ChoiceProperties

Choice Properties Real Estate Investment Trust Reports Results for the Three and Nine Months Ended September 30, 2026

Toronto, Ontario November 12, 2026 (BUSINESS WIRE) - Choice Properties Real Estate Investment Trust ("Choice Properties" or the "Trust") (TSX: CHP.UN) today announced its consolidated financial results for the three and nine months ended September 30, 2026. The Third Quarter Report to Unitholders is available in the Investors section of the Trust's website at www.choicereit.ca, and has been filed on SEDAR+ at www.sedarplus.ca.

"Choice Properties delivered another strong quarter, with near-full occupancy and healthy Same-Asset NOI performance driving FFO growth," said Rael Diamond, President and Chief Executive Officer of the Trust. "Attractive leasing spreads and high tenant retention continue to demonstrate the quality of our portfolio and its ability to generate consistent organic growth. We also advanced our commercial development program, completing several retail intensification projects and commencing development on a new industrial project in the GTA. Our solid operating performance and balance sheet strength position us well for continued growth."

2026 Third Quarter Highlights

- Reported net income of $888.5 million compared to net income of $242.6 million in the prior year period. The increase was primarily due to the favourable fair value adjustments to the Trust's Exchangeable Units[1] and derivative financial assets resulting from the change in the Trust's unit price.
- Reported FFO[2] per unit diluted of $0.284, representing year-over-year growth of 2.2%.
    - FFO[2] per unit diluted, excluding lease surrender revenue and the reduction in Allied Properties REIT's ("Allied") distribution, increased by 3.5% compared to the prior year period.
- Achieved Same-Asset NOI, Cash Basis[2] growth of 3.1% and Total NOI, Cash Basis[2] growth of 2.9%.
- Achieved long term renewal leasing spreads[3] of 11.2% (17.7% excluding Loblaw renewals).
- Period end occupancy was 97.8%, with Retail at 97.5%, Industrial at 98.6%, and Mixed-Use & Residential at 91.4%.
- Completed $88.8 million of real estate transactions on a proportionate share basis[2].
- Delivered $47.4 million of development projects through retail intensification, adding approximately 91,000 square feet of new commercial GLA (including 2,000 square feet associated with a ground lease) on a proportionate share basis[2] through five retail intensifications and the completion of a retail greenfield development.

[1] Exchangeable Units are required to be classified as financial liabilities at fair value through profit and loss under GAAP. They are recorded at their fair value based on the market trading price of the Trust Units, which results in a negative impact to the financial results when the Trust Unit price rises and a positive impact when the Trust Unit price declines.
[2] Refer to Non-GAAP Financial Measures and Additional Financial Information section.
[3] Long term renewal spreads are calculated as the difference between the average rate during the renewal term and the expiring rental rate.

Agreement to Acquire Certain Assets of First Capital Real Estate Investment Trust

On April 16, 2026, the Trust announced that it entered into an agreement with First Capital Real Estate Investment Trust ("FCR") and KingSett Capital, on behalf of its investors, (collectively, "KingSett") pursuant to which KingSett and the Trust will acquire FCR in a unit and cash transaction valued at approximately $9.4 billion, including the assumption of certain debt (the "Transaction").

On June 23, 2026, the Transaction was approved by FCR's unitholders. On June 25, 2026, the Ontario Superior Court of Justice (Commercial List) issued a final order approving the Transaction's plan of arrangement pursuant to the arrangement agreement dated April 16, 2026. The Transaction is subject to other regulatory and customary approvals and closing conditions, and is expected to close in the fourth quarter of 2026 or the first quarter of 2027.

Performance Highlights

As at or for the periods ended	Three Months				Nine Months			
($ thousands except where otherwise indicated)	**September 30, 2026**	September 30, 2025	Change	Change %	**September 30, 2026**	September 30, 2025	Change	Change %
FFO[2]	**$ 205,202**	$ 201,416	$ 3,786	1.9 %	**$ 594,126**	$ 583,922	$ 10,204	1.7 %
FFO per unit diluted[2]	**$ 0.284**	$ 0.278	$ 0.006	2.2 %	**$ 0.821**	$ 0.807	$ 0.014	1.7 %
Net Income (Loss)	**$ 888,506**	$ 242,649	$ 645,857	266.2 %	**$ 624,931**	$ (7,831)	$ 632,762	n/a
Weighted average number of units outstanding - diluted[i]	**723,810,797**	723,810,797	—	— %	**723,810,797**	723,797,571	13,226	— %

(i) Includes Trust Units and Exchangeable Units

Funds from Operations

FFO[2] increased by $3.8 million, or 2.2% per unit diluted for the three months ended September 30, 2026. The increase was primarily driven by strong same-asset net operating income growth and the timing of lease surrender revenue, partially offset by the impact of the Allied distribution reduction and higher interest expense resulting from higher interest rates and the timing of debt issuances.

Excluding the year-over-year impact of lease surrender revenue and the reduction in Allied's distribution, FFO[2] per unit diluted for the three-month period increased by 3.5%.

[2] Refer to Non-GAAP Financial Measures and Additional Financial Information section.

Net Income (Loss)

Choice Properties reported net income of $888.5 million for the three months ended September 30, 2026, compared to net income of $242.6 million in the prior year period. The difference of $645.9 million was primarily due to changes in certain non-cash adjustments to fair value including:

- a $530.4 million favourable change in the adjustment to fair value of the Trust's Exchangeable Units[(1)] due to the change in the Trust's unit price;
- a $139.4 million favourable fair value adjustment of derivative financial assets[(4)] related to the Transaction; and
- a $54.6 million favourable change in the adjustment to fair value of investment properties; partially offset by
- a $74.8 million unfavourable change in the adjustment to fair value of the investment in real estate securities due to the change in Allied's unit price.

Select Proportionate Share[(2)] Operational and Financial Highlights

As at or for the periods ended	Three Months				Nine Months			
($ thousands except where otherwise indicated)	**September 30, 2026**	September 30, 2025	Change	Change %	**September 30, 2026**	September 30, 2025	Change	Change %
NOI, Cash Basis[(2)]	**$ 278,711**	$ 270,734	$ 7,977	2.9 %	**$ 827,649**	$ 801,203	$ 26,446	3.3 %
Same-Asset NOI, Cash basis[(2)]	**$ 258,184**	$ 250,428	$ 7,756	3.1 %	**$ 767,938**	$ 746,047	$ 21,891	2.9 %
Long term renewal spreads[(3)]	**11.2 %**	10.8 %	n/a	n/a	**13.7 %**	12.3 %	n/a	n/a
Occupancy (% of GLA)					**97.8 %**	98.0 %	(0.2)%	n/a
NAV[(2)] per unit[(i)]					**$ 15.04**	$ 14.53	$ 0.51	3.5 %

(i) Excluding the fair value gain on derivative financial assets[(4)] of $129.1 million, NAV[(2)] per unit was $14.86 as at September 30, 2026.

- Same-Asset NOI, Cash Basis[(2)] increased by 3.1% for the three months ended September 30, 2026 compared to the prior year period.
  - Retail increased by 2.5%;
  - Industrial increased by 5.5%;
  - Mixed-Use & Residential increased by 2.1%.
- Period end occupancy increased by 10 basis points from June 30, 2026 to 97.8%, with:
  - Retail at 97.5%, Industrial at 98.6%, and Mixed-Use & Residential at 91.4%.
- Achieved leasing spreads[(3)] on long term renewals of 11.2%, with 9.6% in Retail and 30.8% in Industrial.
  - Retail long term renewal spreads of 9.6% were comprised of 2,407,000 square feet of Loblaw renewals at a spread of 8.7% and third-party renewals at a spread of 12.8%.

(1) Exchangeable Units are required to be classified as financial liabilities at fair value through profit and loss under GAAP. They are recorded at their fair value based on the market trading price of the Trust Units, which results in a negative impact to the financial results when the Trust Unit price rises and a positive impact when the Trust Unit price declines.

(2) Refer to Non-GAAP Financial Measures and Additional Financial Information section.

(3) Long term renewal spreads are calculated as the difference between the average rate during the renewal term and the expiring rental rate.

(4) As at September 30, 2026, the Trust recognized derivative financial assets associated with the Trust's contractual obligation to issue 68.6 million Trust Units to FCR's unitholders and the arrangement to issue 38.0 million Exchangeable or Trust Units to George Weston Limited as consideration in the pending acquisition of certain assets of FCR. The derivative financial assets are measured at fair value through profit or loss based on the difference in the price of Trust Units at the time arrangements were entered into and the closing price of the Trust Units on September 30, 2026.

Outlook

We are focused on capital preservation, delivering stable and growing cash flows and net asset value appreciation. Our high-quality portfolio is primarily leased to necessity-based tenants and logistics providers, who are less sensitive to economic volatility and therefore provide stability to our overall portfolio. We will continue to advance our development program, with a focus on commercial developments, which provides us with the best opportunity to add high-quality real estate to our portfolio at a reasonable cost and drive net asset value appreciation over time.

We are confident that our business model, stable tenant base, strong balance sheet, and disciplined approach to financial management will continue to benefit us. Excluding the impact of the Transaction with FCR and KingSett and as a result of reduced acquisition activity and lower development spend, we have changed our Adjusted Debt to EBITDAFV[(2)] target for 2026. Choice Properties is now targeting the following for 2026, excluding the Transaction:

- Stable occupancy across the portfolio, resulting in approximately 2%-3% year-over-year growth in Same-Asset NOI, Cash Basis[(2)];
- Annual FFO per unit diluted[(2)] in a range of approximately $1.08 to $1.10; and
- Strong leverage metrics, targeting Adjusted Debt to EBITDAFV[(2)] of approximately 7.0x.

If the Transaction with FCR and KingSett closes in 2026, Choice Properties expects Adjusted Debt to EBITDAFV[(2)] to increase to approximately 8.5x on an annualized basis. Choice Properties' targeted growth in Same-Asset NOI, Cash Basis[(2)] and Annual FFO per unit diluted[(2)] would remain unchanged.

Conference Call and Webcast

Management will host a conference call on Friday, November 13, 2026 at 10:00 AM (EDT) with a simultaneous audio webcast. To access via teleconference, please dial +1 (833) 461-5787 or +1 (585) 542-9983 and enter the event passcode: 535 646 121. The pre-registration and audio webcast links will be available on www.choicereit.ca/investors.

About Choice Properties Real Estate Investment Trust

Choice Properties is Canada's largest real estate investment trust, guided by a clear purpose: to create places where people thrive. This is how we build enduring value. As a national owner, operator, and developer of high-quality commercial and residential real estate, we go beyond managing assets. We create places that strengthen how tenants and communities live, work, and connect. Our platform is built on industry leadership in sustainability, community engagement, and social impact, embedded across how we operate, build, and grow. As a trusted steward of capital, we are committed to disciplined execution, long-term value creation, and responsible growth. Everything we do is guided by our core values of Care, Ownership, Respect, and Excellence.

For more information, visit Choice Properties' website at www.choicereit.ca and Choice Properties' issuer profile at www.sedarplus.ca.

[(2)] Refer to Non-GAAP Financial Measures and Additional Financial Information section.

Non-GAAP Financial Measures and Additional Financial Information

Choice Properties prepares and releases unaudited interim and audited annual consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards" or "GAAP"), along with its MD&A, which should be read in conjunction with this news release.

In addition to results provided in accordance with GAAP, Choice Properties also measures its performance using certain non-GAAP measures, which are provided in this news release so that investors may do the same. These non-GAAP measures include FFO, NOI Cash basis, Same-Asset NOI Cash basis, NAV, Proportionate share, and Adjusted Debt to EBITDAFV. Such measures and related per-unit amounts are not defined by GAAP and therefore should not be construed as alternatives to net income or cash flows from operating activities determined in accordance with GAAP. Furthermore, the supplemental measures used by management may not be comparable to similar measures presented by other real estate investment trusts or enterprises. The non-GAAP measures included in this news release are defined and reconciled to the most comparable GAAP measure below. Choice Properties believes these non-GAAP financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Trust for the reasons outlined below.

Proportionate share represents financial information adjusted to reflect the Trust's equity accounted joint ventures and financial real estate assets and its share of net income (loss) from equity accounted joint ventures and financial real estate assets on a proportionately consolidated basis at the Trust's ownership percentage of the related investment. Management views this method as relevant in demonstrating the Trust's ability to manage the underlying economics of the related investments, including the financial performance and cash flows and the extent to which the underlying assets are leveraged, which is an important component of risk management.

The following table reconciles net income, as determined in accordance with GAAP, to net income on a proportionate share basis for the three and nine months ended September 30, 2026:

	Three Months			Nine Months		
($ thousands)	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis
Net Operating Income						
Rental revenue	$ 366,327	$ 31,756	$ 398,083	$ 1,088,850	$ 94,392	$ 1,183,242
Property operating costs	(98,336)	(9,559)	(107,895)	(308,731)	(29,103)	(337,834)
	267,991	22,197	290,188	780,119	65,289	845,408
Other Income and Expenses						
Interest income	9,102	(3,431)	5,671	29,002	(11,123)	17,879
Investment income	2,125	—	2,125	6,376	—	6,376
Fee income	1,254	—	1,254	3,724	—	3,724
Net interest expense and other financing charges	(151,986)	(8,145)	(160,131)	(453,061)	(23,533)	(476,594)
General and administrative expenses	(16,351)	—	(16,351)	(49,177)	—	(49,177)
Share of (loss) income from equity accounted joint ventures	(2,834)	2,834	—	(14,138)	14,138	—
Amortization of intangible assets	(250)	—	(250)	(750)	—	(750)
Adjustment to fair value of unit-based compensation	1,629	—	1,629	(114)	—	(114)
Adjustment to fair value of Exchangeable Units	597,637	—	597,637	(7,916)	—	(7,916)
Adjustment to fair value of investment properties	73,314	(13,455)	59,859	275,852	(44,771)	231,081
Adjustment to fair value of investment in real estate securities	(32,475)	—	(32,475)	(74,043)	—	(74,043)
Adjustment to fair value of derivatives	139,350	—	139,350	129,060	—	129,060
Income before Income Taxes	888,506	—	888,506	624,934	—	624,934
Income tax expense	—	—	—	(3)	—	(3)
Net Income	$ 888,506	$ —	$ 888,506	$ 624,931	$ —	$ 624,931

The following table reconciles net income (loss), as determined in accordance with GAAP, to net income (loss) on a proportionate share basis for the three and nine months ended September 30, 2025:

	Three Months			Nine Months		
($ thousands)	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis	GAAP Basis	Adjustment to Proportionate Share Basis	Proportionate Share Basis
Net Operating Income						
Rental revenue	$ 362,486	$ 25,320	$ 387,806	$ 1,060,177	$ 75,950	$ 1,136,127
Property operating costs	(98,354)	(7,894)	(106,248)	(298,640)	(23,338)	(321,978)
	264,132	17,426	281,558	761,537	52,612	814,149
Other Income and Expenses						
Interest income	11,374	(3,969)	7,405	32,063	(11,172)	20,891
Investment income	5,315	—	5,315	15,945	—	15,945
Fee income	736	—	736	3,944	—	3,944
Net interest expense and other financing charges	(151,716)	(6,854)	(158,570)	(446,862)	(20,531)	(467,393)
General and administrative expenses	(15,970)	—	(15,970)	(45,683)	—	(45,683)
Share of income from equity accounted joint ventures	1,232	(1,232)	—	23,107	(23,107)	—
Amortization of intangible assets	(250)	—	(250)	(750)	—	(750)
Adjustment to fair value of unit-based compensation	(438)	—	(438)	(1,331)	—	(1,331)
Adjustment to fair value of Exchangeable Units	67,284	—	67,284	(534,312)	—	(534,312)
Adjustment to fair value of investment properties	18,676	(5,371)	13,305	142,120	2,198	144,318
Adjustment to fair value of investment in real estate securities	42,277	—	42,277	42,396	—	42,396
Income (Loss) before Income Taxes	242,652	—	242,652	(7,826)	—	(7,826)
Income tax expense	(3)	—	(3)	(5)	—	(5)
Net Income (Loss)	$ 242,649	$ —	$ 242,649	$ (7,831)	$ —	$ (7,831)

Net Operating Income ("NOI"), Accounting Basis, is defined as property rental revenue including straight-line rental revenue, reimbursed contract revenue and lease surrender revenue, less direct property operating expenses and realty taxes, and excludes certain expenses such as interest expense and indirect operating expenses in order to provide results that reflect a property's operations before consideration of how it is financed or the costs of operating the entity in which it is held. Management believes that NOI is an important measure of operating performance for the Trust's commercial real estate assets that is used by real estate industry analysts, investors and management, while also being a key input in determining the fair value of the Choice Properties portfolio.

NOI, Cash Basis, is defined as property rental revenue and reimbursed contract revenue, excluding straight-line rental revenue and lease surrender revenue, less direct property operating expenses and realty taxes. Management believes NOI, Cash Basis is a useful measure in understanding period-over-period changes in income from operations due to occupancy, rental rates, operating costs and realty taxes.

The following table reconciles net income (loss), as determined in accordance with GAAP, to Net Operating Income, Cash Basis for the periods ended as indicated:

For the periods ended September 30 ($ thousands)	Three Months			Nine Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Income (Loss)	**$ 888,506**	$ 242,649	$ 645,857	**$ 624,931**	$ (7,831)	$ 632,762
Interest income	**(9,102)**	(11,374)	2,272	**(29,002)**	(32,063)	3,061
Investment income	**(2,125)**	(5,315)	3,190	**(6,376)**	(15,945)	9,569
Fee income	**(1,254)**	(736)	(518)	**(3,724)**	(3,944)	220
Net interest expense and other financing charges	**151,986**	151,716	270	**453,061**	446,862	6,199
General and administrative expenses	**16,351**	15,970	381	**49,177**	45,683	3,494
Share of loss (income) from equity accounted joint ventures	**2,834**	(1,232)	4,066	**14,138**	(23,107)	37,245
Amortization of intangible assets	**250**	250	—	**750**	750	—
Adjustment to fair value of unit-based compensation	**(1,629)**	438	(2,067)	**114**	1,331	(1,217)
Adjustment to fair value of Exchangeable Units	**(597,637)**	(67,284)	(530,353)	**7,916**	534,312	(526,396)
Adjustment to fair value of investment properties	**(73,314)**	(18,676)	(54,638)	**(275,852)**	(142,120)	(133,732)
Adjustment to fair value of investment in real estate securities	**32,475**	(42,277)	74,752	**74,043**	(42,396)	116,439
Adjustment to fair value of derivatives	**(139,350)**	—	(139,350)	**(129,060)**	—	(129,060)
Income tax expense	**—**	3	(3)	**3**	5	(2)
Net Operating Income, Accounting Basis - GAAP	**267,991**	264,132	3,859	**780,119**	761,537	18,582
Straight-line rental revenue	**725**	411	314	**3,204**	1,348	1,856
Lease surrender revenue	**(10,140)**	(9,892)	(248)	**(13,644)**	(10,050)	(3,594)
Net Operating Income, Cash Basis - GAAP	**258,576**	254,651	3,925	**769,679**	752,835	16,844
Adjustments for equity accounted joint ventures and financial real estate assets	**20,135**	16,083	4,052	**57,970**	48,368	9,602
Net Operating Income, Cash Basis - Proportionate Share	**$ 278,711**	$ 270,734	$ 7,977	**$ 827,649**	$ 801,203	$ 26,446

Same-Asset NOI, Cash Basis represents NOI only for those assets that were owned and operated by the Trust since January 1, 2025 inclusive.

The following table reconciles NOI, Cash Basis to Same-Asset NOI, Cash Basis for the periods ended as indicated:

For the periods ended September 30 ($ thousands)	Three Months			Nine Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Operating Income, Cash Basis - Proportionate Share	**$ 278,711**	$ 270,734	$ 7,977	**$ 827,649**	$ 801,203	$ 26,446
Less:						
Transactions NOI, Cash Basis - Proportionate Share	**(20,527)**	(20,306)	(221)	**(59,711)**	(55,156)	(4,555)
Same-Asset NOI, Cash Basis - Proportionate Share	**$ 258,184**	$ 250,428	$ 7,756	**$ 767,938**	$ 746,047	$ 21,891

Funds from Operations ("FFO") is calculated in accordance with the Real Property Association of Canada's *Funds From Operations (FFO)* & *Adjusted Funds From Operations (AFFO)* for IFRS Accounting Standards issued in January 2022. Management considers FFO to be a useful measure of operating performance as it adjusts for items included in net income (or loss) that do not arise from operating activities or do not necessarily provide an accurate depiction of the Trust's past or recurring performance, such as adjustments to fair value of Exchangeable Units, investment properties, investment in real estate securities, and unit-based compensation. From time to time, the Trust may enter into transactions that materially impact the calculation and are eliminated from the calculation for management's review purposes.

Management uses and believes that FFO is a useful measure of the Trust's performance that, when compared period over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and realty taxes, acquisition activities and interest costs.

The following table reconciles net income (loss), as determined in accordance with GAAP, to Funds from Operations for the periods ended as indicated:

For the periods ended September 30 ($ thousands except where otherwise indicated)	Three Months			Nine Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Income (Loss)	**$ 888,506**	$ 242,649	$ 645,857	**$ 624,931**	$ (7,831)	$ 632,762
Add (deduct) impact of the following:						
Amortization of intangible assets	**250**	250	—	**750**	750	—
Adjustment to fair value of unit-based compensation	**(1,629)**	438	(2,067)	**114**	1,331	(1,217)
Adjustment to fair value of Exchangeable Units	**(597,637)**	(67,284)	(530,353)	**7,916**	534,312	(526,396)
Adjustment to fair value of investment properties	**(73,314)**	(18,676)	(54,638)	**(275,852)**	(142,120)	(133,732)
Adjustment to fair value of investment properties to proportionate share	**13,455**	5,371	8,084	**44,771**	(2,198)	46,969
Adjustment to fair value of investment in real estate securities	**32,475**	(42,277)	74,752	**74,043**	(42,396)	116,439
Adjustment to fair value of derivatives	**(139,350)**	—	(139,350)	**(129,060)**	—	(129,060)
Interest otherwise capitalized for development in equity accounted joint ventures	**2,339**	2,295	44	**7,230**	7,131	99
Exchangeable Units distributions	**77,178**	76,189	989	**230,875**	227,907	2,968
Internal expenses for leasing	**2,929**	2,458	471	**8,405**	7,031	1,374
Income tax expense	**—**	3	(3)	**3**	5	(2)
Funds from Operations	**$ 205,202**	$ 201,416	$ 3,786	**$ 594,126**	$ 583,922	$ 10,204
FFO per unit - diluted	**$ 0.284**	$ 0.278	$ 0.006	**$ 0.821**	$ 0.807	$ 0.014
Weighted average number of units outstanding - diluted(i)	**723,810,797**	723,810,797	—	**723,810,797**	723,797,571	13,226

(i) Includes Trust Units and Exchangeable Units.

Earnings before Interest, Taxes, Depreciation, Amortization, and Fair Value ("EBITDAFV") is defined as net income (loss) attributable to Unitholders, reversing, where applicable, income taxes, interest expense, amortization expense, depreciation expense, adjustments to fair value and other adjustments on a proportionate share basis as allowed in the Trust Indentures, as supplemented. Management believes EBITDAFV is useful in assessing the Trust's ability to service its debt, finance capital expenditures and provide distributions to its Unitholders.

Total Adjusted Debt is defined as variable rate debt (construction loans, mortgages, and credit facility) and fixed rate debt (senior unsecured debentures, construction loans and mortgages), as measured on a proportionate share basis, including the impact of other finance charges and defeasance or other prepayments of debt. It does not include the Exchangeable Units which are included as part of unit equity on account of the Exchangeable Units being economically equivalent and receiving equal distributions to the Trust Units.

The following table reconciles net income (loss), as determined in accordance with GAAP, to EBITDAFV for the periods ended as indicated:

For the periods ended September 30 ($ thousands)	Three Months			Nine Months		
	2026	2025	Change $	**2026**	2025	Change $
Net Income (Loss)	**$ 888,506**	$ 242,649	$ 645,857	**$ 624,931**	$ (7,831)	$ 632,762
Add (deduct) impact of the following:						
Adjustment to fair value of unit-based compensation	**(1,629)**	438	(2,067)	**114**	1,331	(1,217)
Adjustment to fair value of Exchangeable Units	**(597,637)**	(67,284)	(530,353)	**7,916**	534,312	(526,396)
Adjustment to fair value of investment properties	**(73,314)**	(18,676)	(54,638)	**(275,852)**	(142,120)	(133,732)
Adjustment to fair value of investment properties to proportionate share	**13,455**	5,371	8,084	**44,771**	(2,198)	46,969
Adjustment to fair value of investment in real estate securities	**32,475**	(42,277)	74,752	**74,043**	(42,396)	116,439
Adjustment to fair value of derivatives	**(139,350)**	—	(139,350)	**(129,060)**	—	(129,060)
Interest expense on a proportionate share basis	**160,855**	159,419	1,436	**477,440**	470,364	7,076
Amortization of other assets	**303**	317	(14)	**891**	948	(57)
Amortization of intangible assets	**250**	250	—	**750**	750	—
Income tax expense	**—**	3	(3)	**3**	5	(2)
EBITDAFV - Proportionate Share	**$ 283,914**	$ 280,210	$ 3,704	**$ 825,947**	$ 813,165	$ 12,782

Net Asset Value ("NAV") is an alternative measurement of equity. It is calculated by summing Unitholder's Equity and the fair value of the Trust's Exchangeable Units. Under IFRS Accounting Standards, Exchangeable Units are considered debt. The Exchangeable Units are not required to be repaid and the holder of these units has the right to convert them into Units, therefore management considers the Exchangeable Units to be equivalent to equity. NAV is a useful measure as it reflects management's view of the intrinsic value of the Trust. NAV per unit allows Management to determine if the Trust is trading at a discount or premium to its intrinsic value.

The following table reconciles Net Asset Value as at the dates indicated below:

($ thousands except where otherwise indicated)	**As at September 30, 2026**	As at December 31, 2025	Change $
Unitholders' equity	**$ 5,018,967**	$ 4,584,809	$ 434,158
Exchangeable Units	**5,869,514**	5,861,598	7,916
NAV	**$ 10,888,481**	$ 10,446,407	$ 442,074
NAV per unit[(i)]	**$ 15.04**	$ 14.43	$ 0.61
Trust Units and Exchangeable Units, end of period	**723,810,797**	723,810,797	—

(i) Excluding the fair value gain on derivative financial assets[(4)] of $129.1 million, NAV per unit was $14.86 as at September 30, 2026.

Cautionary Statements Regarding Forward-looking Statements

This news release contains forward-looking statements relating to Choice Properties' operations and the environment in which the Trust operates, which are based on management's expectations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. Management undertakes no obligation to publicly update any such statement, to reflect new information or the occurrence of future events or circumstances, except as required by law.

Numerous risks and uncertainties could cause the Trust's actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 12 "Enterprise Risks and Risk Management" of the Trust's MD&A for the year ended December 31, 2025, those described in the Trust's Annual Information Form for the year ended December 31, 2025, and several risks relating to the pending Transaction with KingSett and FCR described in Section 11 "Enterprise Risks and Risk Management" of the Trust's MD&A for the three and nine months ended September 30, 2026.

Contact

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(4) As at September 30, 2026, the Trust recognized derivative financial assets associated with the Trust's contractual obligation to issue 68.6 million Trust Units to FCR's unitholders and the arrangement to issue 38.0 million Exchangeable or Trust Units to George Weston Limited as consideration in the pending acquisition of certain assets of FCR. The derivative financial assets are measured at fair value through profit or loss based on the difference in the price of Trust Units at the time arrangements were entered into and the closing price of the Trust Units on September 30, 2026.