidentiality and fair dealing with the Trust's Unitholders, customers, suppliers and competitors and reporting of illegal or unethical behavior. All trustees, officers and employees of the Trust are required to comply with the Code and must acknowledge their commitment to abide by the Code on an annual basis. The Audit Committee receives periodic reports on any compliance issues. In 2019, there were no material violations of the Code. The Code is available on the Trust's website at www.choicereit.ca.

Senior management reviews all material breaches of the Code, oversees the implementation of the Code and the education of employees regarding the Code. Senior management also reviews the Code annually to determine if it requires revision.

The Code also deals with conflicts of interest. Should a trustee, officer or employee have a conflict of interest with respect to any matter, that individual is required to bring the conflict to the attention of senior management and, if a trustee has a conflict with respect to any matter, he or she may not participate in any discussion and will abstain from voting on the matter. The Code also addresses such matters as the protection of confidential information and the protection and proper use of the Trust's assets.

The Trust encourages the reporting of violations and potential violations of the Code and has established an Integrity Action Line (or "whistleblower" line), a toll-free number that any employee or trustee may use to report conduct which he or she feels violates the Code or otherwise constitutes fraud or unethical conduct. A fraud reporting protocol has also been implemented to ensure that fraud is reported to senior management in a timely manner. In addition, the Audit Committee has endorsed procedures for the anonymous receipt, retention and handling of complaints regarding accounting, internal controls and auditing matters. Reports are received periodically by the Audit Committee regarding any concerns reported through any of these procedures. These procedures are available at www.choicereit.ca. The Secretary reports regularly to the Audit Committee regarding complaints received through the whistleblower procedures so that the Audit Committee can ensure that any complaints are handled appropriately.

New Trustee Orientation

The Governance Committee is responsible for the orientation of new trustees and their education about the business of the Trust, as required. The Governance Committee coordinates an in-depth orientation session for new trustees, which is attended by the Chairman, President and Chief Executive Officer and other senior executives and typically includes:

- a review of the Trust's business strategy, financial information and governance processes;
- historical information on the Trust; and
- one-on-one meetings with the Trust's senior executives.

In addition, new trustees are provided with a reference manual in advance of the orientation session describing the Trust's operations, strategy and business plan, the structure and role of the Board and its committees, the Board's mandate, compliance requirements for trustees, corporate policies, as well as agendas and minutes from recent Board and committee meetings.

Trustee Continuing Education

The Governance Committee is responsible for ensuring that relevant educational sessions are provided to the trustees. From time to time, the trustees are provided with presentations by internal and external experts on specific topics of interest and importance to the Board and each of its committees. These presentations are in addition to regular reporting from senior management.

Educational Sessions	Date	Participants
Accounting Standards Update	February 12, 2019	Audit Committee
Legislative Update	April 25, 2019	Governance Committee
Real Estate Trends	May 24, 2019	Board
Governance Insights	July 17, 2019	Governance Committee
Capital Markets	July 17, 2019	Board
Real Estate Trends	November 6, 2019	Board
Governance Insights	November 6, 2019	Governance Committee

Assessment of the Board and its Committees

The Governance Committee periodically reviews the performance and effectiveness of the Board and its committees. This process includes a confidential survey completed by each of the trustees on matters including the operation of the Board and its committees, the adequacy of information provided to trustees, Board structure and an assessment of Board and Committee Chairs. The survey results are reviewed by the Governance Committee and then presented to the full Board by the Lead Trustee.

The Governance Committee reviews committee composition, recommends committee Chairs and takes recommendations to the Board for approval each year.

In addition, each year, the Governance Committee also assesses the performance of the Chairman of the Board and the President and Chief Executive Officer.

Board and Committee Tenure Guidelines

Choice Properties has Board Tenure Guidelines which provides that the Chairman of the Board and the Governance Committee will undertake an assessment of a trustee's continued participation on the Board upon reaching the age of 75, and annually thereafter, or upon a change in principal occupation. The Governance Committee, upon the advice and recommendation of the Chair, may extend the term of any individual trustee or a trustee's term as Committee Chair, if it is considered to be in the best interests of Choice Properties. The average tenure of the trustee nominees is 3.3 years.

Nomination of Trustees

The Governance Committee is responsible for the process of identifying prospective trustee nominees. The Governance Committee reviews the experience and performance of nominees. It also recommends the appointment of trustees to committees.

The Governance Committee meets on an annual basis, or when required, to assess the appropriate size of the Board and whether any vacancies are expected due to retirement or otherwise. As part of this assessment, the Governance Committee reviews the skill-set of current Board members to determine skills and experience to be considered when recruiting new trustee nominees. The members of the Board are canvassed with respect to potential candidates and each candidate is evaluated with respect to his or her experience and expertise, with particular attention paid to those areas of expertise that could best complement the current Board. The Governance Committee also assesses any concerns relating to potential conflicts, independence, interlocking board memberships, or time commitment that the candidate may present. The Chairman, the Chair of the Governance Committee, as well as other members of the Governance Committee, meet with the potential candidates to determine their interest, availability and suitability. The Governance Committee then presents its list of potential candidates and recommendations to the Board. A continuous list of potential candidates is kept with the records of the Governance Committee.

Board and Management Diversity

Choice Properties values diversity of views, thought, experience, skill sets, gender and ethnicity and supports the identification and nomination of diverse trustees and candidates for senior management positions. Diversity is an important factor that is taken into account in identifying and selecting Board members and in considering the hiring, promotion and appointment of

senior management. The Board believes that diversity is important to ensure that trustees and senior management provide a wide range of thoughts, perspectives, experience and expertise required to achieve effective stewardship of the Trust.

The Trust has developed and adopted a written Board Diversity Policy. The Board Diversity Policy sets out guidelines for the Governance Committee to find the best qualified candidates for Board positions given the needs and circumstances of the Board and the Trust. The Board Diversity Policy provides that when identifying suitable candidates for appointment to the Board, the Committee must consider candidates on merit using objective criteria with due regard to the benefits of diversity and the needs of the Board and the Trust. The Board Diversity Policy states that, among other qualities, a nominee's gender, age, ethnicity and geographic background may be considered in his or her assessment. The Board Diversity Policy also requires that the Governance Committee measure and report to the Board annually with respect to the Trust's progress in identifying and considering diverse candidates for appointment to the Board. To measure the effectiveness of the Policy, the Governance Committee reviews: (i) the number of candidates representing various diversity categories considered or brought forward for Board positions; and (ii) the skills, knowledge, experience and character of candidates representing various diverse categories to ensure that these candidates are being fairly considered relative to other candidates. The results of the Governance Committee's review is taken into account when identifying and nominating candidates for election or re-election to the Board. The Governance Committee's approach in circumstances where diverse candidates are not selected for Board positions is to satisfy itself that there are justifiable reasons to support the selection.

The Board Diversity Policy includes a target that women will comprise at least 30% of the Board's trustees. This year, four of the eight trustee nominees are women, representing 50% of the Board's composition. The Board Diversity Policy does not currently specifically address, or include formal targets for, board representation of aboriginal persons (being Indian, Inuit, Métis), persons with disabilities⁽¹⁾ and members of visible minorities (persons other than aboriginal peoples who are non-Caucasian in race or non-white in colour) (together with women, the "designated groups" as defined under Article 3 of the *Employment Equity Act* (Canada)), as diversity is already an important factor that is considered in the trustee identification process, and ultimately it is the skills, experience, expertise, character and behavioral qualities of an individual that are most important in determining the value that an individual could bring to the Board.

The Trust is committed to an inclusive and diverse workplace and recognizes that diversity is an important consideration in creating and maintaining an effective senior management team. The Trust has established a number of talent initiatives to support this objective, including mentoring and recruiting practices based on inclusion strategies and principles and maintaining active diversity and inclusion initiatives within the workplace. These programs were established to ensure that the Trust's rich and diverse talent pool is supported and provided opportunities to grow their careers to the highest levels within the organization. The Trust has not adopted a formal diversity policy or specific diversity targets for senior management as it feels that the skills, experience, expertise, character and behavioral qualities of an individual candidate are most important in determining the value that an individual could bring to the Trust as members of senior management.

In early 2020, the Trust surveyed the Board and senior management to determine the number and proportion of individuals that self-identified as belonging to one or more of the designated groups. Participation in the survey was voluntary and, as such, the results represent only those individuals who elected to participate and may not be entirely representative of the designated groups at the Board and senior management level.

The Trust has four trustee nominees that have identified as women, representing 50% of the Board's composition. No trustee nominee has identified as being a visible minority, an aboriginal person or a person with disabilities.

The Trust's senior management, which is comprised of fourteen vice-president level or higher positions, includes: five individuals who have identified as women, representing approximately 36% of senior management; and three individuals who have identified as visible minorities, representing approximately 21% of senior management. No member of senior management has identified as an aboriginal person or as a person with disabilities.

The Trust is committed to ensuring that it attracts and retains the most highly qualified and experienced trustees and senior management and recognizes that diversity is an important consideration in creating and maintaining an effective Board and senior management team.

⁽¹⁾ "Persons with disabilities" is defined as meaning persons who have a long term or recurring physical, mental, sensory, psychiatric or learning impairment and who: (i) consider themselves to be disadvantaged in employment by reason of that impairment; or (ii) believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of that impairment. This definition also includes persons whose functional limitations owing to their impairment have been accommodated in their current job or workplace.

Composition of the Governance Committee

Each member of the Governance Committee is an independent trustee. The Board believes that the presence of independent trustees on the Governance Committee and the alignment of interests described above ensure that objective compensation and nominating processes are in the interests of all Unitholders.

GOVERNANCE MATTERS

Environmental and Social Responsibility

Choice Properties is committed to conducting business in a manner that is respectful of the environment and the communities in which Choice Properties operates. By integrating consideration of environmental and social risks into its day-to-day business activities, instituting programs which contribute to the health and wellness of employees, and undertaking impactful charitable activities, through its *Choice Cares* employee engagement program, Choice Properties strives to achieve a more inclusive and sustainable culture. Over the past year, Choice Properties has focused on: (i) developing a formalized and comprehensive sustainability program with clear objectives that address environmental, social and governance (ESG) issues and; (ii) developing reporting formats that provide visibility on Choice Properties' progress and achievements against these objectives. To this end, Choice Properties published its inaugural Sustainability & Responsibility Highlights Report in 2019. Choice Properties has also developed the following sustainability targets to be reached by 2023:

- reducing same-asset office energy use by 10% relative to a 2018 baseline;
- reducing same-asset office water use by 5% relative to a 2018 baseline;
- diverting 70% of annual office waste from landfills;
- converting 75% of retail and industrial parking lot lighting to high efficiency fixtures;
- reducing greenhouse gas (GHC) emissions by 10% relative to a 2018 baseline; and
- certifying 65% of Choice Properties' portfolio under LEED or BOMA BEST, two-market leading green building certification programs.

For additional information about Choice Properties' sustainability commitments and initiatives, please visit Choice Properties' website at www.choicereit.ca.

Disclosure Policy

The Board has adopted a Disclosure Policy to deal with the timely dissemination of all material information. The Disclosure Policy, which is reviewed annually, establishes consistent guidance for determining what information is material and how to ensure that all material information is publicly disclosed on a timely basis to avoid selective disclosure. The Board, directly and through its committees, reviews and approves the content of major disclosure documents, including annual and interim consolidated financial statements, the Annual Report, the Annual Information Form, Management's Discussion and Analysis and the Management Proxy Circular. The Trust seeks to communicate with its Unitholders through these documents as well as by means of news releases, its website and investor relations calls and meetings.

Disclosure Committee

A Disclosure Committee, comprised of senior management of the Trust, oversees the Trust's disclosure process as outlined in the Disclosure Policy. The Disclosure Committee's mandate includes ensuring that effective controls and procedures are in place to allow the Trust to satisfy all of its continuous disclosure obligations, including evaluating events to determine whether they give rise to material information that must be publicly disclosed and reviewing all disclosure documents before they are presented to the Audit Committee and the Board. In addition, the Disclosure Committee is also responsible for ensuring that the policies and procedures contained in the Disclosure Policy are in compliance with regulatory requirements.

The Trust's website, www.choicereit.ca, sets out governance information, including the Code of Conduct, Disclosure Policy and mandates of the Board and its committees.

COMPENSATION DISCUSSION AND ANALYSIS

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INTRODUCTION

This Compensation Discussion and Analysis (“CD&A”) describes the executive compensation philosophy and the compensation programs of the NEOs.

For 2019, the NEOs were:

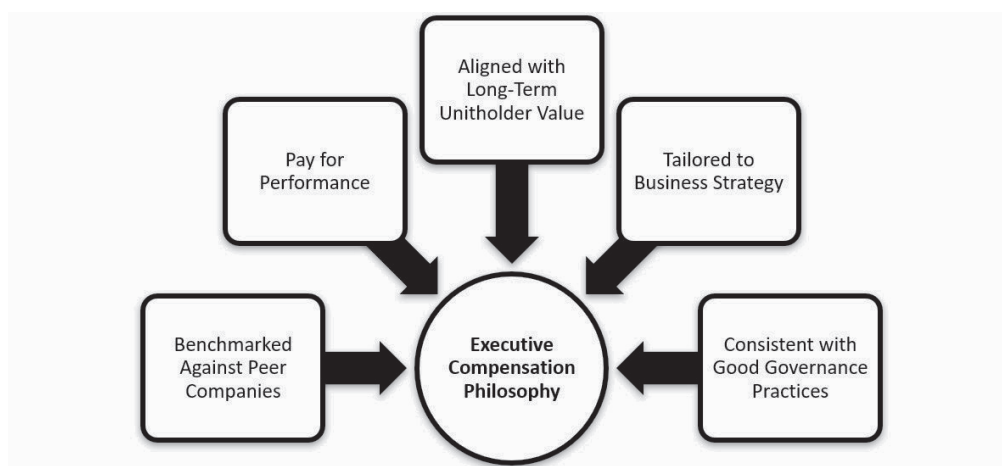
Name	Position
Rael L. Diamond	President and Chief Executive Officer
Mario Barrafato	Chief Financial Officer
Ana Radic ⁽¹⁾	Executive Vice President, Leasing and Operations
Evan Williams	Vice President, Quebec & Atlantic Canada Retail
Andrew Reial	Senior Vice President, Office and Industrial
Stephen E. Johnson	Former President and Chief Executive Officer

(1) Ms. Radic was employed by the Trust and, prior to the Transaction, by CREIT, from May 15, 2015 until November 30, 2018. Ms. Radic resigned from the Trust in November 2018 but rejoined the Trust in early 2019. The Trust recognizes Ms. Radic’s original service date.

On February 13, 2019, Choice Properties announced that Mr. Johnson had made the decision to retire from the Trust effective May 1, 2019. Mr. Diamond was appointed as President and Chief Executive Officer of the Trust upon Mr. Johnson’s retirement. Mr. Reial joined the Trust on October 11, 2019.

EXECUTIVE COMPENSATION PHILOSOPHY

The Trust’s executive compensation programs are designed to attract, retain and motivate outstanding executives who are committed to improving Choice Properties’ performance and creating value for its Unitholders. Five key principles underlie the Trust’s executive compensation programs as set out below:



1. Benchmarked Against Peer Companies

Competitive compensation is important as it enables Choice Properties to attract and retain talented and qualified individuals to lead the business. Choice Properties has developed processes to ensure that its compensation programs are competitive with market and industry practices and support the attraction and retention of high quality executives. Choice Properties regularly benchmarks compensation and incentive design relative to other REITs. The Governance Committee has determined that Choice Properties’ compensation positioning should be targeted within a competitive range at approximately the 50th percentile of the Trust’s comparator group, as set out in more detail under “Role of Management and Compensation Consultants” on page 36.

2. Pay for Performance

Choice Properties structures its compensation programs to align executive compensation with the financial and strategic performance of the Trust, including the performance of its Trust Units. A significant portion of executive compensation is in the form of at-risk pay, namely STIP and LTIP compensation. This creates a performance-based culture that rewards individual and team-based contributions to the achievement of the Trust's operational and financial goals and aligns executive compensation with total return to Unitholders. The at-risk components (the STIP and LTIP awards) for the NEOs in 2019, other than Mr. Johnson, ranged from 34.6% to 74.4% of their total direct target compensation.

3. Aligned with Long-Term Unitholder Value

Choice Properties structures its executive compensation programs to align the interests of its executives with those of its Unitholders. A significant portion of executive compensation takes the form of long-term equity-based awards. Structuring executive compensation in this manner rewards executives for the creation of sustainable, long-term Unitholder value.

4. Tailored to Business Strategy

Choice Properties believes that its executive compensation programs should be tailored to Choice Properties' business strategy. Choice Properties' STIP is designed to motivate executives to meet the Trust's annual business and strategic objectives.

5. Consistent with Good Governance Practices

Choice Properties structures its executive compensation programs to reward senior executives for the execution of business strategies while taking an expected and reasonable level of risk. Choice Properties' STIP and LTIP programs are comprised of multiple performance measures to reduce the risk of executives putting a disproportionate focus on a single performance measure. Choice Properties' executive compensation programs demonstrate a commitment to sound business conduct, accountability and responsible decision-making.

EXECUTIVE COMPENSATION AND RISK MANAGEMENT

RISK MITIGATION PRACTICES

The Trust has designed its compensation programs to provide an appropriate balance of risk and reward in relation to its overall business strategy. The Governance Committee believes that the compensation programs do not encourage executives to take excessive or inappropriate risks. The Governance Committee believes that, in its review of risk mitigation practices, having a compensation program that comprises a mix of compensation elements, with a significant portion of compensation in the form of long-term equity based awards, acts as a deterrent to executives taking excessive risk. Additionally, the Trust has risk mitigation practices that include designing balanced incentive plans that are not focused on a single financial measure, a clawback policy for short- and long-term compensation, Trust Unit ownership requirements for all executives at the vice president level or higher and trading restrictions and hedging prohibitions, each of which are described in more detail below.

1. Incentive Plan Design

Choice Properties' 2019 STIP was designed on a balanced set of performance measures and weightings, which are determined annually. The 2019 STIP performance measures and weightings include funds from operations ("FFO")* per Unit, net operating income ("NOI")*, adjusted funds from operations ("AFFO")* per Unit, and pursuit measures related to culture & people and technology & processes. Using multiple performance measures requires that the operating results of the Trust must outperform in all key metrics in order for executives to achieve the maximum compensation award. This balanced approach reduces the risk of a disproportionate focus by executives on any single aspect of the business for the sole purpose of increasing their compensation.

Short-term incentives are designed to focus executives on the key drivers of value creation over both the short- and long-term and, as such, minimize the likelihood of inappropriate or excessive risk-taking. The Trust's STIP has a maximum payout level that limits the amount that an executive can be paid in order to limit incentives to take excessive risk. The STIP's performance metrics are stress tested and the results of this analysis are reviewed by the Governance Committee as part of its approval process.

* Non-GAAP financial measure. See the note in the "Other Information" section of this Circular.

A significant portion of executive compensation is allocated to long-term incentives to focus executives on sustainable value creation. The Trust's objective is to design incentive plans that do not motivate executives to take excessive or inappropriate risks given the potential negative impacts on the long-term equity components of compensation. The LTIP consists of the Trust's PUs, which focus executives on a key driver of business performance, and RUs and URUs which provide for alignment with

changes in Trust Unit price, participation in distributions and retention value. Further details regarding the PUs, RUs and URUs can be found on page 39 of this Circular. Equity awards are granted annually and vest over time. This creates overlapping vesting periods which maintain executives' exposure to the consequences of their decision-making through their unvested equity. In February 2019, the Governance Committee determined that Trust Unit options would be eliminated from the LTIP design, in recognition of the stable underlying dynamics of the Trust's business and to remain consistent with best practice in the industry.

The Governance Committee regularly reviews each compensation plan and has the ability to make adjustments to incentive awards and actual payouts, as appropriate.

2. Clawback Policy

The Trust has a clawback policy for the President and Chief Executive Officer and the Chief Financial Officer. Under this policy, the Trust can require these executives to repay STIP and LTIP payouts if: (i) the executive engages in misconduct that results in the need for the correction or restatement of financial results; (ii) the executive receives an award calculated on the achievement of those financial results; and (iii) the award received would have been lower had the financial results been properly reported. The clawback policy also provides that a clawback may be triggered if the executive commits a material breach of the Trust's Code of Conduct. The policy applies to all incentive payments received over the two-year period preceding the triggering event.

3. Equity Ownership Requirements

All executives at the vice-president level or higher are required to maintain a significant equity investment in the Trust. The Trust's Equity Ownership Guidelines are designed to align executives' interests with those of the Unitholders, and to mitigate the likelihood of undue risk taking. The Equity Ownership Guidelines, as further discussed on page 52, establish minimum Unit ownership levels for executives at the vice-president level or higher, which are set at a multiple of base salary based on the executive's position.

4. Trading Restrictions and Hedging Prohibitions

Trustees, employees and certain designated persons are subject to the Trust's Securities Trading Policy, which prohibits: (i) trading, directly or indirectly in the securities of the Trust, Loblaw or Weston (the "Securities") while in possession of material undisclosed information; (ii) sharing material undisclosed information with unauthorized persons; (iii) recommending or encouraging others to trade in the Securities while in possession of material undisclosed information; (iv) trading of Securities outside prescribed trading windows; and (v) speculating in the Securities, which includes engaging in hedging transactions, short sales, puts or calls.

ROLE OF MANAGEMENT AND COMPENSATION CONSULTANTS

ROLE OF MANAGEMENT IN THE COMPENSATION AND EVALUATION PROCESS

The Chairman of the Board and the President and Chief Executive Officer participate in the compensation design process, evaluate the performance of key senior executives and make recommendations to the Governance Committee with respect to the compensation of the other executives and the specific business goals to be used as performance targets for the various incentive programs. The views of the Chairman and the President and Chief Executive Officer are valued because of their ongoing involvement with key senior executives. As a result, they are in the best position to effectively assess the performance of the other executives and how their efforts have contributed to the achievement of the Trust's strategic objectives and operational targets. The Chairman makes recommendations to the Governance Committee with respect to the compensation of the President and Chief Executive Officer.

The evaluations of executives are based on the achievement of objectives and targets related to both the Trust and the individual and include an assessment of each executive's leadership capabilities and team development skills. The results of these evaluations are presented to the Governance Committee. The Chief Financial Officer assists the Chairman and the President and Chief Executive Officer in developing and presenting management's recommendations and supporting materials to the Governance Committee regarding the design of the incentive plans.

COMPARATIVE MARKET DATA

Comparative market data is one factor used in setting the compensation of executives. Other factors considered by the Governance Committee include individual performance and experience, scope of the role, leadership ability, internal pay equity among executives and the operating results of the business or area for which the executive has responsibility. From time to time, the Governance Committee uses benchmarking or comparisons of compensation programs from a peer group of real estate entities to confirm that the Trust's programs remain competitive.

ROLE OF MERIDIAN COMPENSATION PARTNERS

In 2018, the Governance Committee retained Meridian to review the Trust's incentive plans for executives, with a focus on how each element compares to the Trust's peers, general market trends and good governance practices. As part of this review, Meridian reviewed annual incentive plan performance measures and weightings, LTIP mix and weighting, performance plan measures, and vesting periods of equity awards.

In 2018, Meridian also reviewed and opined on recommendations by management on the harmonization of compensation following the Transaction.

In April 2019, in order to set Mr. Diamond's compensation as President and Chief Executive Officer, the Trust's Governance Committee engaged Meridian to benchmark Mr. Diamond's compensation relative to a peer group of competitor REITs. The results of the review suggested that a total compensation increase was required in order to set Mr. Diamond's compensation at market median when compared to the total compensation of individuals in chief executive officer roles within the comparator group.

In July 2019, Meridian was engaged to benchmark compensation for Mr. Barrafato, the Chief Financial Officer, relative to the peer group approved by the Governance Committee in 2019 as well as the previously approved peer group. After reviewing the results of the benchmarking exercise, the Governance Committee determined that a modest base salary increase, together with an increase in target LTIP, was merited for the Chief Financial Officer role.

In 2019 and 2018, Meridian received \$60,602 and \$54,867, respectively, from the Trust for advisory services to the Trust. No other fees were paid to Meridian in 2019 or 2018. Rather than engaging a consultant on a continuing basis, the Governance Committee has determined that it will retain a compensation advisor on an as-needed basis.

DESCRIPTION OF COMPENSATION COMPARATOR GROUP

In order to address the change in assets and revenue following the acquisition of CREIT in May 2018, the Governance Committee reviewed the comparator group against which to benchmark Choice Properties' executive compensation. The Governance Committee approved the peer group below for 2019, which is comprised of various Canadian real estate entities, including retail REITs, diversified REITs and office REITs, and which were identified as size-appropriate based on market capitalization and as most directly comparable to the Trust.

The group of comparator entities is set out below:

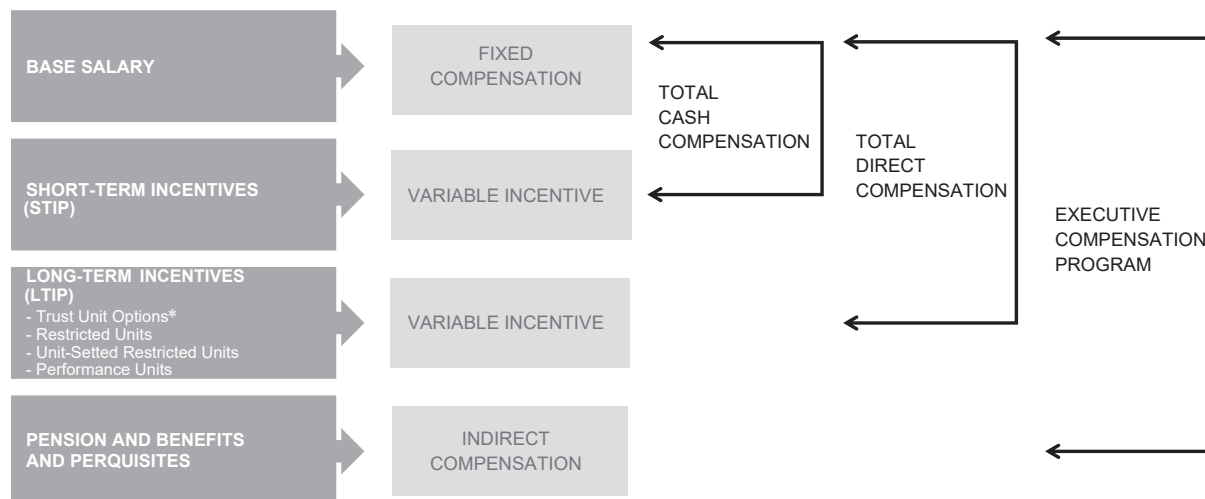
Comparator Group	
Allied Properties REIT	First Capital REIT
Canadian Apartment Properties REIT	H&R REIT
Cominar REIT	RioCan REIT
CT REIT	SmartCentres REIT

The benchmarking information was used as a point of reference and considered by the Governance Committee in addition to the scope of the roles, internal pay equity, performance, experience in the role and the competitive market for talent when establishing the compensation for executives.

COMPONENTS OF COMPENSATION

SUMMARY OF THE COMPONENTS OF COMPENSATION

The Trust's executive compensation program is comprised of the elements described in this Compensation Discussion and Analysis, as summarized below:



* In February 2019, the Governance Committee determined that Trust Unit options would be eliminated from the LTIP design.

OVERVIEW OF COMPONENTS

The 2019 NEO compensation was comprised principally of base salary, short-term cash incentives and long-term incentives (RUs, URUs and PUs) as described in the table below. Benefits, pensions and perquisites generally comprise a small part of an NEO's total annual compensation.

Base Salary	Short-Term Incentives	Long-Term Incentives	Pension and Benefits	Perquisites
Compensate executives for fulfilling their day-to-day responsibilities	Reward executives for meeting annual financial and/or operating performance targets	Motivate and reward executives for increasing Unitholder value and serve to retain executives	Assist executives in providing for their health and retirement planning	Provide additional benefits to executives that are competitive with market practice

Components		Form	Period	Program Objectives and Details
Fixed Compensation	Base Salary	Cash	Annual	<ul style="list-style-type: none"> Reflects the executive's level of responsibility and experience, market competitiveness, internal equity among executives and the executive's overall performance.
	STIP	Cash	Annual	<ul style="list-style-type: none"> Executives have target annual bonuses, expressed as a percentage of base salary. Actual payout is determined by the achievement of predetermined financial and/or operating performance objectives and individual performance objectives.
Variable Compensation	LTIP	Restricted Units	Three year vesting period	<ul style="list-style-type: none"> Motivates and rewards executives for increasing Unitholder value. Serves as a key component in retaining executives. RU grants are generally made once per year. RUs and/or URUs typically comprise 75% of the total value of annual LTIP grants to executives. RUs are settled in cash or Trust Units acquired in the open market at the end of the applicable vesting period. RU Plan provides for the crediting of additional RUs in respect of distributions paid on Trust Units for the period when an RU is outstanding. Distribution RUs vest at the end of the applicable vesting period.
	LTIP	Unit-Settled Restricted Units	Three year vesting period (33.33% per year), with the exception of Mr. Johnson's URUs, which vest over three years (33.33% per year), starting on the third anniversary of the grant date	<ul style="list-style-type: none"> Motivates and rewards executives for increasing Unitholder value. Serves as a key component in retaining executives. URU grants are generally made once per year. RUs and/or URUs typically comprise 75% of the total value of annual LTIP grants to executives. The Trust Units granted under the URU Plan are purchased in the open market and are held by an independent custodian on behalf of each participant until such time as they have vested and the disposition restrictions have been lifted. The participant has the right to vote the restricted Trust Units and to receive distributions from the date of grant. The participant may not dispose of his or her URUs until six years following the date of grant, with the exception of Mr. Johnson who may not dispose of his URUs until seven years from the date of grant.
	LTIP	Performance Units	Three year performance period	<ul style="list-style-type: none"> Motivates and rewards executives for increasing Unitholder value. PU grants are generally made once per year. PUs typically comprise 25% of the total value of annual LTIP grants to executives. PU vesting is based on the Trust's achievement of FFO per Unit results versus pre-determined targets. PUs are settled in cash or Trust Units acquired in the open market at the end of the applicable vesting period. PU Plan provides for the crediting of additional PUs in respect of distributions paid on Trust Units for the period when a PU is outstanding. Distribution PUs vest at the same time and based on the same performance factor as the PUs.
	LTIP	Trust Unit Options	Four year vesting period (25% per year); 7 year term	<ul style="list-style-type: none"> Trust Unit options are no longer part of the value of annual LTIP grants to the Trust's executives; prior to 2019 Trust Unit options comprised 25% of an executive's LTIP. Motivates and rewards executives for increasing Trust Unit price. Trust Unit option grants are generally made once per year.

Components	Form	Period	Program Objectives and Details
Benefits	Group health, dental and insurance benefits	Employment and post-employment	<ul style="list-style-type: none"> Executive benefit plans provide health, dental, disability and insurance coverage.
Pensions	Defined Contribution Pension Plans/ Supplemental Executive Retirement Plan	Post-employment	<ul style="list-style-type: none"> The Trust's executive pension plans are designed to provide a reasonable level of retirement income to executives to reward them for their service to the Trust. Executives participate in the executive defined contribution registered pension plan and in a supplemental executive retirement plan ("SERP") or the Vice President defined contribution pension plan. Senior executives of the Trust whose pension benefits exceed the prescribed limits under the applicable tax legislation may be eligible to participate in the SERP on a non-contributory basis. The SERP is an unfunded obligation of the Trust.
Perquisites	Cash allowance/ reimbursement for professional services	Annual	<ul style="list-style-type: none"> A limited number of benefits are provided, including a car allowance, monthly parking, an annual medical examination, a discretionary health care spending account and the ability to participate in the employee Unit purchase plan.

COMPONENTS OF EXECUTIVE COMPENSATION FOR 2019

INTRODUCTION

In 2018, following the completion of the Transaction, the Trust undertook a comprehensive review of the Trust's and CREIT's executive compensation programs with the aim of harmonizing the compensation structure of the combined entity. As a result, the Trust introduced new elements to its compensation design, as further set out in this CD&A. The CD&A also discusses certain elements of CREIT's compensation program in effect prior to the Transaction. As a result of the Transaction, the Trust amended the design and structure of the Trust's STIP and LTIP for 2019, as further described in this section.

BASE SALARY

Base salaries for the NEOs are set on an individual basis and not within formalized salary ranges by position. Base salaries are set taking into account an executive's level of responsibility and experience, internal equity among executives and the executive's overall performance. The Governance Committee annually reviews the base salaries of the NEOs. The Governance Committee may make adjustments to an NEO's salary as a result of a change in the NEO's duties and responsibilities, a change in the performance and contribution of the NEO or as a result of competitive factors.

The following table sets out the base salary for 2019 and the increase in base salary from 2018 for each NEO:

Name	2019 Base Salary (\$)	Increase from 2018 (%)
Rael L. Diamond	750,000 ⁽¹⁾	38.9 ⁽¹⁾
Mario Barrafato	450,000 ⁽²⁾	5.5
Ana Radic	400,000 ⁽³⁾	25.0
Evan Williams	258,600 ⁽⁴⁾	2.0
Andrew Reial	275,000 ⁽⁵⁾	n/a
Stephen E. Johnson	n/a ⁽⁶⁾	n/a

(1) Mr. Diamond received an increase to his compensation package effective May 1, 2019 in connection with his promotion to President and Chief Executive Officer. His actual base salary received for 2019 was \$683,600.

(2) Mr. Barrafato received an increase to his compensation arrangements effective August 1, 2019. His actual base salary received for 2019 was \$444,165.

(3) Ms. Radic received an increase to her compensation package effective October 1, 2019 in connection with her promotion to Executive Vice President, Leasing and Operations. Her actual base salary received for 2019 was \$298,048.

(4) Mr. Williams' actual base salary received for 2019 was \$258,599.

(5) Mr. Reial joined the Trust on October 11, 2019. His actual base salary received for 2019 was \$71,923.

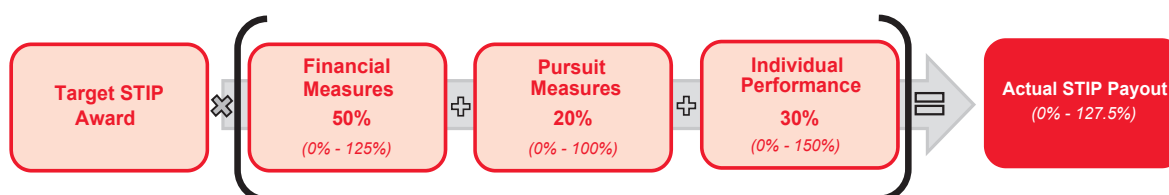
(6) Mr. Johnson retired from the Trust effective May 1, 2019. Prior to the February 13, 2019 announcement of Mr. Johnson's retirement, the Governance Committee had approved a target total compensation value for Mr. Johnson for 2019 of \$5,500,000, comprised of URUs and PUs, in addition to certain other ancillary amounts. In light of the retirement announcement, the Governance Committee determined that Mr. Johnson would be entitled to a pro-rated amount of \$1,834,000 for the period between January 1, 2019 to May 1, 2019, payable in cash or as an award of URUs, at Mr. Johnson's election. Mr. Johnson elected to receive the amount in the form of a cash payment. As Mr. Johnson's 2018 post-Transaction and 2019 compensation were set in the aggregate, with no identified allocation for base salary, calculating the change in his base salary between 2018 and 2019 would not provide for an adequate assessment of a percentage increase. For additional detail on Mr. Johnson's base salary for 2018, refer to the Trust's Management Proxy Circular dated May 3, 2019, available on www.sedar.com.

SHORT-TERM INCENTIVE PLAN

The Trust's STIP is designed to motivate executives, including the NEOs, to meet the Trust's annual business and strategic objectives. The STIP objectives include financial performance targets and pre-set goals for individual NEOs as determined annually. The Governance Committee believes that the STIP program is balanced as it is comprised of various performance measures that are designed to focus executives on the key drivers of the business and value creation over both the short and long-term and, therefore, reduce the risk of inappropriate or excessive risk-taking behaviour by executives.

In general, executives have STIP award targets that are expressed as a percentage of their base salary, with such targets determined by the executive's position and level within the organization. Depending on actual performance relative to the performance targets, payouts to an executive for each performance target range from zero to maximums of 125%, 100% and 150% of target for each of the financial measures, pursuit measures and individual component, respectively. The STIP award payments are made in cash following approval by the Governance Committee.

For 2019, STIP awards were determined using the following formula:



Plan Design

The STIP is designed to motivate the NEOs to achieve the Trust's annual business plan and strategic objectives. In February of each fiscal year, the Governance Committee establishes the STIP design, including specific financial and pursuit measures, weightings and targets. In determining the performance measures, weightings, targets and payout ranges for each fiscal year, the Governance Committee takes into account the key components of the Trust's business plan, budget and strategic objectives. Following year-end, the Governance Committee reviews the financial results of the Trust against the performance targets and considers, in its judgment, whether any adjustments are required to account for unexpected events during the year.

As part of its annual review process, the Governance Committee reviews the results of stress testing conducted on the STIP design that illustrates the payouts under various performance scenarios. The stress testing on performance scenarios is intended to ensure that the performance shoulders (i.e. minimum threshold to target to maximum) are set appropriately, such that performance levels can be achieved with significant effort and without excessive risk-taking.

The 2019 STIP added pursuit measures while reducing the weightings of the business objectives and individual performance objectives components. The 2019 STIP incorporated the following performance measures and weightings: 20% based on NOI, 20% based on FFO per Unit, 10% based on AFFO per Unit, 20% based on pursuit measures and 30% based on the achievement of individual performance objectives. STIP payouts are determined separately for each performance measure and then aggregated to determine the final amount.

The following table sets forth the performance measures and weightings that were used in determining the STIP awards for each NEO for 2019:

Financial Measures 50%	NOI 20%
	FFO per Unit 20%
	AFFO per Unit 10%
Pursuit Measures 20%	Culture & People 10%
	Technology & Process 10%
Individual Performance 30%	Individual Performance 30%

The following table sets forth details regarding the 2019 STIP award for each NEO:

Name ⁽²⁾	2019 STIP Award ⁽¹⁾									
	Actual Base Salary (\$)	STIP Target as Percentage of Base Salary (%)	STIP Target ⁽¹⁾ (\$)	Maximum STIP Award ⁽¹⁾ (\$)	NOI Component (\$)	FFO per Unit Component (\$)	AFFO per Unit Component (\$)	Pursuit Measures Component (\$)	Individual Component (\$)	Total ⁽³⁾ (\$)
Rael L. Diamond	683,600	100	684,510	872,750	147,170	146,485	77,350	136,902	246,422	754,329
Mario Barrafato	444,165	77	342,575	436,784	73,651	73,309	38,709	68,513	102,771	356,953
Ana Radic	298,048	53	159,452	203,301	34,282	34,123	18,018	31,890	59,794	178,107
Evan Williams	258,599	45	116,370	148,372	25,020	24,903	13,150	23,274	34,910	121,257
Andrew Reial	71,923	50	36,541	46,590	7,856	7,820	4,129	7,308	10,962	38,075

(1) STIP awards were calculated using each NEO's STIP-eligible earnings received in 2019, as applicable.

(2) Mr. Johnson retired from the Trust effective May 1, 2019 and was not eligible for a STIP award for 2019.

(3) Mr. Barrafato's and Ms. Radic's STIP targets as a percentage of base salary increased in 2019, in conjunction with changes to their compensation arrangements. The STIP targets as a percentage of base salary shown above reflect their blended targets. For further information on their compensation, please refer to the Section "2019 Compensation Decisions Regarding the Named Executive Officers". Their respective STIP entitlements are calculated using their previous and current STIP targets on a proportional basis.

The following describes each performance measure and summarizes each performance measure's target, performance ranges and payout percentages:

Net Operating Income

Choice Properties' target NOI received from ancillary tenants, being tenants other than Loblaw, consists of rental revenue from investment properties less property operating expenses as set forth in the Trust's consolidated results. The NOI component excludes certain expenses included in the determination of net income such as interest expense, general and administrative ("G&A") expenses, fair value adjustments and amortization.

	Threshold		Target		Maximum
Performance Range	\$856.4M	Each additional \$3.5M	\$873.9M	Each additional \$3.5M	\$891.4M or more
Payout Factor (% of Target)	75%	5%	100%	5%	125%

FFO per Unit

Choice Properties' target FFO per Unit is calculated pursuant to the Real Property Association of Canada's White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS issued in February 2019. In February 2020, the Governance Committee approved an adjustment to the FFO measure to address the dilutive impact of the Trust's \$395 million equity offering in May 2019 and a \$7 million reimbursement to Loblaw in connection with a solar contract.

	Threshold		Target		Maximum
Performance Range	\$0.956	Each additional \$0.0049	\$0.980	Each additional \$0.0049	\$1.005 or more
Payout Factor (% of Target)	75%	5%	100%	5%	125%

AFFO per Unit

Choice Properties' target AFFO per Unit is calculated pursuant to the Real Property Association of Canada's White Paper on Funds from Operations & Adjusted Funds from Operations for IFRS issued in February 2019. In February 2020, the Governance Committee approved an adjustment to the AFFO measure to address the impact of reduced spending on operational capital relative to the initial budget as a result of integration-related changes to the Trust's project management process in 2019.

	Threshold		Target		Maximum
Performance Range	\$0.821	Each additional \$0.0042	\$0.842	Each additional \$0.0042	\$0.863 or more
Payout Factor (% of Target)	75%	5%	100%	5%	125%

Pursuit Measures

For 2019, Choice Properties added two pursuit measures, being Culture & People, and Technology & Process.

The Culture & People target for 2019 was designed to focus executives on the Trust's ongoing commitment to the post-Transaction integration of people and culture. Achievement of the Culture & People metric was determined based on initiatives targeting employee engagement, the Trust's corporate culture, completion of regional office consolidations and employee participation in engagement surveys.

The Technology & Process target for 2019 was designed to focus executives on the implementation of a harmonized technology platform following the Transaction. Achievement of the Technology & Process metric was determined based on the integration, implementation and roll-out of key technology platforms during 2019.

Initiative	Target
Culture & People	Yes/No achievement
Technology & Process	Established targets

Individual Performance Objectives

For 2019, in addition to employees' personal performance objectives, all individual goals included objectives regarding training on new processes, internal control compliance and cyber security.

2019 Business Objective Components of STIP

In February 2020, the Governance Committee reviewed the Trust's 2019 financial results and determined the Trust's 2019 STIP payout with respect to the business objectives as follows:

Performance Objective	Weighting	Target	Result	Payout Factor (% of Target)
NOI	20%	\$873.9M	\$879.3M	108.0%
FFO Per Unit	20%	\$0.98 per Unit	\$0.987 per Unit	107.0%
AFFO Per Unit	10%	\$0.842 per Unit	\$0.853 per Unit	113.0%
Pursuit Measures	20%	Established targets	Targets met	100.0%
Overall STIP Payout Based on Business Objectives				106.0%

Key Factors Influencing Results

Early in 2020, the Governance Committee reviewed Choice Properties' 2019 financial results and determined the key factors contributing to each component's performance relative to target. These factors included:

- NOI performance achieved target.

- After adjusting for the dilutive impact of the equity offering and a reimbursement to Loblaw as noted above, the FFO performance achieved target.
- After adjusting for the reduced spending on operational capital as noted above, the AFFO performance achieved target.

The Governance Committee also determined that both the Culture & People and Technology & Process targets were achieved. With respect to Culture & People, in 2019, Choice Properties created action plans based on the results of surveys carried out on employee engagement and corporate culture, consolidated regional offices and carried out engagement sessions with all employees. With respect to Technology & Process, in 2019 Choice Properties successfully implemented and rolled out document management and intranet platforms across the business.

2019 Individual Performance Component of STIP

The Governance Committee considered the overall performance of each NEO to determine the individual performance component of the executive's STIP award. The individual performance component of Choice Properties' STIP was weighted at 30% of the total STIP target amount and the payout for this component was capped at 150% of each NEO's targeted amount.

Rael L. Diamond, President and Chief Executive Officer

The 2019 STIP award for Mr. Diamond reflected Mr. Diamond's role as President and Chief Executive Officer during the year and included an individual performance component weighted at 30% of his overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Diamond's role in developing and executing on the Trust's strategic initiatives and in the execution of the Trust's 2019 business plan. The Governance Committee also considered qualitative factors, such as Mr. Diamond's leadership qualities and his role in driving culture and engagement objectives. Based on these criteria, the Governance Committee awarded Mr. Diamond \$246,422 for the individual performance component of his STIP award, representing 120% of target.

Mario Barrafato, Chief Financial Officer

The 2019 STIP award for Mr. Barrafato reflected Mr. Barrafato's role as Chief Financial Officer during the year and included an individual performance component weighted at 30% of his overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors including Mr. Barrafato's role in supporting and driving the Trust's strategic initiatives and in the execution of the Trust's financial plan. The Governance Committee also considered qualitative factors, such as Mr. Barrafato's leadership qualities. Based on these criteria, the Governance Committee awarded Mr. Barrafato \$102,771 for the individual performance component of his STIP award, representing 100% of target.

Ana Radic, Executive Vice President, Leasing and Operations

The 2019 STIP award for Ms. Radic reflected her role progression throughout 2019 and her promotion to Executive Vice President, Leasing and Operations and included an individual performance component weighed at 30% of her overall STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors, including Ms. Radic's role in the overall achievement of the Trust's strategic initiatives and operating objectives. The Governance Committee also considered qualitative factors, such as Ms. Radic's leadership qualities. Based on these criteria, the Governance Committee awarded Ms. Radic \$59,794 for the individual performance component of her STIP award, representing 125% of target.

Evan Williams, Vice President, Quebec & Atlantic Canada Retail

The 2019 STIP award for Mr. Williams reflected his role as Vice President, Quebec & Atlantic Canada Retail and included an individual performance component comprising 30% of his STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors, including Mr. Williams' role in the overall achievement of the Trust's operating objectives. The Governance Committee also took into account qualitative factors, such as Mr. Williams' leadership qualities. Based on these criteria, the Governance Committee awarded Mr. Williams \$34,910 for the individual performance component of his STIP award, representing 100% of target.

Andrew Reial, Senior Vice President, Office and Industrial

The 2019 STIP award for Mr. Reial reflected his role as Senior Vice President, Office and Industrial and included an individual performance component comprising 30% of his STIP target. In assessing individual performance, the Governance Committee took into account quantitative factors, including Mr. Reial's role in the achievement of the Trust's operating objectives. The Governance Committee also took into account qualitative factors, such as Mr. Reial's leadership qualities. Based on these criteria, Mr. Reial was awarded \$10,962 for the individual performance component of his STIP award, representing 100% of target.

LONG-TERM INCENTIVE PLAN

The Trust's equity-based LTIP is designed to retain and incent executives by allowing them to participate in increased total Unitholder return. Executives eligible for LTIP grants generally receive them on an annual basis. The value of an LTIP grant to a participating executive is generally based on a percentage of the executive's base salary. All grants are reviewed and approved by the Governance Committee as part of its regular review of compensation.

For 2019, the Trust awarded executives long-term incentives in the form of URUs, RUs and PUs under the LTIP, the values of which are directly linked to the market value of the Trust Units, with PUs comprising 25% of the target annual LTIP award mix and RUs, URUs or a combination thereof, at the executive's election, comprising 75% of the mix. In 2019, Ms. Radic and Messrs. Diamond and Barrafato also received certain one-time special awards comprised of RUs, in the case of Ms. Radic, and RUs and PUs, in the case of Messrs. Diamond and Barrafato, as further described in this section. Mr. Reial was not eligible for an LTIP award in 2019. Mr. Johnson retired from the Trust effective May 1, 2019 and did not receive an LTIP award in 2019.

Annual LTIP awards are granted in the first quarter during the open trading window following the announcement of the Trust's year-end financial results in accordance with the Trust's Securities Trading Policy. "Off-cycle" grants are made during open trading windows following the release of quarterly financial results.

The Governance Committee approved annual LTIP awards for 2019 for the NEOs as set forth below.

Name	Base Salary (\$)	Annual LTIP Grant as a Percentage of Base Salary (%)	Annual LTIP Grant Date Fair Value (\$)	LTIP Grant
Rael L. Diamond	750,000	180.0	1,230,176 ⁽¹⁾	75% URUs and 25% PUs
Mario Barrafato	450,000	92.8	412,097 ⁽²⁾	75% RUs and 25% PUs
Ana Radic	400,000	60.7	180,954 ⁽³⁾	75% RUs and 25% PUs for annual grant
Evan Williams	258,600	50.0	129,305	75% RUs and 25% PUs
Andrew Reial	275,000	n/a	n/a ⁽⁴⁾	no LTIP award in 2019
Stephen E. Johnson		n/a	n/a ⁽⁵⁾	no LTIP award in 2019

- (1) Mr. Diamond received an annual LTIP grant comprised of 38,194 URUs and 12,731 PUs, with an aggregate grant date fair value of \$688,506. To reflect an increase in salary in connection with his promotion to President and Chief Executive Officer, Mr. Diamond received a special one-time grant of 30,295 RUs and 10,098 PUs with an aggregate grant date fair value of \$541,670, which together with his annual LTIP grant, represents approximately 180.0% of his actual base salary received. The full details of Mr. Diamond's LTIP grants can be found in the section titled "2019 Compensation Decisions Regarding the Named Executive Officers".
- (2) Mr. Barrafato received an annual LTIP grant comprised of 21,358 RUs and 7,119 PUs, with an aggregate grant date fair value of \$385,009. To reflect an increase in salary, Mr. Barrafato also received a special one-time grant of 1,383 RUs and 461 PUs with an aggregate grant date fair value of \$27,088, which together with his annual LTIP grant, represents approximately 92.8% of his actual base salary received. The full details of Mr. Barrafato's LTIP grants can be found in the section titled "2019 Compensation Decisions Regarding the Named Executive Officers".
- (3) Ms. Radic received an annual LTIP grant comprised of 8,945 RUs and 2,982 PUs, with an aggregate grant date fair value of \$161,253. To reflect an increase in salary, Ms. Radic also received a special one-time grant of 1,468 RUs with a grant date fair value of \$19,701, which together with her annual LTIP grant, represents approximately 60.7% of her actual base salary received. Ms. Radic also received a special one-time grant, which is not reflected in the table above, of 25,666 RUs with a grant date fair value of \$347,004, in connection with her re-hiring by the Trust. The full details of Ms. Radic's LTIP grants can be found in the section titled "2019 Compensation Decisions Regarding the Named Executive Officers".
- (4) Mr. Reial was not eligible for an LTIP grant in 2019. Full details of Mr. Reial's compensation can be found in the section titled "2019 Compensation Decisions Regarding the Named Executive Officers".
- (5) Mr. Johnson retired from the Trust effective May 1, 2019 and did not receive an LTIP grant in 2019. The details of Mr. Johnson's base salary can be found in the section titled "2019 Compensation Decisions Regarding the Named Executive Officers".

The key features of the URU Plan, RU Plan, Trust Unit Option Plan, and PU Plan are described below.

URU Plan

The URU Plan is designed to achieve the following objectives: (i) foster the long-term retention of employees (through multi-year vesting and disposition restriction provisions); (ii) provide a performance-driven component to an executive's compensation; (iii) align the long-term interest of employees with the interests of Unitholders, through multi-year vesting and the six-year disposition restrictions; and (iv) assist in the recruitment of key personnel.

The URU Plan provides for the award of URUs to certain employees of the Trust, subject to approval by the Governance Committee. The Trust Units represented by the URUs granted under the URU Plan are purchased in the open market and are held by an independent custodian on behalf of each participant until such time as they have vested and the disposition restrictions have been lifted. The participant has the right to vote the Trust Units represented by the URUs and to receive distributions from the date of grant.

URUs have multi-year disposition restriction periods encouraging employees to think and act with a clear focus on long-term value creation. Disposition means selling, pledging or disposing of the URUs, except as otherwise permitted in the URU Plan and corresponding instruments of grant.

Generally, URUs vest over a three-year period at a rate of 1/3 per year, on each of the 1st, 2nd and 3rd anniversaries of the grant date and the awards are subject to a disposition restriction until six years following the grant date. Prior to 2019, certain URUs were granted to Mr. Johnson under a longer-term URU Plan under which 1/3 of the URUs awarded vested on each of the 3rd, 4th and 5th anniversaries of the grant date and the awards were subject to a disposition restriction until seven years following the grant date. Once the URUs have vested, they are no longer subject to forfeiture.

The URU Plan contains provisions for various termination events as outlined in the following chart:

Termination Event	Treatment
Resignation	<ul style="list-style-type: none"> All unvested URUs will be forfeited. The disposition restrictions on vested URUs continue to apply.
Without cause	<ul style="list-style-type: none"> All unvested URUs which would have vested within 24 months from the date of termination will vest and the balance will be forfeited. The disposition restrictions on vested URUs continue to apply.
For cause	<ul style="list-style-type: none"> All unvested URUs will be forfeited. The disposition restrictions on vested URUs continue to apply.
Retirement	<ul style="list-style-type: none"> All unvested URUs will continue to vest per schedule described above. The disposition restrictions on vested URUs continue to apply. Retirement is defined, in this case, as the resignation by a participant at or after the participant attains 60 years of age and provided the participant does not accept any employment or consulting relationship with a competitor of the Trust and does not accept full-time employment or consulting work with any entity following retirement.
Death or disability	<ul style="list-style-type: none"> All unvested URUs will immediately vest. The disposition restrictions on vested URUs will lapse.
Without cause upon a change of control	<ul style="list-style-type: none"> All unvested URUs will immediately vest. The disposition restrictions on vested URUs will lapse.

The table below sets out the URUs granted under the URU Plan to Mr. Diamond in respect of 2019. The value of the URUs is based on the market value of Trust Units and does not reflect the fair value of the restricted Trust Units, which is lower than the market value, since the restricted Trust Units are not freely tradeable.

Name	URUs Granted (#)	Grant Date	Grant Value Per URU (\$) ⁽¹⁾	Grant Date Fair Value (\$)	Vesting Schedule	Date no longer subject to disposition restrictions
Rael L. Diamond	38,194	March 5, 2019	13.56	517,911	1/3 on grant anniversary in each of 2020, 2021 and 2022	March 5, 2025

(1) The grant value per URU for the URUs granted on March 5, 2019 reflects the volume weighted average trading price of the Trust Units on the TSX for the five trading days immediately preceding the date of the award; the targeted grant value for the RU allocation of Mr. Diamond's 2019 LTIP grants was \$516,383, based on the volume-weighted average price of the Trust Units of \$13.52, being the Grant Value Per Trust Unit applicable to the awards of RUs granted on February 22, 2019.

RU Plan

RUs entitle an executive to receive the value of the RU award in cash or Trust Units at the end of the applicable vesting period, which is usually three years in length. A participant receives either a cash payment or the number of Trust Units (acquired on the open market) equal to the number of RUs granted, with the ultimate award value determined by the Trust Unit price at the end of the applicable vesting period. Under the RU Plan, when distributions are paid on Trust Units for the period when the RU is outstanding, additional RUs equivalent in value to the distributions paid on Trust Units will be credited to the participant's account.

If a participant is either terminated for cause or voluntarily resigns prior to the end of the applicable vesting period, all RUs are cancelled on the date of cessation of employment and no payments are made in respect of such RUs.

If a participant's employment is terminated: (i) due to death; (ii) retirement; or (iii) by the Trust without cause, then the RUs vest on a pro-rata basis for the period of time the participant was actively employed. All other RUs are cancelled. Settlement of vested RUs is made as soon as practicable following the last day of active employment.

For 2019, Ms. Radic and Messrs. Diamond, Barrafato, and Williams were awarded RUs as set forth below.

Name	RUs Granted (#)	Grant Value Per Trust Unit (\$)	Grant Date Fair Value (\$)	Vesting Date
Rael L. Diamond	30,295 ⁽¹⁾	13.41	406,256	May 8, 2022
Mario Barrafato	21,358	13.52	288,760	February 22, 2022
	1,383 ⁽¹⁾	14.69	20,316	September 27, 2022
Ana Radic	8,945	13.52	120,936	February 22, 2022
	25,666 ⁽²⁾	13.52	347,004	February 22, 2022
	1,468 ⁽¹⁾	13.42	19,701	November 14, 2022
Evan Williams	7,173	13.52	96,979	February 22, 2022

(1) Messrs. Diamond and Barrafato and Ms. Radic received one-time grants in connection with compensation adjustments during 2019.

(2) Ms. Radic received an additional one-time grant in connection with her re-hiring by the Trust.

Trust Unit Option Plan

Prior to 2019, Trust Unit options were used to align an executive's interest with Unitholders in Trust Unit price accretion, and the size of the annual option award an executive received was determined as part of the executive's total LTIP award. In February 2019, the Governance Committee determined that Trust Unit options would be eliminated from the LTIP design, in recognition of the stable underlying dynamics of the Trust's business and to remain consistent with best practice in the industry.

The Governance Committee continues to administer the Trust Unit Option Plan and is authorized to approve participants, make grants of options and establish any limitations, restrictions and conditions on any grants, including vesting. Any employee of the Trust or any of its affiliates (including officers, whether or not trustees), as determined by the Governance Committee, may participate in the Trust Unit Option Plan.

The table below provides detail regarding the outstanding options to purchase Trust Units and Trust Units available for future option grants as at December 31, 2019 and March 9, 2020:

	December 31, 2019	March 9, 2020
Issued and Outstanding Units		
Trust Units Outstanding	310,292,869	310,441,663
Special Voting Units Outstanding	389,961,783	389,961,783
Total Issued and Outstanding Units	700,254,652	700,403,446
Outstanding Options to Purchase Trust Units		
Number Outstanding	1,287,314	1,106,093
Number Outstanding as a Percentage of the Total Issued and Outstanding Units	0.18%	0.16%
Maximum Number of Trust Units Issuable Pursuant to the Trust Unit Option Plan at Any Time		
Number Issuable	19,744,697	19,744,697
Number Issuable as a Percentage of the Issued and Outstanding Trust Units	6.36%	6.36%
Trust Units Available for Future Option Grants		
Number Available	15,258,295	15,290,722
Number Available as a Percentage of the Total Issued and Outstanding Units	2.18%	2.18%

The Trust Unit Option Plan provides that Trust Units issuable pursuant to outstanding options that are cancelled, expired, forfeited or terminated for any reason without having been exercised will again be available for grant under the Trust Unit Option Plan. Options are not transferable or assignable other than by will or by laws of descent and distribution, and during the lifetime of a participant will be exercisable only by him or her.

The exercise price for options may not be less than the fair market value of a Trust Unit, which is defined as the greater of: (i) the volume-weighted average of the trading price of a Trust Unit on the TSX for the five trading days prior to the grant date; or (ii) the volume-weighted average of the trading price of a Trust Unit on the TSX on the trading day immediately preceding the grant date.

Options may not be exercised prior to the first anniversary of the date of the grant. The vesting of options is otherwise determined on the grant of the option. Generally, options vest over a four-year period at a rate of 25% per year and expire at the end of seven years. Under the Trust Unit Option Plan, each option has a term of not less than five and not more than 10 years.

Unvested options immediately expire upon termination of employment. No vested option is exercisable after the earlier of: (i) the date of death or retirement; (ii) the time of notice of resignation or receipt of notice of termination (with or without cause); or (iii) the occurrence of any other cessation of employment event, except as set forth below:

- (a) If a participant is terminated without cause, vested options may be exercised within 30 days following the earlier of the date of termination or the date of the termination notice.
- (b) If a participant retires, vested options may be exercised within 90 days following the date of retirement.
- (c) If a participant dies while employed or during the 30-day or 90-day window in (a) or (b) above, then the participant's beneficiary may exercise vested options within 180 days following the date of death.

Nothing in (a), (b) or (c) above extends the expiry date of any option.

In the event of a change of control or potential change of control (as determined by the Board), the Board has the power to accelerate vesting and make other changes to the terms of options as it considers fair and appropriate in the circumstances, including modifying the terms of options to allow participants to tender into a take-over bid or other transaction leading to a change of control and terminating any unexercised options following the completion of the bid or transaction.

If the expiry date of an option occurs during a blackout period or other period during which an insider is prohibited from trading in securities of the Trust pursuant to the Securities Trading Policy, the expiry date will automatically be extended for ten business days after the blackout period ends.

The aggregate number of Trust Units issued to insiders within any twelve month period, or issuable to insiders at any time, under the Trust Unit Option Plan and any other security based compensation arrangement of the Trust, may not exceed 10% of the total number of issued and outstanding Units during such period of time, as applicable.

In the event of a consolidation, subdivision or reclassification of the Trust Units, or any other relevant changes in the capital structure of the Trust, the Board or the Governance Committee will make appropriate adjustments to the number of Trust Units subject to any options then outstanding and the exercise price thereof. The Trust Unit Option Plan provides that Unitholder approval is not required for any amendments to the Trust Unit Option Plan or an option granted under the Trust Unit Option Plan, except for any amendment or modification that:

- 1. increases the number of Trust Units that can be issued under the Trust Unit Option Plan;
- 2. reduces the exercise price of an option (including, without limitation, a cancellation and re-grant of an option, constituting a reduction of the exercise price of such option), except in connection with a change in the number of the Trust's outstanding Trust Units by reason of a consolidation, subdivision or reclassification of Trust Units, or another relevant change in the capital structure of the Trust affecting Trust Units;
- 3. extends the term of an option beyond its original expiry date, except where the expiry date would have occurred during a blackout period or at any other time when the holder may be prohibited from trading in securities of the Trust pursuant to the Trust's Securities Trading Policy;
- 4. changes the provisions relating to the transferability of an option other than for normal estate settlement purposes;
- 5. permits awards, other than options, to be made under the Trust Unit Option Plan;
- 6. extends eligibility to participate in the Trust Unit Option Plan to a non-employee trustee;
- 7. requires Unitholder approval under applicable laws, regulations or stock exchange rules; or
- 8. affects the amending provisions of the Trust Unit Option Plan.

Subject to any required regulatory review or approval, the Board may make all other amendments to the Trust Unit Option Plan without Unitholder approval. These amendments include, but are not limited to: the termination of the Trust Unit Option Plan; amendments designed to comply with applicable laws or regulatory requirements; and "house-keeping" administrative changes (such as correcting an immaterial inconsistency or curing any ambiguity).

There were no amendments to the Trust Unit Option Plan in 2019.

The Trust's annual "burn rate" for the Trust Unit Option Plan, which represents the number of Trust Unit options awarded under the Trust Unit Option Plan during a fiscal year divided by the weighted average number of Units outstanding for the applicable fiscal year, was 0.00% in 2019, 0.12% in 2018 and 0.11% in 2017.

In 2019, no Trust Unit options were granted to any executives.

Performance Unit Plan

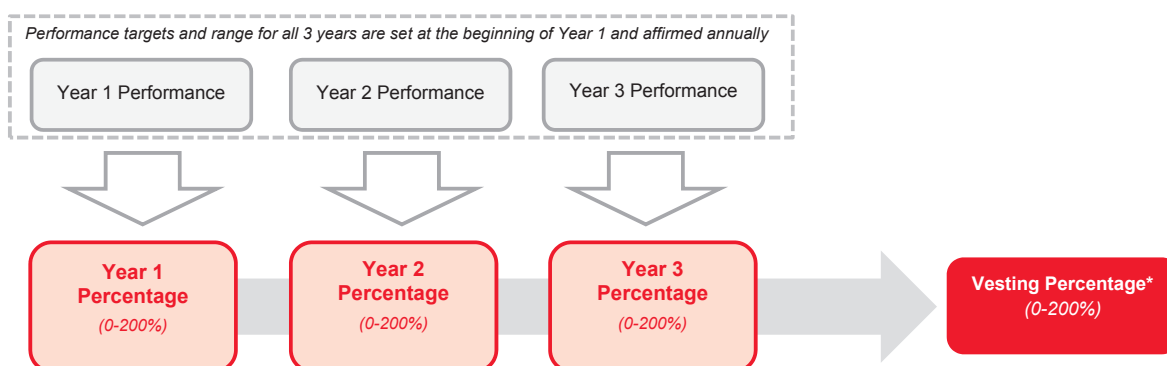
PU represent a form of at-risk long-term compensation that serves to motivate the recipient to deliver on specific strategic objectives. PUs serve to focus executives on selected key drivers of performance. PUs also serve as a pay-for-performance incentive to reward executives for the achievement of prescribed goals and Trust Unit price appreciation. PUs also entitle an executive to receive the value of the PU award in cash or Trust Units at the end of the applicable vesting period, which is also usually three years in length. A participant receives either a cash payment or the number of Trust Units (acquired on the open market) at the end of the applicable performance period. However, the number of PUs that vest during such period depends on the achievement of certain measures. Under the PU Plan, when distributions are paid on Trust Units for the period when a PU is outstanding, additional PUs equivalent in value to the distributions paid on Trust Units will be credited to the participant's account. The additional PUs vest at the same time as, and based on the achievement of performance measures applicable to, the underlying PUs.

If a participant is either terminated for cause or voluntarily resigns prior to the end of the applicable vesting period, all PUs are cancelled on the date of cessation of employment and no payments are made in respect of such PUs.

If a participant's employment is terminated: (i) due to death; (ii) retirement; or (iii) by the Trust without cause, then the PUs vest at target on a pro-rata basis for the period of time the participant was actively employed. All other PUs are cancelled. Settlement of vested PUs is made as soon as practicable following the last day of active employment.

In early 2019, the Governance Committee approved that the Trust's PU performance measure for 2019 would be total Unitholder return. The total Unitholder return metric aligns with the Trust's strategic objectives, with the underlying objective of the PU plan being to focus executives on the achievement of long-term strategic objectives in addition to meeting short-term business and financial objectives contained in the Trust's annual business plan.

The number of PUs that vest at the end of the applicable three-year performance period is determined by averaging each of the three year's results against target. The results in each year are determined based upon the level of achievement of each of the performance conditions during that year. The overall number of PUs that vest at the end of a performance period will range from 0% to 200% of the initial grant as illustrated below:



*Calculated as a simple average of performance in Years 1, 2, and 3.

A threshold performance condition for total Unitholder return must be met in order for any PUs to vest and the Trust sets targeted levels of performance for total Unitholder return. If the target performance condition is achieved, the number of PUs that vest will be equal to 100% of PUs initially granted. If the maximum performance condition is achieved during every year of the performance period, 200% of the initial number of PUs granted will vest.

Any performance results between the threshold performance conditions and maximum performance conditions will result in the vesting of PUs determined on a linear basis.

The total Unitholder return performance targets for the PUs granted in 2019 relate to a three-year period ending December 31, 2021 and were developed taking into account the Trust's confidential business strategies, plans and initiatives and its expectations regarding financial and operational performance. These targets are intended to be challenging – neither impossible nor easy to achieve. These total Unitholder return targets are forward-looking and their disclosure before the end of the performance period would seriously prejudice the Trust's interests. As such, the targets are disclosed at the time of payout of the PUs.

In 2019, Ms. Radic and Messrs. Diamond, Barrafato and Williams were awarded PUs from the Trust for which the grant date fair value assumes vesting at 100% of target, as follows:

Name	PUs Granted (#)	Grant Value Per Trust Unit (\$)	Grant Date Fair Value (\$)	Vesting Date
Rael L. Diamond	12,731	13.52	172,123	February 22, 2022
	10,098 ⁽¹⁾	13.41	135,414	May 8, 2022
Mario Barrafato	7,119	13.52	96,249	February 22, 2022
	461 ⁽¹⁾	14.69	6,772	September 27, 2022
Ana Radic	2,982	13.52	40,317	February 22, 2022
Evan Williams	2,391	13.52	32,326	February 22, 2022

(1) Messrs. Diamond and Barrafato received additional one-time grants in connection with compensation adjustments during 2019.

Performance of 2017 Performance Units

In 2017, Mr. Williams was the only NEO awarded PUs, whose vesting was based on FFO per Unit performance over a three-year period. At the time of the grant, the performance targets relating to the 2017 FFO per Unit metric were forward-looking as they related to the three-year period ending in 2019 and were developed taking into account the Trust's confidential business strategies, plans and initiatives and its expectations regarding financial and operating performance.

Choice Properties' target FFO per Unit is calculated, pursuant to the Real Property Association of Canada's White Paper on Funds from Operations and Adjusted Funds from Operations for IFRS issued in February 2019, as adjusted in accordance with the short-term incentive plan.

In early 2020, the Governance Committee reviewed the performance of the 2017 PU grants and determined the following results based on the average of the three year performance:

The FFO per Unit measure achieved a performance result of 200% in the first year of the performance period. As discussed in the Trust's Management Proxy Circular dated May 3, 2019, available at www.sedar.com, following the Transaction, the Governance Committee determined that due to the difficulties in assessing FFO per Unit post-Transaction, FFO per Unit would no longer be a sufficiently relevant basis for assessment for the 2018 and 2019 performance years for the PUs granted in 2017. The Governance Committee determined that based on the 2017 performance and with the difficulty in evaluating the performance metric, paying out at target was reasonable. Taking a deliberately conservative approach, the Governance Committee assigned a performance result of 100% for the second and third years of the performance period.

The target and performance for FFO per Unit for the PUs awarded in 2017, which were equally weighted on results from 2017, 2018 and 2019 and paid out in 2020, are set out below:

Component	2017		2018		2019	
	Target	Results	Target	Results	Target	Results
FFO per Unit ⁽¹⁾	Max: 3.5% (+ 50bps)		-		-	
	3.0% (\$1.025)	\$1.072	-	n/a	-	n/a
	Min: 2.25% (-75bps)		-		-	
Performance	200%		100% ⁽²⁾		100% ⁽²⁾	
Vesting	66.6%		33.3%		33.3%	
Overall Payout			133.3%			

(1) Based on a 3-year compound actual growth rate of 3% growth from 2016 actual results.

(2) Deemed result assigned by the Governance Committee as discussed above.

2017 Performance Unit Payout Summary

In 2020, the Governance Committee determined that the 2017 grant of PUs paid out at 133.3% of target. The number of PUs that vested pursuant to these performance results is set out in the table below:

Name	2017 PUs Granted (#)	Total number of PUs vested prior to application of performance factor ⁽¹⁾	Total number of PUs vested from FFO/Unit (#)	Actual/ Estimated Settlement Value (\$)
Evan Williams	1,732	2,049	2,731	40,909 ⁽²⁾
	295		0	0 ⁽³⁾

(1) The total number of PUs vested prior to application of performance factor reflects the original number of PUs granted plus the distribution equivalents earned subsequent to the grant date.

(2) The actual value of the PU payout was based on the volume-weighted average of the Trust Units on the TSX for the 5 trading days immediately preceding February 22, 2020, being the final day of the performance period, which was \$14.98.

(3) The estimated value of the PU payout is based on the closing price of the Trust Units on the TSX on March 9, 2020, which was \$13.46. The actual value of the PU payout will be based on the volume-weighted average of the Trust Units on the TSX for the 5 trading days immediately preceding May 1, 2020, being the final day of the performance period.

Long-Term Incentive Plan Clawback

LTIP grants of Trust Unit options, RUs and PUs include a clawback provision stating that if an executive accepts employment with a competitor of the Trust within six months after leaving the employment of the Trust, the gross dollar value of all Trust Unit options, PU and RU payments received in the twelve months of employment immediately prior to the date of cessation of employment must be repaid to the Trust.

Securities Authorized for Issuance under Equity Compensation Plans as of December 31, 2019

The following table shows the number of securities authorized for issuance under equity compensation plans of the Trust:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
Equity Compensation Plans Approved by Securityholders			
• Trust Unit Option Plan	1,287,314	12.51	15,258,295
• Deferred Trust Unit Plan	258,294 ⁽¹⁾	n/a	3,816,706
Equity Compensation Plans not Approved by Securityholders	n/a	n/a	n/a
Total	1,545,608		19,075,001

(1) As at January 2, 2020, the Trust had 277,022 DUs outstanding. DUs were granted to trustees on January 2, 2020 in relation to their 2019 fourth quarter fees.

RETIREMENT AND PENSION ARRANGEMENTS

The Trust's retirement and pension arrangements are designed to provide a reasonable level of retirement income to executives. The Trust is a participating employer in the Loblaw and Weston retirement arrangements and, accordingly, senior executives participate in the Loblaw and Weston executive defined contribution registered pension plan (the "Executive DC Plan") or the Vice President defined contribution pension plan (the "VP DC Plan"). Certain pre-Transaction CREIT executives participate in the defined contribution registered pension plan for CREIT ("RPP"). In addition, certain senior executives of the Trust whose pensionable earnings exceed prescribed levels participate in a non-contributory SERP. All of the costs of the NEOs' participation in the non-contributory Loblaw and Weston plans are paid by the Trust.

EXECUTIVE BENEFIT PLANS

The Trust, as a participating employer in Weston's executive benefit program, provides the NEOs with health, dental, disability and insurance coverage through executive benefit plans paid for by the Trust.

PERQUISITES

NEOs receive a limited number of perquisites. These include a car allowance, an annual medical examination, a discretionary health care spending account and the ability to participate in the Trust's employee unit purchase plan. Under Mr. Johnson's contractual arrangements, he was not eligible to participate in the Trust's employee unit purchase plan.

EQUITY OWNERSHIP GUIDELINES

The Trust maintains Equity Ownership Guidelines to align the interests of executives with those of the Unitholders. The Equity Ownership Guidelines establish minimum Trust Unit ownership levels for executives which, based on their executive level, are set at a multiple of their base salary.

Under the Equity Ownership Guidelines, Trust Units (including Trust Units awarded as URUs, whether vested or unvested) and the in-the-money value of vested Trust Unit options of the Trust are the only eligible holdings included in determining an executive's ownership value. The values of RUs and PUs are not included. The Equity Ownership Guidelines apply to every executive at the vice president level and higher.

Under the Equity Ownership Guidelines, executives are expected to own eligible equity-based holdings with a value equal to a multiple of their base salary as determined by their position:

President and Chief Executive Officer	3x base salary
Chief Financial Officer and Executive Vice Presidents	2x base salary
Senior Vice Presidents and Vice Presidents	0.5x base salary

The NEOs are expected to attain the required ownership level within five years of their appointment or promotion to a position subject to the Equity Ownership Guidelines. The value of each NEO's eligible equity-based holdings, based on the market value of the Trust Units on March 9, 2020 of \$13.46, is set forth in the following table:

Name ⁽¹⁾	Ownership Requirement		Value of Eligible Equity-Based Holdings				Value of Ineligible Equity-Based Holdings			
	Multiple of Base Salary		Trust Units, Unrestricted (\$)	Trust Units, Restricted ⁽²⁾ (\$)	Vested In-The-Money Trust Unit Options (\$)	Total (\$)	RUs (\$)	PUs ⁽³⁾ (\$)	Unvested In-the-Money Trust Unit Options (\$)	Ineligible Total (\$)
Rael L. Diamond	2,250,000	3	563,059	7,458,630	—	8,021,689	424,237	659,721	—	1,083,958
Mario Barrafato	900,000	2	—	3,103,176	—	3,103,176	713,997	210,696	—	924,693
Ana Radic	800,000	2	29,679	545,157	—	574,836	677,742	97,831	—	775,573
Evan Williams	129,300	0.5	216,612	—	8,861	225,473	592,799	108,363	33,429	734,591
Andrew Reial	137,500	0.5	—	—	—	0	64,998	21,671	—	86,669

(1) Mr. Johnson is not included in the table as his employment with the Trust ceased in 2019.

(2) The Trust Unit values are based on the market value of freely tradeable Trust Units.

(3) The value of PU awards assumes vesting at 100% of target.

2019 COMPENSATION DECISIONS REGARDING THE NAMED EXECUTIVE OFFICERS

The following outlines the rationale underlying the compensation decisions for each of the NEOs for 2019.

Rael L. Diamond, President and Chief Executive Officer

Effective January 1, 2019, the Governance Committee approved a base salary increase for Mr. Diamond from \$540,000 to \$550,800, representing an increase of 2.0%. Mr. Diamond's STIP and LTIP targets remained unchanged at that time, at 100% and 125%, respectively.

In April 2019, the Governance Committee engaged Meridian to benchmark Mr. Diamond's compensation relative to a peer group of competitor REITs in order to set Mr. Diamond's compensation as President and Chief Executive Officer. For further detail on this benchmarking, refer to the Section "Role of Meridian Compensation Partners". Mr. Diamond assumed the role of President and Chief Executive Officer on May 1, 2019, on Mr. Johnson's retirement. After reviewing the results of the benchmarking, the Governance Committee determined that effective May 1, 2019, Mr. Diamond's base salary would increase to \$750,000 and his LTIP target would increase from 125% to 200%. Mr. Diamond's STIP target remained unchanged at 100%.

As described previously, in early 2020 the Governance Committee awarded Mr. Diamond \$754,329 for his STIP award.

In conjunction with Mr. Diamond's appointment to the role of President and Chief Executive Officer, the Governance Committee approved a one-time grant of 30,295 RUs and 10,098 PUs with an aggregate grant date fair value of \$541,670, representing Mr. Diamond's incremental LTIP value for 2019, based on his new salary and LTIP target.

Mario Barrafato, Chief Financial Officer

For 2019, the Governance Committee approved a base salary increase for Mr. Barrafato from \$426,600 to \$440,000, representing an increase of 3.1%. Mr. Barrafato's STIP and LTIP targets remained unchanged at 75% and 87.5%, respectively.

In July 2019, Meridian was engaged to benchmark compensation for Mr. Barrafato, the Chief Financial Officer, relative to peer groups approved by the Governance Committee. For further detail on the benchmarking, refer to the Section "Role of Meridian Compensation Partners". After reviewing the results of the benchmarking, the Governance Committee determined that effective August 1, 2019, Mr. Barrafato's base salary would increase to \$450,000, and his STIP and LTIP targets would increase to 80% and 100%, respectively.

In conjunction with the increases to Mr. Barrafato's base salary and LTIP target in August, 2019, the Governance Committee approved a one-time grant of 1,383 RUs and 461 PUs with an aggregate grant date fair value of \$27,088, representing Mr. Barrafato's incremental LTIP value for 2019.

As described previously, in early 2020 the Governance Committee awarded Mr. Barrafato \$356,953 for his STIP award.

Ana Radic, Executive Vice President, Leasing and Operations

Ms. Radic was employed by the Trust, and, prior to the Transaction, by CREIT, between 2015 and 2018. Effective February 19, 2019, Ms. Radic rejoined the Trust as Senior Vice President, Office and Industrial, with a base salary of \$322,500 and STIP and LTIP targets of 50% and 50%, respectively. As part of her employment arrangements the Governance Committee approved a one-time grant of 25,666 RUs with a grant date fair value of \$347,004 and a one-time cash payment of \$148,000.

Effective October 1, 2019, Ms. Radic was appointed Executive Vice President, Leasing and Operations. In conjunction with Ms. Radic's promotion, the Governance Committee approved an increase in Ms. Radic's base salary to \$400,000 and increases to her STIP and LTIP targets to 60% and 60%, respectively.

In conjunction with the increases to Ms. Radic's base salary and LTIP target in October, 2019, the Governance Committee approved a one-time grant of 1,468 RUs with a grant date fair value of \$19,701, representing Ms. Radic's incremental LTIP value for 2019.

As described previously, in early 2020 the Governance Committee awarded Ms. Radic \$178,107 for her STIP award.

Evan Williams, Vice President, Quebec & Atlantic Canada Retail

For 2019, the Governance Committee approved a base salary increase for Mr. Williams from \$253,543 to \$258,600, representing an increase of 2.0%. Mr. Williams' STIP and LTIP targets remained unchanged at 45% and 50%, respectively. As described previously, the Governance Committee awarded Mr. Williams \$121,257 for his STIP award.

Andrew Reial, Senior Vice President, Office and Industrial

Effective October 11, 2019, Mr. Reial was appointed Senior Vice President, Office and Industrial, with a base salary of \$275,000 and STIP and LTIP targets of 50% and 35%, respectively. Mr. Reial did not receive an LTIP award for 2019. As part of his employment arrangements, and in order to compensate Mr. Reial for certain bonus amounts and other entitlements forfeited upon his resignation from his previous employer, Mr. Reial was awarded (i) a one-time cash payment of \$93,750, paid in February, 2020, and (ii) a one-time cash payment in the aggregate amount of \$315,000, payable in three installments, with the first payment, in the amount of \$100,000, paid in February, 2020, and the second and third payments, of \$100,000 and \$115,000, respectively, payable in February, 2021 and February, 2022, respectively, conditional upon his continued employment at the time of payment. As described previously, the Governance Committee awarded Mr. Reial \$38,075 for his STIP award.

Stephen E. Johnson, Former President and Chief Executive Officer

Mr. Johnson retired from the Trust on May 1, 2019, at which time he became an advisor to the Trust for a period of twelve months. Prior to the announcement of Mr. Johnson's retirement, the Governance Committee had approved a target total compensation value for Mr. Johnson for 2019 of \$5,500,000, comprised of URUs and PUs, in addition to certain other ancillary amounts. In light of the retirement announcement, the Governance Committee determined that as compensation for the period between January 1, 2019 to May 1, 2019 Mr. Johnson was entitled to a pro-rated amount of \$1,834,000, payable in cash or as an award of URUs, at Mr. Johnson's election. Mr. Johnson elected to receive the amount in the form of a cash payment. The Trust entered into a consulting agreement with Mr. Johnson in February 2019, pursuant to which Mr. Johnson would be entitled to a payment of \$83,334 per month commencing on May 1, 2019, and until the end of Mr. Johnson's term as an advisor on May 1, 2020.

TERMINATION AND CHANGE OF CONTROL BENEFITS

The table below summarizes the termination and change of control benefits provided under each plan in situations that result in cessation of employment or change of control. The actual amounts that a NEO would receive upon termination of employment can only be determined at the time he or she leaves the Trust.

Type of Compensation	Separation Event				
	Resignation	Termination without Cause	Termination with Cause	Retirement	Change of Control
Short-Term Incentive Plan	No payment	Bonus for the applicable year is prorated to the termination date	No payment	Bonus for the applicable year is prorated to the retirement date	Governance Committee discretion to grant or adjust bonus
Trust Unit Option Plan	Options forfeited at time of notice of resignation	30 days from notice of termination to exercise vested options	All outstanding options forfeited at time of notice of termination	90 days from date of retirement to exercise vested options	Governance Committee discretion to accelerate vesting of options
Restricted Unit Plan	RUs forfeited upon the last day of active employment	Value of RUs paid out on a prorated basis for RUs granted at least 12 months prior to termination date	All outstanding RUs forfeited upon the last day of active employment	Value of outstanding RUs paid out on a prorated basis to the date of retirement	Governance Committee discretion to adjust grant
Unit-Settled Restricted Unit Plan	Unvested URUs forfeited upon the last day of active employment	Unvested URUs which would have vested within 24 months from date of termination will vest and the balance will be forfeited	Unvested URUs forfeited upon the last day of active employment	Unvested URUs will continue to vest and pay out in the normal course	Unvested URUs will immediately vest
Performance Unit Plan	PU's forfeited upon the last active day of employment	Value of PUs paid out on a prorated basis for PUs granted at least 12 months prior to termination	All outstanding PUs forfeited upon the last day of active employment	Value of outstanding PUs paid out on a prorated basis to the date of retirement	Governance Committee discretion to adjust grant

The Governance Committee has discretion to make adjustments to the general plan provisions for a particular executive if considered appropriate in the circumstances. The following summarizes the termination benefits described above as they relate to the specific arrangements under each NEO's employment agreement as at December 31, 2019.

Rael L. Diamond, President and Chief Executive Officer

If Mr. Diamond's employment is terminated without cause, he would be entitled to receive for a period of 18 months plus one additional month for every completed year of service after ten years of continuous service up to a maximum of 24 months: (a) his base salary and car allowance, (b) his target STIP bonus, and (c) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Diamond would also be entitled to applicable incentive and unit based payments as provided for under the terms of the LTIP. Upon termination, Mr. Diamond would be subject to certain non-competition and confidentiality undertakings.

Mario Barrafato, Chief Financial Officer

If Mr. Barrafato's employment is terminated without cause, he would be entitled to receive for a period of 18 months plus one additional month for every completed year of service after ten years of continuous service up to a maximum of 24 months: (a) his base salary and car allowance, (b) his target STIP bonus, and (c) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Barrafato would also be entitled to applicable incentive and unit based payments as provided for under the terms of the LTIP. Upon termination, Mr. Barrafato would be subject to certain non-competition and confidentiality undertakings.

Ana Radic, Executive Vice President, Leasing and Operations

If Ms. Radic's employment is terminated without cause, she would be entitled to receive for a period of 18 months plus one additional month for every completed year of service after ten years of continuous service up to a maximum of 24 months: (a) her base salary and car allowance, (b) her target STIP bonus, and (c) her health care and dental benefits, participation in the employee/family assistance program and pension accrual. Ms. Radic would also be entitled to applicable incentive and unit based payments as provided for under the terms of the LTIP. Upon termination, Ms. Radic would be subject to certain non-competition and confidentiality undertakings.

Evan Williams, Vice President, Quebec & Atlantic Canada Retail

Mr. Williams is not entitled to contractual severance, termination or change of control payments other than applicable incentives and Trust Unit-based payments as provided for under the terms of the STIP and LTIP. Upon termination, Mr. Williams would be subject to confidentiality obligations and certain restrictive covenants that will continue to apply following the termination of his employment agreement.

Andrew Reial, Senior Vice President, Office and Industrial

If Mr. Reial's employment is terminated without cause, he would be entitled to receive for a period of 12 months: (a) his base salary and car allowance, (b) his target STIP bonus, and (c) his health care and dental benefits, participation in the employee/family assistance program and pension accrual. Mr. Reial would also be entitled to applicable incentive and unit based payments as provided for under the terms of the LTIP. Upon termination, Mr. Reial would be subject to certain non-competition and confidentiality undertakings.

Stephen E. Johnson, Former President and Chief Executive Officer

Mr. Johnson announced his resignation from the Trust in February 2019, effective May 1, 2019. Pursuant to the terms of his retirement agreement, Mr. Johnson's unvested URUs will continue to vest in the normal course. Since his retirement, Mr. Johnson has been subject to certain non-competition and confidentiality undertakings.

POTENTIAL AMOUNTS PAID ON TERMINATION

The following table sets forth the estimated incremental payments or benefits that the NEOs would have received under their employment agreement upon termination of employment on December 31, 2019 for the various reasons described below.

Amounts Due on Termination										
Contractual Severance										
Long-Term Incentive Plans										
Name	Event	Salary (\$) ⁽¹⁾	Annual Bonus (\$) ⁽¹⁾	Benefits (\$) ⁽²⁾	Other (\$) ⁽³⁾	Unit Options (\$) ⁽⁴⁾	URUs (\$) ⁽⁵⁾	RUs (\$) ⁽⁶⁾	PU (\$) ⁽⁶⁾	Total (\$)
Rael L. Diamond President and Chief Executive Officer	Termination with cause	—	—	—	—	—	—	—	—	—
	Termination without cause	1,125,000	1,125,000	82,043	30,000	—	2,044,283	—	—	4,406,326
	Resignation	—	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—	—
Mario Barrafato Chief Financial Officer	Termination with cause	—	—	—	—	—	—	—	—	—
	Termination without cause	675,000	540,000	71,993	27,000	—	782,201	—	—	2,096,194
	Resignation	—	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—	—
Ana Radic Executive Vice President, Leasing and Operations	Termination with cause	—	—	—	—	—	—	—	—	—
	Termination without cause	600,000	360,000	67,857	27,000	—	—	—	—	1,054,857
	Resignation	—	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—	—
Andrew Reial Senior Vice President, Office and Industrial	Termination with cause	—	—	—	—	—	—	—	—	—
	Termination without cause	275,000	137,500	18,870	15,000	—	—	—	—	446,370
	Resignation	—	—	—	—	—	—	—	—	—
	Retirement	—	—	—	—	—	—	—	—	—
	Change of Control	—	—	—	—	—	—	—	—	—

(1) The Salary and Annual Bonus figures reflect contractual entitlements and may be paid by salary continuance, subject to mitigation obligations. Annual bonus figures are valued at target level.

(2) Includes benefits and pension accrual per the terms of the applicable employment agreement.

(3) Includes annual car allowance.

(4) The NEOs are entitled to exercise vested options following termination without cause in accordance with the Trust Unit Option Plan.

(5) Following termination without cause, in accordance with the URU Plan, the unvested URUs that would have vested within 24 months of the termination date will vest immediately.

(6) RUs and PUs are paid out on a prorated basis where the NEO retires or is terminated without cause in accordance with the RU Plan and PU Plan, respectively.

COMPENSATION DECISIONS FOR 2020

2020 NEO COMPENSATION CHANGES

Mario Barrafato, Chief Financial Officer

For 2020, the Governance Committee approved a base salary increase for Mr. Barrafato from \$450,000 to \$459,000, representing an increase of 2.0%. Mr. Barrafato's STIP and LTIP targets remained unchanged at 80% and 100%, respectively.

Ana Radic, Executive Vice President, Leasing and Operations

For 2020, the Governance Committee approved a base salary increase for Ms. Radic from \$400,000 to \$411,000, representing an increase of 2.75%. Ms. Radic's STIP and LTIP targets remained unchanged at 60% and 60%, respectively.

Evan Williams, Vice President, Quebec & Atlantic Canada Retail

For 2020, the Governance Committee approved a base salary increase for Mr. Williams from \$258,600 to \$263,772, representing an increase of 2.0%. Mr. Williams' STIP and LTIP targets remained unchanged at 45% and 50%, respectively.

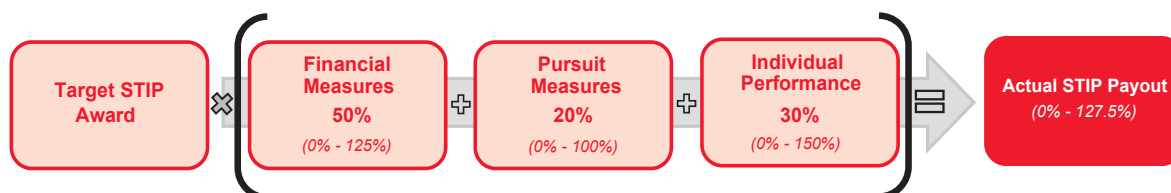
2020 SHORT-TERM INCENTIVE PLAN

The Trust's STIP is designed to incent executives, including the NEOs, to meet certain annual business and individual performance objectives. In determining the measures and metrics for the 2020 STIP, the Governance Committee considered the Trust's objectives of focusing on the execution of the business plan, implementing process improvements, enhancing information security maturity and ensuring continued progress on the integration of people and culture.

The Governance Committee has approved performance measures and weightings for the 2020 STIP. The 2020 STIP will continue to be based on the financial measures and weightings as in 2019. The pursuit measures will continue to include measures addressing processes, culture and people, and will introduce a new information security measure. The 2020 STIP will include the following performance measures and weightings:

Financial Measures 50%	NOI 20%
	FFO per Unit 20%
	AFFO per Unit 10%
Pursuit Measures 20%	Process Improvement 12%
	Information Security 3%
	Culture & People 5%
Individual Performance 30%	Individual Performance 30%

The 2020 STIP awards will be determined using the following formula:



2020 LONG-TERM INCENTIVE PLAN DESIGN

In February 2020, the Governance Committee determined that the LTIP design put in place for 2019 would continue for 2020, with LTIP awards being comprised of 25% PUs and 75% restricted units, with the restricted units being awarded as RUs, URUs or a combination thereof, at the election of the participant. Further, the Governance Committee approved the continued use of total Unitholder return as the performance measure for the 2020 awards of PUs.

2020 Long-Term Incentive Plan Grants

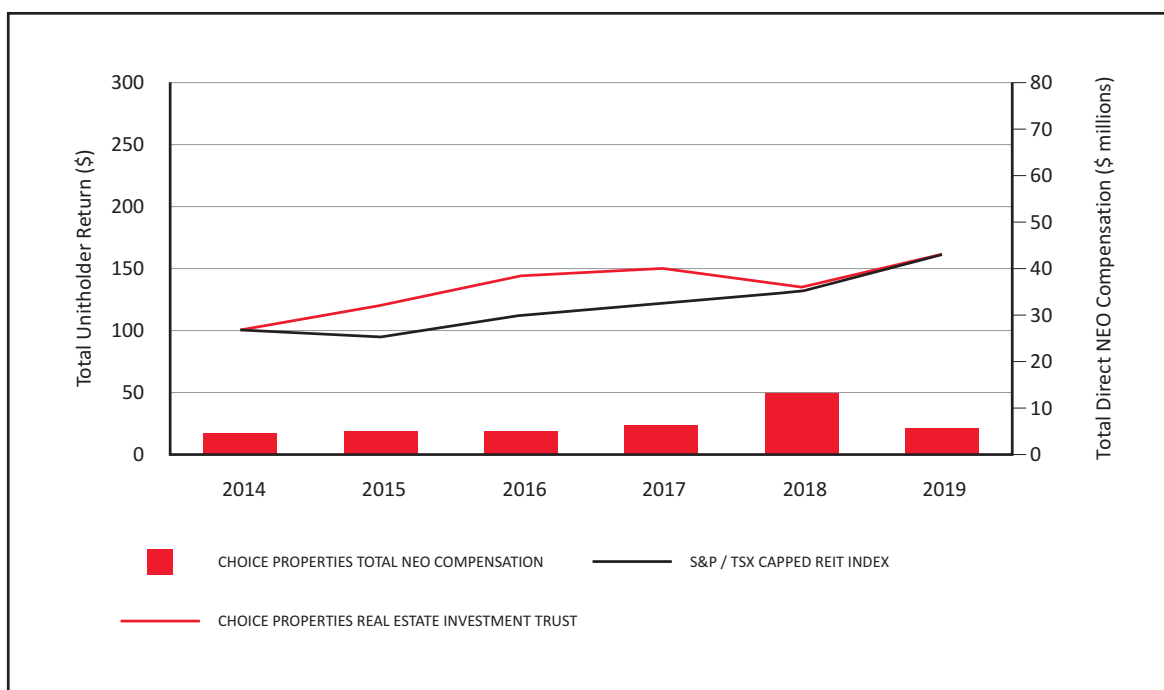
In February 2020, the Governance Committee approved LTIP grants to the NEOs as set out below. These annual LTIP grants were comprised of PUs and, at the election of the participant, RUs, URUs or a combination thereof, and were awarded during an open trading window on February 21, 2020, in the case of the PUs and the RUs, and on February 28, 2020, in the case of the URUs.

Name	Grant Date Fair Value (\$) ⁽¹⁾	URUs (#)	RUs (#)	PUs (#)
Rael L. Diamond President and Chief Executive Officer	1,500,008	75,251	-	25,084
Mario Barrafato Chief Financial Officer	459,010	23,027	-	7,676
Ana Radic Executive Vice President, Leasing and Operations	246,600	-	12,371	4,124
Evan Williams Vice President, Quebec & Atlantic Canada Retail	131,889	-	6,616	2,206
Andrew Reial Senior Vice President, Office and Industrial	96,263	-	4,829	1,610

(1) These amounts reflect the grant date fair value of the PUs, RUs and URUs when granted. The grant date fair value of PUs and RUs is calculated in the following manner: Number of PUs or RUs granted times the greater of the volume-weighted average Trust Unit price on the TSX for the one or five trading days preceding the grant date, which was \$14.95 as of February 21, 2020. The grant date fair value of the URUs is calculated in the following manner: The price used for the PU and RU calculation of grant date fair value, being \$14.95, was used to determine the number of URUs to be awarded and the grant date fair value reflected above. Trust Units were subsequently purchased by the trustee of the URU Plan in the market over several days to fund the URU grants.

PERFORMANCE GRAPH

The graph below compares the cumulative total Unitholder return on \$100 invested in Trust Units on December 31, 2014, with the cumulative annual total return on the S&P/TSX Capped REIT Index over the same period, assuming the re-investment of all cash distributions of the Trust since December 31, 2014.



Five-Year Cumulative Total Unitholder Return on \$100 Investment

	2014	2015	2016	2017	2018	2019
Choice Properties	\$100	\$120	\$144	\$150	\$134	\$161
S&P/TSX Capped REIT Index	\$100	\$95	\$112	\$123	\$131	\$161
Total Direct NEO Compensation						
	2014	2015	2016	2017	2018	2019
Total Direct NEO Compensation (\$ millions)	\$4.5	\$4.8	\$4.8	\$6.2	\$13.4	\$5.5

For the five-year period ended December 31, 2019, Choice Properties' total Unitholder return out-performed the S&P/TSX Capped REIT Index except from 2018 year-end onwards, where total Unitholder return aligned with the S&P/TSX Capped REIT Index. During the period, the total cumulative Unitholder return for \$100 invested in Trust Units was \$161 with the S&P/TSX Capped REIT Index achieving the same return as at December 31, 2019.

The Trust's total Unitholder return has trended upwards, with the total direct compensation of the Trust's NEOs having remained relatively steady, other than for the 2018 year, in which the Transaction was completed. The increase in total direct compensation for 2018 is primarily attributable to one-time payments for incoming and departing NEOs.

The NEO compensation disclosed in the Summary Compensation Table is not strongly correlated to Unitholder returns in the short-term, in part because equity-based incentives are calculated at the time of grant using grant date fair values, which do not reflect the actual value of compensation received when such incentives vest or are exercised. In the longer term, NEO compensation is directly impacted by the Trust Unit price performance as Trust Unit options, RU, URU and PU awards directly correlate to the Trust Unit price and are therefore aligned with Unitholder returns.

A substantial portion of NEO pay is at-risk. In addition to the LTIP awards, the Trust's STIP awards are made based on the successful performance of key financial objectives that are tied to the annual business plan. These at-risk components (the STIP and LTIP awards) for the NEOs in 2019, other than Mr. Johnson, ranged from 34.6% to 74.4% of the NEOs' total direct target compensation.

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned by the NEOs during 2019, 2018 and 2017.

					Non-Equity Incentive Plan Compensation				
Name and Principal Position	Year	Salary (\$)	Trust Unit- Based Awards (\$) ⁽¹⁾	Option- Based Awards (\$) ⁽²⁾	Annual Incentive Plans (\$)	Long-Term Incentive Plans (\$)	Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Rael L. Diamond	2019	683,600	1,230,176	—	754,329	—	34,200	61,388 ⁽³⁾	2,763,693
President and Chief Executive Officer	2018	540,000 ⁽⁴⁾	1,214,386 ⁽⁵⁾	—	594,000	—	26,500	27,921	2,402,807
	2017	525,000	704,670 ⁽⁵⁾	—	555,000	—	26,200	24,343	1,835,213
Mario Barrafato	2019	444,165	412,097	—	356,953	—	27,500	49,619 ⁽³⁾	1,290,334
Chief Financial Officer	2018	426,600 ⁽⁴⁾	797,816 ⁽⁶⁾	—	351,945	—	25,600	21,921	1,623,882
	2017	418,200	392,941 ⁽⁶⁾	—	332,000	—	25,100	18,343	1,186,584
Ana Radic	2019	298,048	527,958	—	178,107	—	25,800	191,739 ⁽³⁾	1,221,652
Executive Vice President, Leasing and Operations	2018	293,333 ⁽⁴⁾	—	—	— ⁽⁷⁾	—	11,700	18,389	323,422
	2017	313,650	166,437 ⁽⁸⁾	—	131,733	—	12,500	18,343	642,663
Evan Williams	2019	258,599	129,305	—	121,257	—	24,000	34,589 ⁽³⁾	567,750
Vice President, Quebec & Atlantic Canada Retail	2018	251,697	342,080	31,693	125,504	—	20,300	30,637	801,911
	2017	246,158	86,178	28,719	148,048	—	20,000	26,552	555,655
Andrew Reial	2019	71,923	—	—	38,075	—	8,100	426,600 ⁽³⁾	544,698
Senior Vice President, Office and Industrial									
Stephen E. Johnson	2019	—	—	—	—	—	—	2,605,781 ⁽³⁾	2,605,781
Former President and Chief Executive Officer	2018	269,173 ⁽⁴⁾	4,301,398 ⁽⁹⁾	—	329,620 ⁽¹⁰⁾	—	16,200	574,038	5,490,429
	2017	765,000	2,053,495 ⁽⁹⁾	—	922,500	—	26,200	39,259	3,806,454

(1) Amounts represent the grant date fair value of PUs, RUs, and URUs awarded to the NEOs, calculated, in the case of RUs and PUs, as the number of RUs and PUs granted multiplied by the greater of the volume weighted average unit price on the TSX either for the one or five trading days preceding the grant date as applicable, and in the case of URUs (whether granted before or subsequent to the Transaction), as the number of URUs granted multiplied by the volume weighted average unit price (of the CREIT Units or the Trust Units, as applicable) on the TSX for the five trading days preceding or subsequent to the grant date or price on the grant date, except that for the grants listed for 2017 for Messrs. Johnson, Barrafato and Diamond in respect of their 2017 LTIP, calculated as the number of URUs granted multiplied by the volume weighted average unit price of the CREIT Units on the TSX for the month of December 2017. The accounting fair value of a URU award is based on the market value of a Trust Unit, less a discount to account for the vesting and holding period restrictions placed on the URUs. The grant date fair value of a PU or RU award is the same as the accounting fair value of such award on the applicable grant date. The grant date fair value of a PU award assumes vesting at 100% of target. The number of PUs that vest will range between 0% and 200% of the number granted.

(2) These amounts reflect the grant date fair value of the Trust Unit options when granted. The grant date fair value of Trust Unit options is calculated in the following manner: Trust Unit Option Value = Number of Trust Unit Options Granted x Black-Scholes-Merton Value. The Trust has chosen to use Black-Scholes-Merton model as the methodology for calculating the fair value of the options granted as this methodology is commonly used by issuers. To determine the fair value of options granted using the Black-Scholes-Merton model, an expected life of 7 years is used, which is based on the contractual term of the options. The other assumptions used in the model are based on relevant market data on the day of the valuation. The Trust also uses the Black-Scholes-Merton model for accounting purposes. However, the accounting value ascribed at the grant date for the Trust Unit options uses an expected life based on expectations of option holder behaviour (see Notes 2 and 18 to the Trust's annual audited consolidated financial statements for the year ended December 31, 2019, for the other assumptions and estimates used for this calculation). As a result, when using the Black-Scholes-Merton value method, there is a difference between the fair value per option for compensation reporting purposes, and the accounting value per option as follows: For the 2018 grant for Mr. Williams, the accounting value per option is lower by \$0.18 (for the 2017 grant, the accounting value per option is lower by \$0.28).

(3) Amounts under 'All Other Compensation' include the value of perquisites and payments made by the Trust under its employee unit ownership plans. The largest single payment received by certain NEOs relates to a car allowance with an annual value of approximately \$21,000. All Other Compensation for:

Ms. Radic: includes a one-time cash payment of \$148,000 paid in early 2019, in accordance with her employment arrangements.

Mr. Reial: includes a one-time cash payment of \$93,750 awarded in early 2019, and a one-time cash payment of \$315,000, awarded or to be awarded, as applicable, in installments of \$100,000, \$100,000 and \$115,000, in February 2020, February 2021 and February 2022, respectively; in each case in respect of certain amounts forfeited due to his resignation from his previous employer.

Mr. Johnson: includes (1) \$1,834,000, representing a pro-rated amount of the target total compensation value of \$5,500,000 which had been approved by the Governance Committee for Mr. Johnson for 2019 prior to his retirement announcement, for the period between January 1, 2019 to May 1, 2019, in addition to certain other ancillary amounts, and (2) consulting fees of \$666,672 paid in accordance with a consulting agreement entered into between the Trust and Mr. Johnson

in February 2019, pursuant to which Mr. Johnson is entitled to a payment of \$83,334 per month commencing on May 1, 2019 until the end of Mr. Johnson's term as an advisor in May, 2020.

- (4) This amount reflects the actual base salary for 2018 for Ms. Radic and Messrs. Diamond, Barrafato and Johnson. A portion of this salary was paid by CREIT for the pre-Transaction period of January 1 to May 3, 2018. Effective May 4, 2018, the executive's salary was paid by the Trust.
- (5) Mr. Diamond's 2018 Trust Unit-based awards includes: (1) a one-time retention award of 43,477 URUs with a grant date fair value of \$537,376, granted on September 28, 2018 (\$12.36); and (2) an award of 43,477 URUs with a grant date fair value of \$677,010, granted on March 5, 2019, in respect of Mr. Diamond's 2018 LTIP. Mr. Diamond's Trust Unit-based awards for 2017 includes an award of 14,230 CREIT restricted units granted by Mr. Diamond's pre-Transaction employer, CREIT, on February 26, 2018 in respect of his 2017 LTIP, with a targeted grant value of \$656,250 based on a volume-weighted average price of the CREIT Units for December 1 to 31, 2017 of \$46.12, and a grant date fair value of \$704,670, based on a price of \$49.52 at the date of grant.
- (6) Mr. Barrafato's 2018 Trust Unit-based awards includes: (1) a one-time retention award of 34,347 URUs with a grant date fair value of \$424,529, granted on September 28, 2018 (\$12.36); (2) an award of 27,610 RUs with a grant date fair value of \$373,287, granted on February 22, 2019, in respect of Mr. Barrafato's 2018 LTIP. Mr. Barrafato's Trust Unit-Based Awards for 2017 includes an award of 7,935 CREIT restricted units granted by Mr. Barrafato's pre-Transaction employer, CREIT, on February 26, 2018 in respect of his 2017 LTIP, with a targeted grant value of \$365,925 based on a volume-weighted average price of the CREIT Units for December 1 to 31, 2017 of \$46.12, and a grant date fair value of \$392,941, based on a price of \$49.52 at the date of grant.
- (7) Ms. Radic resigned from the Trust in November 2018 and rejoined in February 2019. Ms. Radic was not eligible for a STIP award for 2018.
- (8) Ms. Radic's Trust Unit-Based Awards for 2017 includes an award of 3,361 CREIT restricted units granted by Ms. Radic's pre-Transaction employer, CREIT, on February 26, 2018 in respect of her 2017 LTIP, with a targeted grant value of \$155,000 based on a volume-weighted average price of the CREIT Units for December 1 to 31, 2017 of \$46.12, and a grant date fair value of \$166,437, based on a price of \$49.52 at the date of grant.
- (9) Mr. Johnson's 2018 Trust Unit-based awards include: (1) a portion of an award of 19,556 CREIT units with a grant date fair value of \$659,037, granted by Mr. Johnson's pre-Transaction employer, CREIT, on April 26, 2018 (\$50.55) in respect of Mr. Johnson's LTIP for the 2018 pre-Transaction period from January 1 to May 4, 2018; (2) an award of 294,673 URUs with a grant date fair value of \$3,642,158, granted on September 28, 2018 (\$12.36), which represented Mr. Johnson's base salary, STIP and LTIP from May 5, 2018 to December 31, 2018; and (3) a residual cash payment of \$203 in respect of the LTIP award. Excluded from Mr. Johnson's 2018 Trust Unit-Based Awards is an award of 162,000 URUs with a grant date fair value of \$1,908,360, on December 24, 2018 (\$11.78) representing benefits accrued prior to the Transaction and assumed by the Trust on the close of the Transaction. Mr. Johnson's 2017 Trust Unit-based awards includes an award of 41,468 CREIT restricted units granted by Mr. Johnson's pre-Transaction employer, CREIT, on February 22, 2018 in respect of Mr. Johnson's 2017 LTIP, with a targeted grant value of \$1,912,500 based on a volume-weighted average price of the CREIT units for December 1 to 31, 2017 of \$46.12, and a grant date fair value of \$2,053,495, based on a price of \$49.52 at the date of grant.
- (10) Mr. Johnson elected to receive the value in respect of his STIP for the 2018 pre-Transaction period from January 1 to May 4, 2018 as an award of CREIT restricted units.

INCENTIVE PLAN AWARDS

INCENTIVE PLAN AWARDS – OUTSTANDING OPTION-BASED AWARDS AND TRUST UNIT-BASED AWARDS

The following tables set forth the number and value of all unexercised option-based and Trust Unit-based awards granted to NEOs, excluding any URU awards that are no longer subject to disposition restrictions, that were outstanding at December 31, 2019:

Name	Total Number of Unvested URUs	Value of Unvested URUs ⁽¹⁾	Date on which Units Vest or are no longer subject to Disposition Restrictions	# of Units that will Vest	# of URUs that will no longer be subject to Disposition Restrictions
Rael L. Diamond	176,338	2,452,862	February 26, 2020	20,318	—
			February 28, 2020	18,598	—
			March 5, 2020	29,374	
			March 26, 2020	—	134,543
			September 28, 2020	14,492	—
			February 26, 2021	20,318	—
			March 5, 2021	29,373	
			March 26, 2021	—	36,975
			September 28, 2021	14,492	—
			March 5, 2022	29,373	
			May 31, 2022	—	59,013
			February 28, 2023	—	55,800
			February 26, 2024	—	60,954
September 28, 2024	—	43,477			
		March 5, 2025	—	88,120	
Mario Barrafato	56,233	782,201	February 26, 2020	11,330	—
			February 28, 2020	10,676	—
			September 28, 2020	11,449	—
			February 26, 2021	11,329	—
			April 1, 2021	—	69,340
			September 28, 2021	11,449	—
			May 31, 2022	—	37,814
			February 28, 2023	—	32,031
			February 26, 2024	—	33,989
September 28, 2024	—	34,347			
Ana Radic	—	—	June 5, 2021	—	25,117
			May 31, 2022	—	10,806
			February 28, 2023	—	4,579
Stephen E. Johnson	718,069	9,988,340	February 26, 2021	59,210	—
			April 26, 2021	27,923	—
			September 28, 2021	98,225	—
			December 24, 2021	54,000	—
			February 26, 2022	59,209	—
			April 26, 2022	27,923	—
			September 28, 2022	98,224	—
			December 24, 2022	54,000	—
			February 26, 2023	59,209	—
			April 26, 2023	27,922	—
			September 28, 2023	98,224	—
			December 24, 2023	54,000	—
			February 26, 2025	—	177,628
			April 26, 2025	—	83,768
			September 28, 2025	—	294,673
			December 24, 2025	—	162,000

(1) On close of the Transaction, the outstanding restricted units under the restricted unit plan of CREIT held by employees of CREIT, including Messrs. Barrafato, Diamond and Johnson and Ms. Radic, were exchanged for non-cash consideration, being approximately 4.2835 URUs per restricted unit of CREIT, in accordance with the plan of arrangement for the Transaction. The URU amounts above reflect the adjusted numbers. The value of the unvested URUs is calculated based on the closing price for the Trust Units on the TSX on December 31, 2019, which was \$13.91.

Option-Based Awards					Trust Unit-Based Awards		
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$) ⁽¹⁾	Number of Trust Unit-Based Awards That Have Not Vested (#)	Market or Payout Value of Trust Unit-Based Awards That Have Not Vested (\$) ⁽²⁾	Market or Payout Value of Vested Trust Unit-Based Awards Not Paid Out or Distributed (\$)
Rael L. Diamond President and Chief Executive Officer	—	—	—	—	54,978	764,745	—
Mario Barrafato Chief Financial Officer	—	—	—	—	60,506	841,643	—
Ana Radic Executive Vice President, Leasing and Operations	—	—	—	—	40,777	567,210	—
Evan Williams Vice President, Quebec & Atlantic Canada Retail	8,205 21,593 3,871 32,561	12.38 14.21 13.93 11.92	February 25, 2023 February 23, 2024 May 2, 2024 February 22, 2025	12,554 — — 64,796	49,001	681,605	—
Andrew Reial Senior Vice President, Office and Industrial	—	—	—	—	—	—	—
Stephen E. Johnson Former President and Chief Executive Officer	—	—	—	—	—	—	—

(1) The value of outstanding vested and unvested Trust Unit option-based awards is calculated based on the closing price for the Trust Units on the TSX on December 31, 2019, which was \$13.91.

(2) The value of PUs and RUs held by the NEOs is based on the closing price for the Trust Units on the TSX on December 31, 2019, which was \$13.91, multiplied by the number of PUs and RUs outstanding as at December 31, 2019. Additional PUs and RUs were accumulated based on notional equivalents of distributions paid on Trust Units throughout the year and have been included in this table. The value of a PU award assumes vesting at 100% of target.

INCENTIVE PLAN AWARDS – VALUE VESTED OR EARNED DURING THE YEAR

The following table sets forth the value of option-based and Trust Unit-based awards of the NEOs that vested during fiscal 2019, as well as the value of non-equity incentive plan compensation that the NEOs earned during 2019. The dollar value of the option-based and Trust Unit-based awards is calculated using the number of units vested/earned multiplied by the closing price of the Trust Units on the TSX on the applicable vesting date.

Name	Option-Based Awards – Value Vested During The Year (\$)	Trust Unit- Based Awards – Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation – Value Earned During The Year ⁽¹⁾ (\$)
Rael L. Diamond President and Chief Executive Officer	—	1,003,319	754,329
Mario Barrafato Chief Financial Officer	—	634,590	356,953
Ana Radic Executive Vice President, Leasing and Operations	—	—	178,107
Evan Williams Vice President, Quebec & Atlantic Canada Retail	74,544	116,461	121,257
Andrew Reial Senior Vice President, Office and Industrial	—	—	38,075
Stephen E. Johnson Former President and Chief Executive Officer	—	—	—

(1) Payments made in accordance with the Trust's STIP.

PENSION PLAN AND LONG SERVICE EXECUTIVE ARRANGEMENTS

EXECUTIVE DEFINED CONTRIBUTION PENSION PLANS AND SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN

Certain senior executives of the Trust participate on a non-contributory basis in the Trust's Executive DC Plan. During 2019, employer contributions were set as a percentage of base salary (maximum of \$250,000) and were capped at \$27,230 per year, as set forth in the following table:

Age + Years of Service	Employer Contributions as a Percentage of Base Salary
< 50	13%
50-60	15%
60 +	17%

Mr. Williams participates in the VP DC Plan. During 2019, employer contributions were set as a percentage of base salary (maximum of \$200,000), as set forth in the following table:

Age + Years of Service	Employer Contributions as a Percentage of Base Salary
< 50	8%
50-60	10%
60 +	12%

The Trust has entered into retirement agreements with certain executives who participate in the Executive DC Plan to provide SERP benefits to those executives with allocations for contributions in excess of the annual \$27,230 registered plan limit. The SERP is an unfunded obligation of the Trust and executives who participate in this plan must comply with certain eligibility provisions in order to receive payment, most notably, executives are not eligible to receive SERP payments while employed by a competitor of the Trust.

The following table sets forth details regarding Messrs. Diamond, Barrafato, Williams, Reial and Ms. Radic, who participated in the Trust's Executive DC Plan and SERP and the VP DC Plan during 2019:

Name	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Accumulated Value at Year End (\$) ⁽¹⁾
Rael Diamond ⁽²⁾	—	19,400	20,300
Mario Barrafato ⁽²⁾	—	3,100	3,100
Ana Radic ⁽²⁾	—	25,800	26,600
Evan Williams ⁽³⁾	78,900	24,000	114,400
Andrew Reial ⁽²⁾	—	8,100	8,300

(1) The accumulated value includes interest (investment returns) earned by each member during the financial year ended December 31, 2019.

(2) Messrs. Diamond, Barrafato, Reial, and Ms. Radic, participated in the Executive DC Plan and the SERP.

(3) Mr. Williams participated in the VP DC Plan.

CREIT MANAGEMENT L.P. PENSION PLAN

The following table sets forth details regarding Messrs. Diamond, Barrafato and Johnson, who participated in the RPP during 2019:

Name	Accumulated Value at Start of Year (\$)	Compensatory (\$)	Accumulated Value at Year End (\$) ⁽¹⁾
Mario Barrafato	96,400	24,400	136,200
Rael L. Diamond	183,600	14,800	200,200
Stephen E. Johnson ⁽²⁾	509,200	—	512,100

(1) The accumulated value includes interest (investment returns) earned by each member during the financial year ended December 31, 2019.

(2) On May 4, 2018, following the closing of the Transaction, Mr. Johnson was no longer eligible to participate in any pension plan.

INDEBTEDNESS OF TRUSTEES, EXECUTIVE OFFICERS AND EMPLOYEES

As at March 9, 2020, there was no indebtedness (other than "routine indebtedness" under applicable Canadian securities laws) owing to the Trust or any of its subsidiaries by any current or former trustees, executive officers, or employees of the Trust or any of its subsidiaries.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth below, management is not aware of any material interest, direct or indirect, in any material transaction of: (i) any trustee or executive officer of the Trust; (ii) any director or executive officer of Loblaw; (iii) any director or executive officer of Weston; or (iv) any person beneficially owning or controlling, directly or indirectly, more than 10% of the Trust's outstanding Units.

As of March 9, 2020, Weston beneficially owned, directly and indirectly, 50,661,415 Trust Units and 389,961,783 Special Voting Units, representing a 62.91% effective interest in the Trust; and Mr. W. Galen Weston, the controlling shareholder of Weston, also beneficially held 234,738 Trust Units, representing a 0.03% effective interest in the Trust. Additional information relating to Choice Properties is available on its website at www.choicereit.ca and under Choice Properties' issuer profile at www.sedar.com.

OTHER INFORMATION

TRUSTEE AND OFFICER LIABILITY INSURANCE

The Trust maintains insurance for the benefit of its trustees and officers, and the trustees and officers of its subsidiaries, in respect of the performance by them of their duties. The Trust's annualized insurance premium in 2019 was \$163,250. The insurance limit is \$50 million per year on an aggregate basis or per occurrence basis. There is no deductible in the case of trustees and officers and a deductible of up to a maximum of \$250,000 for the Trust.

NORMAL COURSE ISSUER BID

The Trust has a Normal Course Issuer Bid (the "NCIB") on the TSX which allows for the purchase and cancellation of up to 25,856,839 Trust Units at market prices. A copy of the Choice Properties Notice of Intention to Make a Normal Course Issuer Bid filed with the TSX can be obtained by Unitholders, without charge, by contacting the Trust. The current NCIB expires on November 18, 2020.

NON-GAAP FINANCIAL MEASURES

Certain financial measures discussed in this Circular, such as NOI, FFO per Unit and AFFO per Unit are non-GAAP financial measures. Please refer to section 15, "Non-GAAP Financial Measures", included in the management's discussion and analysis of the Trust's 2019 Annual Report, for a list of defined non-GAAP financial measures and reconciliations thereof.

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 they should not be construed as an alternative to other financial measures determined in accordance with GAAP.

ADDITIONAL INFORMATION

The Trust is a reporting issuer under the applicable legislation of all of the provinces and territories of Canada and is required to file financial statements and information circulars with the various securities commissions. The Trust has filed its Annual Information Form with those securities commissions which, among other things, contained all of the disclosure required by Form 52-110F1 under National Instrument 52-110 – *Audit Committees*.

Financial information is provided in the Trust's audited consolidated financial statements and management's discussion and analysis for its most recently completed financial year. Additional information regarding the Trust can also be found at www.choicereit.ca and www.sedar.com or by dialing in for regularly scheduled conference calls.

Copies of the Trust's latest Annual Information Form, the Trust's 2019 Annual Report and this Circular may be obtained upon request from the Senior Vice President, General Counsel and Secretary of the Trust at 22 St. Clair Avenue East, Suite 500, Toronto, Ontario, M4T 2S5.

CONTACTING THE BOARD OF TRUSTEES

Unitholders, employees and other interested parties may communicate directly with the Board through the Lead Trustee by writing to:

Lead Trustee
Choice Properties Real Estate Investment Trust
22 St. Clair Avenue East, Suite 500
Toronto, Ontario, M4T 2S5

BOARD APPROVAL

The contents and sending of this Circular to Unitholders entitled to receive notice of the Meeting, to each trustee, to the external auditor of the Trust and to the appropriate government agencies have been approved by the Board.

A handwritten signature in black ink, appearing to read 'D. Baughan', with a stylized flourish at the end.

Doris L. Baughan
Senior Vice President, General Counsel and Secretary

Dated in Toronto, Ontario
March 13, 2020

SCHEDULE A

MANDATE OF THE BOARD OF TRUSTEES

1. **ROLE**

The role of the Board of Trustees (the “Board”) is to provide governance and stewardship to Choice Properties Real Estate Investment Trust (“Choice Properties” or the “Trust”). This includes reviewing strategy, assigning responsibility to management for achievement of that strategy, establishing limitations on the authority delegated to management and overseeing performance against approved objectives. In fulfilling this role, the Board regularly reviews management’s strategic plans to ensure that they continue to be responsive to the changing business environment in which Choice Properties operates. The Board oversees Choice Properties’ approach to governance, succession planning, risk management activities, internal control over financial reporting, disclosure controls and procedures, and information systems. Through its oversight, the Board ensures that Choice Properties accurately and fairly reports financial and other information to unitholders, other stakeholders and the public. The Board is required to appoint officers. The Board satisfies itself as to the integrity of senior management, that Choice Properties engages in ethical and legal conduct and that senior management maintains a culture of integrity throughout Choice Properties.

2. **RESPONSIBILITIES**

To ensure that it fulfills its role, the Board, or any Committee so delegated by the Board, will:

(a) Ensure Compliance with the Declaration of Trust

- Exercise its powers and take whatever actions as may be necessary or desirable in order to carry out the provisions of the Declaration of Trust.
- Ensure that the exercise of such powers or the taking of such actions is not inconsistent with the provisions of the Declaration of Trust.

(b) Review Performance and Approve Strategic Goals, Performance Objectives and Operational Policies

Review and, if advisable, approve broad strategic objectives and values against which the performance of Choice Properties will be measured. In this regard, the Board will:

- Determine, from time to time, the appropriate criteria against which to evaluate performance, and set strategic goals and objectives within this context.
- Monitor performance against both strategic goals and objectives of Choice Properties.
- Approve long-term strategies.
- Review and approve management’s strategic and operational plans so that they are consistent with long-term goals.
- Oversee the development, execution and fulfillment of the Trust’s strategic plans and the operational policies within which management will operate.
- Approve acquisitions, sales of assets or units, and financing arrangements in accordance with the Approval Authority Policy.
- Review and approve the Trust’s distribution policy and approve the timing and payment of distributions.
- Set targets and budgets against which to measure executive performance and the performance of Choice Properties.
- Satisfy itself of the appropriateness of all executive and colleague compensation matters and that a portion of executive compensation is linked appropriately to the performance of Choice Properties.
- Satisfy itself that a process is in place with respect to the appointment, development, evaluation and succession of senior management.

- (c) Delegate Management Authority to the President and Chief Executive Officer
- Delegate to the President and Chief Executive Officer the authority to manage and supervise the business of Choice Properties, including making any decisions regarding Choice Properties' ordinary course of business and operations that are not specifically reserved to the Board under the terms of that delegation of authority.
 - Determine what, if any, executive limitations may be required in the exercise of the authority delegated to management.
- (d) Monitor Financial Disclosure
- Oversee Choice Properties' financial reporting and disclosure obligations in accordance with applicable law.
 - Approve Choice Properties' financial statements, management's discussion and analysis and related releases.
 - Oversee Choice Properties' compliance with applicable audit, accounting and reporting requirements, including in the areas of internal control over financial reporting and disclosure controls and procedures.
- (e) Monitor Enterprise Risk Management Program
- Approve management's approach to enterprise risk management and its mitigation practices, including the identification, assessment and mitigation of the principal risks with a view to the long-term viability of Choice Properties and achieving a proper balance between the risks incurred and the potential return for unitholders.
 - Satisfy itself as to the effective oversight of risk management of individual risks by the Board or by a Committee delegated by the Board, through the receipt of periodic reports from the Committee Chairs or management, as appropriate.
- (f) Approve Related Party Transactions
- Approve all proposed material related party transactions and any related party transactions that are not dealt with by a "special committee" of independent trustees pursuant to applicable securities legislation.
- (g) Oversee Effective External Communications
- Satisfy itself that there is effective communication between the Board and Choice Properties' unitholders, other stakeholders and the public.
 - At least annually, with the assistance of the Audit Committee, review and approve any material changes to Choice Properties' disclosure policy.
- (h) Monitor Governance of Choice Properties
- Develop, and monitor compliance with, a set of governance principles and guidelines.
 - Appoint a Lead Trustee who is independent to provide leadership to the Board and the independent trustees, including presiding over meetings or sessions of the non-management trustees and consulting with the Chairman of the Board on any matters arising out of such sessions.
 - Ensure that independent trustees hold regular meetings without the attendance of management or non-independent trustees.
 - On the recommendation of the Governance, Compensation and Nominating Committee, approve the appointment of trustees or recommend the election of trustee nominees to the Board at the annual general meeting of unitholders.
 - Review the Board's mandate on an annual basis and make appropriate revisions.
 - Develop, adopt and regularly review position descriptions for the Chairman of the Board, the Lead Trustee and the chair of each committee of the Board.
 - Assess the effectiveness and performance of the Board and its committees as well as their individual members.
 - Oversee significant compensation decisions for the trustees and for senior executive management.

(i) Monitor Social Responsibility, Integrity and Ethics of Choice Properties

- Oversee actions taken by management to ensure that senior executives maintain a culture of integrity throughout Choice Properties.
- Adopt a written code of conduct which is applicable to employees, officers and trustees, and monitor compliance with the code.
- Receive and monitor periodic reports on policies and practices related to social responsibility of Choice Properties.

3. **COMPOSITION**

The Board shall be comprised of a majority of independent trustees. For this purpose, a trustee is independent if he or she would be independent within the meaning of the applicable Canadian securities laws, as the same may be amended from time to time. The Board is responsible for the composition and organization of the Board, including: the number, qualifications and remuneration of trustees; the number of Board meetings; quorum requirements; and meeting procedures. The Board shall ensure that due notice of meetings is provided as required by applicable law and the Declaration of Trust, subject to any exemptions or relief that may be granted from such requirements.

4. **COMMITTEES**

The Board may establish committees of the Board where required or prudent. The Board may delegate to such committees matters for which the Board is responsible, including the approval of Board and management compensation, the conduct of performance evaluations and oversight of internal controls, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities. The Board has established the following committees:

- the Audit Committee (comprised entirely of independent trustees); and
- the Governance, Compensation and Nominating Committee (comprised entirely of independent trustees).

The Board shall provide a forum for discussion and reporting of all matters considered by the committees. Circumstances may warrant the establishment of new committees, the disbanding of current committees or the reassignment of authority and responsibilities amongst committees. The authority and responsibilities of each committee are set out in a written mandate approved by the Board. At least annually, each mandate shall be reviewed by the respective committee and submitted to the Board for approval with such amendments as the committee proposes. Each Committee Chair shall provide a report to the Board on material matters considered by the Committee at the next regular Board meeting following such Committee's meeting.

5. **ORIENTATION AND CONTINUING EDUCATION**

With the Governance, Compensation and Nominating Committee, the Board shall ensure that all trustees receive a comprehensive orientation program and continuing education in connection with their role, responsibilities, the business of Choice Properties, and the skills they must use in their roles as trustees.

6. **EQUITY OWNERSHIP BY TRUSTEES**

The Board shall oversee trustees' compliance with Choice Properties' Equity Ownership Guidelines.

7. **RETENTION OF EXPERTS**

The Board may engage any professional advisors including legal, accounting or other experts, at the expense of the Trust, as it considers necessary to perform its duties.

Choice
Properties REIT