



**2024  
Third  
Quarter  
Report**

# Purpose-Driven Strategy

Choice Properties is a leading Real Estate Investment Trust that creates enduring value through *places where people thrive*. We are more than a national owner, operator and developer of high-quality commercial and residential real estate. We believe in creating spaces that enhance how our tenants and communities come together to live, work, and connect. This includes our industry leadership in integrating environmental, social and economic sustainability practices into all aspects of our business. In everything we do, we are guided by a shared set of values grounded in Care, Ownership, Respect and Excellence.

To learn about the many other ways we are bringing our Purpose to life for tenants, employees, communities, and investors, please visit:

**Our latest Sustainability Report**  
[choicereit.ca/sustainability](https://choicereit.ca/sustainability)

**Our Leading Portfolio**  
[choicereit.ca/portfolio](https://choicereit.ca/portfolio)

**Our most recent Investor Presentation**  
[choicereit.ca/presentations](https://choicereit.ca/presentations)

**Our Career website**  
[choicereit.ca/careers](https://choicereit.ca/careers)

We are in the business of owning, operating and developing real estate. Our financial goals are centered on capital preservation, generating stable and growing cash flows, and delivering appreciation in net asset value (NAV) and distributions over time. We have a proven strategy and an unmatched foundation that supports these goals and is focused on:



**Maintaining our Market Leading Portfolio**  
A high-quality national footprint and regional focus, underpinned by a strategic partnership with Loblaw<sup>i</sup>, Canada's largest retailer.



**Sustaining Operational Excellence**  
A track record of operational excellence and ESG leadership delivered by an experienced, engaged, and diverse team.



**Delivering on our Development Pipeline**  
Projects that diversify our tenant base while delivering steady growth for the near and long term – backed by our industry leading balance sheet.

<sup>(1)</sup> See Section 14, “Non-GAAP Financial Measures”, of this MD&A

<sup>(2)</sup> To be read in conjunction with the “Forward-Looking Statements” included in the Notes for Readers located on page 9 of this MD&A

<sup>i</sup> Loblaw Companies Limited (“Loblaw”)

# Canada's Premier REIT

## Leading where it matters most

### Largest in Canada<sup>i</sup>

**700+** High-quality properties

**3** Strategic asset classes

### One of Canada's Largest Urban Landowners

**19M+** Development pipeline sq. ft.

**70+** Sites with future development potential

### Unmatched Necessity-Based Portfolio

**82%** Necessity-based retail portfolio<sup>ii</sup>

**38M** sq. ft. Grocery-anchored retail portfolio

### Industry Leading Balance Sheet

**BBB (High)** DBRS Rating

**BBB+** S&P Rating

**7.0x** Adjusted Debt to EBITDAFV<sup>(1)</sup>

### Strategic Relationship with Canada's Largest Retailer

**57%** Loblaw tenancy<sup>iii</sup>

Relationship with Loblaw provides a unique competitive advantage

### ESG Leadership

**Net Zero** By 2050 One of Canada's first entities with targets validated by SBTi

**50%+** Women Executives (VP+)

<sup>i</sup> Based on total portfolio GLA, number of properties and market capitalization

<sup>ii</sup> Calculated as a % of the retail segment's annualized gross rental revenue on a proportionate share basis<sup>(1)</sup> as at September 30, 2024 (Section 6)

<sup>iii</sup> Calculated as a % of total annualized gross rental revenue on a proportionate share basis<sup>(1)</sup> as at September 30, 2024

## West Block

500 Lake Shore Blvd. W.  
Toronto, Ontario

**Asset class type: Mixed-Use**  
**Property GLA: 258,920 sq. ft.**

Choice's developments incorporate passive design elements that reduce environmental impact and building energy use. These include green roofs like the one at West Block in Toronto, ON. Green roofs reduce the cooling load of the building, while also benefiting the local wildlife that shares our urban ecosystem.

To learn more visit [choicereit.ca/Choice\\_Pathway\\_to\\_Net\\_Zero](https://choicereit.ca/Choice_Pathway_to_Net_Zero)

# Key Performance Indicators

## Financial and Operating Performance

### Financial Performance

	Q3 2024	Q3 2023	Change
FFO <sup>(1)</sup>	\$0.258 /unit	\$0.250 /unit	+3.2%
AFFO <sup>(1)</sup>	\$0.229 /unit	\$0.189 /unit	+21.2%
Occupancy	97.7%	97.7%	— %
Same-Asset NOI, Cash Basis	\$239.1M	\$232.2M	+3.0%

Visit Section 6, “Leasing Activity”, Section 7.2, “Net Operating Income Summary”, and Section 7.3, “Other Key Performance Indicators”, of our MD&A for more context and details on the trends and significant events affecting the financial condition and results of our operations

### Debt Metrics Q3 2024

Adjusted Debt <sup>(1)</sup>	\$7.2B
Adjusted Debt to EBITDAFV <sup>(1)</sup>	7.0x
Weighted Avg. Term to Maturity <sup>i</sup>	6.2 years
Weighted Avg. Interest Rate <sup>i</sup>	4.17%
Unencumbered Assets	\$12.9B
Adjusted Debt to Total Assets <sup>(1)</sup>	40.0%

<sup>i</sup> Weighted average reflects senior unsecured debentures and fixed-rate secured debt



“

**We delivered another quarter of strong operational and financial results, driven by increasing demand from retail tenants for our necessity-based neighbourhood centres and strong leasing spreads in our industrial portfolio.**

”

Rael Diamond, CEO, Choice Properties

# Third Quarter Financial Highlights<sup>i</sup>

During the three months ended September 30, 2024

## Operating

- **Reported a net loss for the quarter of \$663.0 million**, compared to a net income of \$435.9 million in the same prior year period. The loss in the current quarter is primarily due to an unfavourable fair value adjustment to the Trust's Exchangeable Units<sup>ii</sup>.
- **Reported FFO<sup>(1)</sup> per unit diluted for the quarter of \$0.258** increased by 3.2% compared to \$0.250 in the same prior year period.
- **AFFO<sup>(1)</sup> per unit diluted for the quarter was \$0.229**, compared to \$0.189 in the same prior year period.
- **Same-Asset NOI on a cash basis<sup>(1)</sup> increased by 3.0%** over the same prior year period.
- **Retail, Industrial, and Mixed-Use & Residential Same-Asset NOI on a cash basis<sup>(1)</sup> increased by 1.2%, 11.7%, and 2.6%, respectively.** Retail Same-Asset NOI growth was negatively impacted by certain timing differences between the current and prior year and the later completion of recoverable capital projects in the current year.
- **Period end occupancy remained strong at 97.7%**, with Retail at 97.6%, Industrial at 98.1% and Mixed-Use & Residential at 94.7%<sup>iii</sup>.
- **Net fair value gain on investment properties in the quarter was \$83.1 million** on a proportionate share basis<sup>(1)</sup>, reflecting property-specific updates to market leasing assumptions and changes in contractual rents, as well as adjustments to discount and capitalization rates primarily in the retail portfolio.

## Investing

- **The Trust completed \$172.1 million of transactions in the quarter:**
  - Acquired a 50% interest in three properties from Loblaw for \$128.7 million on a proportionate share basis<sup>(1)</sup>. The transaction was completed in partnership with an affiliate of Crestpoint Real Estate Investments Ltd. ("Crestpoint"). Concurrent with the transaction, the properties were leased back to Loblaw. Properties included:
    - A flagship Loblaw grocery store on the lower floors of 60 Carlton St., Toronto, Ontario, formerly Maple Leaf Gardens;
    - A distribution centre in Mississauga, Ontario; and
    - A grocery store in Winnipeg, Manitoba.
  - Acquired a retail property in Wolfville, Nova Scotia for \$1.3 million. The property is adjacent to an existing Choice-owned Loblaw grocery store.
  - Disposed of our interest in a retail property in Quebec City, Quebec for proceeds of \$33.9 million.
  - Disposed of a retail property in Mississauga, Ontario for proceeds of \$8.2 million.
- **The Trust invested \$51.2 million in its development program** during the quarter on a proportionate share basis<sup>(1)</sup>.
- **The Trust transferred \$21.6 million of properties under development to income producing status**, delivering approximately 41,000 square feet of new commercial GLA on a proportionate share basis<sup>(1)</sup> through retail intensifications.

<sup>i</sup> Refer to the Notes for Readers located on page 9 of this MD&A for definitions of capitalized terms

<sup>ii</sup> 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's unit price rises and a positive impact when the Trust unit price declines

<sup>iii</sup> Occupancy represents retail and office portion of mixed-use properties; residential units are excluded

## Financing

- **Repaid the Trust's \$550.0 million Series K senior unsecured debentures upon maturity**, primarily funded with proceeds from the issuance of the Trust's \$500.0 million Series U senior unsecured debentures in the second quarter of 2024.
- **Executed \$82.2 million of mortgages at the Trust's share in connection with the acquisition of three properties from Loblaw**, with an average rate of 4.80% and an average term of 10.1 years.
- **Executed a \$43.5 million mortgage at the Trust's share secured by Element, a purpose-built residential property in Ottawa, Ontario.** The mortgage is insured by CMHC and bears interest at 4.02% with a 10.2-year term. Proceeds were used to repay the construction loan secured by the property.
- **Ended the quarter with Adjusted Debt to EBITDAFV<sup>(1)</sup> of 7.0x**, Adjusted Debt to Total Assets<sup>(1)</sup> at 40.0%, and Interest Coverage ratio<sup>(1)</sup> of 3.2x.
- **Strong liquidity position with \$1.5 billion** of available credit and a \$12.9 billion pool of unencumbered properties.

### 3 Strategic Asset Classes

## A high-quality national footprint where Canadians live and work

Our unparalleled portfolio represents a combination of necessity-based, well-located retail properties supported by strong anchor tenants; high-quality and high demand industrial assets in key distribution markets; and transit oriented mixed-use and residential rental assets concentrated in the most attractive Canadian markets.

**705** Income Producing Properties

**66.2M** Square Feet

**\$16.9B** Fair Value<sup>i</sup>

#### Retail

Predominately necessity-based grocery anchored retail portfolio

**572**  
Properties

**44.5M**  
Square Feet

**\$11.2B**  
Fair Value<sup>i</sup>

#### Industrial

Flexible well-located industrial portfolio

**122**  
Properties

**19.9M**  
Square Feet

**\$3.9B**  
Fair Value<sup>i</sup>

#### Mixed-Use & Residential

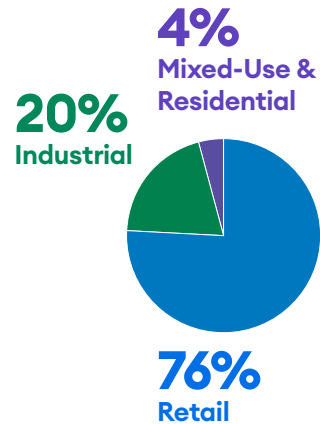
Transit oriented mixed-use and residential portfolio

**11**  
Properties

**1.8M**  
Square Feet<sup>iii</sup>

**\$0.9B**  
Fair Value<sup>i</sup>

#### Portfolio Mix by Asset Class<sup>ii</sup>



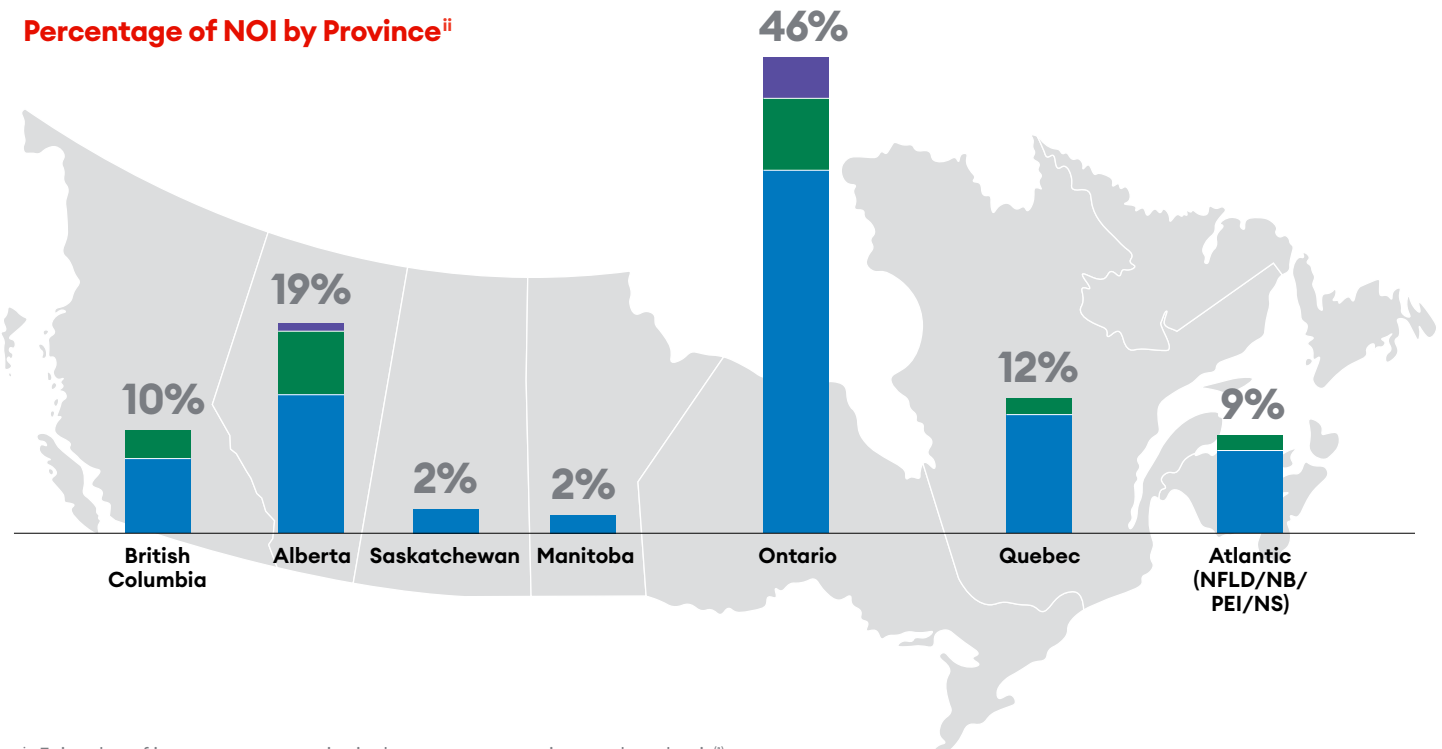
#### Properties Under Development

**47**  
Projects

**19.2M**  
Square Feet

**\$0.9B**  
Fair Value<sup>i</sup>

#### Percentage of NOI by Province<sup>ii</sup>



<sup>i</sup> Fair value of investment properties is shown on a proportionate share basis<sup>(1)</sup>

<sup>ii</sup> Calculated as a % of total NOI on a proportionate share<sup>(1)</sup> cash basis for the three months ended September 30, 2024

<sup>iii</sup> 1.8 million sq. ft. of GLA includes 0.7 million sq. ft. associated with Choice Properties' 923 residential units

# Our Tenants

High quality tenants provide cash flow stability

## Long-Term Leases

Weighted Average Lease Term



## Choice's Top 5 Tenants

% Revenue<sup>i</sup>

1	Loblaw	<b>56.9%</b>
2	Canadian Tire	<b>1.8%</b>
3	TJX Companies	<b>1.2%</b>
4	Dollarama Inc.	<b>1.1%</b>
5	Pet Valu	<b>1.0%</b>

## Strong Necessity-Based Retail Anchor Tenants



**+65%**  
of retail revenue from Loblaw banners<sup>ii</sup>

### Key Tenants:

- Loblaws
- Shoppers Drug Mart
- Real Canadian Superstore
- No Frills
- Maxi
- Fortinos
- T&T



**+68%**  
of retail revenue from grocery and pharmacy<sup>ii</sup>

### Key Tenants:

- Sobeys
- Metro
- Save on Foods
- Nations Fresh Foods
- Costco
- Walmart
- Rexall



**+82%**  
of retail revenue from necessity-based retail<sup>ii</sup>

### Key Tenants:

- Dollarama
- Canadian Tire
- LCBO
- TD
- Restaurant Brands International
- Pet Valu
- Scotiabank
- CIBC

## Resilient Industrial Tenant Base

### Top 10 Industrial Tenants<sup>ii</sup>

- Loblaw
- Amazon
- Canada Cartage
- Wonderbrands
- Pet Valu
- NFI IPD
- Uline Canada Corporation
- Canadian Tire
- Kimberly-Clark
- Alberta Gaming, Liquor and Cannabis

**30%**  
Loblaw gross industrial revenue



<sup>i</sup> Calculated on total annualized gross rental revenue of all segments on a proportionate share basis<sup>(1)</sup> as at September 30, 2024

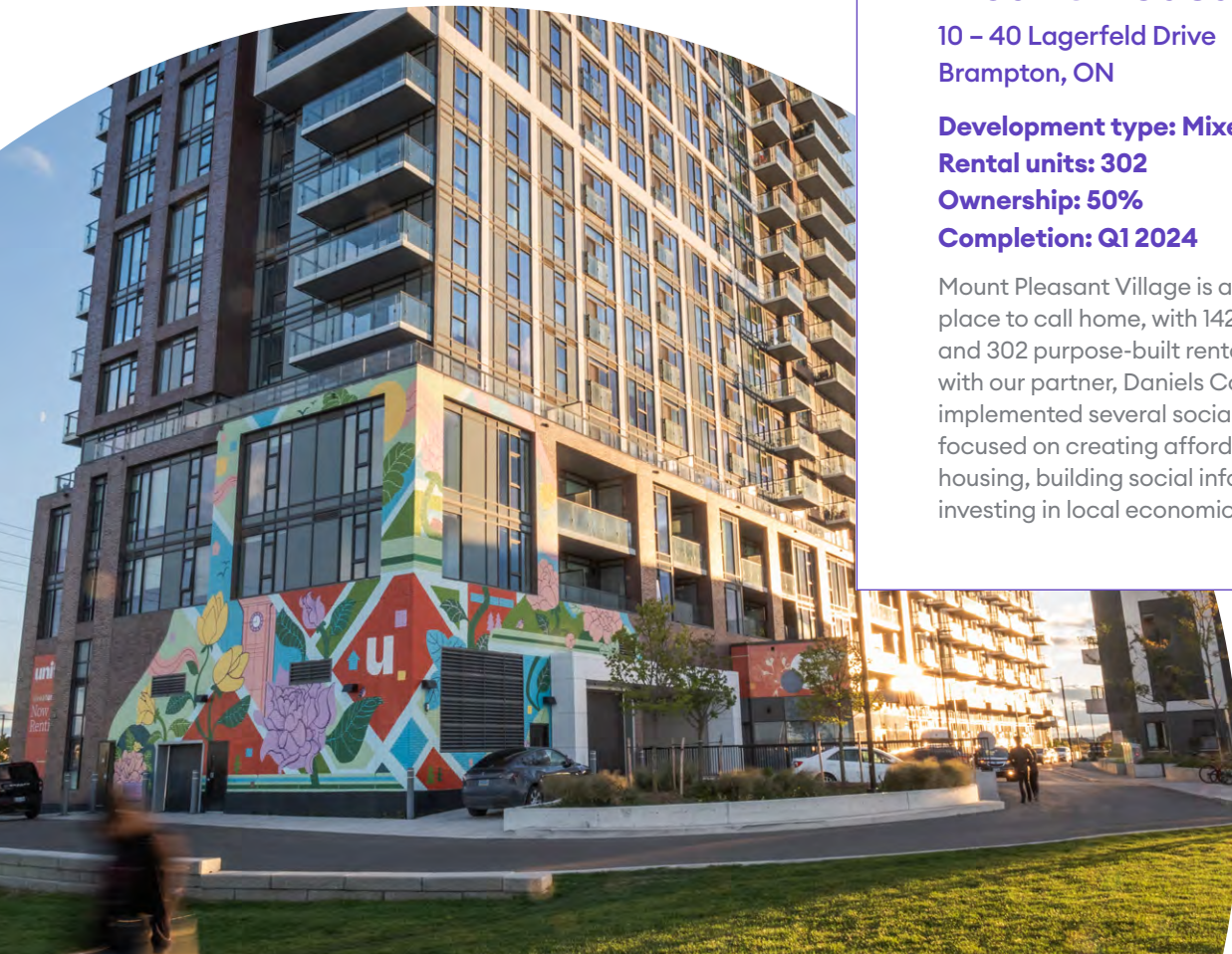
<sup>ii</sup> Calculated on segment's annualized gross rental revenue on a proportionate share basis<sup>(1)</sup> as at September 30, 2024 (Section 6)

# Development Pipeline Positioned for Growth

## Driving near, medium and long-term value

Sq. ft. <sup>i</sup>	In Planning	Zoned & Ready	Active	Total
<b>Total</b>	<b>9.0M</b>	<b>8.1M</b>	<b>2.1M</b>	<b>19.2M</b>
<b>Retail</b>	—	<b>0.3M</b>	<b>0.3M</b>	<b>0.6M</b>
<b>Industrial</b>	—	<b>4.2M</b>	<b>1.8M</b>	<b>6.0M</b>
<b>Mixed-Use &amp; Residential</b>	<b>9.0M</b>	<b>3.6M</b>	—	<b>12.6M</b>

<sup>i</sup> At the Trust's share



## Mount Pleasant Village

10 – 40 Lagerfeld Drive  
Brampton, ON

**Development type: Mixed-Use & Residential**

**Rental units: 302**

**Ownership: 50%**

**Completion: Q1 2024**

Mount Pleasant Village is an inclusive and vibrant place to call home, with 142 condominiums and 302 purpose-built rental units. Together with our partner, Daniels Corporation, we have implemented several social impact initiatives focused on creating affordable and accessible housing, building social infrastructure, and investing in local economic development.





Rendering

## Choice Caledon Business Park

(Buildings A & H)  
5762 Mayfield Road  
Caledon, ON

**Development type: Industrial**  
**Property GLA: 2,059,000 sq. ft.**  
**Ownership: 85%**  
**Expected completion: H2 2024 & H2 2025**

Choice Caledon Business Park brings approximately 6,000,000 sq. ft. of multi-use industrial space to the region, along with access to major highways and multimodal transport, and a forward-thinking design focused on sustainability and flexibility. Buildings A & H of this project are in active development, and will deliver 2,059,000 sq. ft. of new GLA (1,750,000 sq. ft. at the Trust's share).

## 27th Street

Grand Forks, BC

**Development type: Retail**  
**Intensification GLA: 4,974 sq. ft.<sup>i</sup>**  
**Property GLA: 40,375 sq. ft.**  
**Ownership: 100%**  
**Completion: Q4 2023**

Our intensifications are focused on adding at-grade retail density at our existing retail properties. These projects provide the opportunity to add new tenants and further expand our high-quality tenant mix. Our pipeline of intensification projects provides steady growth to our business.



<sup>i</sup> Building area associated with ground lease

# Management's Discussion and Analysis

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# Notes for Readers

Please refer to the Choice Properties Real Estate Investment Trust (“Choice Properties” or the “Trust”) unaudited interim period condensed consolidated financial statements for the three and nine months ended September 30, 2024 and accompanying notes (“Q3 2024 Financial Statements”) when reading this Management’s Discussion and Analysis (“MD&A”). In addition, this MD&A should be read in conjunction with the Trust’s “Forward-Looking Statements” as listed below. Choice Properties’ Q3 2024 Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards” or “GAAP”) and were authorized for issuance by the Board of Trustees (“Board”).

In addition to using performance measures determined in accordance with IFRS Accounting Standards, Choice Properties’ management also measures performance using certain additional non-GAAP measures and provides these measures in this MD&A so that investors may do the same. Such measures do not have any standardized definitions prescribed under IFRS and are, therefore, unlikely to be comparable to similar measures presented by other real estate investment trusts or enterprises. Please refer to Section 14, “Non-GAAP Financial Measures”, for a list of defined non-GAAP financial measures and reconciliations thereof.

This Third Quarter Report, including this MD&A, contains forward-looking statements about Choice Properties’ objectives, plans, goals, aspirations, strategies, financial condition, results of operations, cash flows, performance, prospects, opportunities, and legal and regulatory matters. Specific statements with respect to anticipated future results and events can be found in various sections of this MD&A, including but not limited to Section 3, “Investment Properties”, Section 5, “Results of Operations”, Section 6, “Leasing Activity”, Section 7, “Results of Operations - Segment Information”, Section 12, “Environmental, Social and Governance (“ESG”)”, and Section 13, “Outlook”. Forward-looking statements are typically identified by words such as “expect”, “anticipate”, “believe”, “foresee”, “could”, “estimate”, “goal”, “intend”, “plan”, “seek”, “strive”, “will”, “may”, “should”, “aspire”, “pledge”, “aim”, and similar expressions, as they relate to Choice Properties and its management.

Forward-looking statements reflect Choice Properties’ current estimates, beliefs and assumptions, which are based on management’s perception of historic trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Choice Properties’ expectation of operating and financial performance is based on certain assumptions, including assumptions about the Trust’s future growth potential, prospects and opportunities, industry trends, future levels of indebtedness, tax laws, economic conditions and competition. Management’s estimates, beliefs and assumptions are inherently subject to significant business, economic, competitive and other

uncertainties and contingencies regarding future events and as such, are subject to change. Choice Properties can give no assurance that such estimates, beliefs and assumptions will prove to be correct.

Numerous risks and uncertainties could cause the Trust’s actual results to differ materially from those expressed, implied or projected in the forward-looking statements, including those described in Section 11, “Enterprise Risks and Risk Management” of this MD&A and the Trust’s Annual Information Form (“AIF”) for the year ended December 31, 2023. Selected highlights of such risks and uncertainties include:

- changes in economic conditions, including changes in interest rates and inflation rates, and supply chain constraints;
- failure by Choice Properties to realize the anticipated benefits associated with its strategic priorities and major initiatives, including failure to develop quality assets and effectively manage development, redevelopment, and renovation initiatives and the timelines and costs related to such initiatives;
- failure to adapt to environmental and social risks, including failure to execute against the Trust’s environmental and social equity initiatives, and in the context of the Trust’s environmental, social and governance disclosures, additional factors such as the availability, accessibility and sustainability of comprehensive and high-quality data, and the development of applicable national and international laws, policies and regulations;
- the inability of Choice Properties’ information technology infrastructure to support the requirements of Choice Properties’ business, failure by Choice Properties to identify and respond to business disruptions, or the occurrence of any internal or external security breaches, denial of service attacks, viruses, worms or other known or unknown cyber security or data breaches;
- failure by Choice Properties to anticipate, identify and react to demographic changes, including shifting consumer preferences toward digital commerce, which may result in a decrease in demand for physical space by retail tenants;
- failure by Choice Properties to effectively and efficiently manage its property and leasing management processes; and
- the inability of Choice Properties to make acquisitions and dispositions of properties in accordance with its near and long-term strategies.

This is not an exhaustive list of the factors that may affect Choice Properties’ forward-looking statements. Other risks and uncertainties not presently known to Choice Properties could also cause actual results or events to differ materially from those expressed in its forward-looking statements.

Choice Properties’ financial results are impacted by adjustments to the fair value of the Class B LP units of Choice Properties Limited Partnership (the “Exchangeable Units”), unit-based compensation, the exchangeable Class B limited partnership units of Allied Properties Exchangeable Limited Partnership (“Class B Units”), a subsidiary of Allied Properties Real Estate Investment Trust (“Allied”) and investment properties. Exchangeable Units and unit-based compensation liabilities 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. The publicly traded units of Allied (“Allied Units”) are recorded at fair value based on market trading prices of the publicly traded units of Allied. Investment properties are recorded at fair value based on valuations performed by the Trust’s internal valuations team. These adjustments to fair value impact certain of the GAAP reported figures of the Trust, including net income.

Additional risks and uncertainties are discussed in Choice Properties’ materials filed with the Canadian securities regulatory authorities from time to time, including without limitation, the Trust’s AIF for the year ended December 31, 2023. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Choice Properties’ expectations only as of the date of this MD&A. Except as required by applicable law, Choice Properties does not undertake to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Choice Properties is an unincorporated, open ended mutual fund trust governed by the laws of the Province of Ontario and established pursuant to an amended and restated declaration of trust dated April 30, 2021, as may be amended, supplemented or restated from time to time (the “Declaration of Trust”). Choice Properties’ Trust Units (“Trust Units” or “Units”) are listed on the Toronto Stock Exchange (“TSX”) and are traded under the symbol “CHP.UN”.

George Weston Limited (“GWL”) is the controlling unitholder of the Trust and the controlling shareholder of Loblaw Companies Limited (“Loblaw”), the Trust’s largest tenant. As of September 30, 2024, GWL held a 61.7% effective interest in Choice Properties. Choice Properties’ ultimate parent is Wittington Investments, Limited (“Wittington”), the controlling shareholder of GWL.

Additional information about Choice Properties has been filed electronically with the Canadian securities regulatory authorities through the System for Electronic Document Analysis and Retrieval (“SEDAR+”) and is available online at [www.sedarplus.ca](http://www.sedarplus.ca).

The information in this MD&A is current to November 6, 2024, unless otherwise noted.

All amounts in this MD&A are reported in thousands of Canadian dollars, except where otherwise noted.

## 1. KEY PERFORMANCE INDICATORS AND SELECTED FINANCIAL INFORMATION

Choice Properties has identified key financial and operating performance indicators that were derived from, and should be read in conjunction with, the unaudited interim period condensed consolidated financial statements of the Trust for the three and nine months ended September 30, 2024 and 2023. The analysis of the indicators focuses on trends and significant events affecting the financial condition and results of operations of the Trust.

As at or for the three months ended September 30, 2024 (\$ thousands except where otherwise indicated)	2024	2023
Number of income producing properties <sup>(i)</sup>	705	706
GLA (in millions of square feet) <sup>(ii)</sup>	66.2	65.2
Occupancy <sup>*(iii)</sup>	97.7 %	97.7 %
Total assets (GAAP)	\$ 17,404,880	\$ 17,259,515
Total liabilities (GAAP)	\$ 13,235,011	\$ 12,374,143
Rental revenue (GAAP)	\$ 339,898	\$ 325,077
Net (loss) income	\$ (662,989)	\$ 435,903
Net (loss) income per unit diluted	\$ (0.916)	\$ 0.602
FFO <sup>(1)</sup> per unit diluted*	\$ 0.258	\$ 0.250
FFO <sup>(1)</sup> payout ratio*	73.7 %	75.0 %
AFFO <sup>(1)</sup> per unit diluted*	\$ 0.229	\$ 0.189
AFFO <sup>(1)</sup> payout ratio*	82.9 %	99.4 %
Distribution declared per unit	\$ 0.190	\$ 0.188
Weighted average number of units outstanding – diluted <sup>(iii)</sup>	723,683,222	723,664,818
Adjusted debt to total assets <sup>(1)(iv)*</sup>	40.0 %	40.6 %
Debt service coverage <sup>(iv)*</sup>	2.9x	3.0x
Adjusted debt to EBITDAFV <sup>(1)(iv)(v)*</sup>	7.0x	7.4x
Indebtedness <sup>(vi)</sup> – weighted average term to maturity*	6.2 years	6.0 years
Indebtedness <sup>(vi)</sup> – weighted average interest rate*	4.17 %	4.03 %

\* Denotes a key performance indicator

(i) Effective the fourth quarter of 2023, the Trust reassessed its internal definition of a distinct income producing property. The net impact resulted in an increase the number of income producing properties by two in 2023.

(ii) Includes 1,865,000 sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases (September 30, 2023 - 984,000 sq. ft.).

(iii) Includes Trust Units and Exchangeable Units.

(iv) Debt ratios exclude Exchangeable Units, see Section 4, "Liquidity and Capital Resources". The ratios are non-GAAP financial measures calculated based on the Trust Indentures, as supplemented.

(v) Adjusted debt to EBITDAFV, net of cash<sup>(1)</sup> was 7.0x as at September 30, 2024 and 7.3x as at September 30, 2023.

(vi) Indebtedness reflects only senior unsecured debentures, fixed rate mortgages, and fixed rate construction loans.

## 2. BALANCE SHEET

The following table reconciles Choice Properties' balance sheet on a GAAP basis to a proportionate share basis<sup>(1)</sup> as at the dates indicated:

(\$ thousands)	As at September 30, 2024			As at December 31, 2023		
	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>
<b>Assets</b>						
Investment properties	\$ 15,207,000	\$ 1,723,000	\$ 16,930,000	\$ 14,923,000	\$ 1,722,000	\$ 16,645,000
Equity accounted joint ventures	837,879	(837,879)	—	883,712	(883,712)	—
Financial real estate assets	199,111	(199,111)	—	195,457	(195,457)	—
Residential development inventory	2,095	—	2,095	8,681	—	8,681
Mortgages, loans and notes receivable	606,030	(95,134)	510,896	656,001	(95,756)	560,245
Investment in real estate securities	238,780	—	238,780	238,308	—	238,308
Intangible assets	13,214	—	13,214	13,964	—	13,964
Accounts receivable and other assets	183,255	17,476	200,731	137,180	10,247	147,427
Assets held for sale	43,585	—	43,585	—	—	—
Cash and cash equivalents	73,931	29,199	103,130	252,424	23,195	275,619
<b>Total Assets</b>	<b>\$ 17,404,880</b>	<b>\$ 637,551</b>	<b>\$ 18,042,431</b>	<b>\$ 17,308,727</b>	<b>\$ 580,517</b>	<b>\$ 17,889,244</b>
<b>Liabilities and Equity</b>						
Long term debt	\$ 6,642,682	\$ 582,036	\$ 7,224,718	\$ 6,695,923	\$ 529,129	\$ 7,225,052
Exchangeable Units	5,988,250	—	5,988,250	5,521,222	—	5,521,222
Trade payables and other liabilities	604,079	55,515	659,594	723,080	51,388	774,468
Total Liabilities	13,235,011	637,551	13,872,562	12,940,225	580,517	13,520,742
Equity						
Unitholders' equity	4,169,869	—	4,169,869	4,368,502	—	4,368,502
Total Equity	4,169,869	—	4,169,869	4,368,502	—	4,368,502
<b>Total Liabilities and Equity</b>	<b>\$ 17,404,880</b>	<b>\$ 637,551</b>	<b>\$ 18,042,431</b>	<b>\$ 17,308,727</b>	<b>\$ 580,517</b>	<b>\$ 17,889,244</b>

**Balance Sheet Analysis (GAAP Basis)**

<b>Line Item</b>	<b>\$ Change</b>	<b>Variance Commentary</b>
Investment properties	\$ 284,000	The increase compared to December 31, 2023 was primarily attributable to acquisitions of \$179.8 million, a favourable fair value adjustment on investment properties of \$109.2 million, capital and leasing expenditures of \$100.4 million, and a transfer from equity accounted joint ventures of \$21.1 million. The increase was partially offset by the transfer of three retail properties with a fair value of \$77.8 million to assets held for sale and dispositions of \$47.2 million.
Equity accounted joint ventures	(45,833)	The decrease was primarily attributable to the disposition of three properties and the transfer of a property to investment properties following the acquisition of the partner's share of the underlying asset in the second quarter of 2024, partially offset by the acquisition of one retail property from Loblaw in the current quarter and income earned from equity accounted joint ventures.
Residential development inventory	(6,586)	The decrease was primarily due to the cost of sales recognized in relation to the sale of the Trust's ownership interest in 36 condominium units at its Mount Pleasant Village residential project in Brampton, ON, partially offset by development expenditures incurred during the period.
Mortgages, loans and notes receivable	(49,971)	The decrease was primarily due to the repayment of GWL's prior year outstanding notes receivable balance of \$295.9 million, partially offset by \$224.6 million of notes receivable advanced to GWL in the current year and net mortgage and loan receivable advances of \$21.3 million.
Working capital	(13,417)	The net decrease was primarily due to the reduction in excess cash held following the repayment of the Series D senior unsecured debentures in the first quarter of 2024, partially offset by the decrease in the Exchangeable Units distributions payable to GWL as prior year's ending balance included a full year of distributions compared to three quarters in the current year.
Long term debt and credit facility	(53,241)	The decrease was primarily due to the repayment of the \$550.0 million Series K and the \$200.0 million Series D senior unsecured debentures and net construction loan repayments of \$25.2 million, largely offset by the issuance of the \$500.0 million Series U senior unsecured debentures and net mortgage advances of \$222.3 million.
Exchangeable Units	467,028	As this liability is measured at fair value, the change was due to the increase in the unit price for Choice Properties since December 31, 2023.
Unitholders' equity	(198,633)	The decrease was primarily due to the distributions to Unitholders.

### 3. INVESTMENT PROPERTIES

To expand the portfolio and participate in development opportunities, Choice Properties owns varying interests in real estate entities that hold investment properties. Under GAAP, many of these interests are recorded as equity accounted joint ventures and, as such, the Trust's share of the investment properties owned by these entities is presented on the balance sheet as a summarized value, not as part of the total investment properties. In addition, the Trust also has financial real estate assets which are not included with investment properties as prepared under GAAP. Refer to Section 14.1, "Investment Properties Reconciliation" for a reconciliation of the continuity of investment properties determined in accordance with GAAP.

The following continuity schedule presents Choice Properties' portfolio inclusive of its financial real estate assets and equity accounted joint ventures prepared on a proportionate share basis<sup>(i)</sup> for the periods ended, as indicated:

For the periods ended September 30, 2024 (\$ thousands)	Three Months			Nine Months		
	Income Producing Properties	Properties Under Development	Investment Properties <sup>(i)</sup>	Income Producing Properties	Properties Under Development	Investment Properties <sup>(i)</sup>
GAAP balance, beginning of period	\$ 14,784,000	\$ 243,000	\$ 15,027,000	\$ 14,635,000	\$ 288,000	\$ 14,923,000
Adjustments to proportionate share basis <sup>(ii)</sup>	1,044,000	620,000	1,664,000	1,122,000	600,000	1,722,000
Non-GAAP proportionate share balance <sup>(i)</sup> , beginning of period	15,828,000	863,000	16,691,000	15,757,000	888,000	16,645,000
Acquisitions of investment properties <sup>(iii)</sup>	130,017	—	130,017	201,541	—	201,541
Capital expenditures						
Development capital <sup>(iii)</sup>	—	49,494	49,494	—	110,450	110,450
Building improvements	7,742	—	7,742	17,352	—	17,352
Capitalized interest <sup>(iv)</sup>	—	1,723	1,723	—	4,565	4,565
Property capital	11,948	—	11,948	18,986	—	18,986
Direct leasing costs	3,230	—	3,230	7,037	—	7,037
Tenant improvement allowances	3,165	—	3,165	9,311	—	9,311
Amortization of straight-line rent	274	—	274	373	—	373
Transfer to assets held for sale	(43,585)	—	(43,585)	(77,835)	—	(77,835)
Transfers from properties under development	21,550	(21,550)	—	104,442	(104,442)	—
Dispositions	(8,150)	—	(8,150)	(111,904)	—	(111,904)
Adjustment to fair value of investment properties	91,809	(8,667)	83,142	119,697	(14,573)	105,124
<b>Non-GAAP proportionate share balance<sup>(i)</sup>, as at September 30, 2024</b>	<b>\$ 16,046,000</b>	<b>\$ 884,000</b>	<b>\$ 16,930,000</b>	<b>\$ 16,046,000</b>	<b>\$ 884,000</b>	<b>\$ 16,930,000</b>

(i) Refer to Section 14.1, "Investment Properties Reconciliation", for a reconciliation of the continuity of investment properties determined in accordance with GAAP.

(ii) Inclusive of acquisition costs.

(iii) Development capital included site intensification payments made to Loblaw of \$1,069 and \$2,311 for the three and nine months ended September 30, 2024, respectively.

(iv) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.19% and 4.14% for the three and nine months ended September 30, 2024, respectively.

Included in certain investment properties acquired from Loblaw is excess land with development potential. Choice Properties will compensate Loblaw, over time, with intensification payments determined by a site intensification payment grid as outlined in the Strategic Alliance Agreement (see Section 9, "Related Party Transactions"), should Choice Properties pursue activity resulting in the intensification of the excess land. The fair value of this excess land has been recorded in the consolidated financial statements.

As at September 30, 2024, the Trust has classified two retail properties with a fair value of \$43,585 (December 31, 2023 - \$nil) as assets held for sale. During the three months ended September 30, 2024, the Trust disposed of one retail property classified as assets held for sale as at June 30, 2024 (see Section 3.2, "Investment Property and Other Transactions").

### 3.1 Valuation Method

Investment properties are measured at fair value, primarily determined using the discounted cash flow method. Under this methodology, discount rates are applied to the projected annual operating cash flows, generally over a minimum term of ten years, including a terminal value based on a capitalization rate applied to the estimated NOI<sup>(1)</sup> in the terminal year. The fair value of investment properties reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. Overall capitalization rates are applied when undertaking the Direct Capitalization method of the Income Approach. This methodology applies the overall capitalization rate to a future estimated stabilized NOI. Currently, this method is primarily applied to value residential assets and certain ground leases.

The portfolio is internally valued with external appraisals performed each quarter for a portion of the portfolio. The majority of the properties will be subject to an external appraisal at least once over a four-year period. When an external valuation is obtained, the internal valuation team assesses all major inputs used by the independent valuers in preparing their valuation reports and holds discussions with the independent valuers on the reasonableness of their assumptions. Where warranted, adjustments will be made to the internal valuations to reflect the assumptions contained in the external valuations. The Trust will record the internal value in its consolidated financial statements.

Valuations are most sensitive to changes in capitalization rates. The terminal capitalization rates and discount rates are the most relevant to the portfolio, under the application of the discounted cash flow method. The weighted average valuation metrics for the Trust's investment properties (including financial real estate assets and those properties held within equity accounted joint ventures) are listed below by asset class:

As at September 30, 2024	Retail	Industrial	Mixed-Use & Residential	Total Investment Properties
Discount rate	7.33%	6.76%	5.83%	7.11%
Terminal capitalization rate	6.57%	5.90%	5.24%	6.33%
Overall capitalization rate	6.34%	5.62%	4.97%	6.09%
As at December 31, 2023	Retail	Industrial	Mixed-Use & Residential	Total Investment Properties
Discount rate	7.38%	6.41%	5.87%	7.06%
Terminal capitalization rate	6.59%	5.59%	5.27%	6.27%
Overall capitalization rate	6.37%	5.33%	5.01%	6.04%

#### Valuation Commentary

For the three months ended September 30, 2024, the Trust recorded a favourable adjustment of \$82.5 million on a GAAP basis and a favourable adjustment of \$83.1 million on a proportionate share basis<sup>(1)</sup> to the value of investment properties.

For the nine months ended September 30, 2024, the Trust recorded a favourable adjustment of \$109.2 million on a GAAP basis and a favourable adjustment of \$105.1 million on a proportionate share basis<sup>(1)</sup> to the value of investment properties.

Fair value adjustments for the period reflected property-specific updates to market leasing assumptions and changes in contractual rents, as well as adjustments to discount and capitalization rates primarily in the retail and industrial portfolios.



## 3.2 Investment Property and Other Transactions

### Acquisitions of Investment Properties

The following table summarizes the investment properties acquired in the nine months ended September 30, 2024:

(\$ thousands except where otherwise indicated)

Property / Location	Date of Acquisition	Segment	Ownership Interest Acquired	GLA (square feet)	Purchase Price incl. Related Costs	Consideration	
						Debt Assumed from Seller	Cash
<b>Investment properties</b>							
<b>Acquisitions from related parties</b>							
396 St. Clair Ave. W, Toronto, ON	Mar 19	Retail	100%	74,322	\$38,433	\$—	\$38,433
6941 Kennedy Rd., Mississauga, ON <sup>(i)</sup>	Sep 05	Industrial	50%	355,356	90,845	—	90,845
1385 Sargent Ave., Winnipeg, MB <sup>(i)</sup>	Sep 05	Retail	50%	75,250	16,070	—	16,070
<b>Acquisitions from related parties</b>				<b>504,928</b>	<b>145,348</b>	<b>—</b>	<b>145,348</b>
<b>Acquisitions from third-parties</b>							
755 Mount Pleasant Rd., Toronto, ON	Jun 20	Retail	100%	13,280	11,966	—	11,966
Cornerstone Shopping Centre, Fort Saskatchewan, AB	Jun 21	Retail	50%	101,577	21,125	12,153	8,972
402 and 406 Main St., Wolfville, NS	Aug 22	Retail	100%	6,500	1,323	—	1,323
<b>Acquisitions from third-parties</b>				<b>121,357</b>	<b>34,414</b>	<b>12,153</b>	<b>22,261</b>
<b>Equity accounted joint ventures</b>							
60 Carlton St., Toronto, ON <sup>(ii)</sup>	Sep 05	Retail	50%	47,537	21,779	—	21,779
<b>Acquisitions in equity accounted joint ventures</b>				<b>47,537</b>	<b>21,779</b>	<b>—</b>	<b>21,779</b>
<b>Total acquisitions of investment properties</b>				<b>673,822</b>	<b>\$201,541</b>	<b>\$12,153</b>	<b>\$189,388</b>

(i) The Trust acquired three properties from Loblaw in partnership with Crestpoint.

(ii) The Trust acquired this retail property from Loblaw through an equity accounted joint venture.

### Dispositions of Investment Properties

The following table summarizes the investment properties sold in the nine months ended September 30, 2024:

(\$ thousands except where otherwise indicated)

Property / Location	Date of Disposition	Segment	Ownership Interest Disposed	GLA (square feet)	Sale Price excl. Selling Costs	Consideration		Cash
						Debt Assumed by Purchaser	Mortgage Receivable Advanced	
<b>Investment properties</b>								
Crossroads Shopping Centre, Edmonton, AB	Feb 14	Retail	50%	13,520	\$6,700	\$—	\$—	\$6,700
379 Orenda Rd., Brampton, ON	Mar 14	Industrial	100%	114,000	16,625	—	—	16,625
Cornerstone Shopping Centre, Olds, AB	May 13	Retail	50%	58,221	15,685	7,586	2,510	5,589
2955 Hazelton Place, Mississauga, ON	Aug 01	Retail	100%	9,461	8,150	—	—	8,150
<b>Dispositions of investment properties</b>				<b>195,202</b>	<b>47,160</b>	<b>7,586</b>	<b>2,510</b>	<b>37,064</b>
<b>Equity accounted joint ventures</b>								
Cornerstone Shopping Centre, Okotoks, AB	May 13	Retail	50%	78,370	23,500	7,705	4,300	11,495
Cornerstone Shopping Centre, Prince Albert, SK <sup>(i)</sup>	Jun 19	Retail	44%	195,901	41,244	—	4,260	36,984
<b>Dispositions in equity accounted joint ventures</b>				<b>274,271</b>	<b>64,744</b>	<b>7,705</b>	<b>8,560</b>	<b>48,479</b>
<b>Assets held for sale</b>								
Mega Centre Lebourgneuf, Quebec City, QC	Sep 13	Retail	50%	170,666	33,901	—	9,151	24,750
<b>Dispositions of assets held for sale</b>				<b>170,666</b>	<b>33,901</b>	<b>—</b>	<b>9,151</b>	<b>24,750</b>
<b>Total dispositions of investment properties</b>				<b>640,139</b>	<b>\$145,805</b>	<b>\$15,291</b>	<b>\$20,221</b>	<b>\$110,293</b>

(i) Comprised of two retail assets located in Prince Albert, SK.

### 3.3 Completed Developments

For the nine months ended September 30, 2024, Choice Properties completed a total of \$103.9 million in development projects delivering 111,000 square feet of commercial space and 101,000 square feet of residential space comprising 151 units (at the Trust's share) with a weighted average yield of 5.7%.

The Trust delivered eight retail developments including the expansion of an existing building with a national retailer, four ground leases, two Shoppers Drug Mart stores, two quick service restaurants, and a financial institution. In addition, the Trust delivered one residential development at Mount Pleasant Village in Brampton, Ontario, in which the Trust owns a 50% interest. This development of 302 units offers a unique rental community in the heart of Brampton's Mount Pleasant Village.

The Trust also discloses the expected stabilized yield<sup>(2)</sup> for each of its completed projects and projects under active development. Expected stabilized yield is calculated by dividing the expected stabilized net rental income for each development by the estimated total project costs. Stabilized net rental income is based on contracted rental rates on leased units, and market rental rates on non-leased units which are based on the Trust's market knowledge and, where applicable, supported by external market studies. Estimated project costs include land costs, soft and hard construction costs, development and construction management fees, tenant allowances and inducements, capitalized financing costs, and other carrying costs.

For the nine months ended September 30, 2024, Choice Properties transferred the following from properties under development to income producing properties as presented on a proportionate share basis<sup>(1)</sup>:

(\$ thousands except where otherwise indicated)

Project / Location	Completion date	Ownership %	Transferred GLA (square feet)	Transferred residential units <sup>(i)</sup>	Cost of assets transferred	Expected stabilized yield <sup>(2)</sup> <sup>(iii)</sup>
<b>Commercial</b>						
<b>Retail</b>						
Guelph St., Georgetown, ON	Q1 2024	100 %	26,000	—	\$ 7,900	8.8 %
Harvest Hills Market, Edmonton, AB <sup>(vi)</sup>	Q2 2024	50 %	1,000	—	516	12.6 % <sup>(iii)</sup>
Carlton Spur, Prince Albert, SK	Q2 2024	25 %	2,000	—	666	9.5 % <sup>(iv)</sup>
43rd Ave., Innisfail, AB	Q2 2024	100 %	17,000	—	6,055	6.8 % <sup>(iv)</sup>
Highway 88, Bradford, ON <sup>(vi)</sup>	Q2 2024	100 %	24,000	—	732	25.3 %
137 Ave., Edmonton, AB	Q3 2024	100 %	7,000	—	4,383	7.0 % <sup>(iv)</sup>
Sunwapta West, Building 6-8, Edmonton, AB <sup>(vi)</sup>	Q3 2024	50 %	5,000	—	4,188	5.6 % <sup>(v)</sup>
Country Village Rd. NE, Calgary, AB	Q3 2024	100 %	29,000	—	12,777	6.3 %
<b>Subtotal retail development</b>			<b>111,000</b>	<b>—</b>	<b>37,217</b>	<b>7.4 %</b>
<b>Mixed-Use &amp; Residential</b>						
Mount Pleasant Village, Brampton, ON	Q1 2024	50 %	101,000	151	66,685	4.7 % <sup>(iii)</sup>
<b>Subtotal mixed-use &amp; residential development</b>			<b>101,000</b>	<b>151</b>	<b>66,685</b>	<b>4.7 %</b>
<b>Total transferred properties at cost</b>			<b>212,000</b>	<b>151</b>	<b>\$ 103,902</b>	<b>5.7 %</b>
<b>Total transferred properties at fair value</b>					<b>\$ 104,442</b>	

(i) Choice Properties' share.

(ii) Unless otherwise noted, there were no material changes in previously reported expected stabilized yield.

(iii) Expected stabilized yield for this development has increased due to higher expected income.

(iv) Expected stabilized yield for this development has increased due to lower costs.

(v) Expected stabilized yield for this development has decreased due to higher costs.

(vi) This development includes a ground lease.

### 3.4 Development Activities

Development initiatives are a key component of Choice Properties' business model, providing the Trust with an opportunity to add high quality real estate at a reasonable cost and drive net asset value appreciation over time. The Trust has a mix of active development projects ranging in size, scale and complexity, including retail intensification projects, industrial development, and rental residential projects located in urban markets with a focus on transit accessibility. Choice Properties continues to drive long-term growth and value creation through the development of commercial and residential projects and has a significant long-term pipeline of potential mixed-use projects. The Trust views its development activities through the stages of the development lifecycle, including the process of potential site identification, planning and rezoning, construction, and finally to development completion.

Choice Properties' development program on a proportionate share basis<sup>(1)</sup> as at September 30, 2024 is summarized below:

(\$ thousands except where otherwise indicated)				Investment <sup>(i)(iii)</sup>		
Project type	Section	Number of projects	GLA <sup>(ii)</sup> (square feet)	To-date	Estimated cost to completion <sup>(2)(iv)</sup>	Estimated total
			Estimated upon completion <sup>(2)</sup>			
<b>Projects under active development</b>						
Retail	3.5	20	307,000	\$ 9,282	\$ 102,572	\$ 111,854
Industrial	3.5	2	1,750,000	142,994	217,050	360,044
Residential <sup>(v)</sup>		1	—	2,095	—	2,095
<b>Subtotal projects under active development</b>		<b>23</b>	<b>2,057,000</b>	<b>154,371</b>	<b>319,622</b>	<b>473,993</b>
<b>Developments in planning</b>						
Retail	3.6	9	252,000	29,959		
Industrial	3.6	2	4,230,000	222,439		
Mixed-Use & Residential	3.6	13	12,601,000	159,317		
<b>Subtotal developments in planning</b>		<b>24</b>	<b>17,083,000</b>	<b>411,715</b>		
<b>Total development - cost</b>		<b>47</b>	<b>19,140,000</b>	<b>\$ 566,086</b>		
<b>Total development - fair value<sup>(vi)</sup></b>				<b>\$ 884,000</b>		

(i) Choice Properties' share.

(ii) Estimated GLA is based on current development plans and final development square footage may differ. For developments in planning, GLA is an estimate and may differ as the developments complete the rezoning and entitlement process. Includes GLA associated with ground leases.

(iii) Compiled on a non-GAAP proportionate share basis<sup>(1)</sup>. Investment to-date compiled on a cash basis, excluding adjustments to fair value of on-going projects.

(iv) The Trust expects to invest approximately 26% during the fourth quarter of 2024 and the remainder thereafter.

(v) Active residential represents the remaining units of the condominium portion of the Trust's Mount Pleasant Village development project. This project is included within residential development inventory. The Trust expects to recognize the revenue and cost of sales in relation to the remaining units in the first half of 2025<sup>(2)</sup>.

(vi) Total development fair value excludes residential development inventory of \$2,095 as at September 30, 2024 (December 31, 2023 - \$8,681).

### 3.5 Properties Under Active Development

Projects under active development are sites under construction or sites with appropriate approvals in place which are expected to commence construction in the next six to twelve months. Currently, the Trust has 23 active developments comprised of 20 retail, two industrial and one residential. Upon completion, the projects under active development are expected to deliver a total of 2,057,000 square feet of commercial space (including 991,000 square feet associated with ground leases). In addition, there are 10 condominium units, in which the Trust owns a 50% interest, left to be sold. The Trust has invested a total of \$154.4 million to date and is expected to invest an additional \$319.6 million over the next 12-24 months to complete these projects<sup>(2)</sup>.

#### Projects Under Active Development – Retail

The Trust invests in retail development projects through intensification of its existing retail assets. The Trust currently has 307,000 square feet at share of active retail development (including 70,000 square feet associated with ground leases), which is expected to be completed in the next 12-24 months<sup>(2)</sup>.

The following table details the Trust's retail projects under active development on a proportionate share basis<sup>(1)</sup> as of September 30, 2024:

(\$ thousands except where otherwise indicated)			GLA <sup>(i)</sup> (square feet)		Investment <sup>(ii)</sup>			Expected stabilized yield <sup>(2)(iv)</sup>	
Project / Location	Ownership %	Expected completion date <sup>(iii)</sup>	Estimated upon completion <sup>(2)</sup>	% Leased	To-date	Estimated cost to completion <sup>(2)</sup>	Estimated total		
<b>Retail</b>									
1	20 Jocelyn St., Port Hope, ON <sup>(v)</sup>	100 %	H2 2024	44,000	100 %	\$ 13	\$ 1,313	\$ 1,326	15.50%-16.00%
2	211 Bell Blvd., Belleville, ON <sup>(v)</sup>	100 %	H2 2024	21,000	100 %	11	880	891	25.25%-25.75% (viii)
3	Harvest Pointe, Building 18, Edmonton, AB <sup>(vi)</sup>	50 %	H2 2024	6,000	100 %	3,661	8	3,669	5.50%-5.75% (vii)
4	Sunwapta West, Building 2 B, Edmonton, AB <sup>(vi)</sup>	50 %	H2 2024	3,000	100 %	309	1,414	1,723	7.00%-7.50%
5	100th St., Morinville, AB	100 %	H2 2024	17,000	100 %	23	6,858	6,881	6.25%-6.75% (viii)
6	Sunwapta West, Building 2 A, Edmonton, AB <sup>(vi)</sup>	50 %	H1 2025	5,000	100 %	516	1,300	1,816	5.75%-6.25%
7	2132 & 2136 McPhillips St., Winnipeg, MB <sup>(v)</sup>	100 %	H1 2025	2,000	100 %	90	961	1,051	9.25%-9.75%
8	Harvest Hills Market, Building 5 & 9, Edmonton, AB <sup>(vi)</sup>	50 %	H1 2025	7,000	100 %	1,074	2,792	3,866	7.50%-8.00%
9	3050 Argentia Rd., Mississauga, ON	100 %	H1 2025	17,000	100 %	17	6,273	6,290	6.25%-6.75%
10	Countryview Dr., Dartmouth, NS <sup>(v)</sup>	50 %	H1 2025	3,000	100 %	1,395	307	1,702	7.25%-7.75%
11	291-295 Hwy #214, Elmsdale, NS	100 %	H1 2025	17,000	100 %	137	7,914	8,051	6.50%-7.00% (viii)
12	Harvest Hills Market, Building 8, Edmonton, AB <sup>(vi)</sup>	50 %	H1 2025	2,000	100 %	376	673	1,049	7.25%-7.75%
13	Langstaff & Hwy 27, Woodbridge, ON	100 %	H1 2025	17,000	100 %	817	8,321	9,138	6.00%-6.50%
14	12035 Highway 17E, Sturgeon Falls, ON	100 %	H1 2025	17,000	100 %	16	6,198	6,214	5.50%-6.00%
15	4420-52nd Ave., Whitecourt, AB	100 %	H2 2025	17,000	100 %	30	6,657	6,687	7.25%-7.75%
16	3050 Vega Blvd., Mississauga, ON	100 %	H2 2025	44,000	100 %	750	20,122	20,872	5.75%-6.25%
17	680 O'Brien Rd., Renfrew, ON	100 %	H2 2025	17,000	100 %	10	7,305	7,315	7.25%-7.75%
18	504 Main St. N, Mount Forest, ON	100 %	H2 2025	17,000	100 %	19	5,981	6,000	7.00%-7.50%
19	657 John St. N, Aylmer, ON	100 %	H1 2026	17,000	100 %	8	7,324	7,332	7.25%-7.75%
20	1641 & 1675 Jane St., North York, ON	100 %	H1 2026	17,000	100 %	10	9,971	9,981	4.75%-5.25%
<b>Total retail developments</b>				<b>307,000</b>		<b>\$ 9,282</b>	<b>\$ 102,572</b>	<b>\$ 111,854</b>	<b>6.25%-6.75%</b>

(i) Choice Properties' share.

(ii) Compiled on a non-GAAP proportionate share basis<sup>(1)</sup>. Investment to-date was compiled on a cash basis, excluding adjustments to fair value of on-going projects.

(iii) H1 represents the first six months of the year. H2 represents the last six months of the year.

(iv) Unless otherwise noted, there were no material changes in previously reported expected stabilized yields.

(v) This development includes a ground lease.

(vi) Development project with phased completion. Reported expected stabilized yield may vary as phases are completed or as future phases are added to the development.

(vii) Expected stabilized yield for this development has decreased due to higher costs.

(viii) Expected stabilized yield for this development has increased due to higher expected income.

## Projects Under Active Development – Industrial

The Trust invests in industrial development projects through development of greenfield industrial land. The Trust currently has two active development projects, which are expected to deliver 1,750,000 square feet at share (including 921,000 square feet associated with ground leases) of new generation logistics space in the near term<sup>(2)</sup>.

The following table details the Trust's industrial projects under active development on a proportionate share basis<sup>(1)</sup> as of September 30, 2024:

(\$ thousands except where otherwise indicated)			GLA <sup>(i)</sup> (square feet)		Investment <sup>(i)(ii)</sup>			Expected stabilized yield <sup>(2)(iv)</sup>	
Project / Location	Ownership %	Expected completion date <sup>(iii)</sup>	Estimated upon completion <sup>(2)</sup>	% Leased	To-date	Estimated cost to completion <sup>(2)</sup>	Estimated total		
<b>Industrial</b>									
1	Choice Caledon Business Park - Building A, Caledon, ON <sup>(vi)</sup>	85 %	H2 2024	921,000	100 %	\$ 85,557	\$ 40,583	\$ 126,140	7.25%-7.75%
2	Choice Caledon Business Park - Building H, Caledon, ON <sup>(vi)</sup>	85 %	H2 2025	829,000	64 %	57,437	176,467	233,904	6.75%-7.25%
<b>Total industrial developments</b>				<b>1,750,000</b>		<b>\$ 142,994</b>	<b>\$ 217,050</b>	<b>\$ 360,044</b>	<b>7.00%-7.50%</b>

(i) Choice Properties' share.

(ii) Compiled on a non-GAAP proportionate share basis<sup>(1)</sup>. Investment to-date was compiled on a cash basis, excluding adjustments to fair value of on-going projects.

(iii) H1 represents the first six months of the year. H2 represents the last six months of the year.

(iv) There were no material changes in previously reported expected stabilized yields.

(v) The development is a ground lease. This phase of the development is estimated at 1.1 million square feet or 0.9 million square feet at share based on the current site plan subdivision.

(vi) The development includes an expansion option to the tenant for the entirety of the space. The expansion space is expected to be completed in H2 2026, should the tenant elect to take the space.

At Choice Caledon Business Park, the Trust will construct eight state-of-the-art, multi-use industrial buildings in four phases over the next 60 months<sup>(2)</sup>. The first phase of this development will deliver Buildings A, which is leased to Loblaw as an approximately 90-acre ground lease, with rent commencement expected in the first quarter of 2025. Building H, the first building of Phase 2 is leased to a leading logistics provider, with rent commencement expected in the second quarter of 2026<sup>(2)</sup>.

### 3.6 Development in Planning

Beyond the projects under active development, Choice Properties has a substantial pipeline of larger, more complex mixed-use developments and land held for future commercial development in various stages of planning, which collectively are expected to drive meaningful net asset value growth in the future. The Trust continues to advance the rezoning status for several mixed-use sites currently in different stages of the rezoning and planning process.

As of September 30, 2024, the Trust has identified 24 sites with potential for future development. This includes nine opportunities totalling 252,000 square feet at existing retail sites, two industrial sites totalling 4,230,000 square feet, and 13 residential and mixed-use projects totalling 12,601,000 square feet and 15,327 residential units (at the Trust's share). The development plan for each property is subject to completion of the Trust's full review of each opportunity. The expected project scope may change over time or the Trust may decide not to proceed with that development upon completion of full due diligence. To date, the Trust has invested a total of \$411.7 million on land acquisition and initial development and planning costs at these sites.

#### Retail Development in Planning

Retail intensification is focused on adding at-grade retail density within the existing retail portfolio. These projects provide the opportunity to add new tenants, further expand the high-quality tenant mix and provide steady growth to the business.

(\$ thousands except where otherwise indicated)		
	Number of Sites	Investment To-date <sup>(i)(ii)</sup>
<b>Retail developments in planning</b>	<b>9</b>	<b>\$ 29,959</b>

(i) Choice Properties' share.

(ii) Compiled on a non-GAAP proportionate share basis<sup>(1)</sup>. Investment to-date was compiled on a cash basis, excluding adjustments to fair value of on-going projects.

The Trust has identified approximately 150 additional retail sites with potential for future development.

#### Industrial Development in Planning

(\$ thousands except where otherwise indicated)		
	Number of Sites	Investment To-date <sup>(i)(ii)</sup>
<b>Industrial developments in planning - zoning approved</b>	<b>2</b>	<b>\$ 222,439</b>

(i) Choice Properties' share.

(ii) Compiled on a non-GAAP proportionate share basis<sup>(1)</sup>. Investment to-date was compiled on a cash basis, excluding adjustments to fair value of on-going projects.

The Trust has obtained zoning approval on two industrial development sites. The following table details the Trust's industrial developments in planning:

Project / Location	Description
<b>Choice Caledon Business Park - Remaining Phases, Caledon, ON</b>	During the third quarter of 2022, the joint venture achieved entitlement to convert the lands from agricultural uses to employment uses through a Ministerial Zoning Order. The Draft Plan of Subdivision and Site Plan Applications for the first phase were submitted during the second quarter of 2023 and the grading permit was received and site works commenced. Site preparation costs for the subdivision of the remaining phases is expected to be \$102.0 million in total, or \$86.7 million at share, occurring over the next 12-18 months. The remainder of the development is expected to consist of warehouse, distribution, and industrial uses totalling approximately 4.2 million square feet on 221 net developable acres (at 100% share). The Trust has invested \$189.3 million to date, including land acquisition related to the remaining phases of the development.
<b>Choice Eastway Industrial Centre - Phase 2, East Gwillimbury, ON</b>	The second phase of the Trust's project constitutes approximately 54 acres (at 100% share) of developable land and is fully zoned. The Trust continues progress on site preparation. The second phase is anticipated to be approximately 0.8 million total square feet (at 100% share). The Trust has invested \$33.1 million to date, including land acquisition.

## Mixed-Use & Residential Development in Planning

Mixed-use development represents a key component of Choice Properties' long-term development strategy. The Trust endeavours to create enduring value through high-quality mixed-use assets with a significant residential rental component. Leveraging the Trust's sizable portfolio in key urban markets, Choice Properties believes there are considerable value creation opportunities through rezoning existing grocery anchored assets into mixed-use sites. The development plan for each project is subject to municipal review and approval which may take several years to realize.

Once zoning and entitlement is obtained, the Trust can create additional value by pursuing ground up development, repositioning existing retail and maximizing available density for residential and mixed-use development. Choice Properties is working through the zoning and entitlement process for several of its future projects.

The Trust has obtained zoning approval on three residential and mixed-use developments and has submitted applications for eight residential and mixed-use projects. A total of \$159.3 million has been invested to date on land acquisition and initial development and planning costs.

The following table details the Trust's residential and mixed-use development projects by zoning status:

(\$ thousands except where otherwise indicated)						Estimated GLA <sup>(i)</sup> (000's square feet)			Investment to-date <sup>(iii)</sup>
Project / Location	Type	Ownership %	Acreage <sup>(ii)</sup>	Estimated number of units <sup>(ii)</sup>	Commercial	Residential	Total		
<b>Zoning approved</b>									
1 Golden Mile, Toronto, ON	Mixed-Use	100 %	19.0	3,597	323	2,907	3,230	\$ 18,641	
2 Grenville & Grosvenor, Toronto, ON	Residential	50 %	0.5	385	17	320	337	36,295	
3 Sheppard Ave. W, Toronto, ON	Residential	50 %	0.3	100	5	64	69	6,984	
<b>Subtotal zoning approved</b>			<b>19.8</b>	<b>4,082</b>	<b>345</b>	<b>3,291</b>	<b>3,636</b>	<b>61,920</b>	
<b>Zoning applications submitted</b>									
1 Broadview Ave., Toronto, ON	Mixed-Use	100 %	3.3	503	23	409	432	4,240	
2 Carlaw Ave., Toronto, ON	Mixed-Use	100 %	5.6	1,080	84	993	1,077	7,904	
3 Dundas St. W, Toronto, ON	Mixed-Use	100 %	13.0	1,923	178	1,477	1,655	46,127	
4 North Rd., Coquitlam, BC	Mixed-Use	100 %	7.8	2,470	110	1,765	1,875	5,065	
5 Parkway Forest Dr., Toronto, ON	Residential	50 %	1.5	191	—	120	120	2,249	
6 Photography Dr., Toronto, ON	Mixed-Use	100 %	7.7	2,356	50	2,010	2,060	4,549	
7 Warden Ave., Toronto, ON	Mixed-Use	100 %	6.5	2,100	10	1,290	1,300	13,743	
8 Woodbine Ave., Toronto, ON	Mixed-Use	100 %	1.7	622	24	422	446	7,711	
<b>Subtotal zoning applications submitted</b>			<b>47.1</b>	<b>11,245</b>	<b>479</b>	<b>8,486</b>	<b>8,965</b>	<b>91,588</b>	
<b>Zoning applications to be submitted</b>									
1 Lower Jarvis, Toronto, ON	Mixed-Use	100 %	4.1	—	—	—	—	3,539	
2 South Service Rd., Mississauga, ON	Mixed-Use	100 %	10.4	—	—	—	—	2,270	
<b>Subtotal zoning applications to be submitted</b>			<b>14.5</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>5,809</b>	
<b>Total mixed-use &amp; residential projects in planning</b>			<b>81.4</b>	<b>15,327</b>	<b>824</b>	<b>11,777</b>	<b>12,601</b>	<b>\$ 159,317</b>	

(i) Choice Properties' share.

(ii) Estimated GLA is based on current development plans and final development square footage may differ. For projects in planning, GLA is an estimate and may differ as the projects complete the rezoning and entitlement process.

(iii) Investment to-date is comprised of incremental land assembly and development planning costs.

### Zoning Applications Approved

Obtaining zoning is a significant milestone in the development lifecycle. Zoning approval allows the Trust to unlock significant land value through the realization of residential density potential. Once zoning is approved, the next phase of the development process is obtaining all necessary permits, which allows the project to proceed to active development with construction commencement. The Trust has completed approvals on one mixed-use and two residential developments in Toronto, Ontario. As of September 30, 2024, the Trust has invested a total of \$61.9 million to date on land acquisition and initial development and planning costs.

Project / Location	Description
<b>Golden Mile, Toronto, ON</b>	The approximately 19 acre site is located along Eglinton Avenue in the Golden Mile district of Toronto. The current redevelopment plans contemplate a large, mixed-use master-plan community to be built in phases with a focus on high density residential and retail uses. The site is directly adjacent to new transit stations along the first phase of the Eglinton Crosstown LRT, which is currently under construction. The current plan includes approximately 3.2 million square feet of total ground floor area, with 0.3 million square feet of commercial GLA and approximately 3,600 residential units. The development will transform the area through the introduction of the Golden Mile Community Innovation District by bringing together expertise from all stakeholders including community organizations, the local councillor, and post-secondary educational institutions <sup>(2)</sup> . The development will create a community comprising residential and commercial uses along with privately owned public spaces including a new park. The Official Plan and Zoning By-law Amendment Applications have been approved by the City of Toronto and the Trust continues to work with the City to fulfill conditions of subdivision and site plan.
<b>Grenville &amp; Grosvenor, Toronto, ON</b>	The approximately 1 acre site is located in the area of Yonge Street and College Street in downtown Toronto. The current development plan contemplates two residential towers providing a total 0.7 million square feet of total gross floor area, including 34,000 square feet of commercial GLA and approximately 770 rental residential units (at 100% share). 30% of the residential units will be affordable housing units <sup>(2)</sup> .
<b>Sheppard Avenue West, Toronto, ON</b>	The 0.6 acre site is located at the northeast corner of Allen Road and Sheppard Avenue West in Toronto. The site is approximately 400 meters from the Sheppard West TTC subway station and in close proximity to Downsview Park and Downsview Airport. The current development plans include a 15 storey residential building comprising 10,000 square feet of commercial GLA and approximately 200 residential units (at 100% share).

### Zoning Applications Submitted

Choice Properties has submitted zoning applications for seven mixed-use and one residential development in Toronto, Ontario. As of September 30, 2024, the Trust has invested a total of \$91.6 million to date on land acquisition and initial development and planning costs.

Project / Location	Description
<b>Broadview Avenue, Toronto, ON</b>	The approximately 3 acre site is located at the southwest corner of Danforth Avenue and Broadview Avenue in Toronto's east end and is situated less than 150 metres from the Broadview TTC subway station. The current development proposal includes one residential tower, a new grocery store and a public park. The submitted application proposes 0.4 million square feet of total ground floor area, and approximately 500 residential units. The Trust continues to refine the vision for a mixed-use, transit-oriented development that will transform an underutilized site while highlighting the natural heritage and green connections of the existing community. The Official Plan, Zoning By-law Amendment and Draft Plan of Subdivision Applications have been submitted to the City of Toronto.
<b>Carlaw Avenue, Toronto, ON</b>	During the second quarter Choice Properties entered into an agreement with the Province of Ontario to facilitate the construction of a transit station at its Carlaw Avenue property. In partnership with the Province of Ontario, Choice Properties has developed a concept for the future transit-oriented community at this site, located at the northeast corner of Gerrard Street East and Carlaw Avenue. The approximately 5.6 acre commercial centre, currently occupied by several tenants, will become the anchor of the Gerrard TTC subway station on the future Ontario Line. The concept proposes three towers with approximately 1,000 residential units, retail offerings including a new food store, privately owned public space over the transit corridor, a new public street and a public park. Construction for the transit project is anticipated to commence in 2024 until 2030 and beyond <sup>(2)</sup> at which point, Choice Properties will begin construction on the residential towers. This project will transform the community and provide access to open space, retail and transit, creating the ultimate complete community. The Trust has submitted a Zoning Application by way of the Transit Oriented Communities Program.



Project / Location	Description
<b>Dundas Street West, Toronto, ON</b>	The approximately 13 acre site is located at the southeast corner of Dundas Street West and Bloor Street West in Toronto. The site is at the intersection of several major transit corridors including a TTC subway station, a GO train station and the Union-Pearson Express train. The current redevelopment plans contemplate a large mixed-use community integrated with the surrounding transit services with a focus on high density residential, office, retail and other community uses. The submitted application proposes approximately 1.7 million square feet of total ground floor area, including 0.2 million square feet of commercial GLA and approximately 1,900 residential units. The development plan contemplates neighbourhood retail and community uses, including a public park. The Official Plan, Rezoning, Plan of Subdivision and Site Plan Applications have been submitted to the City of Toronto.
<b>North Road, Coquitlam, BC</b>	Choice Properties has applied to the City of Coquitlam to redevelop the existing Cariboo Centre located at 439-465 North Road in Coquitlam, BC. The Master Development Plan proposes a diverse range of housing, retail, public amenity space, and childcare. The current application consists of 4 phases over the 7.8 acre site located at the southeast corner of North Road and Austin Avenue. The overall project, upon completion, will see a total of approximately 2,500 new homes through both market residential and rental in 6 towers, along with 110,000 square feet of retail space within commercial podiums, including a new food store and a drug store within Phase 1 and a daycare in both Phases 1 and 4. In addition, the overall project will deliver approximately 26,000 square feet of public plaza. The Master Development Plan was submitted to the City of Coquitlam in December 2023 with resubmission in May 2024. Choice Properties continues to work through entitlements associated with the Master Development Plan along with the Development Permit application for Phase 1.
<b>Parkway Forest Drive, Toronto, ON</b>	The approximately 3 acre site is located at the southeast intersection of Parkway Forest Drive and Sheppard Avenue East in Toronto. The site is located 350 meters from the Don Mills TTC subway station and currently features a 19-storey rental building and ten rental townhouses. The proposed development will replace five of the existing townhouses with a 33-storey residential building comprised of approximately 382 units (at 100% share). This intensification will support future growth in the City of Toronto by providing additional rental housing stock in a transit-connected neighbourhood. The Official Plan Amendment, Zoning By-law Amendment and Draft Plan of Subdivision Applications have been submitted to the City of Toronto.
<b>Photography Drive, Toronto, ON</b>	The approximately 7.7 acre site is located at the southwest corner of Eglinton Avenue West and Black Creek Drive in Toronto. The site is within close proximity to several major transit corridors, including the Kitchener GO Line, Union-Pearson Express train and the future Eglinton Crosstown LRT. The proposed redevelopment is comprised of seven mixed-use buildings including residential and retail uses. The application includes a total gross floor area of approximately 2.1 million square feet and 2,400 residential units. Choice Properties continues to refine the vision for a mixed-use, inclusive community where people can live and access amenities, services, transit, and a brand new grocery store, all within walking distance. The Official Plan and Zoning By-law Amendment Applications have been submitted to the City of Toronto.
<b>Warden Avenue, Toronto, ON</b>	The approximately 6.5 acre site is located south of the intersection of St. Clair Avenue and Warden Avenue in Toronto and 500 meters from the Warden TTC subway station. The current development plan includes approximately 2,100 residential units, over 1.3 million square feet of gross floor area and a proposal for a public park. The Trust has reached a settlement with the City of Toronto and is working to clear conditions prior to the issuance of an Official Plan Amendment and Zoning By-law Amendment.
<b>Woodbine Avenue, Toronto, ON</b>	The approximately 1.7 acre site is located at the northeast intersection of Woodbine Avenue and Danforth Avenue in the Danforth neighbourhood of Toronto. The site is directly adjacent to the Woodbine TTC subway station. The current redevelopment plan includes at-grade grocery retail, upgraded TTC access and two mixed-use residential buildings, with a potential density of approximately 622 residential units. The design of this project will incorporate the urban design significance of the Danforth neighbourhood and sustainable architecture. The current plan includes a large privately owned public space located off Woodbine Avenue, which provides a seamless transition from the existing neighbourhood to the new retail offering proposed at grade. A revised rezoning application that is more aligned with the evolving planning policies in the Danforth corridor was submitted during the fourth quarter of 2023 to the City of Toronto.

### 3.7 Future Pipeline

Choice Properties' long-term development strategy is to create value through residential and mixed-use development. Beyond the projects that are currently in planning, the Trust has identified more than approximately 70 sites encompassing over 500 acres in its existing portfolio that provide potential for incremental residential and mixed-use density through the intensification of an existing asset. Over 90% of the identified sites are in the greater Toronto, Montreal and Vancouver areas, providing the opportunity to grow the residential platform in Canada's largest cities. Choice Properties is actively reviewing and prioritizing these sites to proceed with the rezoning and entitlement process.

### 3.8 Mortgages, Loans and Notes Receivable

As a means to generate acquisition opportunities, Choice Properties has established a program with a group of strong real estate developers whereby Choice Properties provides mezzanine and/or co-owner financing. Such financing activities generally provide Choice Properties with an option or other rights to acquire an interest in the developed income producing property. Mortgages and loans receivable represent amounts advanced under mezzanine loans, joint venture financing, vendor take-back financing and other arrangements.

The Trust has issued \$266,288 (December 31, 2023 - \$264,394) of secured mortgages to third-party borrowers. These loans have been extended to borrowers who are strategic partners and counterparties of the Trust and are secured by real property assets.

During the nine months ended September 30, 2024, the Trust advanced four vendor take-back mortgages with a total face value of \$21,153 and a total fair value of \$20,221 (Section 3.2). The mortgages bear interest at a weighted average rate of 6.22% and are secured by the disposed properties.

On June 21, 2024, the Trust advanced a \$20,000 loan to a development partner. The loan bears interest at a rate of 7.00%.

Holders of Exchangeable Units may, in lieu of receiving all or a portion of their distributions, choose to be loaned an amount from Choice Properties Limited Partnership, and to have such distributions made on the first business day following the end of the fiscal year in which such distribution would otherwise have been made. The loans do not bear interest and are due and payable in full on the first business day following the end of the fiscal year during which the loan was made. During the nine months ended September 30, 2024, GWL elected to receive distributions from Choice Properties Limited Partnership in the form of loans. As such, non-interest bearing short-term notes totalling \$224,608 were issued to GWL. Non-interest bearing short-term notes totalling \$295,851 with respect to the loans received in the 2023 fiscal year were settled against distributions payable by the Trust to GWL in January 2024.

As at September 30, 2024 (\$ thousands)	GAAP Basis	Proportionate Share Basis <sup>(1)(i)</sup>	Proportionate Share Basis <sup>(1)</sup>	
			Weighted average term to maturity (years)	Weighted average interest rate (%)
Mortgages receivable	\$ 361,422	\$ 266,288	0.8	8.36 %
Loans receivable	20,000	20,000	0.3	7.00 %
Notes receivable from GWL	224,608	224,608	—	—
<b>Mortgages, loans and notes receivable</b>	<b>\$ 606,030</b>	<b>\$ 510,896</b>		

(i) Adjustment to proportionate share basis<sup>(1)</sup> eliminates mortgage receivable balances advanced to an equity accounted joint venture at the Trust's share.

As at December 31, 2023 (\$ thousands)	GAAP Basis	Proportionate Share Basis <sup>(1)(i)</sup>	Proportionate Share Basis <sup>(1)</sup>	
			Weighted average term to maturity (years)	Weighted average interest rate (%)
Mortgages receivable	\$ 360,150	\$ 264,394	1.1	8.62 %
Notes receivable from GWL	295,851	295,851	—	— %
<b>Mortgages, loans and notes receivable</b>	<b>\$ 656,001</b>	<b>\$ 560,245</b>		

(i) Adjustment to proportionate share basis<sup>(1)</sup> eliminates mortgage receivable balances advanced to an equity accounted joint venture at the Trust's share.

## 4. LIQUIDITY AND CAPITAL RESOURCES

### 4.1 Major Cash Flow Components

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Cash and cash equivalents, beginning of period - GAAP basis	\$ 619,586	\$ 23,848	\$ 595,738	\$ 252,424	\$ 64,736	\$ 187,688
Cash flows from operating activities	203,902	149,246	54,656	482,288	434,305	47,983
Cash flows used in investing activities	(180,470)	(128,870)	(51,600)	(372,039)	(423,378)	51,339
Cash flows (used in) from financing activities	(569,087)	15,044	(584,131)	(288,742)	(16,395)	(272,347)
<b>Cash and cash equivalents, end of period - GAAP basis</b>	<b>\$ 73,931</b>	<b>\$ 59,268</b>	<b>\$ 14,663</b>	<b>\$ 73,931</b>	<b>\$ 59,268</b>	<b>\$ 14,663</b>

### Cash Flows from Operating Activities

#### Three and Nine Months

Cash flows from operating activities increased for the three and nine month periods compared to the same prior year periods primarily due to a favourable change in working capital, higher net operating income, and a decrease in expenditures on direct leasing costs and tenant allowances. The increase was partially offset by a decrease in distributions from equity accounted joint ventures and an increase in interest paid net of interest received.

Cash flows from operating activities are partially used to fund ongoing operations and expenditures for leasing capital and property capital<sup>(2)</sup>.

### Cash Flows Used in Investing Activities

#### Three Months

Cash flows used in investing activities increased for the three month period compared to the same prior year period primarily due to an increase in cash used to acquire investment properties, partially offset by a decrease in cash used for capital spending and an increase in cash proceeds from dispositions.

#### Nine Months

Cash flows used in investing activities decreased for the nine month period compared to the same prior year period primarily due to a decrease in cash used for capital spending, an increase in cash proceeds from dispositions, including the distribution of proceeds from equity accounted joint ventures, and a capital distribution from one of the Trust's joint ventures related to takeout financing. The increase was partially offset by a decrease in cash from mortgage receivable repayments and an increase in cash used for acquisitions of investment properties and financial real estate assets.

### Cash Flows (Used in) from Financing Activities

#### Three and Nine Months

Cash flows used in financing activities increased for the three and nine month periods compared to the same prior year periods primarily due to an increase net repayments of senior unsecured debentures and an increase in net repayments of construction loans, partially offset by impact of the repayment of outstanding credit facility balance in the prior year and an increase in mortgages payable advances.

## 4.2 Liquidity and Capital Structure

Choice Properties expects to fund its ongoing operations and finance future growth primarily through the use of: (i) existing cash; (ii) cash flows from operations; (iii) short-term financing through the committed credit facility; (iv) the issuance of unsecured debentures and equity (including Exchangeable Units), subject to market conditions; and (v) secured mortgages. Given reasonable access to capital markets, Choice Properties does not foresee any impediments in obtaining financing to satisfy its short-term and long-term financial obligations, including its capital investment commitments<sup>(2)</sup>.

(\$ thousands)	As at	As at		Change \$
	September 30, 2024	December 31, 2023	December 31, 2023	
Cash and cash equivalents - proportionate share basis <sup>(1)(i)</sup>	\$ 103,130	\$ 275,619	\$	(172,489)
Unused portion of the credit facility	1,500,000	1,500,000		—
<b>Liquidity</b>	<b>\$ 1,603,130</b>	<b>\$ 1,775,619</b>	<b>\$</b>	<b>(172,489)</b>
<b>Unencumbered assets - proportionate share basis<sup>(1)</sup></b>	<b>\$ 12,910,879</b>	<b>\$ 12,718,125</b>	<b>\$</b>	<b>192,754</b>

(i) As at September 30, 2024, cash and cash equivalents included \$25,527 of short-term investments (December 31, 2023 - \$144,441).

## 4.3 Components of Total Adjusted Debt

Choice Properties' debt structure was as follows:

As at September 30, 2024 (\$ thousands)	GAAP Basis	Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>	
			Weighted average term to maturity (years)	Weighted average interest rate (%)
Construction loans	\$ 5,230	\$ 74,471	1.2	6.12 %
Credit facility	—	—	—	— %
Less: Debt placement costs <sup>(i)</sup>	—	—		
Variable rate debt	5,230	74,471	1.2	6.12 %
Construction loans	59,622	59,622	6.6	2.08 %
Senior unsecured debentures	5,400,000	5,400,000	5.6	4.20 %
Mortgages payable	1,198,974	1,719,628	7.9	4.16 %
Less: Debt placement costs, discounts and premiums	(21,144)	(29,003)		
Fixed rate debt	6,637,452	7,150,247	6.2	4.17 %
<b>Total adjusted debt, net</b>	<b>\$ 6,642,682</b>	<b>\$ 7,224,718</b>		

(i) Unamortized debt placement costs for the credit facility of \$2,374 were included in other assets as at September 30, 2024.

As at December 31, 2023 (\$ thousands)	GAAP Basis	Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>	
			Weighted average term to maturity (years)	Weighted average interest rate (%)
Construction loans	\$ 49,603	\$ 160,370	0.7	6.84 %
Credit facility	—	—	—	— %
Less: Debt placement costs <sup>(i)</sup>	—	—		
Variable rate debt	49,603	160,370	0.7	6.84 %
Construction loans	40,456	40,456	7.3	2.08 %
Senior unsecured debentures	5,650,000	5,650,000	5.5	4.07 %
Mortgages payable	976,661	1,402,858	6.6	3.94 %
Less: Debt placement costs, discounts and premiums	(20,797)	(28,632)		
Fixed rate debt	6,646,320	7,064,682	5.7	4.03 %
<b>Total adjusted debt, net</b>	<b>\$ 6,695,923</b>	<b>\$ 7,225,052</b>		

(i) Unamortized debt placement costs for the credit facility of \$2,232 were included in other assets as at December 31, 2023.

## Construction Loans

For the purpose of financing the development of certain industrial and mixed-use & residential properties, various investments in equity accounted joint ventures and co-ownerships have variable and fixed rate non-revolving construction facilities, in which certain subsidiaries of the Trust guarantee its own share. These construction loans, which mature throughout 2025 to 2031, have a maximum capacity to be drawn at the Trust's ownership interest of \$336,225, of which \$270,700, relates to equity accounted joint ventures, as at September 30, 2024 (December 31, 2023 - \$447,987 and \$328,261, respectively).

As at September 30, 2024, \$134,093 was drawn on the construction loans, of which \$69,241 relates to equity accounted joint ventures. The construction loans had a weighted average interest rate of 4.33% and a weighted average term to maturity of 3.6 years (December 31, 2023 - 5.88% and 2.0 years, respectively).

## Credit Facility

Choice Properties has a \$1,500,000 senior unsecured committed revolving credit facility provided by a syndicate of lenders. During the second quarter of 2024, the Trust extended the maturity date for the credit facility from September 1, 2028 to June 13, 2029.

Under the credit facility, the Trust has the ability to draw funds at variable rates in either Canadian dollars or U.S. dollars. Canadian dollar-denominated borrowings bear interest at either the Canadian bank prime rate plus 0.20% or Canadian Overnight Repo Rate Average ("CORRA") plus 1.20% and a daily compounded CORRA adjustment of approximately 0.30%, and U.S. dollar-denominated borrowings bear interest at the U.S. prime rate plus 0.30% or Secured Overnight Financing Rate ("SOFR") plus 1.30%. The pricing is contingent on the credit ratings for Choice Properties from either DBRS remaining at BBB (high) or S&P remaining at BBB+. Concurrently with the U.S. dollar draws, the Trust enters into cross currency swaps to exchange its U.S. dollar borrowings into Canadian dollar borrowings. The Trust applies hedge accounting to the cross currency swaps.

As at September 30, 2024, \$nil was drawn in U.S. dollar-denominated borrowings (December 31, 2023 - \$nil) and \$nil was drawn in Canadian dollar-denominated borrowings (December 31, 2023 - \$nil). The unamortized balance for debt placement costs as at September 30, 2024 of \$2,374 (December 31, 2023 - \$2,232) was included in other assets.

The credit facility contains certain financial covenants. As at September 30, 2024, the Trust was in compliance with all its financial covenants for the credit facility.

## Senior Unsecured Debentures

On February 8, 2024, the Trust paid in full upon maturity, at par, plus accrued and unpaid interest thereon, the \$200 million aggregate principal amount of the 4.29% Series D senior unsecured debentures outstanding. The repayment of the Series D senior unsecured debentures was funded with proceeds from the repayment of the Allied promissory note received on December 29, 2023.

On May 23, 2024, the Trust completed the issuance, on a private placement basis, of \$500 million aggregate principal amount of Series U senior unsecured debentures bearing interest at a rate of 5.03% per annum and maturing on February 28, 2031.

On September 9, 2024, the Trust paid in full upon maturity, at par, plus accrued and unpaid interest thereon, the \$550 million aggregated principal amount of the 3.56% Series K senior unsecured debentures outstanding. The repayment of the Series K senior unsecured debentures was primarily funded with proceeds from the issuance of Series U senior unsecured debentures.

## Summary of Total Adjusted Debt Activities

The following outlines the net changes to the components of Choice Properties' variable rate debt on a GAAP basis and non-GAAP proportionate share basis<sup>(1)</sup> during the nine months ended September 30, 2024:

For the nine months ended September 30, 2024 (\$ thousands)	GAAP Basis		Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>
	Credit facility	Construction loans	Construction loans <sup>(i)</sup>	Total adjusted debt, variable rate
Principal balance outstanding, beginning of period	\$ —	\$ 49,603	\$ 110,767	\$ 160,370
Issuances and advances	—	2,694	60,372	63,066
Repayments	—	(47,067)	(101,898)	(148,965)
<b>Principal balance outstanding, end of period</b>	<b>\$ —</b>	<b>\$ 5,230</b>	<b>\$ 69,241</b>	<b>\$ 74,471</b>

(i) Adjustment to proportionate share<sup>(1)</sup> reflects construction loans within equity accounted joint ventures.

The following outlines the changes to the components of Choice Properties' fixed rate debt on a GAAP basis and non-GAAP proportionate share basis<sup>(1)</sup> during the nine months ended September 30, 2024:

	GAAP Basis			Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>
	Senior unsecured debentures	Mortgages payable	Construction loans	Mortgages payable <sup>(i)</sup>	Total adjusted debt, fixed rate
For the nine months ended September 30, 2024 (\$ thousands)					
Principal balance outstanding, beginning of period	\$ 5,650,000	\$ 976,661	\$ 40,456	\$ 426,197	\$ 7,093,314
Issuances and advances <sup>(ii)</sup>	500,000	254,452	19,166	147,358	920,976
Repayments	(750,000)	(74,946)	—	(6,956)	(831,902)
Assumed by purchaser	—	(7,586)	—	(7,705)	(15,291)
Assumed from seller	—	12,153	—	—	12,153
Transfer from equity accounted joint ventures <sup>(iii)</sup>	—	38,240	—	(38,240)	—
<b>Principal balance outstanding, end of period</b>	<b>\$ 5,400,000</b>	<b>\$ 1,198,974</b>	<b>\$ 59,622</b>	<b>\$ 520,654</b>	<b>\$ 7,179,250</b>

(i) Adjustment to proportionate share<sup>(1)</sup> reflects mortgages payable within equity accounted joint ventures.

(ii) Issuances and advances include \$33,075 of mortgages assumed from the Trust's partner, previously secured by the partner's interest in the properties disposed by the Trust and its partner in the second quarter of 2024. These mortgages have been secured by other properties held by the Trust.

(iii) Transfer from equity accounted joint ventures includes the Trust's share of mortgages payable previously secured by the disposed properties mentioned above and the Trust's share of the mortgage payable related to an acquisition which was transferred to investment properties.

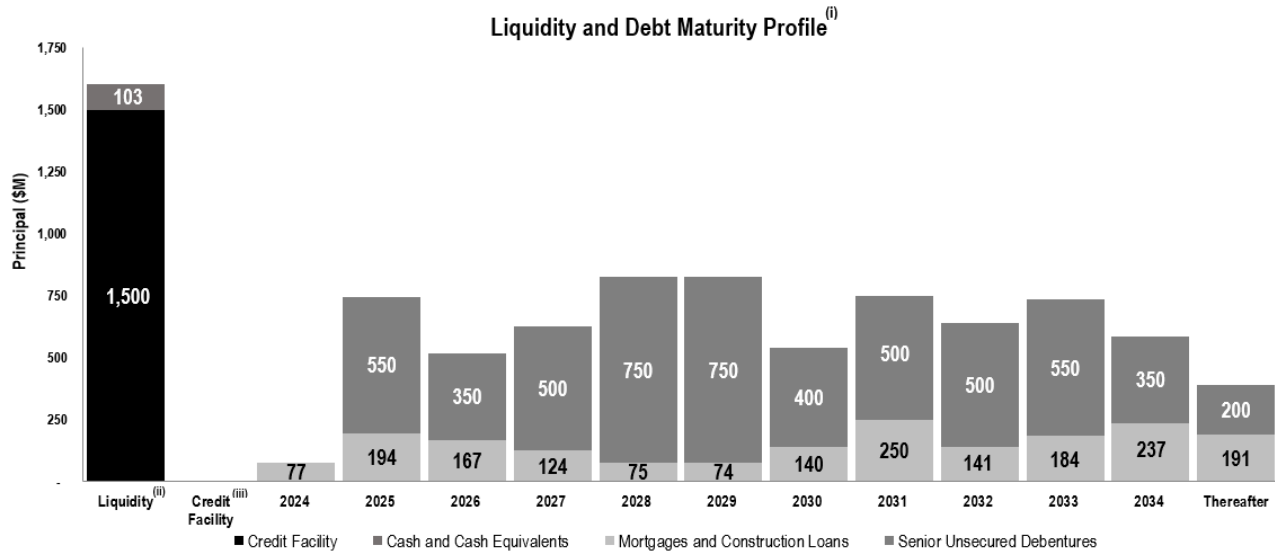
### Schedules of Repayments and Cash Flow Activities

The schedule of principal repayments of total long term debt on a GAAP basis and non-GAAP proportionate share basis<sup>(1)</sup> based on maturity is as follows:

	GAAP Basis				Adjustment to Proportionate Share Basis <sup>(1)</sup>		Proportionate Share Basis <sup>(1)</sup>
	Credit facility	Senior unsecured debentures	Mortgages payable	Construction loans	Mortgages payable <sup>(i)</sup>	Construction loans <sup>(i)</sup>	Total
As at September 30, 2024 (\$ thousands)							
Remainder of 2024	\$ —	\$ —	\$ 74,403	\$ —	\$ 2,870	\$ —	\$ 77,273
2025	—	550,000	127,956	5,230	9,901	51,008	744,095
2026	—	350,000	133,355	—	16,005	18,233	517,593
2027	—	500,000	92,298	—	31,542	—	623,840
2028	—	750,000	46,894	—	28,684	—	825,578
Thereafter	—	3,250,000	724,068	59,622	431,652	—	4,465,342
<b>Total adjusted debt outstanding</b>	<b>\$ —</b>	<b>\$ 5,400,000</b>	<b>\$ 1,198,974</b>	<b>\$ 64,852</b>	<b>\$ 520,654</b>	<b>\$ 69,241</b>	<b>\$ 7,253,721</b>

(i) Adjustment to proportionate share<sup>(1)</sup> reflects mortgages payable and construction loans within equity accounted joint ventures.

In order to reduce refinancing risk, Choice Properties attempts to stagger debt maturities and future financing obligations to ensure no large maturities or financing needs occur in any one year.



- (i) Presented on a proportionate share basis<sup>(1)</sup>.
- (ii) Includes cash and cash equivalents.
- (iii) The credit facility matures on June 13, 2029.

#### 4.4 Financial Condition

Choice Properties is subject to certain financial and non-financial covenants on its senior unsecured debentures and credit facility that include maintaining certain leverage and debt service ratios. These ratios are monitored by management on an ongoing basis to ensure compliance. Choice Properties was in compliance with all these covenants as at September 30, 2024 and December 31, 2023.

The Trust's compliance with leverage and coverage ratios, as they relate to its debentures, are shown below:

		As at September 30, 2024	As at December 31, 2023
<b>Adjusted Debt to Total Assets<sup>(1)(i)</sup></b>	Limit: Maximum excluding convertible debt is 60.0%	<b>40.0 %</b>	40.4 %
<b>Debt Service Coverage Ratio<sup>(1)(i)</sup></b>	Limit: Minimum 1.5x	<b>2.9x</b>	3.0x
<b>Adjusted Debt to EBITDAFV<sup>(1)(i)(ii)(iii)(iv)(v)</sup></b>		<b>7.0x</b>	7.2x
<b>Interest Coverage Ratio<sup>(1)(iii)(iv)</sup></b>		<b>3.2x</b>	3.4x

- (i) Debt ratios exclude Exchangeable Units. The ratios are non-GAAP financial measures calculated based on the Trust Indentures, as supplemented.
- (ii) Refer to Section 14.8, "Earnings Before Interest, Taxes, Depreciation, Amortization and Fair Value" for a reconciliation of net income (loss) to EBITDAFV used in this ratio.
- (iii) Refer to Section 14.7, "Net Interest Expense and Other Financing Charges Reconciliation" for a reconciliation of proportionate share basis<sup>(1)</sup> to GAAP basis for net interest expense and other financing charges used in this ratio.
- (iv) The senior unsecured debentures and credit facility financial covenants do not include the Adjusted Debt to EBITDAFV<sup>(1)</sup> and Interest Coverage Ratio<sup>(1)</sup> metrics. These metrics are used to assess financial leverage and are useful in determining the Trust's ability to meet financial obligations. Refer to Section 14 "Non-GAAP Financial Measures".
- (v) Adjusted Debt to EBITDAFV, net of cash<sup>(1)</sup> was 7.0x as at September 30, 2024 and 7.0x as at December 31, 2023.

#### 4.5 Credit Ratings

Choice Properties' debt securities are rated by two independent credit rating agencies: DBRS and S&P.

On May 29, 2024, S&P upgraded the Choice Properties rating to BBB+ with a stable outlook. On August 27, 2024, DBRS confirmed the Choice Properties rating at BBB (high) with a stable trend. A credit rating of BBB- or higher is an investment grade rating.

The following table sets out the current credit ratings for Choice Properties as at September 30, 2024:

Credit ratings (Canadian standards)	DBRS		S&P	
	Credit rating	Trend	Credit rating	Outlook
Issuer rating	BBB (high)	Stable	BBB+	Stable
Senior unsecured debentures	BBB (high)	Stable	BBB+	N/A

#### 4.6 Unit Equity

Unit equity, for the purposes of this MD&A, includes both Units and Exchangeable Units, which are economically equivalent to Units and receive equal distributions. The following is a continuity of Choice Properties' unit equity:

	Nine months ended September 30, 2024	Year ended December 31, 2023
Units, beginning of period	327,859,972	327,771,149
Units issued under unit-based compensation arrangements	367,428	329,716
Units repurchased for unit-based compensation arrangements	(303,428)	(240,893)
<b>Units, end of period</b>	<b>327,923,972</b>	327,859,972
<b>Exchangeable Units, end of period</b>	<b>395,786,525</b>	395,786,525
<b>Total Units and Exchangeable Units, end of period</b>	<b>723,710,497</b>	723,646,497

#### Normal Course Issuer Bid ("NCIB")

Choice Properties, may, from time to time, purchase Units in accordance with the rules prescribed under applicable stock exchange or regulatory policies. On November 17, 2023, Choice Properties received approval from the TSX to purchase up to 27,563,002 Units during the twelve-month period from November 21, 2023 to November 20, 2024, by way of a NCIB over the facilities of the TSX or through alternative trading systems. Choice Properties intends to file a Notice of Intention to make a NCIB with the TSX upon the expiry of its current NCIB.



### Units Repurchased for Unit-Based Compensation Arrangements

The Trust acquired Units under its NCIB during the nine months ended September 30, 2024 and the year ended December 31, 2023, which were then granted to certain employees in connection with the Unit-Settled Restricted Unit Plan, and are subject to vesting conditions and disposition restrictions.

### Units Issued under Unit-Based Compensation Arrangements

Units were issued as part of settlements under the Unit Option Plan and grants under the Unit-Settled Restricted Unit Plan, as applicable.

### Distributions

The distributions declared for the three and nine months ended September 30, 2024 and 2023, including distributions to holders of Exchangeable Units, were as follows:

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Total distributions declared</b>	<b>\$ 137,499</b>	\$ 135,684	\$ 1,815	<b>\$ 411,278</b>	\$ 405,846	\$ 5,432

Choice Properties' Board retains full discretion with respect to the timing and quantum of distributions and expects to distribute the amount necessary to ensure the Trust will not be liable to pay income taxes under Part I of the *Income Tax Act (Canada)*<sup>(i)</sup>. Accordingly, no provision for current income taxes payable is required, except for amounts incurred for the Trust's Canadian corporate subsidiaries. The taxable income allocated to the Trust and Exchangeable Unitholders may vary in certain taxation years. Over time, such differences, in aggregate, are expected to be minimal.

On February 14, 2024, the Board reviewed and approved an increase of distributions to \$0.76 per unit per annum from the previous rate of \$0.75 per unit per annum (an increase of 1.3%). The increase was effective for Unitholders of record on March 31, 2024.

In determining the amount of distributions to be made to Unitholders, Choice Properties' Board considers many factors, including provisions in its Declaration of Trust, macro-economic and industry specific environments, the overall financial condition of the Trust, future capital requirements, debt covenants, and taxable income. In accordance with Choice Properties' Distribution Policy, management and the Board regularly review Choice Properties' rate of distributions to assess the stability of cash and non-cash distributions.

(i) Choice Properties qualifies as a "mutual fund trust" and a "real estate investment trust" under the Income Tax Act (Canada).

### 4.7 Adjusted Cash Flow from Operations ("ACFO")

Adjusted Cash Flow from Operations<sup>(1)</sup> excludes most of the short-term fluctuations in non-cash working capital, such as property tax instalments, and the timing of semi-annual debenture instalments, although some fluctuations between quarters for operational cash flows still exist. ACFO<sup>(1)</sup> also adjusts cash flows from operating activities for the working capital required for operating capital expenditures to maintain productive capacity of the investment properties which adds volatility to the values due to seasonality of capital projects. Management includes this non-GAAP measure in its assessment of cash flows available for distributions. Refer to Section 14.5, "Adjusted Cash Flow from Operations", for a reconciliation of ACFO<sup>(1)</sup> to cash flows from operating activities, as determined in accordance with GAAP.

The table below summarizes the ACFO<sup>(1)</sup> metrics:

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Adjusted cash flow from operations <sup>(1)</sup>	<b>\$ 142,435</b>	\$ 144,006	\$ (1,571)	<b>\$ 511,427</b>	\$ 470,515	\$ 40,912
Cash distributions declared	<b>137,499</b>	135,684	1,815	<b>411,278</b>	405,846	5,432
Cash retained after cash distributions	<b>\$ 4,936</b>	\$ 8,322	\$ (3,386)	<b>\$ 100,149</b>	\$ 64,669	\$ 35,480
ACFO <sup>(1)</sup> payout ratio	<b>96.5 %</b>	94.2 %	2.3 %	<b>80.4 %</b>	86.3 %	(5.9)%

#### Three Months

ACFO<sup>(1)</sup> decreased for the three month period compared to the same prior year period primarily due to an unfavourable change in working capital and higher general and administrative expenses, partially offset by a decrease in leasing and maintenance spend and higher net operating income.

#### Nine Months

ACFO<sup>(1)</sup> increased for the nine month period compared to the same prior year period primarily due to a decrease in leasing and maintenance spend and higher net operating income, partially offset by an unfavourable change in working capital and higher general and administrative expenses.

#### 4.8 Financial Instruments

Designated hedging derivatives consist of interest rate swaps to hedge the interest rate associated with an equivalent amount of variable rate mortgages, and cross currency swaps to hedge foreign exchange associated with the equivalent amount borrowed in US\$ on the Trust's credit facility. During the nine months ended September 30, 2024, an interest swap was settled upon maturity of the underlying variable rate mortgage. As at September 30, 2024, the interest rates associated with the interest rate swaps ranged from 2.8% to 5.0% (December 31, 2023 - 2.8% to 5.0%).

The impact of the hedging instruments on the consolidated balance sheets was as follows:

(\$ thousands)	Maturity Date	Notional Amount	As at September 30, 2024	As at December 31, 2023
<b>Derivative assets</b>				
Interest rate swaps	Nov 2025 - Jun 2030	\$ 77,010	\$ 5,710	\$ 7,872
<b>Total derivative assets</b>		<b>\$ 77,010</b>	<b>\$ 5,710</b>	<b>\$ 7,872</b>
<b>Derivative liabilities</b>				
Interest rate swaps	March 1, 2030	\$ 75,287	\$ 2,463	\$ 1,337
<b>Total derivative liabilities</b>		<b>\$ 75,287</b>	<b>\$ 2,463</b>	<b>\$ 1,337</b>

During the nine months ended September 30, 2024, Choice Properties recorded an unrealized fair value loss in other comprehensive income (loss) of \$3,288 (September 30, 2023 - unrealized fair value gain of \$3,470).

#### 4.9 Off-Balance Sheet Arrangements

Choice Properties issues letters of credit to support guarantees related to its investment properties including maintenance and development obligations to municipal authorities. The Trust has aggregate letters of credit with a maximum capacity of \$83,135 at the Trust's ownership interest. As at September 30, 2024, the aggregate gross potential liability related to these letters of credit totalled \$36,663 (December 31, 2023 - \$37,668).

## 5. RESULTS OF OPERATIONS

Choice Properties' results, as reported under GAAP, for the three and nine months ended September 30, 2024 and September 30, 2023 are summarized below:

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
<b>Net Operating Income</b>								
Rental revenue	\$ 339,898	\$ 325,077	\$ 14,821	4.6 %	\$1,013,244	\$ 980,061	\$ 33,183	3.4 %
Property operating costs	(92,893)	(87,229)	(5,664)	6.5 %	(284,193)	(274,674)	(9,519)	3.5 %
	247,005	237,848	9,157	3.8 %	729,051	705,387	23,664	3.4 %
<b>Residential Inventory Income</b>								
Gross sales	—	—	—	— %	11,268	—	11,268	— %
Cost of sales	—	—	—	— %	(9,234)	—	(9,234)	— %
	—	—	—	— %	2,034	—	2,034	— %
<b>Other Income and Expenses</b>								
Interest income	17,312	11,147	6,165	55.3 %	42,346	31,443	10,903	34.7 %
Investment income <sup>(i)</sup>	5,315	5,315	—	— %	15,945	15,945	—	— %
Fee income	1,351	821	530	64.6 %	2,677	3,162	(485)	(15.3)%
Net interest expense and other financing charges	(150,410)	(142,292)	(8,118)	5.7 %	(438,898)	(422,774)	(16,124)	3.8 %
General and administrative expenses	(19,008)	(16,420)	(2,588)	15.8 %	(50,846)	(44,631)	(6,215)	13.9 %
Share of income from equity accounted joint ventures	5,230	4,823	407	8.4 %	11,318	31,000	(19,682)	(63.5)%
Amortization of intangible assets	(250)	(250)	—	— %	(750)	(750)	—	— %
Transaction costs and other related expenses	—	—	—	— %	38,615	(34)	38,649	n/a
Adjustment to fair value of unit-based compensation	(3,339)	643	(3,982)	(619.3)%	(1,270)	2,373	(3,643)	(153.5)%
Adjustment to fair value of Exchangeable Units	(906,351)	352,250	(1,258,601)	(357.3)%	(467,028)	823,236	(1,290,264)	(156.7)%
Adjustment to fair value of investment properties	82,173	26,775	55,398	206.9 %	108,843	188,595	(79,752)	(42.3)%
Adjustment to fair value of investment in real estate securities	57,983	(44,757)	102,740	(229.6)%	472	(90,576)	91,048	(100.5)%
<b>(Loss) Income before Income Taxes</b>	<b>(662,989)</b>	<b>435,903</b>	<b>(1,098,892)</b>	<b>(252.1)%</b>	<b>(7,491)</b>	<b>1,242,376</b>	<b>(1,249,867)</b>	<b>(100.6)%</b>
Income tax recovery (expense)	—	—	—	— %	12	(1)	13	(1300.0)%
<b>Net (Loss) Income</b>	<b>\$ (662,989)</b>	<b>\$ 435,903</b>	<b>\$(1,098,892)</b>	<b>(252.1)%</b>	<b>\$ (7,479)</b>	<b>\$1,242,375</b>	<b>\$(1,249,854)</b>	<b>(100.6)%</b>

(i) Investment income is comprised of distributions from the Trust's investment in Allied.

Adjustments to fair value can vary widely from quarter to quarter, as they are impacted by market factors such as the Trust's Unit price, Allied's publicly traded unit price, and market capitalization rates. These market factors can have a significant impact on the Trust's net income.

### Three Months

The Trust reported a net loss of \$663.0 million for the three month period compared to net income of \$435.9 million for the same prior year period. The decrease was primarily due to changes in certain non-cash adjustments to fair value including: a \$1,258.6 million unfavourable change in the adjustment to fair value of the Trust's Exchangeable Units due to the increase in the Trust's unit price, partially offset by a \$102.7 million favourable change in the adjustment to fair value of the investment in real estate securities of Allied, driven by the increase in Allied's unit price in the quarter and a \$55.4 million favourable change in the adjustment to fair value of investment properties.

### Nine Months

The Trust reported a net loss of \$7.5 million for the nine month period compared to net income of \$1,242.4 million for the same prior year period. The decrease was primarily due to changes in certain non-cash adjustments to fair value including: a \$1,290.3 million unfavourable change in the adjustment to fair value of the Trust's Exchangeable Units due to the increase in the Trust's unit price and a \$79.8 million unfavourable change in the adjustment to fair value of investment properties. The decrease was partially offset by a \$91.0 million favourable change in the adjustment to fair value of the investment in real estate securities of Allied, driven by the increase in Allied's unit price in the year, compared to a decrease in the prior year.

The changes described above were partially offset by the reversal of a \$38.6 million transaction related provision during the second quarter of 2024 that was determined to be no longer required.

### Rental Revenue and Property Operating Costs

Rental revenue is comprised primarily of base rent, including straight-line rent, and recoveries from tenants for property taxes, insurance, operating costs, and qualifying capital expenditures. Growth in rental revenue is materially impacted by newly acquired or constructed assets.

Property operating costs are comprised primarily of expenses to manage and maintain the properties for the benefit of the tenants, including realty taxes and insurance, that are recoverable under the leases of most tenants. Non-recoverable operating costs do not directly benefit the tenants and include property management fees paid by the Trust for properties managed by its partners.

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Rental revenue	\$ 339,898	\$ 325,077	\$ 14,821	\$ 1,013,244	\$ 980,061	\$ 33,183
Property operating costs	(92,893)	(87,229)	(5,664)	(284,193)	(274,674)	(9,519)
<b>Net Operating Income</b>	<b>\$ 247,005</b>	<b>\$ 237,848</b>	<b>\$ 9,157</b>	<b>\$ 729,051</b>	<b>\$ 705,387</b>	<b>\$ 23,664</b>

### Three and Nine Months

Rental revenue increased for the three and nine month periods compared to the prior year primarily due to higher rental rates on renewals, new leasing, and contractual rent steps mainly in the retail and industrial portfolios. Further contributing to the increase were higher recoveries, net acquisitions, and completed developments. In addition, the nine month period included the reversal of a provision in the industrial portfolio following the resolution of a tenant dispute. These increases were partially offset by lower lease surrender revenue of \$1.3 million and \$6.0 million for the three and nine month periods, respectively. The current year-to-date lease surrender revenue was primarily related to the right-sizing of three Loblaw grocery stores and a store closure at an Alberta property.

### Residential Inventory Income

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Gross sales	\$ —	\$ —	\$ —	\$ 11,268	\$ —	\$ 11,268
Cost of sales	—	—	—	(9,234)	—	(9,234)
<b>Residential Inventory Income</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 2,034</b>	<b>\$ —</b>	<b>\$ 2,034</b>

### Three and Six Months

During the first quarter of 2024, the Trust recognized gross sales and cost of sales related to the sale of the Trust's ownership interest of 36 condominium units of its Mount Pleasant Village residential project in Brampton, ON.

## Interest Income

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Interest income from mortgages and loans receivable	\$ 6,083	\$ 7,209	\$ (1,126)	\$ 17,526	\$ 18,824	\$ (1,298)
Income earned from financial real estate assets	2,937	2,252	685	8,803	6,840	1,963
Income from financial real estate assets due to changes in value	1,341	412	929	3,615	2,921	694
Other interest income	6,951	1,274	5,677	12,402	2,858	9,544
<b>Interest Income</b>	<b>\$ 17,312</b>	<b>\$ 11,147</b>	<b>\$ 6,165</b>	<b>\$ 42,346</b>	<b>\$ 31,443</b>	<b>\$ 10,903</b>

### Three and Nine Months

Interest income increased for the three and nine month periods compared to the prior year primarily due to the additional interest income earned on excess cash and additional income earned from financial real estate assets. The increase was partially offset by a decrease in interest on mortgage and loan receivables as a result of the net repayment of mortgages receivable over the past twelve months.

Excess cash held during the current and prior quarters primarily resulted from the investment of proceeds from the issuance of the \$500 million Series U senior unsecured debentures completed during the second quarter bearing interest at 5.03%. Proceeds were invested in a GIC earning interest at a higher rate than the debentures at 5.50%. The Trust used the proceeds of the Series U issuance to repay a portion of the \$550 million Series K debentures upon maturity during the current quarter.

## Fee Income

Fees charged to third parties include property management fees, leasing fees, and project management fees relating to co-owned properties which serve as a cash flow supplement to enhance returns from the co-owned assets. Fee income from third parties is impacted by changes in the portfolio along with the timing of leasing transactions and project activity. Choice Properties provides Wittington with property management services for certain properties with third-party tenancies and development consulting services on a fee for service basis (see Section 9, "Related Party Transactions").

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Fees charged to related party	\$ 63	\$ 168	\$ (105)	\$ 258	\$ 663	\$ (405)
Fees charged to third parties	1,288	653	635	2,419	2,499	(80)
<b>Fee Income</b>	<b>\$ 1,351</b>	<b>\$ 821</b>	<b>\$ 530</b>	<b>\$ 2,677</b>	<b>\$ 3,162</b>	<b>\$ (485)</b>

### Three Months

Fee income increased for the three month period compared to the prior year primarily due to an increase in development consulting fees from third parties.

### Nine Months

Fee income decreased for the nine month period compared to the prior year primarily due to a decrease in development consulting fees from Wittington and a decrease in leasing and project management services provided to third parties, partially offset by an increase in development consulting fees from third parties in the current quarter.

## Net Interest Expense and Other Financing Charges

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Interest on senior unsecured debentures	\$ 60,857	\$ 56,415	\$ 4,442	\$ 174,557	\$ 162,272	\$ 12,285
Interest on mortgages and construction loans	12,864	10,933	1,931	34,352	31,239	3,113
Interest on credit facility	938	2,442	(1,504)	3,147	9,026	(5,879)
Interest on right-of-use lease liabilities	11	14	(3)	35	50	(15)
Amortization of debt discounts and premiums	142	(53)	195	530	(20)	550
Amortization of debt placement costs	1,180	831	349	3,437	3,479	(42)
Capitalized interest <sup>(i)</sup>	(781)	(2,500)	1,719	(2,098)	(5,243)	3,145
	75,211	68,082	7,129	213,960	200,803	13,157
Distributions on Exchangeable Units <sup>(ii)</sup>	75,199	74,210	989	224,938	221,971	2,967
<b>Net interest expense and other financing charges</b>	<b>\$ 150,410</b>	<b>\$ 142,292</b>	<b>\$ 8,118</b>	<b>\$ 438,898</b>	<b>\$ 422,774</b>	<b>\$ 16,124</b>

(i) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.19% and 4.14% for the three and nine months ended September 30, 2024, respectively.

(ii) Represents interest on indebtedness due to GWL.

### Three and Nine Months

Net interest expense and other financing charges increased for the three and nine month periods compared to the prior year primarily due to new debt issuances over the past twelve months bearing interest at higher rates than maturing debt and a decrease in capitalized interest following the completion of several significant developments in the first quarter of 2024 and in the fourth quarter of 2023.

In addition, the interest on senior unsecured debentures increased as a result of the issuance of the \$500 million Series U senior unsecured debentures in the second quarter of 2024. The Trust used the proceeds of the Series U issuance to repay a portion of the \$550 million Series K debentures upon maturity in the current quarter. Prior to the repayment of the Series K, proceeds of the Series U issuance were invested in a GIC earning interest at a higher rate than the debentures.

## General and Administrative Expenses

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Salaries, benefits and employee costs	\$ 17,631	\$ 17,842	\$ (211)	\$ 53,826	\$ 50,985	\$ 2,841
Investor relations and other public entity costs	804	755	49	2,476	2,571	(95)
Professional fees	3,834	1,773	2,061	6,245	3,515	2,730
Information technology costs	2,517	1,708	809	6,545	5,121	1,424
Services Agreement expense charged by related party <sup>(i)</sup>	1,247	1,332	(85)	3,741	3,732	9
Amortization of other assets	314	321	(7)	939	990	(51)
Office related costs	306	452	(146)	1,217	1,242	(25)
Other	1,027	776	251	2,297	2,245	52
	<b>27,680</b>	24,959	2,721	<b>77,286</b>	70,401	6,885
Less:						
Capitalized to properties under development	(3,120)	(3,531)	411	(9,731)	(9,866)	135
Allocated to recoverable operating expenses	(5,552)	(5,008)	(544)	(16,709)	(15,904)	(805)
<b>General and administrative expenses</b>	<b>\$ 19,008</b>	\$ 16,420	\$ 2,588	<b>\$ 50,846</b>	\$ 44,631	\$ 6,215

(i) The Services Agreement is described in Section 9, "Related Party Transactions".

### Three and Nine Months

General and administrative expenses increased for the three and nine month periods compared to the prior year primarily due to restructuring costs related to outsourcing a portion of the Trust's operational accounting function, certain other one-time expenses, and higher expenditures related to information technology.

## 6. LEASING ACTIVITY

Choice Properties' leasing activities are focused on driving value by:

- focusing on property operations and striving for superior service to tenants;
- managing properties to maintain high levels of occupancy;
- increasing rental rates when market conditions permit; and
- adding tenants in complementary business sectors to retail sites anchored by Loblaw food and drug stores.

The following table details the changes for in-place occupancy by segment for the three months ended September 30, 2024:

(in thousands of square feet except where otherwise indicated)	June 30, 2024			Expiries	New	Renewals	Subtotal: Absorption	Portfolio changes <sup>(iv)</sup>	Acquired (Disposed) vacancy	Three Months September 30, 2024		
	Leasable	Occupied	Occupied %							Leasable	Occupied	Occupied %
Retail <sup>(i)</sup>	44,602	43,568	97.7 %	(3,189)	60	3,101	(28)	(117)	(6)	44,479	43,423	97.6 %
Industrial <sup>(ii)</sup>	19,543	19,314	98.8 %	(804)	16	635	(153)	354	1	19,898	19,515	98.1 %
Mixed-Use & Residential <sup>(iii)</sup>	1,134	1,074	94.7 %	(29)	3	29	3	19	4	1,157	1,096	94.7 %
<b>Total</b>	<b>65,279</b>	<b>63,956</b>	<b>98.0 %</b>	<b>(4,022)</b>	<b>79</b>	<b>3,765</b>	<b>(178)</b>	<b>256</b>	<b>(1)</b>	<b>65,534</b>	<b>64,034</b>	<b>97.7 %</b>

- (i) Includes 674,000 sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases (June 30, 2024 - 674,000 sq. ft.).
- (ii) Includes 1,191,000 sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases (June 30, 2024 - 1,191,000 sq. ft.).
- (iii) Occupancy represents retail and office portion of mixed-use properties; residential units are excluded.
- (iv) Represents changes in occupied square footage arising from acquisitions, dispositions, intensifications, expansions, and transfers from properties under development.

The following table details the changes for in-place occupancy by segment for the nine months ended September 30, 2024:

(in thousands of square feet except where otherwise indicated)	December 31, 2023			Expiries	New	Renewals	Subtotal: Absorption	Portfolio changes <sup>(iv)</sup>	Acquired (Disposed) vacancy	Nine Months September 30, 2024		
	Leasable	Occupied	Occupied %							Leasable	Occupied	Occupied %
Retail <sup>(i)</sup>	44,691	43,667	97.7 %	(3,978)	132	3,786	(60)	(184)	(28)	44,479	43,423	97.6 %
Industrial <sup>(ii)</sup>	19,655	19,458	99.0 %	(1,523)	152	1,184	(187)	244	(1)	19,898	19,515	98.1 %
Mixed-Use & Residential <sup>(iii)</sup>	1,134	1,068	94.2 %	(31)	13	31	13	15	8	1,157	1,096	94.7 %
<b>Total</b>	<b>65,480</b>	<b>64,193</b>	<b>98.0 %</b>	<b>(5,532)</b>	<b>297</b>	<b>5,001</b>	<b>(234)</b>	<b>75</b>	<b>(21)</b>	<b>65,534</b>	<b>64,034</b>	<b>97.7 %</b>

- (i) Includes 674,000 sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases (December 31, 2023 - 657,000 sq. ft.).
- (ii) Includes 1,191,000 sq. ft. that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases (December 31, 2023 - 1,191,000 sq. ft.).
- (iii) Occupancy represents retail and office portion of mixed-use properties; residential units are excluded.
- (iv) Represents changes in occupied square footage arising from acquisitions, dispositions, intensifications, expansions, and transfers from properties under development.

At September 30, 2024, the Trust had 29 retail sites and 5 industrial sites leased to tenants through ground leases (December 31, 2023 - 30 retail and 5 industrial). Tenants have constructed buildings on sites with gross building area of approximately 1,865,000 sq. ft. at the Trust's share (December 31, 2023 - 1,848,000 sq. ft.). In addition, the Trust has 176 gas bars in its retail segment (December 31, 2023 - 178), which have been excluded from the occupancy tables.



### Three Months

Overall occupancy decreased to 97.7% as at September 30, 2024 from 98.0% as at June 30, 2024.

Occupancy decreased slightly in the retail segment primarily due to negative absorption of (28,000) square feet and the impact from net negative portfolio changes.

Net portfolio changes of approximately (117,000) square feet in the retail segment included: the disposition of a Quebec property, and the removal of the GLA associated with the Trust's Carlaw avenue property where the Trust has entered into an agreement with the Province of Ontario to facilitate the construction of a transit station at the site. The decrease was partially offset by the acquisition of a 50% interest in two retail properties from Loblaw.

Occupancy decreased by 0.7% in the industrial segment primarily due to negative absorption of approximately 153,000 square feet resulting from several vacancies in the Ontario and Alberta portfolios.

Net portfolio changes of approximately 354,000 square feet in the industrial segment was primarily due to the acquisition of a 50% interest in an Ontario property from Loblaw.

### Nine Months

Overall period end occupancy for the nine months ended September 30, 2024 decreased to 97.7% from 98.0% as at December 31, 2023.

Occupancy decreased slightly in the retail segment primarily due to negative absorption of (60,000) square feet and the impact from net negative portfolio changes,

Net portfolio changes of approximately (184,000) square feet in the retail segment included: the disposition of one Quebec property, two Saskatchewan properties and two Alberta properties, and the removal of the GLA associated with the Trust's Carlaw Avenue property where the Trust has entered into an agreement with the Province of Ontario to facilitate the construction of a transit station at the site. The decrease was partially offset by the acquisition of a partner's share of one Alberta property and a 50% interest in two retail properties from Loblaw.

Occupancy decreased by 0.9% in the industrial segment primarily due to negative absorption of approximately 187,000 square feet resulting from several vacancies in the Ontario and Alberta portfolios.

Net portfolio changes of approximately 244,000 square feet in the industrial segment were primarily due to the acquisition of a 50% interest in an Ontario property from Loblaw, partially offset by the disposition of another Ontario property.

The positive absorption of approximately 13,000 square feet in the mixed-use & residential segment was primarily due to new leasing in an Ontario property.

Choice Properties' principal tenant, Loblaw, represents 58.5% of its total GLA (December 31, 2023 - 57.7%). During the current quarter, Choice and Loblaw renewed 46 of a tranche of 48 leases expiring in 2025, comprising 3.08 million of 3.20 million square feet, at a weighted average spread of 8.4% and a weighted average extension term of 5.0 years. The 46 renewals included one industrial lease.

(in millions of square feet except where otherwise indicated)	As at September 30, 2024				As at December 31, 2023			
	Portfolio GLA	Occupied GLA	Occupancy (%)	WALT <sup>(i)</sup> (years)	Portfolio GLA	Occupied GLA	Occupancy (%)	WALT <sup>(i)</sup> (years)
Loblaw banners <sup>(ii)</sup>	38.3	38.3	100.0%	6.2	37.8	37.8	100.0%	6.5
Third-party tenants <sup>(iii)</sup>	27.2	25.7	94.5%	5.4	27.7	26.4	95.4%	5.4
<b>Total commercial GLA</b>	<b>65.5</b>	<b>64.0</b>	<b>97.7%</b>	<b>5.9</b>	<b>65.5</b>	<b>64.2</b>	<b>98.0%</b>	<b>6.0</b>

(i) Weighted average lease term-to-maturity.

(ii) Included in Loblaw banners GLA is 0.9 million sq. ft. related to ground leases (December 31, 2023 - 0.9 million sq. ft.).

(iii) Included in third-party tenants GLA is 0.9 million sq. ft. related to ground leases (December 31, 2023 - 0.9 million sq. ft.).

The lease maturity profile for Choice Properties' portfolio as at September 30, 2024 was as follows:

(in thousands of square feet except where otherwise indicated)	<b>Third-party GLA</b>	<b>Loblaw GLA</b>	<b>Total GLA</b>	<b>Expiring GLA as a % of total GLA</b>	<b>Expiring annualized base rent (\$ 000's)</b>	<b>Average expiring base rent (per square foot)</b>
Month-to-month	469	—	469	0.7 %	\$ 8,193	\$ 17.56
Remainder of 2024	283	25	308	0.5 %	4,937	16.06
2025	2,690	199	2,889	4.4 %	34,477	11.94
2026	3,493	2,667	6,160	9.4 %	92,802	15.13
2027	3,069	3,949	7,018	10.7 %	113,338	16.15
2028	3,350	4,941	8,291	12.7 %	132,453	15.98
2029	2,569	7,053	9,622	14.7 %	149,882	15.58
2030 & Thereafter	8,882	18,530	27,412	41.8 %	456,482	16.67
Occupied GLA	24,805	37,364	62,169	94.9 %	992,564	15.97
Ground lease GLA <sup>(i)</sup>	934	931	1,865	2.8 %	20,746	11.12
Vacant GLA	1,500	—	1,500	2.3 %	—	—
<b>Total</b>	<b>27,239</b>	<b>38,295</b>	<b>65,534</b>	<b>100.0 %</b>	<b>\$ 1,013,310</b>	<b>\$ 15.82</b>

(i) Represents the building area on properties where the Trust has leased the underlying sites to tenants through ground leases.

## Retail Tenant Profile

Choice Properties' retail portfolio is the foundation for maintaining stable and growing cash flows. It is primarily leased to grocery stores, pharmacies, and other necessity-based tenants. Stability is attained through a strategic relationship and long-term leases with Loblaw.

The Trust's ten largest retail tenants for the three months ended September 30, 2024 represented approximately 56.7% of total annualized gross rental revenue and 73.3% of retail annualized gross rental revenue, as calculated on a proportionate share basis<sup>(1)</sup>. The names noted below may be the names of the parent entities and are not necessarily the parties to the leases.

<b>Retail Tenants</b>	<b>% of Retail Annualized Gross Rental Revenue</b>	<b>GLA (000's square feet)</b>
1. Loblaws	64.5 %	31,106
2. Canadian Tire	1.8 %	904
3. TJX Companies	1.5 %	643
4. Dollarama	1.4 %	562
5. Goodlife	0.9 %	362
6. Liquor Control Board of Ontario (LCBO)	0.7 %	198
7. TD Canada Trust	0.7 %	125
8. Staples	0.6 %	296
9. Walmart	0.6 %	544
10. Sobeys	0.6 %	269
<b>Total</b>	<b>73.3 %</b>	<b>35,009</b>

The following table outlines further details of the Trust's retail tenant composition as at September 30, 2024:

<b>Retail Category</b>	<b>% of Retail Annualized Gross Rental Revenue</b>	<b>GLA (000's square feet)</b>
Grocery & Pharmacy	68.2 %	32,946
Essential Services	14.2 %	4,264
Specialty & Value	5.4 %	2,127
Fitness & Other Personal Services	4.8 %	1,648
Full-Service Restaurants	3.0 %	696
Furniture & Home	2.6 %	1,173
Other	1.8 %	569
<b>Total</b>	<b>100.0 %</b>	<b>43,423</b>

The lease maturity profile for Choice Properties' retail portfolio as at September 30, 2024 was as follows:

(in thousands of square feet except where otherwise indicated)	Third-party GLA	Loblaw GLA	Total GLA	Expiring GLA as a % of total GLA	Expiring annualized base rent (\$ 000's)	Average expiring base rent (per square foot)
Month-to-month	424	—	424	1.0 %	\$ 7,876	\$ 18.69
Remainder of 2024 <sup>(i)</sup>	178	25	203	0.5 %	3,794	18.74
2025	988	199	1,187	2.7 %	21,361	18.02
2026	1,942	2,667	4,609	10.4 %	76,792	16.75
2027	1,799	3,949	5,748	12.9 %	100,269	17.45
2028	1,598	4,141	5,739	12.9 %	102,712	17.91
2029	1,336	6,390	7,726	17.4 %	126,931	16.43
2030 & Thereafter	3,378	13,735	17,113	38.3 %	323,530	18.94
Occupied GLA	11,643	31,106	42,749	96.1 %	763,265	17.85
Ground lease GLA <sup>(ii)</sup>	674	—	674	1.5 %	6,755	10.02
Vacant GLA	1,056	—	1,056	2.4 %	—	—
<b>Total</b>	<b>13,373</b>	<b>31,106</b>	<b>44,479</b>	<b>100.0 %</b>	<b>\$ 770,020</b>	<b>\$ 17.73</b>

(i) The 203,000 sq. ft. of GLA maturing in 2024 is located in the following markets: 19.3% Greater Toronto Area, 14.3% Ottawa, 13.5% Greater Montreal Area, 2.8% Vancouver, 0.7% Calgary, and 49.4% other markets.

(ii) Represents the building area on properties where the Trust has leased the underlying sites to tenants through ground leases.

As at September 30, 2024, the average in place base rent for the Trust's retail portfolio, excluding ground leases, was \$17.05 per square foot.

## Industrial Tenant Profile

Choice Properties' industrial portfolio is centred on large, purpose-built distribution facilities for Loblaw and high-quality "generic" industrial assets that readily accommodate the diverse needs of a broad range of tenants. The term "generic" refers to a product that appeals to a wide range of potential users, such that the leasing or re-leasing timeframe is reduced.

The Trust's ten largest industrial tenants for the three months ended September 30, 2024 represented approximately 11.3% of total annualized gross rental revenue and 57.6% of industrial annualized gross rental revenue, as calculated on a proportionate share basis<sup>(1)</sup>. The names noted below may be the names of the parent entities and are not necessarily the parties to the leases.

Industrial Tenants	% of Industrial Annualized Gross Rental Revenue	GLA (000's square feet)
1. Loblaw	30.0 %	6,449
2. Amazon	4.9 %	1,020
3. Canada Cartage	4.5 %	672
4. Wonderbrands Inc.	3.7 %	1,050
5. Pet Valu	3.5 %	353
6. NFI IPD	2.7 %	354
7. Uline Canada Corporation	2.3 %	635
8. Canadian Tire	2.0 %	486
9. Kimberly-Clark	2.0 %	514
10. Alberta Gaming, Liquor and Cannabis	2.0 %	424
<b>Total</b>	<b>57.6 %</b>	<b>11,957</b>

The following table outlines further details of the Trust's industrial tenant composition as at September 30, 2024:

Building Type / Tenant Use	% of Industrial Annualized Gross Rental Revenue	GLA (000's square feet)	Occupied GLA (000's square feet)	Occupancy
Distribution	54.9 %	10,777	10,612	98.5 %
Large Bay-Loblaw Distribution	30.0 %	6,449	6,449	100.0 %
Warehouse <sup>(i)</sup>	15.1 %	2,672	2,454	91.8 %
<b>Total</b>	<b>100.0 %</b>	<b>19,898</b>	<b>19,515</b>	<b>98.1 %</b>

(i) Warehouse includes certain Small Bay assets.

The lease maturity profile for Choice Properties' industrial portfolio as at September 30, 2024 was as follows:

(in thousands of square feet except where otherwise indicated)	Third-party GLA	Loblaw GLA	Total GLA	Expiring GLA as a % of total GLA	Expiring annualized base rent (\$ 000's)	Average expiring base rent (per square foot)
Month-to-month	45	—	45	0.2 %	\$ 316	\$ 7.02
Remainder of 2024 <sup>(i)</sup>	98	—	98	0.5 %	950	9.65
2025	1,687	—	1,687	8.5 %	12,722	7.54
2026	1,445	—	1,445	7.3 %	13,511	9.35
2027	1,206	—	1,206	6.1 %	11,372	9.43
2028	1,740	772	2,512	12.6 %	28,531	11.36
2029	1,184	663	1,847	9.3 %	21,621	11.71
2030 & Thereafter	5,402	4,082	9,484	47.6 %	114,108	11.99
Occupied GLA <sup>(ii)</sup>	12,807	5,517	18,324	92.1 %	203,131	11.09
Ground lease GLA <sup>(iii)</sup>	260	931	1,191	6.0 %	13,991	11.75
Vacant GLA	383	—	383	1.9 %	—	—
<b>Total</b>	<b>13,450</b>	<b>6,448</b>	<b>19,898</b>	<b>100.0 %</b>	<b>\$ 217,122</b>	<b>\$ 11.13</b>

(i) The 98,000 sq. ft. of GLA maturing in 2024 is located in the following markets: 23.6% Calgary, 22.3% Edmonton, and 54.1% other markets.

(ii) Average in-place base rent per square foot for the major markets (excluding ground leases): \$13.91 Vancouver, \$8.92 Edmonton, \$8.41 Calgary, \$9.86 Greater Toronto Area, \$9.97 Greater Montreal Area, and \$8.97 other markets.

(iii) Represents the building area on properties where the Trust has leased the underlying sites to tenants through ground leases.

As at September 30, 2024, the average in place base rent for the Trust's industrial portfolio, excluding ground leases, was \$9.68 per square foot.

## 7. RESULTS OF OPERATIONS - SEGMENT INFORMATION

### 7.1 Net Income and Segment NOI Reconciliation

Choice Properties operates in three reportable segments: retail, industrial, and mixed-use & residential. Management measures and evaluates the performance of the Trust based on net operating income, which is presented by segment below at the proportionate share of the related revenue and expenses for these properties, while other net income items are reviewed on a consolidated GAAP basis.

The following table reconciles net loss on a proportionate share basis<sup>(1)</sup> to net loss as determined in accordance with GAAP for the three months ended September 30, 2024:

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Proportionate Share Basis <sup>(1)</sup>	Adjustment to GAAP <sup>(i)</sup>	GAAP Basis
Rental revenue, excluding straight-line rental revenue and lease surrender revenue	\$ 269,955	\$ 68,069	\$ 18,437	\$ 356,461	\$ (21,090)	\$ 335,371
Property operating costs	(75,306)	(18,178)	(7,025)	(100,509)	7,616	(92,893)
<b>Net Operating Income, Cash Basis<sup>(1)</sup></b>	<b>194,649</b>	<b>49,891</b>	<b>11,412</b>	<b>255,952</b>	(13,474)	<b>242,478</b>
Straight-line rental revenue	(1,476)	1,442	308	274	(620)	(346)
Lease surrender revenue	4,871	—	2	4,873	—	4,873
<b>Net Operating Income, Accounting Basis</b>	<b>198,044</b>	<b>51,333</b>	<b>11,722</b>	<b>261,099</b>	(14,094)	<b>247,005</b>
<b>Other Income and Expenses</b>						
Interest income				13,251	4,061	17,312
Investment income				5,315	—	5,315
Fee income				1,351	—	1,351
Net interest expense and other financing charges				(155,833)	5,423	(150,410)
General and administrative expenses				(19,008)	—	(19,008)
Share of income from equity accounted joint ventures				—	5,230	5,230
Amortization of intangible assets				(250)	—	(250)
Adjustment to fair value of unit-based compensation				(3,339)	—	(3,339)
Adjustment to fair value of Exchangeable Units				(906,351)	—	(906,351)
Adjustment to fair value of investment properties				82,793	(620)	82,173
Adjustment to fair value of investment in real estate securities				57,983	—	57,983
<b>Net Loss</b>				<b>\$ (662,989)</b>	<b>\$ —</b>	<b>\$ (662,989)</b>

(i) Reconciling items adjust Choice Properties' proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment under GAAP.

The following table reconciles net loss on a proportionate share basis<sup>(1)</sup> to net loss as determined in accordance with GAAP for the nine months ended September 30, 2024:

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Proportionate Share Basis <sup>(1)</sup>	Adjustment to GAAP <sup>(i)</sup>	GAAP Basis
Rental revenue, excluding straight-line rental revenue and lease surrender revenue	\$ 822,285	\$ 196,336	\$ 53,628	\$ 1,072,249	\$ (66,132)	\$ 1,006,117
Property operating costs	(236,694)	(50,260)	(21,142)	(308,096)	23,903	(284,193)
<b>Net Operating Income, Cash Basis<sup>(1)</sup></b>	<b>585,591</b>	<b>146,076</b>	<b>32,486</b>	<b>764,153</b>	(42,229)	<b>721,924</b>
Straight-line rental revenue	(5,810)	5,178	1,005	373	(1,892)	(1,519)
Lease surrender revenue	8,644	—	2	8,646	—	8,646
<b>Net Operating Income, Accounting Basis</b>	<b>588,425</b>	<b>151,254</b>	<b>33,493</b>	<b>773,172</b>	(44,121)	<b>729,051</b>
Gross sales				11,268	—	11,268
Cost of sales				(9,234)	—	(9,234)
<b>Residential Inventory Income</b>				<b>2,034</b>	—	<b>2,034</b>
<b>Other Income and Expenses</b>						
Interest income				30,210	12,136	42,346
Investment income				15,945	—	15,945
Fee income				2,677	—	2,677
Net interest expense and other financing charges				(455,497)	16,599	(438,898)
General and administrative expenses				(50,846)	—	(50,846)
Share of income from equity accounted joint ventures				—	11,318	11,318
Amortization of intangible assets				(750)	—	(750)
Transaction costs and other related expenses				38,615	—	38,615
Adjustment to fair value of unit-based compensation				(1,270)	—	(1,270)
Adjustment to fair value of Exchangeable Units				(467,028)	—	(467,028)
Adjustment to fair value of investment properties				104,775	4,068	108,843
Adjustment to fair value of investment in real estate securities				472	—	472
<b>Loss before Income Taxes</b>				<b>(7,491)</b>	—	<b>(7,491)</b>
Income tax recovery				12	—	12
<b>Net Loss</b>				<b>\$ (7,479)</b>	<b>\$ —</b>	<b>\$ (7,479)</b>

(i) Reconciling items adjust Choice Properties' proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment under GAAP.



## 7.2 Net Operating Income<sup>(1)</sup> Summary

NOI<sup>(1)</sup> is a supplemental measure of operating performance widely used in the real estate industry. There is no industry-defined definition of NOI<sup>(1)</sup>. Refer to Section 14.2, “Net Operating Income”, of this MD&A for a definition of NOI<sup>(1)</sup> and a reconciliation to net income (loss) determined in accordance with GAAP.

Management also measures performance of operating segments using NOI<sup>(1)</sup> as calculated on a proportionate share basis<sup>(1)</sup> and, in particular, Same-Asset NOI, which isolates Management’s success at dealing with certain key performance factors. “Same-Asset” refers to those properties that were owned and operated by Choice Properties for the entire 21 months ended September 30, 2024, and where such properties had no changes to income as a result of acquisitions, dispositions, new developments, redevelopments and expansions, intensifications, transfers, or demolitions (collectively, “Transactions”). NOI related to Transactions for the period are presented separately from the Same-Asset financial results.

Choice Properties’ NOI<sup>(1)</sup> is calculated on a proportionate share basis<sup>(1)</sup> to incorporate the Trust’s investment in equity accounted joint ventures as if they were owned directly and financial real estate assets for the three and nine months ended September 30, 2024 and September 30, 2023 as summarized below:

### Summary - Accounting Basis

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
Rental revenue	\$ 334,023	\$ 320,586	\$ 13,437	4.2 %	\$1,006,052	\$ 969,628	\$ 36,424	3.8 %
Straight-line rental revenue	(2,410)	(1,291)	(1,119)	86.7 %	(5,769)	(2,858)	(2,911)	101.9 %
Property operating costs excluding bad debt expense	(94,499)	(87,997)	(6,502)	7.4 %	(290,799)	(275,708)	(15,091)	5.5 %
Same-Asset NOI, Cash Basis excluding bad debt expense	237,114	231,298	5,816	2.5 %	709,484	691,062	18,422	2.7 %
Bad debt expense	(396)	(439)	43	(9.8)%	1,126	(149)	1,275	n/a
Same-Asset NOI, Accounting Basis	236,718	230,859	5,859	2.5 %	710,610	690,913	19,697	2.9 %
Transactions NOI including straight-line rental revenue, excluding bad debt expense	19,321	14,062	5,259		53,714	41,423	12,291	
Bad debt expense	187	51	136		202	(225)	427	
Transactions NOI, Accounting Basis	19,508	14,113	5,395		53,916	41,198	12,718	
Lease surrender revenue	4,873	6,209	(1,336)		8,646	14,639	(5,993)	
<b>Total NOI, Accounting Basis</b>	<b>\$ 261,099</b>	<b>\$ 251,181</b>	<b>\$ 9,918</b>		<b>\$ 773,172</b>	<b>\$ 746,750</b>	<b>\$ 26,422</b>	

## Summary - Cash Basis

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
Rental revenue	\$ 334,023	\$ 320,586	\$ 13,437	4.2 %	\$1,006,052	\$ 969,628	\$ 36,424	3.8 %
Property operating costs excluding bad debt expense	(94,499)	(87,997)	(6,502)	7.4 %	(290,799)	(275,708)	(15,091)	5.5 %
Same-Asset NOI, Cash Basis excluding bad debt expense	239,524	232,589	6,935	3.0 %	715,253	693,920	21,333	3.1 %
Bad debt expense	(396)	(439)	43	(9.8)%	1,126	(149)	1,275	n/a
Same-Asset NOI, Cash Basis	239,128	232,150	6,978	3.0 %	716,379	693,771	22,608	3.3 %
Transactions NOI excluding bad debt expense	16,637	12,685	3,952		47,572	38,922	8,650	
Bad debt expense	187	51	136		202	(225)	427	
Transactions NOI, Cash Basis	16,824	12,736	4,088		47,774	38,697	9,077	
<b>Total NOI, Cash Basis</b>	<b>\$ 255,952</b>	<b>\$ 244,886</b>	<b>\$ 11,066</b>		<b>\$ 764,153</b>	<b>\$ 732,468</b>	<b>\$ 31,685</b>	

### Three and Nine Months

Same-Asset NOI, cash basis increased by 3.0% and 3.3% for the three and nine month periods, respectively, primarily due to increased revenue from higher rental rates on renewals, new leasing, contractual rent steps, and higher recoveries in the industrial and retail portfolios. In addition, the nine month period included the reversal of a provision in the industrial portfolio following the resolution of a tenant dispute.

Transactions NOI increased for the three and nine month periods primarily due to the contribution from acquisitions and development transfers, partially offset by the foregone income from dispositions.

## Retail Segment

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
Rental revenue	\$ 258,007	\$ 251,461	\$ 6,546	2.6 %	\$ 783,737	\$ 761,448	\$ 22,289	2.9 %
Property operating costs excluding bad debt expense	(72,222)	(67,938)	(4,284)	6.3 %	(225,790)	(215,497)	(10,293)	4.8 %
Same-Asset NOI, Cash Basis excluding bad debt expense	185,785	183,523	2,262	1.2 %	557,947	545,951	11,996	2.2 %
Bad debt expense	(67)	59	(126)	(213.6)%	117	115	2	1.7 %
Same-Asset NOI, Cash Basis	185,718	183,582	2,136	1.2 %	558,064	546,066	11,998	2.2 %
Transactions NOI excluding bad debt expense	8,744	10,906	(2,162)		27,339	31,577	(4,238)	
Bad debt expense	187	(56)	243		188	(335)	523	
Transactions NOI, Cash Basis	8,931	10,850	(1,919)		27,527	31,242	(3,715)	
<b>Total NOI, Cash Basis</b>	<b>\$ 194,649</b>	<b>\$ 194,432</b>	<b>\$ 217</b>		<b>\$ 585,591</b>	<b>\$ 577,308</b>	<b>\$ 8,283</b>	

### Three and Nine Months

Same-Asset NOI, cash basis for the retail segment increased by 1.2% and 2.2% for the three and nine month periods, respectively, primarily due to increased revenue from contractual rent steps, higher rental rates on renewals and new leasing, and higher recoveries.

Same-Asset NOI growth was negatively impacted by certain timing differences between the current and prior year and the later completion of recoverable capital projects in the current year.

Transactions NOI for the retail segment decreased for the three and nine month periods primarily due to the foregone income from dispositions, partially offset by the contribution from acquisitions and development transfers.

## Industrial Segment

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
Rental revenue	\$ 59,944	\$ 53,150	\$ 6,794	12.8 %	\$ 173,994	\$ 160,755	\$ 13,239	8.2 %
Property operating costs excluding bad debt expense	(15,895)	(13,580)	(2,315)	17.0 %	(46,182)	(41,791)	(4,391)	10.5 %
Same-Asset NOI, Cash Basis excluding bad debt expense	44,049	39,570	4,479	11.3 %	127,812	118,964	8,848	7.4 %
Bad debt expense	(214)	(331)	117	(35.3)%	1,340	(221)	1,561	n/a
Same-Asset NOI, Cash Basis	43,835	39,239	4,596	11.7 %	129,152	118,743	10,409	8.8 %
Transactions NOI excluding bad debt expense	6,056	1,074	4,982		16,927	2,269	14,658	
Bad debt expense	—	—	—		(3)	3	(6)	
Transactions NOI, Cash Basis	6,056	1,074	4,982		16,924	2,272	14,652	
<b>Total NOI, Cash Basis</b>	<b>\$ 49,891</b>	<b>\$ 40,313</b>	<b>\$ 9,578</b>		<b>\$ 146,076</b>	<b>\$ 121,015</b>	<b>\$ 25,061</b>	

### Three and Nine Months

Same-Asset NOI, cash basis for the industrial segment increased by 11.7% and 8.8% for the three and nine month periods, respectively, primarily due to increased revenue from higher rental rates on renewals, new leasing at market rates, contractual rent steps, and higher recoveries. In addition, the nine month period included the reversal of a provision following the resolution of a tenant dispute.

Transactions NOI for the industrial segment increased for the three and nine month periods primarily due to the contribution from acquisitions and development transfers, partially offset by the foregone income from dispositions.

## Mixed-Use & Residential Segment

For the periods ended September 30 (\$ thousands)	Three Months				Nine Months			
	2024	2023	Change \$	% Change	2024	2023	Change \$	% Change
Rental revenue	\$ 16,072	\$ 15,975	\$ 97	0.6 %	\$ 48,321	\$ 47,425	\$ 896	1.9 %
Property operating costs excluding bad debt expense	(6,382)	(6,479)	97	(1.5)%	(18,827)	(18,420)	(407)	2.2 %
Same-Asset NOI, Cash Basis excluding bad debt expense	9,690	9,496	194	2.0 %	29,494	29,005	489	1.7 %
Bad debt expense	(115)	(167)	52	(31.1)%	(331)	(43)	(288)	669.8 %
Same-Asset NOI, Cash Basis	9,575	9,329	246	2.6 %	29,163	28,962	201	0.7 %
Transactions NOI excluding bad debt expense	1,837	705	1,132		3,306	5,076	(1,770)	
Bad debt expense	—	107	(107)		17	107	(90)	
Transactions NOI, Cash Basis	1,837	812	1,025		3,323	5,183	(1,860)	
<b>Total NOI, Cash Basis</b>	<b>\$ 11,412</b>	<b>\$ 10,141</b>	<b>\$ 1,271</b>		<b>\$ 32,486</b>	<b>\$ 34,145</b>	<b>\$ (1,659)</b>	

### Three and Nine Months

Same-Asset NOI, cash basis for the mixed-use & residential segment increased by 2.6% and 0.7% for the three and nine month periods, respectively, primarily due to increased revenue from higher occupancy and increased rental rates at residential properties. For the nine month period, the increase was partially offset by the impact of favourable final billing adjustments recognized in the prior year period.

Transactions NOI for the mixed-use and residential segment increased for the three month period and decreased for the nine month period. For the three month period, the increase was driven by the contributions from the recently completed residential developments. For nine month period, the decrease was primarily due to the foregone income from dispositions of three office properties and one data centre in the prior year, partially offset by the contributions from recently completed residential developments.

### 7.3 Other Key Performance Indicators

FFO<sup>(1)</sup> and AFFO<sup>(1)</sup> are included in the Trust's summary of key performance indicators. See Section 14, "Non-GAAP Financial Measures", of this MD&A for details on how these measures are defined, calculated and reconciled to GAAP financial measures and why management uses these measures. FFO<sup>(1)</sup> and AFFO<sup>(1)</sup> for the three and nine months ended September 30, 2024 and September 30, 2023 are summarized below:

For the periods ended September 30 (\$ thousands except where otherwise indicated)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Funds from Operations <sup>(1)</sup>	\$ 186,647	\$ 181,013	\$ 5,634	\$ 558,550	\$ 541,494	\$ 17,056
FFO <sup>(1)</sup> per unit basic	\$ 0.258	\$ 0.250	\$ 0.008	\$ 0.772	\$ 0.748	\$ 0.024
FFO <sup>(1)</sup> per unit diluted	\$ 0.258	\$ 0.250	\$ 0.008	\$ 0.772	\$ 0.748	\$ 0.024
FFO <sup>(1)</sup> payout ratio - diluted	73.7 %	75.0 %	(1.3)%	73.6 %	74.9 %	(1.3)%
Adjusted Funds from Operations <sup>(1)</sup>	\$ 165,876	\$ 136,558	\$ 29,318	\$ 515,622	\$ 471,337	\$ 44,285
AFFO <sup>(1)</sup> per unit basic	\$ 0.229	\$ 0.189	\$ 0.040	\$ 0.713	\$ 0.651	\$ 0.062
AFFO <sup>(1)</sup> per unit diluted	\$ 0.229	\$ 0.189	\$ 0.040	\$ 0.713	\$ 0.651	\$ 0.062
AFFO <sup>(1)</sup> payout ratio - diluted	82.9 %	99.4 %	(16.5)%	79.8 %	86.1 %	(6.3)%
Distribution declared per unit	\$ 0.190	\$ 0.188	\$ 0.002	\$ 0.568	\$ 0.561	\$ 0.007
Weighted average number of units outstanding - basic <sup>(i)</sup>	723,666,225	723,646,497	19,728	723,653,121	723,642,153	10,968
Weighted average number of units outstanding - diluted <sup>(i)</sup>	723,683,222	723,664,818	18,404	723,665,943	723,667,850	(1,907)
Number of units outstanding, end of period <sup>(i)</sup>	723,710,497	723,646,497	64,000	723,710,497	723,646,497	64,000

(i) Includes Trust Units and Exchangeable Units.

#### Funds from Operations ("FFO")<sup>(1)</sup>

FFO<sup>(1)</sup> is calculated in accordance with the Real Property Association of Canada's *Funds from Operations & Adjusted Funds from Operations for IFRS* issued in January 2022. From time to time the Trust may enter into transactions that materially impact the calculation of FFO<sup>(1)</sup> and accordingly the impact of these items are excluded from the calculation for management's review purposes. Refer to Section 14.3, "Funds from Operations", for a reconciliation of FFO<sup>(1)</sup> to net income (loss) determined in accordance with GAAP.

#### Three and Nine Months

FFO<sup>(1)</sup> increased for the three month and nine month periods primarily due to an increase in net operating income, partially offset by higher general and administrative expenses including certain non-recurring items, an increase in interest expense net of an increase in interest income, and lower lease surrender revenue.

For the nine month period, income recognized in relation to the sale of residential inventory further contributed to the increase in FFO<sup>(1)</sup>.

#### Adjusted Funds from Operations ("AFFO")<sup>(1)</sup>

Choice Properties calculates AFFO<sup>(1)</sup> in accordance with the Real Property Association of Canada's *Funds from Operations & Adjusted Funds from Operations for IFRS* issued in January 2022. From time to time the Trust may enter into transactions that materially impact the calculation of AFFO<sup>(1)</sup> and accordingly the impact of these items are excluded from the calculation for management's review purposes. Refer to Section 14.4, "Adjusted Funds from Operations", for a reconciliation of AFFO<sup>(1)</sup> to net income determined in accordance with GAAP.

#### Three and Nine Months

AFFO<sup>(1)</sup> increased for the three month and nine month periods primarily due to differences in the timing of maintenance and leasing spend and the increase in FFO<sup>(1)</sup> as noted above.

## Property Capital and Leasing Expenditures

Choice Properties endeavours to fund operating capital requirements from cash flows from operations.

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Property capital	\$ 11,948	\$ 31,591	\$ (19,643)	\$ 18,986	\$ 39,113	\$ (20,127)
Direct leasing costs	3,230	1,800	1,430	7,037	4,741	2,296
Tenant improvements	3,165	8,696	(5,531)	9,311	19,870	(10,559)
<b>Total property capital and leasing expenditures, proportionate share basis<sup>(1)</sup></b>	<b>\$ 18,343</b>	<b>\$ 42,087</b>	<b>\$ (23,744)</b>	<b>\$ 35,334</b>	<b>\$ 63,724</b>	<b>\$ (28,390)</b>

Property capital expenditures incurred to sustain the existing GLA for investment properties are considered to be operational and are deducted in the calculation of AFFO<sup>(1)</sup> and ACFO<sup>(1)</sup>. During the three and nine months ended September 30, 2024, Choice Properties incurred \$11,948 and \$18,986 of property capital expenditures, respectively, which may be recoverable from tenants under the terms of their leases over the useful life of the improvements (September 30, 2023 - \$31,591 and \$39,113, respectively). Recoverable capital improvements may include items such as parking lot resurfacing and roof replacements. These items are recorded as part of investment properties and the recoveries from tenants are recorded as revenue.

Capital expenditures for leasing activities, such as direct leasing costs or leasing commissions, and tenant improvement allowances are considered to be operational and are deducted in the calculation of AFFO<sup>(1)</sup> and ACFO<sup>(1)</sup>. Leasing capital expenditures vary with tenant demand and the balance between new and renewal leasing, as capital expenditures relating to securing new tenants are generally higher than the cost for renewing existing tenants.

## 8. QUARTERLY RESULTS OF OPERATIONS

The following is a summary of selected consolidated financial information for each of the eight most recently completed quarters:

### Selected Quarterly Information

(\$ thousands except where otherwise indicated)	Third Quarter 2024	Second Quarter 2024	First Quarter 2024	Fourth Quarter 2023	Third Quarter 2023	Second Quarter 2023	First Quarter 2023	Fourth Quarter 2022
Number of income producing properties	705	702	705	705	706	704	705	704
Gross leasable area (in millions of square feet) <sup>(i)</sup>	66.2	65.9	66.1	66.1	65.2	64.5	64.9	64.5
Occupancy	97.7%	98.0%	97.9%	98.0%	97.7%	97.4%	97.7%	97.9%
Rental revenue (GAAP)	\$ 339,898	\$ 335,388	\$ 337,958	\$ 329,109	\$ 325,077	\$ 330,327	\$ 324,657	\$ 314,382
Net (loss) income	\$ (662,989)	\$ 513,231	\$ 142,279	\$ (445,684)	\$ 435,903	\$ 535,668	\$ 270,804	\$ (579,000)
Net (loss) income per unit	\$ (0.916)	\$ 0.709	\$ 0.197	\$ (0.616)	\$ 0.602	\$ 0.740	\$ 0.374	\$ (0.795)
Net (loss) income per unit - diluted	\$ (0.916)	\$ 0.709	\$ 0.197	\$ (0.616)	\$ 0.602	\$ 0.740	\$ 0.374	\$ (0.795)
Net operating income, cash basis <sup>(1)</sup>	\$ 255,952	\$ 256,568	\$ 251,633	\$ 247,037	\$ 244,886	\$ 243,530	\$ 244,052	\$ 238,819
FFO <sup>(1)</sup>	\$ 186,647	\$ 184,714	\$ 187,189	\$ 184,640	\$ 181,013	\$ 183,590	\$ 176,891	\$ 174,183
FFO <sup>(1)</sup> per unit - diluted	\$ 0.258	\$ 0.255	\$ 0.259	\$ 0.255	\$ 0.250	\$ 0.254	\$ 0.244	\$ 0.241
AFFO <sup>(1)</sup>	\$ 165,876	\$ 176,600	\$ 173,146	\$ 127,095	\$ 136,558	\$ 170,400	\$ 164,379	\$ 126,935
AFFO <sup>(1)</sup> per unit - diluted	\$ 0.229	\$ 0.244	\$ 0.239	\$ 0.176	\$ 0.189	\$ 0.235	\$ 0.227	\$ 0.175
Distribution declared per unit	\$ 0.190	\$ 0.190	\$ 0.188	\$ 0.188	\$ 0.188	\$ 0.188	\$ 0.186	\$ 0.185
Market price per unit - closing	\$ 15.13	\$ 12.84	\$ 13.78	\$ 13.95	\$ 12.68	\$ 13.57	\$ 14.52	\$ 14.76
Number of units outstanding, period end	723,710,497	723,646,497	723,646,497	723,646,497	723,646,497	723,646,497	723,646,497	723,557,674
Adjusted debt to total assets <sup>(1)(ii)</sup>	40.0%	42.2%	40.3%	40.4%	40.6%	40.5%	41.0%	40.6%
Debt service coverage <sup>(1)(ii)</sup>	2.9x	3.0x	3.1x	3.0x	3.0x	3.1x	3.1x	3.1x

- (i) Includes GLA that represents the building area on properties where the Trust has leased the underlying sites to the tenants through ground leases and GLA associated with Choice Properties' residential units.
- (ii) The Exchangeable Units are excluded from the debt ratio calculations. The ratios are non-GAAP financial measures calculated based on the Trust Indentures, as supplemented.

Choice Properties' quarterly results are impacted by acquisition and disposition activity and the development of additional GLA. In addition, net income (loss) is impacted by fluctuations in adjustments to fair value of Exchangeable Units, investment properties, investment in real estate securities, and unit-based compensation, and therefore are often not comparable from quarter to quarter.

## 9. RELATED PARTY TRANSACTIONS

Choice Properties' controlling unitholder is GWL, which, as at September 30, 2024, held either directly or indirectly, a 61.7% effective interest in the Trust through ownership of 50,661,415 Units and all of the Exchangeable Units, which are economically equivalent to and exchangeable to Units. GWL is also the controlling shareholder of Loblaw, with ownership of 52.6% of Loblaw's outstanding common shares as at September 30, 2024. Choice Properties' ultimate parent is Wittington Investments, Limited, the controlling shareholder of GWL.

In the normal course of operations, Choice Properties enters into various transactions with related parties. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

Loblaw represents approximately 56.9% of Choice Properties' rental revenue on a proportionate share basis<sup>(1)</sup> and 58.5% of its commercial GLA as at September 30, 2024 (December 31, 2023 - 57.1% and 57.7%, respectively).

### Leases

During the third quarter of 2024, Choice and Loblaw renewed 46 of a tranche of 48 leases expiring in 2025, comprising 3.08 million of 3.20 million square feet, at a weighted average spread of 8.4% and a weighted average extension term of 5.0 years. The 46 renewals included one industrial lease.

### Acquisitions

During the nine months ended September 30, 2024, Choice Properties completed four acquisitions from Loblaw, for an aggregate purchase price of \$164,764. The acquisitions included: a retail property in Toronto, ON \$38,300, a 50% interest in a retail property in Winnipeg, MB for \$15,596, a 50% interest in an industrial property in Mississauga, ON for \$89,601, and a 50% interest in a retail property in Toronto, ON that was acquired through an equity accounted joint venture for \$21,267. In each case the purchase price excludes transaction costs. Concurrent with the transactions, the properties were leased back to Loblaw.

### Lease Surrender Revenue

During the three and nine months ended September 30, 2024, Choice Properties recognized \$4,451 and \$7,363 of lease surrender revenue from Loblaw, respectively (September 30, 2023 - \$1,427 and \$1,427, respectively).

### Services Agreement

During the nine months ended September 30, 2024, GWL provided Choice Properties with corporate, administrative and other support services for an annualized cost of \$4,988 (December 31, 2023 - \$4,970).

### Strategic Alliance Agreement

The Strategic Alliance Agreement creates a series of rights and obligations between Choice Properties and Loblaw intended to establish a preferential and mutually beneficial business and operating relationship. The initial term of the Strategic Alliance Agreement expired on July 5, 2023. Upon expiry of the initial term, the Strategic Alliance Agreement renewed until July 5, 2033 or the date on which GWL and its affiliates own less than 50% of the Trust on a fully diluted basis. The Strategic Alliance Agreement provides Choice Properties with important rights that are expected to meaningfully contribute to the Trust's growth. Subject to certain exceptions, rights include:

- Choice Properties has the right of first offer to purchase any property in Canada that Loblaw seeks to sell;
- Loblaw is generally required to present shopping centre property acquisitions in Canada to Choice Properties to allow the Trust a right of first opportunity to acquire the property itself; and
- Choice Properties has the right to participate in future shopping centre developments involving Loblaw.

Included in certain investment properties acquired from Loblaw is excess land with development potential. In accordance with the Strategic Alliance Agreement, Choice Properties will compensate Loblaw, over time, with intensification payments, as Choice Properties pursues development, intensification or redevelopment of such excess land. The payments to Loblaw are calculated in accordance with a payment grid that takes into account the region, market ranking and type of use for the property.

### Management Agreements

Choice Properties provides Wittington with property management services for certain properties with third-party tenancies and development consulting services on a fee for service basis.

### Site Intensification Payments

Choice Properties compensated Loblaw with intensification payments of \$2,311 in connection with completed gross leasable area for which tenants took possession during the nine months ended September 30, 2024 (September 30, 2023 - \$967).

### Distributions on Exchangeable Units

GWL, directly or indirectly, holds all of the Exchangeable Units issued by Choice Properties Limited Partnership, a subsidiary of Choice Properties. During the three and nine months ended September 30, 2024, distributions declared on the Exchangeable Units totalled \$75,199 and \$224,938 (September 30, 2023 - \$74,210 and \$221,971, respectively).

As at September 30, 2024, Choice Properties had distributions on Exchangeable Units payable to GWL of \$249,674 (December 31, 2023 - \$320,587).

### **Notes Receivable**

Holders of Exchangeable Units may, in lieu of receiving all or a portion of their distributions, choose to be loaned an amount from Choice Properties Limited Partnership, and to have such distributions made on the first business day following the end of the fiscal year in which such distribution would otherwise have been made. The loans do not bear interest and are due and payable in full on the first business day following the end of the fiscal year during which the loan was made. During the nine months ended September 30, 2024, GWL elected to receive distributions from Choice Properties Limited Partnership in the form of loans. As such, non-interest bearing short-term notes totalling \$224,608 were issued to GWL. Non-interest bearing short-term notes totalling \$295,851 with respect to the loans received in the 2023 fiscal year were settled against distributions payable by the Trust to GWL in January 2024.

### **Trust Unit Distributions**

During the three and nine months ended September 30, 2024, Choice Properties declared cash distributions of \$9,626 and \$28,793, respectively, on the Units held by GWL (September 30, 2023 - \$9,498 and \$28,412, respectively). As at September 30, 2024, \$3,209 of Trust Unit distributions declared were payable to GWL (December 31, 2023 - \$3,166). There were no non-cash distributions settled through the issuance of additional Trust Units during the nine months ended September 30, 2024 (September 30, 2023 - \$nil).

During the three and nine months ended September 30, 2024, Choice Properties declared cash distributions of \$3,135 and \$9,378, respectively, on the Units held by Wittington (September 30, 2023 - \$3,094 and \$9,254, respectively). As at September 30, 2024, \$1,045 of Trust Unit distributions declared were payable to Wittington (December 31, 2023 - \$1,031). There were no non-cash distributions settled through the issuance of additional Trust Units during the nine months ended September 30, 2024 (September 30, 2023 - \$nil).

## **10. INTERNAL CONTROL OVER FINANCIAL REPORTING**

Management is responsible for establishing and maintaining a system of disclosure controls and procedures to provide reasonable assurance that all material information relating to the Trust is gathered and reported to senior management on a timely basis so that appropriate decisions can be made regarding public disclosure.

Management is also responsible for establishing and maintaining adequate internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial reports for external purposes in accordance with IFRS.

In designing such controls, it should be recognized that due to inherent limitations, any controls, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and may not prevent or detect misstatements. Additionally, management is required to use judgment in evaluating controls and procedures.

### **Changes in Internal Control over Financial Reporting**

There were no changes in Choice Properties' internal controls over financial reporting in the third quarter of 2024 that materially affected or are reasonably likely to materially affect the Trust's internal control over financial reporting.

## **11. ENTERPRISE RISKS AND RISK MANAGEMENT**

A detailed full set of risks applicable to the Choice Properties business are included in the Trust's AIF for the year ended December 31, 2023 and MD&A in the 2023 Annual Report, which are hereby incorporated by reference. The 2023 Annual Report and AIF are available online on [www.sedarplus.ca](http://www.sedarplus.ca). The risks and risk management strategies included in the AIF and Annual Report remain unchanged.



## 12. ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Environmental, Social and Governance (“ESG”) practices are fully integrated into the Trust’s day-to-day business activities, and are aligned with the Trust’s purpose of creating enduring value through places where people thrive. ESG is embedded in the Trust’s corporate strategy, which prioritizes maintaining a market-leading portfolio, sustaining operational excellence and delivering on its development pipeline. Some of the ways in which ESG creates enduring value for stakeholders include:

- Protecting the planet for future generations while reducing resource consumption and costs;
- Attracting, retaining and empowering a diverse, engaged workforce to bring unique perspectives and experiences to strategic decisions;
- Preserving asset value and the reputation of the Trust by managing the risks of changing regulations and stakeholder expectations;
- Generating stable returns and long-term NAV appreciation by attracting like-minded tenants;
- Strengthening relationships with stakeholders by working collaboratively to achieve positive social, economic and environmental outcomes; and
- Enhancing long-term investment returns by allocating capital to sustainable opportunities and attracting a broader spectrum of investors.

The Board oversees the Trust’s ESG program, for which the Trust’s President and Chief Executive Officer is the executive sponsor.

The Trust aspires to develop healthy, resilient communities through its dedication to social, economic and environmental sustainability. To achieve this aspiration, the Trust has refined its focus to two areas where it can have significant impact on environmental and social sustainability: Fighting Climate Change and Strengthening Communities to Prosper.

Information regarding Choice Properties’ ESG practices is set out in the Trust’s 2023 Environmental, Social, and Governance Report. Detailed information regarding Choice’s decarbonization strategy is set out in Choice’s Pathway to Net Zero report. Both documents are available on the Trust’s website at [www.choicereit.ca](http://www.choicereit.ca) and are not incorporated by reference.

Information regarding Choice Properties’ corporate governance practices is set out in the Trust’s Management Proxy Circular for the Annual Meeting of Unitholders held on April 25, 2024, available on the Trust’s website at [www.choicereit.ca](http://www.choicereit.ca).

### 13. OUTLOOK<sup>(2)</sup>

We are focused on capital preservation, delivering stable and growing cash flows and net asset value appreciation, all with a long-term focus. 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 continue to experience positive leasing momentum across our portfolio and have successfully completed the majority of our 2024 lease renewals. We also continue to advance our development program, with a focus on commercial developments in the near term, 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 position us well for future success. In 2024, Choice Properties will continue to focus on its core business of essential retail and industrial, our growing residential platform and our robust development pipeline, and is targeting:

- Stable occupancy across the portfolio, resulting in 2.5%-3.0% year-over-year growth in Same-Asset NOI, cash basis;
- Annual FFO per unit diluted in a range of \$1.02 to \$1.03, reflecting 2.0%-3.0% year-over-year growth; and
- Strong leverage metrics, targeting Adjusted Debt to EBITDAFV below 7.5x.

#### 14. NON-GAAP FINANCIAL MEASURES

The financial statements of Choice Properties are prepared in accordance with GAAP. However, in this MD&A, a number of measures are presented that do not have any standardized meaning under GAAP. Such measures and related per-unit amounts therefore should not be construed as alternatives to net income or cash flows from operating activities determined in accordance with GAAP and may not be comparable to similar measures presented by other real estate investment trusts or enterprises. These terms are defined below and are cross referenced, as applicable, to a reconciliation elsewhere in this MD&A to the most comparable GAAP measure. Choice Properties believes these non-GAAP financial measures and ratios provide useful information to both management and investors in measuring the financial performance and financial condition of the Trust for the reasons outlined below:

Non-GAAP Measure	Description	Reconciliation
Proportionate Share	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<p>Section 2, "Balance Sheet"</p> <p>Section 7.1, "Net Income and Segment NOI Reconciliation"</p>
Net Operating Income ("NOI"), Accounting Basis	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<p>Section 7.1, "Net Income and Segment NOI Reconciliation"</p>
NOI, Cash Basis	<ul style="list-style-type: none"> <li>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, 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.</li> <li>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.</li> </ul>	<p>Section 7.1, "Net Income and Segment NOI Reconciliation"</p> <p>Section 14.2, "Net Operating Income"</p>
Same-Asset NOI, Cash Basis and Same-Asset NOI, Accounting Basis	<ul style="list-style-type: none"> <li>Same-Asset NOI is used to evaluate the period-over-period performance of those commercial properties and stabilized residential properties, owned and operated by Choice Properties since January 1, 2023, inclusive.</li> <li>NOI from properties that have been (i) purchased, (ii) disposed, (iii) subject to significant change as a result of new development, redevelopment, expansion, or demolition, or (iv) residential properties not yet stabilized (collectively, "Transactions") are excluded from the determination of same-asset NOI.</li> <li>Same-Asset NOI, Cash Basis, is useful in evaluating the realization of contractual rental rate changes embedded in lease agreements and/or the expiry of rent-free periods, while also being a useful measure in understanding period-over-period changes in NOI due to occupancy, rental rates, operating costs and realty taxes, before considering the changes in NOI that can be attributed to the Transactions and development activities.</li> </ul>	<p>Section 7.2, "Net Operating Income Summary"</p>

<p>Funds from Operations (“FFO”)</p>	<ul style="list-style-type: none"> <li>• Calculated in accordance with the Real Property Association of Canada’s (“REALpac”) <i>Funds From Operations (FFO) &amp; Adjusted Funds From Operations (AFFO) for IFRS</i> issued in January 2022.</li> <li>• 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.</li> <li>• 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.</li> </ul>	<p>Section 14.3, “Funds from Operations”</p> <p>Section 14.9, “Selected Information for Comparative Purposes”</p>
<p>Adjusted Funds from Operations (“AFFO”)</p>	<ul style="list-style-type: none"> <li>• Calculated in accordance with REALpac’s <i>Funds From Operations (FFO) &amp; Adjusted Funds From Operations (AFFO) for IFRS</i> issued in January 2022.</li> <li>• Management considers AFFO to be a useful measure of operating performance as it further adjusts FFO for capital expenditures that sustain income producing properties and eliminates the impact of straight-line rent. AFFO is impacted by the seasonality inherent in the timing of executing property capital projects.</li> <li>• In calculating AFFO, FFO is adjusted by excluding straight-line rent, as well as costs incurred relating to internal leasing activities and property capital projects. Working capital changes, viewed as short-term cash requirements or surpluses are deemed financing activities pursuant to the methodology and are not considered when calculating AFFO.</li> <li>• Capital expenditures which are excluded and not deducted in the calculation of AFFO comprise those which generate a new investment stream, such as constructing a new retail pad during property expansion or intensification, development activities or acquisition activities.</li> <li>• Accordingly, AFFO differs from FFO in that AFFO excludes from its definition certain non-cash revenues and expenses recognized under GAAP, such as straight-line rent, but also includes capital and leasing costs incurred during the period which are capitalized for GAAP purposes. 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.</li> </ul>	<p>Section 14.4, “Adjusted Funds from Operations”</p> <p>Section 14.9, “Selected Information for Comparative Purposes”</p>
<p>Adjusted Cash Flow from Operations (“ACFO”)</p>	<ul style="list-style-type: none"> <li>• Calculated in accordance with REALpac’s <i>Adjusted Cashflow from Operations (ACFO) for IFRS</i> issued in January 2023.</li> <li>• Management views ACFO as a useful measure of the cash generated from operations after providing for operating capital requirements, and in evaluating the ability of Choice Properties to fund distributions to Unitholders. ACFO adjusts cash flows from operations as calculated under GAAP including, but not limited to, removing the effects of distributions on Exchangeable Units, deducting amounts for property capital expenditures to sustain existing GLA and for leasing capital expenditures.</li> <li>• The resulting ACFO will include the impact of the seasonality of property capital expenditures and the impact of fluctuations from normal operating working capital, such as changes to net rent receivable from tenants, trade accounts payable and accrued liabilities.</li> <li>• 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.</li> </ul>	<p>Section 14.5, “Adjusted Cash Flow from Operations”</p>
<p>FFO, AFFO and ACFO Payout Ratios</p>	<ul style="list-style-type: none"> <li>• FFO, AFFO and ACFO payout ratios are supplementary measures used by Management to assess the sustainability of the Trust’s distribution payments.</li> <li>• The ratios are calculated using cash distributions declared divided by FFO, AFFO or ACFO, as applicable.</li> </ul>	<p>Section 7.3, “Other Key Performance Indicators”</p>

Earnings before Interest, Taxes, Depreciation, Amortization and Fair Value (“EBITDAFV”)	<ul style="list-style-type: none"> <li>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 as allowed in the Trust Indentures, as supplemented.</li> <li>Management believes EBITDAFV is useful in assessing the Trust’s ability to service its debt, finance capital expenditures and provide distributions to its Unitholders.</li> </ul>	Section 14.8, “Earnings before Interest, Taxes, Depreciation, Amortization and Fair Value”
Cash Retained after Distributions	<ul style="list-style-type: none"> <li>Represents the portion of ACFO retained within Choice Properties which can be used to invest in new acquisitions, development properties and capital activity.</li> </ul>	Section 14.6, “Distribution Excess / Shortfall Analysis”
Total Adjusted Debt	<ul style="list-style-type: none"> <li>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<sup>(1)</sup>, and 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.</li> <li>Total Adjusted Debt is also presented on a net basis to include the impact of other finance charges such as debt placement costs and discounts or premiums, and defeasance or other prepayments of debt.</li> </ul>	Section 4.3, “Components of Total Adjusted Debt”
Adjusted Debt to Total Assets	<ul style="list-style-type: none"> <li>Determined by dividing Total Adjusted Debt (as defined above) by total assets as presented on a proportionate share basis<sup>(1)</sup> and can be interpreted as the proportion of the Trust’s assets that are financed by debt.</li> <li>Management believes this ratio is useful in evaluating the Trust’s flexibility to incur additional financial leverage.</li> </ul>	Section 4.4, “Financial Condition” Section 14.9, “Selected Information for Comparative Purposes”
Debt Service Coverage	<ul style="list-style-type: none"> <li>Calculated as EBITDAFV divided by interest expense on the Total Adjusted Debt and all regularly scheduled principal payments made with respect to indebtedness during such period (other than any balloon, bullet or similar principal payable at maturity or which repays such indebtedness in full). This ratio is calculated based on the Trust Indentures, as supplemented.</li> <li>This ratio is useful in determining the ability of Choice Properties to service the interest requirements of its outstanding debt.</li> </ul>	Section 4.4, “Financial Condition” Section 14.9, “Selected Information for Comparative Purposes”
Adjusted Debt to EBITDAFV and Adjusted Debt to EBITDAFV, net of cash	<ul style="list-style-type: none"> <li>Calculated as Total Adjusted Debt divided by EBITDAFV.</li> <li>This ratio is used to assess the financial leverage of Choice Properties, measure its ability to meet financial obligations, and provide a snapshot of its balance sheet strength.</li> <li>Management also presents this ratio with Total Adjusted Debt calculated as net of cash and cash equivalents at the measurement date.</li> </ul>	Section 4.4, “Financial Condition”
Interest Coverage	<ul style="list-style-type: none"> <li>Calculated as EBITDAFV divided by interest expense on the Total Adjusted Debt incurred by Choice Properties for the period.</li> <li>This ratio is useful in determining Choice Properties’ ability to service the interest requirements of its outstanding debt.</li> </ul>	Section 4.4, “Financial Condition”
Liquidity	<ul style="list-style-type: none"> <li>Liquidity is a non-GAAP measure calculated based on the sum of total cash and cash equivalents, and undrawn revolving unsecured operating line of credit.</li> </ul>	Section 4, “Liquidity and Capital Resources” Section 4.2, “Liquidity and Capital Structure”

## 14.1 Investment Properties Reconciliation

To expand the portfolio and participate in development opportunities, Choice Properties owns varying interests in real estate entities which hold investment properties. Under GAAP, many of these interests are recorded as equity accounted joint ventures and, as such, the Trust's portion of the investment properties of these entities is presented on the balance sheet as a summarized value, not as part of the total investment properties. Similarly, Choice Properties owns real estate assets, whereby the acquisition involved a sale-leaseback arrangement with the seller. As a result of the arrangement the Trust did not meet the GAAP definition of control, and as such, these assets are presented on the balance sheet as financial real estate assets and not as part of investment properties. While the reconciliation for Choice Properties' balance sheet on a GAAP basis to a proportionate share basis<sup>(1)</sup> is detailed in Section 2, "Balance Sheet", the following continuity schedule presents Choice Properties' investment properties inclusive of its proportionate share ownership in equity accounted joint ventures and financial real estate assets for the three months ended September 30, 2024:

For the three months ended September 30 (\$ thousands)	Income Producing Properties			Properties Under Development			Total Investment Properties	
	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)(i)</sup>	Proportionate Share Basis <sup>(1)</sup>	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)(ii)</sup>	Proportionate Share Basis <sup>(1)</sup>	GAAP Basis	Proportionate Share Basis <sup>(1)</sup>
Balance, beginning of period	\$ 14,784,000	\$ 1,044,000	\$ 15,828,000	\$ 243,000	\$ 620,000	\$ 863,000	\$ 15,027,000	\$ 16,691,000
Acquisitions of investment properties <sup>(ii)</sup>	108,238	21,779	130,017	—	—	—	108,238	130,017
Capital expenditures								
Development capital <sup>(iii)</sup>	—	—	—	18,523	30,971	49,494	18,523	49,494
Building improvements	4,942	2,800	7,742	—	—	—	4,942	7,742
Capitalized interest <sup>(iv)</sup>	—	—	—	781	942	1,723	781	1,723
Property capital	11,890	58	11,948	—	—	—	11,890	11,948
Direct leasing costs	2,890	340	3,230	—	—	—	2,890	3,230
Tenant improvement allowances	2,295	870	3,165	—	—	—	2,295	3,165
Amortization of straight-line rent	(346)	620	274	—	—	—	(346)	274
Transfers to assets held for sale	(43,585)	—	(43,585)	—	—	—	(43,585)	(43,585)
Transfers from properties under development	18,300	3,250	21,550	(18,300)	(3,250)	(21,550)	—	—
Dispositions	(8,150)	—	(8,150)	—	—	—	(8,150)	(8,150)
Adjustment to fair value of investment properties	88,526	3,283	91,809	(6,004)	(2,663)	(8,667)	82,522	83,142
<b>Balance, as at September 30, 2024</b>	<b>\$ 14,969,000</b>	<b>\$ 1,077,000</b>	<b>\$ 16,046,000</b>	<b>\$ 238,000</b>	<b>\$ 646,000</b>	<b>\$ 884,000</b>	<b>\$ 15,207,000</b>	<b>\$ 16,930,000</b>

(i) Adjustment to Proportionate Share Basis<sup>(1)</sup> reflects the Trust's investment properties inclusive of its proportionate share ownership in equity accounted joint ventures and financial real estate assets.

(ii) Includes acquisition costs.

(iii) Development capital includes \$1,069 of site intensification payments paid to Loblaw for the three months ended September 30, 2024.

(iv) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.19% for the three months ended September 30, 2024.

The following continuity schedule presents Choice Properties' investment properties inclusive of its proportionate share ownership in equity accounted joint ventures and financial real estate assets for the nine months ended September 30, 2024:

For the nine months ended September 30, 2024 (\$ thousands)	Income Producing Properties			Properties Under Development			Total Investment Properties	
	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(i)(ii)</sup>	Proportionate Share Basis <sup>(i)</sup>	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(i)(ii)</sup>	Proportionate Share Basis <sup>(i)</sup>	GAAP Basis	Proportionate Share Basis <sup>(i)</sup>
Balance, beginning of period	\$ 14,635,000	\$ 1,122,000	\$ 15,757,000	\$ 288,000	\$ 600,000	\$ 888,000	\$ 14,923,000	\$ 16,645,000
Acquisitions of investment properties <sup>(iii)</sup>	179,762	21,779	201,541	—	—	—	179,762	201,541
Capital expenditures								
Development capital <sup>(iii)</sup>	—	—	—	55,202	55,248	110,450	55,202	110,450
Building improvements	11,469	5,883	17,352	—	—	—	11,469	17,352
Capitalized interest <sup>(iv)</sup>	—	—	—	2,098	2,467	4,565	2,098	4,565
Property capital	18,890	96	18,986	—	—	—	18,890	18,986
Direct leasing costs	6,086	951	7,037	—	—	—	6,086	7,037
Tenant improvement allowances	6,690	2,621	9,311	—	—	—	6,690	9,311
Amortization of straight-line rent	(1,519)	1,892	373	—	—	—	(1,519)	373
Transfers to assets held for sale	(77,835)	—	(77,835)	—	—	—	(77,835)	(77,835)
Transfer from equity accounted joint ventures	21,125	(21,125)	—	—	—	—	21,125	—
Transfers from properties under development	99,517	4,925	104,442	(99,517)	(4,925)	(104,442)	—	—
Dispositions	(47,160)	(64,744)	(111,904)	—	—	—	(47,160)	(111,904)
Adjustment to fair value of investment properties	116,975	2,722	119,697	(7,783)	(6,790)	(14,573)	109,192	105,124
<b>Balance, as at September 30, 2024</b>	<b>\$ 14,969,000</b>	<b>\$ 1,077,000</b>	<b>\$ 16,046,000</b>	<b>\$ 238,000</b>	<b>\$ 646,000</b>	<b>\$ 884,000</b>	<b>\$ 15,207,000</b>	<b>\$ 16,930,000</b>

(i) Adjustment to Proportionate Share<sup>(i)</sup> reflects the Trust's investment properties inclusive of its proportionate share ownership in equity accounted joint ventures and financial real estate assets.

(ii) Includes acquisition costs.

(iii) Development capital includes \$2,311 of site intensification payments paid to Loblaw for the nine months ended September 30, 2024.

(iv) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.14% or the nine months ended September 30, 2024.

## 14.2 Net Operating Income

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. Refer to Section 7, “Results of Operations - Segment Information” and Section 14, “Non-GAAP Financial Measures” for further details about this non-GAAP measure.

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Net (Loss) Income</b>	<b>\$ (662,989)</b>	\$ 435,903	\$ (1,098,892)	<b>\$ (7,479)</b>	\$ 1,242,375	\$ (1,249,854)
Residential inventory income	—	—	—	<b>(2,034)</b>	—	(2,034)
Interest income	<b>(17,312)</b>	(11,147)	(6,165)	<b>(42,346)</b>	(31,443)	(10,903)
Investment income	<b>(5,315)</b>	(5,315)	—	<b>(15,945)</b>	(15,945)	—
Fee income	<b>(1,351)</b>	(821)	(530)	<b>(2,677)</b>	(3,162)	485
Net interest expense and other financing charges	<b>150,410</b>	142,292	8,118	<b>438,898</b>	422,774	16,124
General and administrative expenses	<b>19,008</b>	16,420	2,588	<b>50,846</b>	44,631	6,215
Share of income from equity accounted joint ventures	<b>(5,230)</b>	(4,823)	(407)	<b>(11,318)</b>	(31,000)	19,682
Amortization of intangible assets	<b>250</b>	250	—	<b>750</b>	750	—
Transaction costs and other related expenses	—	—	—	<b>(38,615)</b>	34	(38,649)
Adjustment to fair value of unit-based compensation	<b>3,339</b>	(643)	3,982	<b>1,270</b>	(2,373)	3,643
Adjustment to fair value of Exchangeable Units	<b>906,351</b>	(352,250)	1,258,601	<b>467,028</b>	(823,236)	1,290,264
Adjustment to fair value of investment properties	<b>(82,173)</b>	(26,775)	(55,398)	<b>(108,843)</b>	(188,595)	79,752
Adjustment to fair value of investment in real estate securities	<b>(57,983)</b>	44,757	(102,740)	<b>(472)</b>	90,576	(91,048)
Income tax (recovery) expense	—	—	—	<b>(12)</b>	1	(13)
<b>Net Operating Income, Accounting Basis - GAAP</b>	<b>247,005</b>	237,848	9,157	<b>729,051</b>	705,387	23,664
Straight-line rental revenue	<b>346</b>	839	(493)	<b>1,519</b>	2,716	(1,197)
Lease surrender revenue	<b>(4,873)</b>	(6,219)	1,346	<b>(8,646)</b>	(14,437)	5,791
<b>Net Operating Income, Cash Basis - GAAP</b>	<b>242,478</b>	232,468	10,010	<b>721,924</b>	693,666	28,258
Adjustments for equity accounted joint ventures and financial real estate assets	<b>13,474</b>	12,418	1,056	<b>42,229</b>	38,802	3,427
<b>Net Operating Income, Cash Basis - Proportionate Share<sup>(1)</sup></b>	<b>\$ 255,952</b>	\$ 244,886	\$ 11,066	<b>\$ 764,153</b>	\$ 732,468	\$ 31,685



### 14.3 Funds from Operations

The following table reconciles net income (loss), as determined in accordance with GAAP, to Funds from Operations for the periods ended as indicated. Refer to Section 7, "Results of Operations - Segment Information" and Section 14, "Non-GAAP Financial Measures" for further details about this non-GAAP measure.

For the periods ended September 30 (\$ thousands except where otherwise indicated)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Net (Loss) Income</b>	<b>\$ (662,989)</b>	\$ 435,903	\$(1,098,892)	<b>\$ (7,479)</b>	\$ 1,242,375	\$(1,249,854)
Add (deduct) impact of the following:						
Amortization of intangible assets	250	250	—	750	750	—
Transaction costs and other related expenses	—	—	—	(38,615)	34	(38,649)
Adjustment to fair value of unit-based compensation	3,339	(643)	3,982	1,270	(2,373)	3,643
Adjustment to fair value of Exchangeable Units	906,351	(352,250)	1,258,601	467,028	(823,236)	1,290,264
Adjustment to fair value of investment properties	(82,173)	(26,775)	(55,398)	(108,843)	(188,595)	79,752
Adjustment to fair value of investment properties to proportionate share <sup>(i)</sup>	(620)	346	(966)	4,068	(15,586)	19,654
Adjustment to fair value of investment in real estate securities	(57,983)	44,757	(102,740)	(472)	90,576	(91,048)
Interest otherwise capitalized for development in equity accounted joint ventures	3,119	2,933	186	8,696	8,787	(91)
Exchangeable Units distributions	75,199	74,210	989	224,938	221,971	2,967
Internal expenses for leasing	2,154	2,282	(128)	7,221	6,790	431
Income tax (recovery) expense	—	—	—	(12)	1	(13)
<b>Funds from Operations</b>	<b>\$ 186,647</b>	\$ 181,013	\$ 5,634	<b>\$ 558,550</b>	\$ 541,494	\$ 17,056
FFO per unit - diluted	\$ 0.258	\$ 0.250	\$ 0.008	\$ 0.772	\$ 0.748	\$ 0.024
FFO payout ratio - diluted <sup>(i)</sup>	73.7 %	75.0 %	(1.3)%	73.6 %	74.9 %	(1.3)%
Distribution declared per unit	0.190	0.188	0.002	0.568	0.561	0.007
Weighted average number of units outstanding - diluted <sup>(ii)</sup>	723,683,222	723,664,818	18,404	723,665,943	723,667,850	(1,907)

(i) FFO payout ratio is calculated as cash distributions declared divided by FFO.

(ii) Includes Trust Units and Exchangeable Units.

FFO as calculated on a proportionate share basis<sup>(i)</sup>:

For the periods ended September 30 (\$ thousands except where otherwise indicated)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Net Operating Income, Cash Basis</b>	<b>\$ 255,952</b>	\$ 244,886	\$ 11,066	<b>\$ 764,153</b>	\$ 732,468	\$ 31,685
Straight-line rental revenue	274	86	188	373	(357)	730
Lease surrender revenue	4,873	6,209	(1,336)	8,646	14,639	(5,993)
<b>Net Operating Income, Accounting Basis</b>	<b>\$ 261,099</b>	\$ 251,181	\$ 9,918	<b>\$ 773,172</b>	\$ 746,750	\$ 26,422
Residential inventory income	—	—	—	2,034	—	2,034
Interest income	13,251	8,189	5,062	30,210	20,887	9,323
Investment income	5,315	5,315	—	15,945	15,945	—
Fee income	1,351	821	530	2,677	3,162	(485)
Net interest expense and other financing charges	(155,833)	(147,498)	(8,335)	(455,497)	(438,167)	(17,330)
Distributions on Exchangeable Units <sup>(ii)</sup>	75,199	74,210	989	224,938	221,971	2,967
Interest otherwise capitalized for development in equity accounted joint ventures	3,119	2,933	186	8,696	8,787	(91)
General and administrative expenses	(19,008)	(16,420)	(2,588)	(50,846)	(44,631)	(6,215)
Internal expenses for leasing	2,154	2,282	(128)	7,221	6,790	431
<b>Funds from Operations</b>	<b>\$ 186,647</b>	\$ 181,013	\$ 5,634	<b>\$ 558,550</b>	\$ 541,494	\$ 17,056
FFO per unit - diluted	\$ 0.258	\$ 0.250	\$ 0.008	\$ 0.772	\$ 0.748	\$ 0.024
FFO payout ratio - diluted <sup>(iii)</sup>	73.7 %	75.0 %	(1.3)%	73.6 %	74.9 %	(1.3)%
Distribution declared per unit	\$ 0.190	\$ 0.188	\$ 0.002	\$ 0.568	\$ 0.561	\$ 0.007
Weighted average number of units outstanding - diluted <sup>(iii)</sup>	723,683,222	723,664,818	18,404	723,665,943	723,667,850	(1,907)

(i) Represents interest on indebtedness due to GWL.

(ii) FFO payout ratio is calculated as cash distributions declared divided by FFO.

(iii) Includes Trust Units and Exchangeable Units.

#### 14.4 Adjusted Funds from Operations

The following table reconciles FFO to AFFO for the periods ended as indicated. Refer to Section 7, "Results of Operations - Segment Information" and Section 14, "Non-GAAP Financial Measures" for further details about this non-GAAP measure.

For the periods ended September 30 (\$ thousands except where otherwise indicated)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Funds from Operations</b>	<b>\$ 186,647</b>	\$ 181,013	\$ 5,634	<b>\$ 558,550</b>	\$ 541,494	\$ 17,056
Add (deduct) impact of the following:						
Internal expenses for leasing	(2,154)	(2,282)	128	(7,221)	(6,790)	(431)
Straight-line rental revenue	346	839	(493)	1,519	2,716	(1,197)
Straight-line rental revenue adjustment to proportionate share <sup>(i)</sup>	(620)	(925)	305	(1,892)	(2,359)	467
Property capital	(11,890)	(31,513)	19,623	(18,890)	(39,025)	20,135
Direct leasing costs	(2,890)	(1,681)	(1,209)	(6,086)	(4,265)	(1,821)
Tenant improvements	(2,295)	(8,323)	6,028	(6,690)	(18,452)	11,762
Operating capital expenditures adjustment to proportionate share <sup>(i)</sup>	(1,268)	(570)	(698)	(3,668)	(1,982)	(1,686)
<b>Adjusted Funds from Operations</b>	<b>\$ 165,876</b>	\$ 136,558	\$ 29,318	<b>\$ 515,622</b>	\$ 471,337	\$ 44,285
AFFO per unit - diluted	\$ 0.229	\$ 0.189	\$ 0.040	\$ 0.713	\$ 0.651	\$ 0.062
AFFO payout ratio - diluted <sup>(ii)</sup>	82.9 %	99.4 %	(16.5)%	79.8 %	86.1 %	(6.3)%
Distribution declared per unit	\$ 0.190	\$ 0.188	\$ 0.002	\$ 0.568	\$ 0.561	\$ 0.007
Weighted average number of units outstanding - diluted <sup>(ii)</sup>	723,683,222	723,664,818	18,404	723,665,943	723,667,850	(1,907)

(i) AFFO payout ratio is calculated as cash distributions declared divided by AFFO.

(ii) Includes Trust Units and Exchangeable Units.

## 14.5 Adjusted Cash Flow from Operations

The following table reconciles cash flows from operating activities, as determined in accordance with GAAP, to ACFO, for the periods ended as indicated. Refer to Section 4.7, "Adjusted Cash Flow from Operations" and Section 14, "Non-GAAP Financial Measures" for further details about this non-GAAP measure.

For the periods ended September 30 (\$ thousands except where otherwise indicated)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Cash Flows from Operating Activities</b>	<b>\$ 203,902</b>	\$ 149,246	\$ 54,656	<b>\$ 482,288</b>	\$ 434,305	\$ 47,983
Add (deduct) impact of the following:						
Net interest expense and other financing charges in excess of interest paid <sup>(i)</sup>	(64,119)	(62,547)	(1,572)	(212,705)	(215,376)	2,671
Distributions on Exchangeable Units included in net interest expense and other financing charges	75,199	74,210	989	224,938	221,971	2,967
Interest and other income in excess of interest received <sup>(i)</sup>	2,300	2,206	94	7,160	8,324	(1,164)
Interest otherwise capitalized for development in equity accounted joint ventures	3,119	2,933	186	8,696	8,787	(91)
Portion of internal expenses for leasing relating to development activity	1,077	1,141	(64)	3,611	3,395	216
Adjustment for property capital expenditures on a proportionate share basis <sup>(ii)</sup>	(11,948)	(31,591)	19,643	(18,986)	(39,113)	20,127
Adjustment for leasing expenditures to a proportionate share basis <sup>(ii)</sup>	(1,210)	(492)	(718)	(3,572)	(1,894)	(1,678)
Transaction costs and other related expenses	—	—	—	(38,615)	34	(38,649)
Adjustment for proportionate share of operating income from equity accounted joint ventures <sup>(ii)</sup>	4,610	5,169	(559)	15,386	15,414	(28)
Adjustment for distributions from equity accounted joint ventures	(9,519)	(15,393)	5,874	(27,375)	(24,326)	(3,049)
Adjustment for additions to residential inventory	104	1,510	(1,406)	2,648	7,738	(5,090)
Adjustment for changes in non-cash working capital items not indicative of sustainable operating cash flows <sup>(iii)</sup>	(61,080)	17,614	(78,694)	67,953	51,256	16,697
<b>Adjusted Cash Flow from Operations</b>	<b>\$ 142,435</b>	\$ 144,006	\$ (1,571)	<b>\$ 511,427</b>	\$ 470,515	\$ 40,912
Cash distributions declared	137,499	135,684	1,815	411,278	405,846	5,432
<b>Cash Retained after Distributions</b>	<b>\$ 4,936</b>	\$ 8,322	\$ (3,386)	<b>\$ 100,149</b>	\$ 64,669	\$ 35,480
<b>ACFO Payout Ratio<sup>(iv)</sup></b>	<b>96.5 %</b>	94.2 %	2.3 %	<b>80.4 %</b>	86.3 %	(5.9)%

(i) The timing of the recognition of interest expense and income differs from the cash payment and collection.

(ii) Excludes adjustment to fair value of investment properties for equity accounted joint ventures.

(iii) ACFO is adjusted each quarter for fluctuations in non-cash working capital due to the timing of realty taxes prepaid or payable and prepaid insurance. The payments for these operating expenses tend to have quarterly, seasonal fluctuations that even out on an annual basis. ACFO is also adjusted each quarter to remove fluctuations in non-cash working capital, which are not related to sustainable operating activities.

(iv) ACFO payout ratio is calculated as the cash distributions declared divided by ACFO.

Based on the Real Property Association of Canada's *Adjusted Cashflow from Operations (ACFO) for IFRS* issued in January 2023, Choice Properties adjusts ACFO for amounts included in the net change in non-cash working capital, a component of cash flows from operating activities, to eliminate fluctuations that are not indicative of sustainable cash available for distribution. The resulting remaining impacts on ACFO from changes in non-cash working capital are calculated below:

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Net change in non-cash working capital <sup>(i)</sup>	\$ 34,501	\$ (13,862)	\$ 48,363	\$ (79,706)	\$ (59,979)	\$ (19,727)
Adjustment for changes in non-cash working capital items not indicative of sustainable operating cash flows	(61,080)	17,614	(78,694)	67,953	51,256	16,697
<b>Net non-cash working capital increase included in ACFO</b>	<b>\$ (26,579)</b>	\$ 3,752	\$ (30,331)	<b>\$ (11,753)</b>	\$ (8,723)	\$ (3,030)

(i) As calculated and disclosed in the Trust's condensed consolidated financial statements.

## 14.6 Distribution Excess / Shortfall Analysis

The tables below summarize the excess or shortfall of certain GAAP and non-GAAP measures over cash distributions declared:

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Cash flows from operating activities	\$ 203,902	\$ 149,246	\$ 54,656	\$ 482,288	\$ 434,305	\$ 47,983
Less: Cash distributions declared	(137,499)	(135,684)	(1,815)	(411,278)	(405,846)	(5,432)
<b>Excess of cash flows provided by operating activities over cash distributions declared</b>	<b>\$ 66,403</b>	<b>\$ 13,562</b>	<b>\$ 52,841</b>	<b>\$ 71,010</b>	<b>\$ 28,459</b>	<b>\$ 42,551</b>

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Net (loss) income	\$ (662,989)	\$ 435,903	\$ (1,098,892)	\$ (7,479)	\$ 1,242,375	\$ (1,249,854)
Add: Distributions on Exchangeable Units included in net interest expense and other financing charges	75,199	74,210	989	224,938	221,971	2,967
Net income attributable to Unitholders excluding distributions on Exchangeable Units	(587,790)	510,113	(1,097,903)	217,459	1,464,346	(1,246,887)
Less: Cash distributions declared	(137,499)	(135,684)	(1,815)	(411,278)	(405,846)	(5,432)
<b>(Shortfall) excess of net income attributable to Unitholders, less distributions on Exchangeable Units, over cash distributions declared</b>	<b>\$ (725,289)</b>	<b>\$ 374,429</b>	<b>\$ (1,099,718)</b>	<b>\$ (193,819)</b>	<b>\$ 1,058,500</b>	<b>\$ (1,252,319)</b>

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
Adjusted Cash Flow from Operations <sup>(1)</sup>	\$ 142,435	\$ 144,006	\$ (1,571)	\$ 511,427	\$ 470,515	\$ 40,912
Less: Cash distributions declared	(137,499)	(135,684)	(1,815)	(411,278)	(405,846)	(5,432)
<b>Excess of ACFO after distributions</b>	<b>\$ 4,936</b>	<b>\$ 8,322</b>	<b>\$ (3,386)</b>	<b>\$ 100,149</b>	<b>\$ 64,669</b>	<b>\$ 35,480</b>

Management anticipates that distributions declared will, in the foreseeable future, continue to vary from net income (loss) as this GAAP measure includes adjustments to fair value and other non-cash items<sup>(2)</sup>.

## 14.7 Net Interest Expense and Other Financing Charges Reconciliation

The following tables reconcile net interest expense and other financing charges as determined in accordance with GAAP to net interest expense and other financing charges on a proportionate share basis<sup>(1)</sup> for the three and nine months ended September 30, 2024 and 2023:

For the three months ended September 30 (\$ thousands)	2024			2023		
	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>
Interest on senior unsecured debentures	\$ 60,857	\$ —	\$ 60,857	\$ 56,415	\$ —	\$ 56,415
Interest on mortgages and construction loans	12,864	6,151	19,015	10,933	6,173	17,106
Interest on credit facility	938	—	938	2,442	—	2,442
<b>Subtotal (for use in Debt Service Coverage<sup>(1)</sup> calculation)</b>	<b>74,659</b>	<b>6,151</b>	<b>80,810</b>	<b>69,790</b>	<b>6,173</b>	<b>75,963</b>
Distributions on Exchangeable Units <sup>(i)</sup>	75,199	—	75,199	74,210	—	74,210
<b>Subtotal (for use in EBITDAFV<sup>(1)</sup> calculation)</b>	<b>149,858</b>	<b>6,151</b>	<b>156,009</b>	<b>144,000</b>	<b>6,173</b>	<b>150,173</b>
Interest on right-of-use lease liabilities	11	—	11	14	—	14
Amortization of debt discounts and premiums	142	53	195	(53)	70	17
Amortization of debt placement costs	1,180	161	1,341	831	53	884
Capitalized interest	(781)	(942)	(1,723)	(2,500)	(1,090)	(3,590)
<b>Net interest expense and other financing charges</b>	<b>\$ 150,410</b>	<b>\$ 5,423</b>	<b>\$ 155,833</b>	<b>\$ 142,292</b>	<b>\$ 5,206</b>	<b>\$ 147,498</b>

(i) Represents interest on indebtedness due to GWL.

For the nine months ended September 30 (\$ thousands)	2024			2023		
	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>	GAAP Basis	Adjustment to Proportionate Share Basis <sup>(1)</sup>	Proportionate Share Basis <sup>(1)</sup>
Interest on senior unsecured debentures	\$ 174,557	\$ —	\$ 174,557	\$ 162,272	\$ —	\$ 162,272
Interest on mortgages and construction loans	34,352	18,491	52,843	31,239	15,742	46,981
Interest on credit facility	3,147	—	3,147	9,026	—	9,026
<b>Subtotal (for use in Debt Service Coverage<sup>(1)</sup> calculation)</b>	<b>212,056</b>	<b>18,491</b>	<b>230,547</b>	<b>202,537</b>	<b>15,742</b>	<b>218,279</b>
Distributions on Exchangeable Units <sup>(i)</sup>	224,938	—	224,938	221,971	—	221,971
<b>Subtotal (for use in EBITDAFV<sup>(1)</sup> calculation)</b>	<b>436,994</b>	<b>18,491</b>	<b>455,485</b>	<b>424,508</b>	<b>15,742</b>	<b>440,250</b>
Interest on right-of-use lease liabilities	35	—	35	50	—	50
Amortization of debt discounts and premiums	530	102	632	(20)	211	191
Amortization of debt placement costs	3,437	473	3,910	3,479	120	3,599
Capitalized interest	(2,098)	(2,467)	(4,565)	(5,243)	(680)	(5,923)
<b>Net interest expense and other financing charges</b>	<b>\$ 438,898</b>	<b>\$ 16,599</b>	<b>\$ 455,497</b>	<b>\$ 422,774</b>	<b>\$ 15,393</b>	<b>\$ 438,167</b>

(i) Represents interest on indebtedness due to GWL.

## 14.8 Earnings Before Interest, Taxes, Depreciation, Amortization and Fair Value

The following table reconciles net income (loss), as determined in accordance with GAAP, to EBITDAFV for the periods ended as indicated. Refer to Section 14, "Non-GAAP Financial Measures" for further details about this non-GAAP measure.

For the periods ended September 30 (\$ thousands)	Three Months			Nine Months		
	2024	2023	Change \$	2024	2023	Change \$
<b>Net (Loss) Income</b>	<b>\$ (662,989)</b>	\$ 435,903	\$ (1,098,892)	<b>\$ (7,479)</b>	\$ 1,242,375	\$ (1,249,854)
Add (deduct) impact of the following:						
Transaction costs and other related expenses	—	—	—	<b>(38,615)</b>	34	(38,649)
Adjustment to fair value of unit-based compensation	<b>3,339</b>	(643)	3,982	<b>1,270</b>	(2,373)	3,643
Adjustment to fair value of Exchangeable Units	<b>906,351</b>	(352,250)	1,258,601	<b>467,028</b>	(823,236)	1,290,264
Adjustment to fair value of investment properties	<b>(82,173)</b>	(26,775)	(55,398)	<b>(108,843)</b>	(188,595)	79,752
Adjustment to fair value of investment properties to proportionate share <sup>(1)</sup>	<b>(620)</b>	346	(966)	<b>4,068</b>	(15,586)	19,654
Adjustment to fair value of investment in real estate securities	<b>(57,983)</b>	44,757	(102,740)	<b>(472)</b>	90,576	(91,048)
Interest expense on a proportionate share basis <sup>(1)(i)</sup>	<b>156,009</b>	150,173	5,836	<b>455,485</b>	440,250	15,235
Amortization of other assets	<b>314</b>	321	(7)	<b>939</b>	990	(51)
Amortization of intangible assets	<b>250</b>	250	—	<b>750</b>	750	—
Income tax (recovery) expense	—	—	—	<b>(12)</b>	1	(13)
<b>Earnings Before Interest, Taxes, Depreciation, Amortization and Fair Value (EBITDAFV)</b>	<b>\$ 262,498</b>	\$ 252,082	\$ 10,416	<b>\$ 774,119</b>	\$ 745,186	\$ 28,933

(i) As calculated in Section 14.7, "Net Interest Expense and Other Financing Charges Reconciliation".

## 14.9 Selected Information For Comparative Purposes

The following table reconciles net income (loss), as determined in accordance with GAAP, to Funds from Operations for the periods ended as indicated. Refer to Section 7, "Results of Operations - Segment Information" and Section 14, "Non-GAAP Financial Measures" for further details about this non-GAAP measure.

(\$ thousands except where otherwise indicated)	Third Quarter 2024	Second Quarter 2024	First Quarter 2024	Fourth Quarter 2023	Third Quarter 2023	Second Quarter 2023	First Quarter 2023	Fourth Quarter 2022	Third Quarter 2022
Net (loss) income	\$ (662,989)	\$ 513,231	\$ 142,279	\$ (445,684)	\$ 435,903	\$ 535,668	\$ 270,804	\$ (579,000)	\$ 948,077
Amortization of intangible assets	250	250	250	250	250	250	250	250	250
Transaction costs and other related expenses	—	(38,615)	—	—	—	9	25	82	13
Adjustment to fair value of unit-based compensation	3,339	(1,288)	(781)	1,435	(643)	(998)	(732)	2,665	(476)
Adjustment to fair value of Exchangeable Units	906,351	(372,039)	(67,284)	502,649	(352,250)	(375,997)	(94,989)	858,857	(577,848)
Adjustment to fair value of investment properties	(82,173)	(28,035)	1,365	74,445	(26,775)	(86,053)	(75,767)	(193,370)	(141,277)
Adjustment to fair value of investment properties to proportionate share <sup>(i)</sup>	(620)	2,493	2,195	(1,164)	346	132	(16,064)	(13,877)	(202,968)
Adjustment to fair value of investment in real estate securities	(57,983)	27,870	29,641	(26,570)	44,757	31,176	14,643	20,784	68,847
Interest otherwise capitalized for development in equity accounted joint ventures	3,119	3,069	2,508	2,670	2,933	2,939	2,915	2,790	3,071
Exchangeable Units distributions	75,199	75,199	74,540	74,210	74,210	74,210	73,551	73,221	73,221
Internal expenses for leasing	2,154	2,579	2,488	2,399	2,282	2,254	2,254	1,900	2,213
Income tax (recovery) expense	—	—	(12)	—	—	—	1	(119)	(4)
<b>Funds from Operations</b>	<b>\$ 186,647</b>	<b>\$ 184,714</b>	<b>\$ 187,189</b>	<b>\$ 184,640</b>	<b>\$ 181,013</b>	<b>\$ 183,590</b>	<b>\$ 176,891</b>	<b>\$ 174,183</b>	<b>\$ 173,119</b>
FFO per unit - diluted	\$ 0.258	\$ 0.255	\$ 0.259	\$ 0.255	\$ 0.250	\$ 0.254	\$ 0.244	\$ 0.241	\$ 0.239
FFO payout ratio - diluted <sup>(ii)</sup>	73.7%	74.4%	72.8%	73.5%	75.0%	73.9%	76.0%	76.8%	77.3%
Distribution declared per unit	\$ 0.190	\$ 0.190	\$ 0.188	\$ 0.188	\$ 0.188	\$ 0.188	\$ 0.186	\$ 0.185	\$ 0.185
Weighted average number of units outstanding - diluted <sup>(ii)</sup>	723,683,222	723,659,539	723,666,036	723,662,727	723,664,818	723,656,668	723,665,160	723,586,201	723,577,162

(i) FFO payout ratio is calculated as cash distributions declared divided by FFO.

(ii) Includes Trust Units and Exchangeable Units.



The following table reconciles FFO to AFFO for the periods ended as indicated. Refer to Section 7, “Results of Operations - Segment Information” and Section 14, “Non-GAAP Financial Measures” for further details about this non-GAAP measure.

(\$ thousands except where otherwise indicated)	Third Quarter 2024	Second Quarter 2024	First Quarter 2024	Fourth Quarter 2023	Third Quarter 2023	Second Quarter 2023	First Quarter 2023	Fourth Quarter 2022	Third Quarter 2022
Funds from operations	\$ 186,647	\$ 184,714	\$ 187,189	\$ 184,640	\$ 181,013	\$ 183,590	\$ 176,891	\$ 174,183	\$ 173,119
Add (deduct) impact of the following:									
Internal expenses for leasing	(2,154)	(2,579)	(2,488)	(2,399)	(2,282)	(2,254)	(2,254)	(1,900)	(2,213)
Straight-line rental revenue	346	1,434	(261)	(446)	839	898	979	(838)	(995)
Straight-line rental revenue adjustment to proportionate share <sup>(i)</sup>	(620)	(658)	(614)	(626)	(925)	(777)	(657)	(658)	(475)
Property capital	(11,890)	(2,606)	(4,394)	(46,491)	(31,513)	(5,764)	(1,748)	(35,456)	(30,119)
Direct leasing costs	(2,890)	(2,024)	(1,172)	(1,357)	(1,681)	(793)	(1,791)	(2,258)	(3,326)
Tenant improvements	(2,295)	(1,369)	(3,026)	(4,381)	(8,323)	(3,686)	(6,443)	(5,188)	(4,757)
Operating capital expenditures adjustment to proportionate share <sup>(i)</sup>	(1,268)	(312)	(2,088)	(1,845)	(570)	(814)	(598)	(950)	(874)
Adjusted Funds from Operations	\$ 165,876	\$ 176,600	\$ 173,146	\$ 127,095	\$ 136,558	\$ 170,400	\$ 164,379	\$ 126,935	\$ 130,360
AFFO per unit - diluted	\$ 0.229	\$ 0.244	\$ 0.239	\$ 0.176	\$ 0.189	\$ 0.235	\$ 0.227	\$ 0.175	\$ 0.180
Cash distributions declared	137,499	137,492	136,287	135,683	135,684	135,684	134,478	133,858	133,856
AFFO payout ratio - diluted <sup>(ii)</sup>	82.9%	77.9%	78.7%	106.8%	99.4%	79.6%	81.8%	105.5%	102.7%
Weighted average number of units outstanding - diluted <sup>(ii)</sup>	723,683,222	723,659,539	723,666,036	723,662,727	723,664,818	723,656,668	723,665,160	723,586,201	723,577,162

(i) AFFO payout ratio is calculated as cash distributions declared divided by AFFO.

(ii) Includes Trust Units and Exchangeable Units.

### Components of certain financial leverage ratios

The following table includes the denominator applied to the calculation of Adjusted Debt to Total Assets ratio<sup>(1)</sup> and Debt Service Coverage ratio<sup>(1)</sup> for the periods indicated. Refer to section 4.4 “Financial Condition” and Section 14, “Non-GAAP Financial Measures” for further details about this non-GAAP measure.

	Third Quarter 2024	Second Quarter 2024	First Quarter 2024	Fourth Quarter 2023	Third Quarter 2023	Second Quarter 2023	First Quarter 2023	Fourth Quarter 2022	Third Quarter 2022
Total Assets - Proportionate Basis	\$ 18,042,431	\$ 18,243,332	\$ 17,467,013	\$ 17,889,244	\$ 17,800,387	\$ 17,624,482	\$ 17,483,341	\$ 17,349,387	\$ 16,941,805
Debt Service Coverage Ratio - Denominator	\$ 89,641	\$ 83,587	\$ 82,312	\$ 84,686	\$ 84,449	\$ 79,923	\$ 79,121	\$ 78,148	\$ 76,253

# Financial Results

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**Choice Properties Real Estate Investment Trust**  
**Condensed Consolidated Balance Sheets**  
*(unaudited)*

(in thousands of Canadian dollars)	Note	As at September 30, 2024	As at December 31, 2023
<b>Assets</b>			
Investment properties	5	\$ 15,207,000	\$ 14,923,000
Equity accounted joint ventures	6	837,879	883,712
Financial real estate assets	7	199,111	195,457
Residential development inventory		2,095	8,681
Mortgages, loans and notes receivable	8	606,030	656,001
Investment in real estate securities		238,780	238,308
Intangible assets		13,214	13,964
Accounts receivable and other assets	9	183,255	137,180
Assets held for sale	5	43,585	—
Cash and cash equivalents	19(c)	73,931	252,424
<b>Total Assets</b>		<b>\$ 17,404,880</b>	<b>\$ 17,308,727</b>
<b>Liabilities and Equity</b>			
Long term debt	10	\$ 6,642,682	\$ 6,695,923
Exchangeable Units	12	5,988,250	5,521,222
Trade payables and other liabilities	13	604,079	723,080
<b>Total Liabilities</b>		<b>13,235,011</b>	<b>12,940,225</b>
<b>Equity</b>			
Unitholders' equity	12	4,169,869	4,368,502
<b>Total Equity</b>		<b>4,169,869</b>	<b>4,368,502</b>
<b>Total Liabilities and Equity</b>		<b>\$ 17,404,880</b>	<b>\$ 17,308,727</b>

Contingencies, Commitments, and Guarantees (Note 21).  
See accompanying notes to the condensed consolidated financial statements.

Approved on behalf of the Board of Trustees

*[signed]*

**Gordon A. M. Currie**

Chair, Board of Trustees

*[signed]*

**Diane Kazarian**

Chair, Audit Committee

**Choice Properties Real Estate Investment Trust**  
**Condensed Consolidated Statements of Income and Comprehensive Income**  
*(unaudited)*

(in thousands of Canadian dollars)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<b>Net Rental Income</b>					
Rental revenue	15	\$ 339,898	\$ 325,077	\$ 1,013,244	\$ 980,061
Property operating costs	16	(92,893)	(87,229)	(284,193)	(274,674)
		247,005	237,848	729,051	705,387
<b>Residential Inventory Income</b>					
Gross sales		—	—	11,268	—
Cost of sales		—	—	(9,234)	—
		—	—	2,034	—
<b>Other Income and Expenses</b>					
Interest income		17,312	11,147	42,346	31,443
Investment income		5,315	5,315	15,945	15,945
Fee income		1,351	821	2,677	3,162
Net interest expense and other financing charges	17	(150,410)	(142,292)	(438,898)	(422,774)
General and administrative expenses		(19,008)	(16,420)	(50,846)	(44,631)
Share of income from equity accounted joint ventures		5,230	4,823	11,318	31,000
Amortization of intangible assets		(250)	(250)	(750)	(750)
Transaction costs and other related expenses	13	—	—	38,615	(34)
Adjustment to fair value of unit-based compensation	14	(3,339)	643	(1,270)	2,373
Adjustment to fair value of Exchangeable Units	12	(906,351)	352,250	(467,028)	823,236
Adjustment to fair value of investment properties	5	82,173	26,775	108,843	188,595
Adjustment to fair value of investment in real estate securities		57,983	(44,757)	472	(90,576)
<b>(Loss) Income before Income Taxes</b>		<b>(662,989)</b>	<b>435,903</b>	<b>(7,491)</b>	<b>1,242,376</b>
Income tax recovery (expense)		—	—	12	(1)
<b>Net (Loss) Income</b>		<b>\$ (662,989)</b>	<b>\$ 435,903</b>	<b>\$ (7,479)</b>	<b>\$ 1,242,375</b>
<b>Net (Loss) Income</b>					
		\$ (662,989)	\$ 435,903	\$ (7,479)	\$ 1,242,375
<b>Other Comprehensive (Loss) Income</b>					
Unrealized (loss) gain on designated hedging instruments	18	(4,673)	2,653	(3,288)	3,470
<b>Other Comprehensive (Loss) Income</b>		<b>(4,673)</b>	<b>2,653</b>	<b>(3,288)</b>	<b>3,470</b>
<b>Comprehensive (Loss) Income</b>		<b>\$ (667,662)</b>	<b>\$ 438,556</b>	<b>\$ (10,767)</b>	<b>\$ 1,245,845</b>

See accompanying notes to the condensed consolidated financial statements.

**Choice Properties Real Estate Investment Trust**  
**Condensed Consolidated Statements of Changes in Equity**  
*(unaudited)*

(in thousands of Canadian dollars)	Note	Attributable to Choice Properties' Unitholders				Total Unitholders' equity
		Trust Units	Cumulative net income	Accumulated other comprehensive income	Cumulative distributions to Unitholders	
Equity, December 31, 2023		\$ 3,660,985	\$ 2,375,686	\$ 6,551	\$ (1,674,720)	\$ 4,368,502
Net loss		—	(7,479)	—	—	(7,479)
Other comprehensive loss		—	—	(3,288)	—	(3,288)
Distributions		—	—	—	(186,340)	(186,340)
Units issued under unit-based compensation arrangements	12	951	—	—	—	951
Reclassification of vested Unit-Settled Restricted Units liability to equity	12	1,527	—	—	—	1,527
Units repurchased for unit-based compensation arrangements	12	(4,004)	—	—	—	(4,004)
<b>Equity, September 30, 2024</b>		<b>\$ 3,659,459</b>	<b>\$ 2,368,207</b>	<b>\$ 3,263</b>	<b>\$ (1,861,060)</b>	<b>\$ 4,169,869</b>

(in thousands of Canadian dollars)		Attributable to Choice Properties' Unitholders				Total Unitholders' equity
		Trust Units	Cumulative net income	Accumulated other comprehensive income	Cumulative distributions to Unitholders	
Equity, December 31, 2022		\$ 3,661,605	\$ 1,578,995	\$ 12,925	\$ (1,429,372)	\$ 3,824,153
Net income		—	1,242,375	—	—	1,242,375
Other comprehensive income		—	—	3,470	—	3,470
Distributions		—	—	—	(183,875)	(183,875)
Units issued under unit-based compensation arrangements		1,362	—	—	—	1,362
Reclassification of vested Unit-Settled Restricted Units liability to equity		1,435	—	—	—	1,435
Units repurchased for unit-based compensation arrangements		(3,548)	—	—	—	(3,548)
Equity, September 30, 2023		\$ 3,660,854	\$ 2,821,370	\$ 16,395	\$ (1,613,247)	\$ 4,885,372

See accompanying notes to the condensed consolidated financial statements.

**Choice Properties Real Estate Investment Trust**  
**Condensed Consolidated Statements of Cash Flows**  
*(unaudited)*

(in thousands of Canadian dollars)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<b>Operating Activities</b>					
Net (loss) income		\$ (662,989)	\$ 435,903	\$ (7,479)	\$ 1,242,375
Net interest expense and other financing charges	17	150,410	142,292	438,898	422,774
Interest paid		(86,291)	(79,745)	(226,193)	(207,398)
Interest income		(17,312)	(11,147)	(42,346)	(31,443)
Interest received		15,012	8,941	35,186	23,119
Share of income from equity accounted joint ventures		(5,230)	(4,823)	(11,318)	(31,000)
Distributions from equity accounted joint ventures		9,519	15,393	27,375	24,326
Additions to residential inventory		(104)	(1,510)	(2,648)	(7,738)
Direct leasing costs and tenant improvement allowances	5	(5,185)	(10,004)	(12,776)	(22,717)
Cash paid on vesting of restricted and performance units		(243)	(70)	(2,818)	(2,741)
Items not affecting cash and other items	19(a)	771,814	(332,122)	366,113	(915,273)
Net change in non-cash working capital	19(b)	34,501	(13,862)	(79,706)	(59,979)
<b>Cash Flows from Operating Activities</b>		<b>203,902</b>	<b>149,246</b>	<b>482,288</b>	<b>434,305</b>
<b>Investing Activities</b>					
Acquisitions of investment properties	4	(108,238)	(7,501)	(167,609)	(63,038)
Acquisitions of financial real estate assets	7	—	—	—	(86,452)
Additions to investment properties	5	(20,600)	(49,219)	(82,799)	(144,577)
Additions to financial real estate assets	7	(5)	(3,062)	(39)	(252)
Contributions to equity accounted joint ventures		(13,677)	(1,133)	(38,271)	(25,855)
Distribution of disposition proceeds from equity accounted joint ventures		—	—	48,479	—
Return of capital distribution from equity accounted joint ventures		—	—	28,500	—
Mortgages, loans and notes receivable advances		(76,704)	(85,043)	(259,098)	(258,320)
Mortgages, loans and notes receivable repayments		5,854	15,188	36,984	78,424
Proceeds from dispositions	4	32,900	1,900	61,814	76,692
<b>Cash Flows Used in Investing Activities</b>		<b>(180,470)</b>	<b>(128,870)</b>	<b>(372,039)</b>	<b>(423,378)</b>
<b>Financing Activities</b>					
Proceeds from issuance of debentures, net	10	—	348,038	496,888	895,091
Repayments of debentures	10	(550,000)	(200,000)	(750,000)	(575,000)
Net advances (repayments) of mortgages payable	10	61,517	(6,435)	178,831	99,245
Net advances (repayments) on construction loans	10	(19,103)	14,390	(25,207)	10,858
Net repayments of credit facility	11	—	(78,675)	—	(260,000)
Payment of credit facility extension fee	11	—	(600)	—	(600)
Cash received on exercise of options		813	—	813	1,156
Repurchase of units for unit-based compensation arrangement	12	(18)	(200)	(4,004)	(3,548)
Distributions paid on Trust Units		(62,296)	(61,474)	(186,063)	(183,597)
<b>Cash Flows (Used in) from Financing Activities</b>		<b>(569,087)</b>	<b>15,044</b>	<b>(288,742)</b>	<b>(16,395)</b>
Change in cash and cash equivalents		(545,655)	35,420	(178,493)	(5,468)
Cash and cash equivalents, beginning of period		619,586	23,848	252,424	64,736
<b>Cash and Cash Equivalents, end of Period</b>	19(c)	<b>\$ 73,931</b>	<b>\$ 59,268</b>	<b>\$ 73,931</b>	<b>\$ 59,268</b>

Supplemental disclosure of non-cash operating activities (Note 19).  
See accompanying notes to the condensed consolidated financial statements.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 1. Nature and Description of the Trust

Choice Properties Real Estate Investment Trust (“Choice Properties” or the “Trust”) is an unincorporated, open-ended mutual fund trust governed by the laws of the Province of Ontario and established pursuant to a declaration of trust amended and restated as of April 30, 2021, as may be amended from time to time (the “Declaration of Trust”). Choice Properties, Canada’s premier diversified real estate investment trust, is the owner, manager and developer of a high-quality portfolio of commercial retail, industrial, mixed-use and residential properties across Canada. The principal, registered, and head office of Choice Properties is located at 22 St. Clair Avenue East, Suite 700, Toronto, Ontario, M4T 2S5. Choice Properties’ trust units (“Trust Units” or “Units”) are listed on the Toronto Stock Exchange (“TSX”) and are traded under the symbol “CHP.UN”.

Choice Properties commenced operations on July 5, 2013, when it issued Units and debt for cash pursuant to an initial public offering (the “IPO”) and completed the acquisition of 425 properties from Loblaw Companies Limited and its subsidiaries (“Loblaw”). Pursuant to a reorganization transaction on November 1, 2018, Loblaw spun out its 61.6% effective interest in Choice Properties to George Weston Limited (“GWL”). As at September 30, 2024, GWL held either directly or indirectly, a 61.7% effective interest in Choice Properties. Choice Properties’ ultimate parent is Wittington Investments, Limited (“Wittington”).

The principal subsidiaries of the Trust included in Choice Properties’ unaudited condensed consolidated financial statements are Choice Properties Limited Partnership (the “Partnership”), Choice Properties GP Inc. (the “General Partner”) and CPH Master Limited Partnership (“CPH Master LP”).

### Note 2. Material Accounting Policy Information

The material accounting policies and critical accounting estimates and judgments as disclosed in the 2023 audited annual consolidated financial statements for Choice Properties have been applied consistently in the preparation of these condensed consolidated financial statements. The condensed consolidated financial statements are presented in Canadian dollars.

#### Statement of Compliance

The condensed consolidated financial statements of Choice Properties are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards” or “GAAP”) and International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. These condensed consolidated financial statements should be read in conjunction with the Trust’s audited consolidated financial statements and accompanying notes for the year ended December 31, 2023.

These condensed consolidated financial statements were authorized for issuance by the Board of Trustees (“Board”) for Choice Properties on November 6, 2024.

### Note 3. Future Accounting Standards

#### IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, IFRS 18, “Presentation and Disclosure in Financial Statements” was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, “Presentation of Financial Statements”, impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Trust is currently assessing the impact of the new standard.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 4. Investment Property and Other Transactions

The following table summarizes the investment properties acquired in the nine months ended September 30, 2024:

(\$ thousands except where otherwise indicated)

Property / Location	Date of Acquisition	Segment	Ownership Interest Acquired	Purchase Price	Purchase Price incl. Related Costs	Consideration	
						Debt Assumed from Seller	Cash
<b>Investment properties</b>							
396 St. Clair Ave. W, Toronto, ON	Mar 19	Retail	100%	\$ 38,300	\$ 38,433	\$ —	\$ 38,433
6941 Kennedy Rd., Mississauga, ON	Sep 05	Industrial	50%	89,601	90,845	—	90,845
1385 Sargent Ave., Winnipeg, MB	Sep 05	Retail	50%	15,596	16,070	—	16,070
<b>Acquisitions from related parties (Note 22)</b>				<b>143,497</b>	<b>145,348</b>	<b>—</b>	<b>145,348</b>
755 Mount Pleasant Rd., Toronto, ON	Jun 20	Retail	100%	11,500	11,966	—	11,966
Cornerstone Shopping Centre, Fort Saskatchewan, AB (Note 6)	Jun 21	Retail	50%	21,125	21,125	12,153	8,972
402 and 406 Main St., Wolfville, NS	Aug 22	Retail	100%	1,250	1,323	—	1,323
<b>Acquisitions from third-parties</b>				<b>33,875</b>	<b>34,414</b>	<b>12,153</b>	<b>22,261</b>
<b>Total acquisitions of investment properties</b>				<b>177,372</b>	<b>179,762</b>	<b>12,153</b>	<b>167,609</b>
<b>Total acquisitions</b>				<b>\$ 177,372</b>	<b>\$ 179,762</b>	<b>\$ 12,153</b>	<b>\$ 167,609</b>

The following table summarizes the investment properties sold in the nine months ended September 30, 2024:

(\$ thousands except where otherwise indicated)

Property / Location	Date of Disposition	Segment	Ownership Interest Disposed	Sale Price excl. Selling Costs	Consideration		Cash
					Debt Assumed by Purchaser	Mortgage Receivable Advanced	
<b>Investment properties</b>							
Crossroads Shopping Centre, Edmonton, AB	Feb 14	Retail	50%	\$ 6,700	\$ —	\$ —	6,700
379 Orenda Rd., Brampton, ON	Mar 14	Industrial	100%	16,625	—	—	16,625
Cornerstone Shopping Centre, Olds, AB	May 13	Retail	50%	15,685	7,586	2,510	5,589
2955 Hazelton Place, Mississauga, ON	Aug 01	Retail	100%	8,150	—	—	8,150
<b>Total dispositions of investment properties</b>				<b>47,160</b>	<b>7,586</b>	<b>2,510</b>	<b>37,064</b>
<b>Assets held for sale</b>							
Mega Centre Lebourgneuf, Quebec City, QC	Sep 13	Retail	50%	33,901	—	9,151	24,750
<b>Total dispositions of assets held for sale</b>				<b>33,901</b>	<b>—</b>	<b>9,151</b>	<b>24,750</b>
<b>Total dispositions</b>				<b>\$ 81,061</b>	<b>\$ 7,586</b>	<b>\$ 11,661</b>	<b>\$ 61,814</b>



## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 5. Investment Properties

(\$ thousands)	Note	Income producing properties	Properties under development	Nine months ended September 30, 2024	Year ended December 31, 2023
Balance, beginning of period		\$ 14,635,000	\$ 288,000	\$ 14,923,000	\$ 14,444,000
Acquisitions - including transaction costs of \$2,390 (2023 - \$5,282)	4	179,762	—	179,762	165,421
Capital expenditures					
Development capital <sup>(i)</sup>		—	55,202	55,202	122,264
Building improvements		11,469	—	11,469	20,141
Capitalized interest <sup>(ii)</sup>	17	—	2,098	2,098	5,402
Property capital		18,890	—	18,890	85,516
Direct leasing costs		6,086	—	6,086	5,622
Tenant improvement allowances		6,690	—	6,690	22,833
Amortization of straight-line rent		(1,519)	—	(1,519)	(2,270)
Transfers to assets held for sale		(77,835)	—	(77,835)	(92,754)
Transfer from equity accounted joint ventures		21,125	—	21,125	192,810
Transfers from properties under development		99,517	(99,517)	—	—
Reclassification of lease receivable		—	—	—	24,988
Dispositions	4	(47,160)	—	(47,160)	(187,263)
Adjustment to fair value of investment properties <sup>(iii)</sup>		116,975	(7,783)	109,192	116,290
<b>Balance, end of period</b>		<b>\$ 14,969,000</b>	<b>\$ 238,000</b>	<b>\$ 15,207,000</b>	<b>\$ 14,923,000</b>

(i) Development capital included \$2,311 of site intensification payments paid to Loblaw (December 31, 2023 - \$14,377) (Note 22).

(ii) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.14% (December 31, 2023 - 4.05%).

(iii) The unrealized fair value gain to investment properties owned during the nine months ended September 30, 2024 was \$110,109 (December 31, 2023 - unrealized fair value gain of \$91,742).

Included in certain investment properties acquired from Loblaw is excess land with development potential. Choice Properties will compensate Loblaw, over time, with intensification payments determined by a site intensification payment grid as outlined in the Strategic Alliance Agreement (Note 22) should Choice Properties pursue activity resulting in the intensification of such excess land. The fair value of this excess land has been recorded in the condensed consolidated financial statements.

During the second quarter Choice Properties entered into an agreement with the Province of Ontario to facilitate the construction of a transit station at its Carlaw Avenue property. The Trust maintains control of the property.

As at September 30, 2024, the Trust has classified two retail properties with a fair value of \$43,585 (December 31, 2023 - \$nil) as assets held for sale. During the three months ended September 30, 2024, the Trust disposed of one retail property classified as assets held for sale as at June 30, 2024 (Note 4).

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Valuation Methodology and Process

Please refer to the Trust's 2023 audited annual consolidated financial statements for the description of its valuation methodology and process.

### Significant Valuation Assumptions

The following table highlights the significant assumptions used in determining the fair value of the Trust's income producing properties by asset class:

Total Income Producing Properties	As at September 30, 2024		As at December 31, 2023	
	Range	Weighted average	Range	Weighted average
Discount rate	5.00% - 10.50%	7.16%	5.50% - 10.50%	7.10%
Terminal capitalization rate	4.50% - 9.95%	6.38%	4.75% - 9.95%	6.31%
<b>Retail</b>				
Discount rate	5.25% - 10.50%	7.33%	5.50% - 10.50%	7.36%
Terminal capitalization rate	4.50% - 9.95%	6.57%	4.75% - 9.95%	6.58%
<b>Industrial</b>				
Discount rate	6.00% - 8.50%	6.76%	5.75% - 8.75%	6.41%
Terminal capitalization rate	5.25% - 7.75%	5.90%	5.00% - 8.00%	5.59%
<b>Mixed-Use &amp; Residential</b>				
Discount rate	5.00% - 7.75%	6.58%	5.50% - 7.50%	6.79%
Terminal capitalization rate	4.50% - 7.00%	5.93%	5.00% - 6.75%	6.10%

The significant assumptions and inputs used in the valuation techniques to estimate the fair value of income producing properties are classified as Level 3 in the fair value hierarchy as certain inputs for the valuation are not based on observable market data points.

### Independent Appraisals

Properties are typically independently appraised at the time of acquisition. In addition, Choice Properties has engaged independent nationally-recognized valuation firms to appraise its investment properties such that the majority of the portfolio will be independently appraised at least once over a four-year period.

The properties independently appraised each year represent a subset of the property types and geographic distribution of the overall portfolio and includes properties owned within equity accounted joint ventures and properties recognized as financial real estate assets. The aggregate fair value of investment properties independently appraised during each period, in accordance with the Trust's policy, is as follows:

(\$ thousands except where otherwise indicated)	Nine months ended September 30, 2024		Year ended December 31, 2023	
	Number of income producing properties	Fair value	Number of income producing properties	Fair value
	58	\$ 2,857,000	79	\$ 3,057,000

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Fair Value Sensitivity

The following table summarizes fair value sensitivity for the Trust's income producing properties which are most sensitive to changes in terminal capitalization rates and discount rates:

Rate sensitivity	Terminal capitalization rate			Discount rate		
	Weighted average terminal capitalization rate	Fair value	Change in fair value	Weighted average discount rate	Fair value	Change in fair value
(0.75)%	5.63 %	\$ 16,096,000	\$ 1,127,000	6.41 %	\$ 15,814,000	\$ 845,000
(0.50)%	5.88 %	15,689,000	720,000	6.66 %	15,526,000	557,000
(0.25)%	6.13 %	15,315,000	346,000	6.91 %	15,245,000	276,000
— %	6.38 %	14,969,000	—	7.16 %	14,969,000	—
0.25 %	6.63 %	14,651,000	(318,000)	7.41 %	14,702,000	(267,000)
0.50 %	6.88 %	14,355,000	(614,000)	7.66 %	14,439,000	(530,000)
0.75 %	7.13 %	14,080,000	(889,000)	7.91 %	14,183,000	(786,000)

### Note 6. Equity Accounted Joint Ventures

Choice Properties accounts for its investments in joint ventures using the equity method. These investments hold primarily development properties and some income producing properties. The table below summarizes the Trust's investment in joint ventures:

	As at September 30, 2024		As at December 31, 2023	
	Number of joint ventures	Ownership interest	Number of joint ventures	Ownership interest
Retail	12	50% - 75%	15	25% - 75%
Industrial	1	75%	—	— %
Mixed-Use & Residential	4	50%	3	50%
Land held for development	1	85%	3	50% - 85%
<b>Total equity accounted joint ventures</b>	<b>18</b>		<b>21</b>	
<b>Choice Properties' investment in equity accounted joint ventures</b>		<b>\$ 837,879</b>		<b>\$ 883,712</b>

On May 13, 2024 and June 19, 2024, the Trust disposed of its interest in three retail joint ventures. The proceeds of the sales were distributed to the Trust.

On June 21, 2024, the Trust acquired its partner's interest in the Cornerstone Shopping Centre in Fort Saskatchewan, Alberta (Note 4) and obtained control of the property. At acquisition, the Trust's net investment in the joint venture was \$9,292, comprised of property value of \$21,125, its mortgage of \$12,153, and positive net working capital of \$320. Upon obtaining control of the property, the Trust consolidated its share of the assets and liabilities and de-recognized the equity accounted joint venture.

During the third quarter of 2024, the Trust contributed \$7,443 to a new joint venture in which it has a 50% ownership interest. On September 5, 2024, the joint venture completed the acquisition of the Maple Leaf Gardens Loblaw grocery store in Toronto, Ontario from Loblaw for \$42,534 (Note 22). The joint venture partially financed the acquisition by taking a mortgage of \$27,646 against the property.

### Note 7. Financial Real Estate Assets

(\$ thousands)	Nine Months Ended	
	September 30, 2024	Year ended December 31, 2023
Balance, beginning of period	\$ 195,457	\$ 109,509
Acquisitions	—	86,452
Additions	39	(2,401)
Income from financial real estate assets due to changes in value	3,615	1,897
<b>Balance, end of period</b>	<b>\$ 199,111</b>	<b>\$ 195,457</b>

As at September 30, 2024, the weighted average discount rate and terminal capitalization rate used to determine the fair value of the Trust's financial real estate assets were 6.82% and 6.22%, respectively (December 31, 2023 - 6.85% and 6.27%, respectively).

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 8. Mortgages, Loans and Notes Receivable

(\$ thousands)	Note	As at	
		September 30, 2024	December 31, 2023
Mortgages receivable classified as amortized cost <sup>(i)</sup>		\$ 223,702	\$ 199,197
Mortgages receivable classified as fair value through profit and loss ("FVTPL")	18	137,720	160,953
Loans receivable classified as amortized cost <sup>(i)</sup>		20,000	—
Notes receivable from GWL classified as amortized cost <sup>(i)</sup>	22	224,608	295,851
<b>Mortgages, loans and notes receivable</b>		<b>\$ 606,030</b>	<b>\$ 656,001</b>
Classified as:			
Expected to be recovered in more than twelve months		\$ 56,153	\$ 84,277
Expected to be recovered in less than twelve months		549,877	571,724
		<b>\$ 606,030</b>	<b>\$ 656,001</b>

(i) The fair value of the mortgages, loans and notes receivable classified as amortized cost was \$472,100 (December 31, 2023 - \$500,700) (Note 18).

### Mortgages and Loans Receivable

Mortgages and loans receivable represent amounts advanced under mezzanine loans, joint venture financing, vendor take-back financing and other arrangements. Choice Properties mitigates its risk by diversifying the number of entities and assets to which it loans funds.

The table below summarizes the rate and life of interest-bearing mortgages and loans:

	September 30, 2024		December 31, 2023	
	Weighted average term to maturity (years)	Weighted average interest rate	Weighted average term to maturity (years)	Weighted average interest rate
Mortgages receivable	0.6	8.20%	0.8	8.14%
Loans receivable	0.3	7.00%	—	—%
<b>Total</b>	<b>0.6</b>	<b>7.73%</b>	<b>0.8</b>	<b>8.14%</b>

### Notes Receivable from GWL

Non-interest bearing short-term notes totalling \$224,608 were issued to GWL during the nine months ended September 30, 2024. Non-interest bearing short-term notes totalling \$295,851 with respect to the loans received in the 2023 fiscal year were settled against distributions payable by the Trust to GWL in January 2024 (Note 22).

### Schedules of Maturity and Cash Flow Activities

The schedule of repayment of mortgages, loans and notes receivable based on maturity and redemption rights is as follows:

(\$ thousands)	Remainder of 2024	2025	2026	2027	2028	Total
Principal repayments						
Mortgages receivable	\$ 208,879	\$ 94,766	\$ 37,711	\$ —	\$ 18,441	\$ 359,797
Loans receivable	—	20,000	—	—	—	20,000
Notes receivable from GWL	—	224,608	—	—	—	224,608
<b>Total principal repayments</b>	<b>208,879</b>	<b>339,374</b>	<b>37,711</b>	<b>—</b>	<b>18,441</b>	<b>604,405</b>
Interest accrued	1,625	—	—	—	—	1,625
<b>Total repayments</b>	<b>\$ 210,504</b>	<b>\$ 339,374</b>	<b>\$ 37,711</b>	<b>\$ —</b>	<b>\$ 18,441</b>	<b>\$ 606,030</b>

During the nine month ended September 30, 2024, the Trust advanced four vendor take-back mortgages with a total face value of \$21,153 and a total fair value of \$20,221. The mortgages bear interest at a weighted average rate of 6.22% and are secured by the disposed properties.

On June 21, 2024, the Trust advanced a \$20,000 loan to a development partner. The loan bears interest at a rate of 7.00%.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 9. Accounts Receivable and Other Assets

(\$ thousands)	Note	As at September 30, 2024	As at December 31, 2023
Rent receivables <sup>(i)</sup> - net of expected credit loss of \$10,805 (2023 - \$13,954)		\$ 9,281	\$ 1,760
Accrued recovery income		25,020	22,198
Other receivables		35,276	49,671
Cost-to-complete receivable	22	1,980	4,440
Due from related parties <sup>(ii)</sup>	22	12,433	3,138
Restricted cash		17,385	4,419
Prepaid property taxes		43,743	8,045
Prepaid insurance		3,262	412
Other assets		20,670	21,097
Right-of-use assets - net of accumulated amortization of \$2,876 (2023 - \$2,465)		951	1,413
Deferred tax asset		2,805	2,792
Deferred acquisition costs and deposits on land		4,739	9,923
Designated hedging derivatives	18	5,710	7,872
<b>Accounts receivable and other assets</b>		<b>\$ 183,255</b>	<b>\$ 137,180</b>
Classified as:			
Expected to be recovered in more than twelve months		\$ 20,071	\$ 23,519
Expected to be recovered in less than twelve months		163,184	113,661
		<b>\$ 183,255</b>	<b>\$ 137,180</b>

(i) Includes net rent receivable of \$1,974 from Loblaw and \$132 from Wittington (December 31, 2023 - \$1,080 and \$129, respectively) (Note 22).

(ii) Other receivables due from related parties include \$12,349 from Loblaw and \$84 from GWL (December 31, 2023 - \$2,626 and \$512, respectively) (Note 22).

#### Rent receivables

In determining the expected credit losses, the Trust takes into account the payment history and future expectations of likely default events (i.e. tenants asking for rental concessions or stating they will not be making rental payments on the due date) based on actual or expected insolvency filings or company voluntary arrangements and likely deferrals of payments due. These assessments are made on a tenant-by-tenant basis.

The Trust's assessment of expected credit losses is inherently subjective due to the forward-looking nature of the assessments. As a result, the value of the expected credit loss is subject to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate.

#### Restricted cash

Restricted cash primarily relates to funds held in short-term investments as at September 30, 2024. These funds classified as restricted cash relate to a mortgage that was assumed by the Trust during the second quarter of 2024 in connection with a disposition transaction, which will be re-collateralized to a different property.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 10. Long Term Debt

(\$ thousands)	As at September 30, 2024	As at December 31, 2023
Senior unsecured debentures	\$ 5,382,133	\$ 5,632,522
Mortgages payable	1,195,697	973,342
Construction loans	64,852	90,059
<b>Long term debt</b>	<b>\$ 6,642,682</b>	<b>\$ 6,695,923</b>
Classified as:		
Expected to be settled in more than twelve months	\$ 6,196,508	\$ 5,731,427
Expected to be settled in less than twelve months	446,174	964,496
	<b>\$ 6,642,682</b>	<b>\$ 6,695,923</b>

### Senior Unsecured Debentures

(\$ thousands)				As at September 30, 2024	As at December 31, 2023
Series	Issuance / Assumption Date	Maturity Date	Interest Rate		
D	Feb 8, 2014	Feb 8, 2024	4.29%	\$ —	\$ 200,000
F	Nov 24, 2015	Nov 24, 2025	4.06%	200,000	200,000
H	Mar 7, 2016	Mar 7, 2046	5.27%	100,000	100,000
J	Jan 12, 2018	Jan 10, 2025	3.55%	350,000	350,000
K	Mar 8, 2018	Sept 9, 2024	3.56%	—	550,000
L	Mar 8, 2018	Mar 8, 2028	4.18%	750,000	750,000
M	Jun 11, 2019	Jun 11, 2029	3.53%	750,000	750,000
N	Mar 3, 2020	Mar 4, 2030	2.98%	400,000	400,000
O	Mar 3, 2020	Mar 4, 2050	3.83%	100,000	100,000
P	May 22, 2020	May 21, 2027	2.85%	500,000	500,000
Q	Nov 30, 2021	Nov 30, 2026	2.46%	350,000	350,000
R	Jun 24, 2022	Jun 24, 2032	6.00%	500,000	500,000
S	Mar 1, 2023	Mar 1, 2033	5.40%	550,000	550,000
T	Aug 1, 2023	Feb 28, 2034	5.70%	350,000	350,000
U	May 23, 2024	Feb 28, 2031	5.03%	500,000	—
<b>Total principal outstanding</b>				<b>5,400,000</b>	<b>5,650,000</b>
Debt placement costs - net of accumulated amortization of \$24,612 (2023 - \$21,889)				<b>(17,867)</b>	<b>(17,478)</b>
<b>Senior unsecured debentures</b>				<b>\$ 5,382,133</b>	<b>\$ 5,632,522</b>

As at September 30, 2024, the senior unsecured debentures had a weighted average interest rate of 4.20% and a weighted average term to maturity of 5.6 years (December 31, 2023 - 4.07% and 5.5 years, respectively).

On February 8, 2024, the Trust paid in full upon maturity, at par, plus accrued and unpaid interest thereon, the \$200 million aggregate principal amount of the 4.29% Series D senior unsecured debentures outstanding.

On May 23, 2024, the Trust completed an issuance, on a private placement basis, of \$500 million aggregate principal amount of Series U senior unsecured debentures bearing interest at a rate of 5.03% per annum and maturing on February 28, 2031.

On September 9, 2024, the Trust paid in full upon maturity, at par, plus accrued and unpaid interest thereon, the \$550 million aggregated principal amount of the 3.56% Series K senior unsecured debentures outstanding.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Mortgages Payable

(\$ thousands)	As at September 30, 2024	As at December 31, 2023
Mortgages principal	\$ 1,198,974	\$ 976,661
Net debt discounts and premiums - net of accumulated amortization of \$6,638 (2023 - \$6,108)	(640)	(1,170)
Debt placement costs - net of accumulated amortization of \$901 (2023 - \$714)	(2,637)	(2,149)
<b>Mortgages payable</b>	<b>\$ 1,195,697</b>	<b>\$ 973,342</b>

As at September 30, 2024, the mortgages had a weighted average interest rate of 4.17% and a weighted average term to maturity of 6.7 years (December 31, 2023 - 4.03% and 6.1 years, respectively).

### Construction Loans

As at September 30, 2024, \$64,852 was outstanding on the construction loans (December 31, 2023 - \$90,059), with a weighted average interest rate of 2.44% and a weighted average term to maturity of 6.1 years (December 31, 2023 - 4.61% and 3.5 years, respectively). Of the outstanding construction loans, \$5,230 was financed at variable rates, while \$59,622 was financed at a fixed rate.

For the purpose of financing the development of certain industrial and mixed-use & residential properties, various investments in equity accounted joint ventures and co-ownerships have variable and fixed rate non-revolving construction facilities, in which certain subsidiaries of the Trust guarantee its own share. These construction loans, which mature throughout 2025 to 2031, have a maximum capacity to be drawn at the Trust's ownership interest of \$336,225, of which \$270,700, relates to equity accounted joint ventures, as at September 30, 2024 (December 31, 2023 - \$447,987 and \$328,261, respectively).

### Schedules of Repayments and Cash Flow Activities

The schedule of principal repayment of long term debt based on maturity is as follows:

(\$ thousands)	Remainder of 2024	2025	2026	2027	2028	Thereafter	Total
Senior unsecured debentures	\$ —	\$ 550,000	\$ 350,000	\$ 500,000	\$ 750,000	\$ 3,250,000	\$ 5,400,000
Mortgages payable	74,403	127,956	133,355	92,298	46,894	724,068	1,198,974
Construction loans	—	5,230	—	—	—	59,622	64,852
<b>Total</b>	<b>\$ 74,403</b>	<b>\$ 683,186</b>	<b>\$ 483,355</b>	<b>\$ 592,298</b>	<b>\$ 796,894</b>	<b>\$ 4,033,690</b>	<b>\$ 6,663,826</b>

The following table reconciles the changes in cash flows from financing activities for long term debt:

(\$ thousands)				September 30, 2024	December 31, 2023
	Senior unsecured debentures	Mortgages payable	Construction loans	Long term debt	Long term debt
Balance, beginning of period	\$ 5,632,522	\$ 973,342	\$ 90,059	\$ 6,695,923	\$ 6,294,101
Issuances and advances <sup>(i)</sup>	500,000	254,452	21,860	776,312	1,106,157
Repayments	(750,000)	(74,946)	(47,067)	(872,013)	(685,292)
Debt placement costs	(3,112)	(675)	—	(3,787)	(5,734)
Total cash flow activities	(253,112)	178,831	(25,207)	(99,488)	415,131
Assumed by purchaser	—	(7,586)	—	(7,586)	(62,490)
Assumed from seller	—	12,153	—	12,153	13,346
Transfer from equity accounted joint ventures <sup>(ii)</sup>	—	38,240	—	38,240	31,866
Amortization of debt discounts and premiums	—	530	—	530	158
Amortization of debt placement costs	2,723	187	—	2,910	3,811
Total non-cash activities	2,723	43,524	—	46,247	(13,309)
<b>Balance, end of period</b>	<b>\$ 5,382,133</b>	<b>\$ 1,195,697</b>	<b>\$ 64,852</b>	<b>\$ 6,642,682</b>	<b>\$ 6,695,923</b>

(i) Mortgages payable issuances and advances include \$33,075 of mortgages assumed from the Trust's partner, previously secured by the partner's interest in the properties disposed by the Trust and its partner in the second quarter of 2024. These mortgages have been secured by other properties held by the Trust.

(ii) Transfer from equity accounted joint ventures includes the Trust's share of mortgages payable previously secured by the disposed properties mentioned above and the Trust's share of mortgage payable related to an acquisition which was transferred to investment properties.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 11. Credit Facility

Choice Properties has a \$1,500,000 senior unsecured committed revolving credit facility provided by a syndicate of lenders. During the second quarter of 2024, the Trust extended the maturity date for the credit facility from September 1, 2028 to June 13, 2029.

Under the credit facility, the Trust has the ability to draw funds at variable rates in either Canadian dollars or U.S. dollars. Canadian dollar-denominated borrowings bear interest at either the Canadian bank prime rate plus 0.20% or Canadian Overnight Repo Rate Average ("CORRA") plus 1.20% and a daily compounded CORRA adjustment of approximately 0.30%, and U.S. dollar-denominated borrowings bear interest at the U.S. prime rate plus 0.30% or Secured Overnight Financing Rate ("SOFR") plus 1.30%. The pricing is contingent on the credit ratings for Choice Properties from either DBRS remaining at BBB (high) or S&P remaining at BBB+. Concurrently with the U.S. dollar draws, the Trust enters into cross currency swaps to exchange its U.S. dollar borrowings into Canadian dollar borrowings. The Trust applies hedge accounting to the cross currency swaps.

As at September 30, 2024, \$nil was drawn in U.S. dollar-denominated borrowings (December 31, 2023 - \$nil) and \$nil was drawn in Canadian dollar-denominated borrowings (December 31, 2023 - \$nil). The unamortized balance for debt placement costs as at September 30, 2024 of \$2,374 (December 31, 2023 - \$2,232) was included in other assets (Note 9).

The credit facility contains certain financial covenants. As at September 30, 2024, the Trust was in compliance with all its financial covenants for the credit facility.



## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 12. Unitholders' Equity

#### *Trust Units (authorized - unlimited)*

Each Trust Unit ("Unit") represents a single vote at any meeting of Unitholders and entitles the Unitholder to receive a pro-rata share of all distributions. With certain restrictions, a Unitholder has the right to require Choice Properties to redeem its Units on demand. Upon receipt of a redemption notice by Choice Properties, all rights to and under the Units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per unit as determined by a market formula and shall be paid in accordance with the conditions provided for in the Declaration of Trust.

#### *Exchangeable Units (authorized - unlimited)*

Exchangeable Units issued by the Partnership are economically equivalent to Units, receive distributions equal to the distributions paid on the Units and are exchangeable, at the holder's option, to Units. All Exchangeable Units are held, directly or indirectly, by GWL.

The 70,881,226 Exchangeable Units issued on May 4, 2018, in connection with the acquisition of Canadian Real Estate Investment Trust contain voting and exchange restrictions which will expire based on the following schedule:

Voting and exchange rights restriction period expiration dates	Number of Exchangeable Units eligible for voting and transfer
July 5, 2027	22,988,505
July 5, 2028	22,988,505
July 5, 2029	24,904,216

#### *Special Voting Units*

Each Exchangeable Unit is accompanied by one Special Voting Unit which provides the holder thereof with a right to vote on matters respecting the Trust equal to the number of units that may be obtained upon the exchange of the Exchangeable Units for which each Special Voting Unit is attached.

### Units Outstanding

	Note	As at September 30, 2024		As at December 31, 2023	
		Units	Amount	Units	Amount
(\$ thousands except where otherwise indicated)					
Units, beginning of period		327,859,972	\$ 3,660,985	327,771,149	\$ 3,661,605
Units issued under unit-based compensation arrangements	14	367,428	951	329,716	1,362
Reclassification of vested Unit-Settled Restricted Units liability to equity		—	1,527	—	1,497
Units repurchased for unit-based compensation arrangements	14	(303,428)	(4,004)	(240,893)	(3,479)
<b>Units, end of period</b>		<b>327,923,972</b>	<b>\$ 3,659,459</b>	<b>327,859,972</b>	<b>\$ 3,660,985</b>
Exchangeable Units, beginning of period		395,786,525	\$ 5,521,222	395,786,525	\$ 5,841,809
Adjustment to fair value of Exchangeable Units		—	467,028	—	(320,587)
<b>Exchangeable Units, end of period</b>		<b>395,786,525</b>	<b>\$ 5,988,250</b>	<b>395,786,525</b>	<b>\$ 5,521,222</b>
<b>Total Units and Exchangeable Units, end of period</b>		<b>723,710,497</b>		<b>723,646,497</b>	

#### **Normal Course Issuer Bid ("NCIB")**

Choice Properties, may, from time to time, purchase Units in accordance with the rules prescribed under applicable stock exchange or regulatory policies. On November 17, 2023, Choice Properties received approval from the TSX to purchase up to 27,563,002 Units during the twelve-month period from November 21, 2023 to November 20, 2024, by way of a NCIB over the facilities of the TSX or through alternative trading systems. Choice Properties intends to file a Notice of Intention to make a NCIB with the TSX upon the expiry of its current NCIB.

#### **Units Repurchased for Unit-Based Compensation Arrangements**

The Trust acquired Units under its NCIB during the nine months ended September 30, 2024 and the year ended December 31, 2023, which were then granted to certain employees in connection with the Unit-Settled Restricted Unit Plan, and are subject to vesting conditions and disposition restrictions.

#### **Units Issued under Unit-Based Compensation Arrangements**

Units were issued as part of settlements under the Unit Option Plan and grants under the Unit-Settled Restricted Unit Plan, as applicable (Note 14).

#### **Distributions**

Choice Properties' Board retains full discretion with respect to the timing and quantum of distributions and expects to distribute the amount necessary to ensure the Trust will not be liable to pay income taxes under Part I of the *Income Tax Act (Canada)*<sup>(i)</sup>.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

Accordingly, no provision for current income taxes payable is required, except for amounts incurred for the Trust's Canadian corporate subsidiaries. The taxable income allocated to the Trust and Exchangeable Unitholders may vary in certain taxation years. Over time, such differences, in aggregate, are expected to be minimal.

In the nine months ended September 30, 2024, Choice Properties declared cash distributions of \$0.568 per unit or \$411,278 in aggregate (September 30, 2023 - \$0.561, or \$405,846, respectively), including distributions to holders of Exchangeable Units, which are reported as interest expense. Distributions declared to Unitholders of record at the close of business on the last business day of a month are paid on or about the 15th day of the following month.

On February 14, 2024, the Trust announced an increase of distributions to \$0.76 per unit per annum from the previous rate of \$0.75 per unit per annum (an increase of 1.3%). The increase was effective for Unitholders of record on March 31, 2024.

The holders of Exchangeable Units may elect to defer receipt of all, or a portion of distributions declared by the Partnership until the first date following the end of the fiscal year. If the holder elects to defer, the Partnership will loan the holder the amount equal to the deferred distribution without interest, and the loan will be due and payable in full on the first business day following the end of the fiscal year the loan was advanced.

(i) Choice Properties qualifies as a "mutual fund trust" and a "real estate investment trust" under the Income Tax Act (Canada).

### Base Shelf Prospectus

On June 16, 2023, Choice Properties filed a Short Form Base Shelf Prospectus allowing for the issuance of Units and debt securities over a 25-month period.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 13. Trade Payables and Other Liabilities

(\$ thousands)	Note	As at September 30, 2024	As at December 31, 2023
Trade accounts payable		\$ 32,155	\$ 43,514
Accrued liabilities and provisions <sup>(i)</sup>		115,507	97,542
Accrued acquisition transaction costs and other related expenses		112	39,318
Accrued capital expenditures <sup>(ii)</sup>		62,168	60,077
Accrued interest expense		47,069	60,905
Due to related party <sup>(iii)</sup>	22	251,640	323,036
Contingent consideration		17,590	17,214
Unit-based compensation	14	17,129	15,482
Distributions payable <sup>(iv)</sup>		20,942	20,665
Lease liabilities		1,188	1,453
Tenant deposits		18,735	17,508
Deferred revenue		17,381	25,029
Designated hedging derivatives	18	2,463	1,337
<b>Trade payables and other liabilities</b>		<b>\$ 604,079</b>	<b>\$ 723,080</b>
Classified as:			
Expected to be settled in more than twelve months		\$ 23,844	\$ 24,628
Expected to be settled in less than twelve months		580,235	698,452
		<b>\$ 604,079</b>	<b>\$ 723,080</b>

(i) Includes amounts payable to Loblaw of \$12,272 (December 31, 2023 - \$7,428) (Note 22).

(ii) Includes construction allowances payable to Loblaw of \$20,840 (December 31, 2023 - \$26,726) (Note 22).

(iii) Includes distributions accrued on Exchangeable Units of \$249,674 payable to GWL (December 31, 2023 - \$320,587); \$1,538 payable for shared costs incurred by GWL, the Services Agreement expense and other related party charges (December 31, 2023 - \$1,050); and \$428 of reimbursed contract revenue and other related party charges payable to Loblaw (December 31, 2023 - \$296) (Note 22).

(iv) Includes distributions payable to GWL of \$3,209 and Wittington of \$1,045 (December 31, 2023 - \$3,166 and \$1,031, respectively) (Note 22).

#### Contingent consideration

On March 30, 2021, the Trust acquired an 85% interest in future industrial development land in Caledon, Ontario, for \$138,000. The purchase price comprised a \$100,000 cash payment and a commitment to pay the remaining \$38,000 balance based on certain milestones being met over the development lifecycle, which represented the then present value of the estimated amount payable. A payment of \$23,100 was made upon reaching the first development milestone. The present value of the remaining estimated amount payable is \$17,590 as at September 30, 2024 (December 31, 2023 - \$17,214).

#### Accrued acquisition transaction costs and other related expenses

The reduction in accrued acquisition transaction costs and other related expenses was due to the reversal of a \$38,615 transaction related provision that was determined to be no longer required.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 14. Unit-Based Compensation

(\$ thousands)	Three Months		Nine Months	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Unit Option plan	\$ 407	\$ 33	\$ 177	\$ (197)
Restricted Unit plan	1,759	699	2,544	1,745
Performance Unit plan	728	271	1,111	837
Trustee Deferred Unit plan	2,129	54	2,299	131
<b>Unit-based compensation expense</b>	<b>\$ 5,023</b>	<b>\$ 1,057</b>	<b>\$ 6,131</b>	<b>\$ 2,516</b>
Recorded in:				
General and administrative expenses	\$ 1,684	\$ 1,700	\$ 4,861	\$ 4,889
Adjustment to fair value of unit-based compensation	3,339	(643)	1,270	(2,373)
	<b>\$ 5,023</b>	<b>\$ 1,057</b>	<b>\$ 6,131</b>	<b>\$ 2,516</b>

As at September 30, 2024, the carrying value of the unit-based compensation liability was \$17,129 (December 31, 2023 - \$15,482) (Note 13).

#### Unit Option Plan

Choice Properties maintains a Unit Option plan for certain employees. Under this plan, Choice Properties may grant Unit Options totalling up to 19,744,697 Units, as approved at the annual and special meeting of Unitholders on April 29, 2015. The Unit Options vest in tranches over a period of four years. The following is a summary of Choice Properties' Unit Option plan activity:

	Nine months ended September 30, 2024		Year ended December 31, 2023	
	Number of awards	Weighted average exercise price/unit	Number of awards	Weighted average exercise price/unit
Outstanding Unit Options, beginning of period	164,300	\$ 11.92	253,154	\$ 12.01
Exercised	(64,000)	11.92	(88,823)	12.17
Expired	—	—	(31)	13.93
<b>Outstanding Unit Options, end of the period</b>	<b>100,300</b>	<b>\$ 11.92</b>	<b>164,300</b>	<b>\$ 11.92</b>
<b>Unit Options exercisable, end of the period</b>	<b>100,300</b>	<b>\$ 11.92</b>	<b>164,300</b>	<b>\$ 11.92</b>

#### Restricted Unit Plan

Choice Properties has a Restricted Unit Plan and a Unit-Settled Restricted Unit Plan as described below.

##### Restricted Unit Plan

Restricted Units ("RU") entitle certain employees to receive the value of the RU award in cash or units at the end of the applicable vesting period, which is usually three years in length. The RU plan provides for the crediting of additional RUs in respect of distributions paid on Units for the period when a RU is outstanding. The fair value of each RU granted is measured based on the market value of a Trust Unit at the balance sheet date. No outstanding RUs had vested as at September 30, 2024 (December 31, 2023 - nil).

The following is a summary of Choice Properties' RU plan activity:

(Number of awards)	As at	As at
	September 30, 2024	December 31, 2023
Outstanding Restricted Units, beginning of period	265,338	271,147
Granted	119,867	128,795
Reinvested	11,840	16,361
Exercised	(88,684)	(96,308)
Cancelled	(26,753)	(54,657)
<b>Outstanding Restricted Units, end of period</b>	<b>281,608</b>	<b>265,338</b>

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Unit-Settled Restricted Unit Plan

Under the terms of the Unit-Settled Restricted Unit (“URU”) plan, certain employees are granted URUs which are subject to vesting conditions and disposition restrictions. Typically, full vesting of the URUs will not occur until the employee has remained with Choice Properties for three or five years from the date of grant. Depending on the nature of the grant, the URUs are subject to a six- or seven-year holding period during which the Units cannot be disposed. There were 1,562,299 URUs vested but still subject to disposition restrictions as at September 30, 2024 (December 31, 2023 - 1,503,185).

The following is a summary of Choice Properties’ URU plan activity for units not yet vested:

(Number of awards)	As at September 30, 2024	As at December 31, 2023
Outstanding Unit-Settled Restricted Units, beginning of period	705,401	666,719
Granted	303,428	240,893
Cancelled	(9,974)	(4,942)
Vested	(227,420)	(197,269)
<b>Outstanding Unit-Settled Restricted Units, end of period</b>	<b>771,435</b>	<b>705,401</b>

### Performance Unit Plan

Performance Units (“PU”) entitle certain employees to receive the value of the PU award in cash or units at the end of the applicable performance period, which is usually three years in length, based on the Trust achieving certain performance conditions. The PU plan provides for the crediting of additional PUs in respect of distributions paid on Units for the period when a PU is outstanding. The fair value of each PU granted is measured based on the market value of a Trust Unit at the balance sheet date. There were no PUs vested as at September 30, 2024 (December 31, 2023 - nil).

The following is a summary of Choice Properties’ PU plan activity:

(Number of awards)	As at September 30, 2024	As at December 31, 2023
Outstanding Performance Units, beginning of period	256,674	238,418
Granted	94,335	97,056
Reinvested	10,601	14,148
Exercised	(116,832)	(107,057)
Cancelled	(14,563)	(19,737)
Added by performance factor	19,918	33,846
<b>Outstanding Performance Units, end of period</b>	<b>250,133</b>	<b>256,674</b>

### Trustee Deferred Unit Plan

Non-management members of the Board are required to receive a portion of their annual retainer in the form of Deferred Units (“DU”) and may also elect to receive up to 100% of their remaining fees in DUs. Distributions paid earn fractional DUs, which are treated as additional awards. The fair value of each DU granted is measured based on the market value of a unit at the balance sheet date. All DUs vest when granted, however, they cannot be exercised while Trustees are members of the Board.

The following is a summary of Choice Properties’ DU plan activity:

(Number of awards)	As at September 30, 2024	As at December 31, 2023
Outstanding Trustee Deferred Units, beginning of period	559,380	506,556
Granted	83,750	111,047
Reinvested	24,597	30,029
Exercised	—	(88,252)
<b>Outstanding Trustee Deferred Units, end of period</b>	<b>667,727</b>	<b>559,380</b>

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 15. Rental Revenue

Rental revenue is comprised of the following:

(\$ thousands)	Three Months			Nine Months		
	Related Parties <sup>(i)</sup>	Third-party	September 30, 2024	Related Parties <sup>(i)</sup>	Third-party	September 30, 2024
Base rent	\$ 133,117	\$ 95,641	\$ 228,758	\$ 397,906	\$ 279,933	\$ 677,839
Property tax and insurance recoveries	38,021	27,866	65,887	114,804	80,694	195,498
Operating cost recoveries	21,168	17,798	38,966	69,234	57,433	126,667
Lease surrender and other revenue	4,451	1,836	6,287	7,363	5,877	13,240
<b>Rental revenue</b>	<b>\$ 196,757</b>	<b>\$ 143,141</b>	<b>\$ 339,898</b>	<b>\$ 589,307</b>	<b>\$ 423,937</b>	<b>\$ 1,013,244</b>

(i) Refer to Note 22, Related Party Transactions.

(\$ thousands)	Three Months			Nine Months		
	Related Parties <sup>(i)</sup>	Third-party	September 30, 2023	Related Parties <sup>(i)</sup>	Third-party	September 30, 2023
Base rent	\$ 130,067	\$ 89,152	\$ 219,219	\$ 389,773	\$ 263,551	\$ 653,324
Property tax and insurance recoveries	35,271	25,188	60,459	109,163	76,753	185,916
Operating cost recoveries	19,977	17,666	37,643	63,447	57,144	120,591
Lease surrender and other revenue	1,427	6,329	7,756	1,427	18,803	20,230
<b>Rental revenue</b>	<b>\$ 186,742</b>	<b>\$ 138,335</b>	<b>\$ 325,077</b>	<b>\$ 563,810</b>	<b>\$ 416,251</b>	<b>\$ 980,061</b>

(i) Refer to Note 22, Related Party Transactions.

Choice Properties enters into long-term lease contracts with tenants for space in its properties. Initial lease terms are generally between three and ten years for commercial units and longer terms for food store anchors. Leases generally provide for the tenant to pay Choice Properties base rent, with provisions for contractual increases in base rent over the term of the lease, plus operating cost, property tax and insurance recoveries. Many of the leases with Loblaw are for stand-alone retail sites. Loblaw is directly responsible for the operating costs on such sites.

### Note 16. Property Operating Costs

(\$ thousands)	Three Months		Nine Months	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Property taxes and insurance	\$ 68,479	\$ 62,645	\$ 204,797	\$ 194,834
Recoverable operating costs	22,954	23,310	77,783	77,060
Non-recoverable operating costs	1,460	1,274	1,613	2,780
<b>Property operating costs</b>	<b>\$ 92,893</b>	<b>\$ 87,229</b>	<b>\$ 284,193</b>	<b>\$ 274,674</b>

Included in non-recoverable operating expenses are net reversals of expected credit losses of \$1,513 for the nine months ended September 30, 2024 (September 30, 2023 - net expected credit loss of \$360). Refer to Note 9 for discussion on rents receivable and the related expected credit losses.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 17. Net Interest Expense and Other Financing Charges

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Interest on senior unsecured debentures		\$ 60,857	\$ 56,415	\$ 174,557	\$ 162,272
Interest on mortgages and construction loans		12,864	10,933	34,352	31,239
Interest on credit facility		938	2,442	3,147	9,026
Interest on right-of-use lease liabilities		11	14	35	50
Amortization of debt discounts and premiums	10	142	(53)	530	(20)
Amortization of debt placement costs	10,11	1,180	831	3,437	3,479
Distributions on Exchangeable Units <sup>(i)</sup>	22	75,199	74,210	224,938	221,971
		<b>151,191</b>	144,792	<b>440,996</b>	428,017
Less: Capitalized interest <sup>(ii)</sup>	5	(781)	(2,500)	(2,098)	(5,243)
<b>Net interest expense and other financing charges</b>		<b>\$ 150,410</b>	\$ 142,292	<b>\$ 438,898</b>	\$ 422,774

(i) Represents interest on indebtedness due to GWL.

(ii) Interest was capitalized to qualifying development projects based on a weighted average interest rate of 4.19% and 4.14% for the three and nine months ended September 30, 2024, respectively (September 30, 2023 - 4.04% and 4.04%, respectively).

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 18. Financial Instruments

The following table presents the fair value hierarchy of financial assets and liabilities, excluding those classified as amortized cost that are short term in nature:

(\$ thousands)	Note	As at September 30, 2024				As at December 31, 2023			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets</b>									
Fair value through profit and loss:									
Mortgages, loans and notes receivable	8	\$ —	\$ —	\$ 137,720	\$ 137,720	\$ —	\$ —	\$ 160,953	\$ 160,953
Financial real estate assets	7	—	—	199,111	199,111	—	—	195,457	195,457
Investment in real estate securities		—	238,780	—	238,780	—	238,308	—	238,308
Designated hedging derivatives	9	—	5,710	—	5,710	—	7,872	—	7,872
Amortized cost:									
Mortgages, loans and notes receivable	8	—	—	472,100	472,100	—	—	500,700	500,700
Cash and cash equivalents	19(c)	—	73,931	—	73,931	—	252,424	—	252,424
<b>Liabilities</b>									
Fair value through profit and loss:									
Exchangeable Units	12	—	5,988,250	—	5,988,250	—	5,521,222	—	5,521,222
Unit-based compensation	13,14	—	17,129	—	17,129	—	15,482	—	15,482
Designated hedging derivatives	13	—	2,463	—	2,463	—	1,337	—	1,337
Amortized cost:									
Long term debt	10	—	—	6,463,785	6,463,785	—	—	6,599,055	6,599,055

The carrying value of the Trust's assets and liabilities approximated fair value except for long term debt. The fair value of Choice Properties' senior unsecured debentures was calculated using market trading prices for similar instruments, whereas the fair values for the mortgages was calculated by discounting future cash flows using appropriate discount rates. There were no transfers between levels of the fair value hierarchy during the periods.

### Designated Hedging Derivatives

Designated hedging derivatives consist of interest rate swaps to hedge the interest rate associated with an equivalent amount of variable rate mortgages, and cross currency swaps to hedge foreign exchange associated with the equivalent amount borrowed in US\$ on the Trust's credit facility (Note 11). During the nine months ended September 30, 2024, an interest swap was settled upon maturity of the underlying variable rate mortgage. As at September 30, 2024, the interest rates associated with the interest rate swaps ranged from 2.8% to 5.0% (December 31, 2023 - 2.8% to 5.0%).

The impact of the hedging instruments on the consolidated balance sheets was as follows:

(\$ thousands)	Note	Maturity Date	Notional Amount		As at	
			September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
<b>Derivative assets</b>						
Interest rate swaps	9	Nov 2025 - Jun 2030	\$ 77,010	\$ 5,710	\$ 7,872	\$ 7,872
<b>Total derivative assets</b>			<b>\$ 77,010</b>	<b>\$ 5,710</b>	<b>\$ 7,872</b>	<b>\$ 7,872</b>
<b>Derivative liabilities</b>						
Interest rate swaps	13	March 1, 2030	\$ 75,287	\$ 2,463	\$ 1,337	\$ 1,337
<b>Total derivative liabilities</b>			<b>\$ 75,287</b>	<b>\$ 2,463</b>	<b>\$ 1,337</b>	<b>\$ 1,337</b>

During the nine months ended September 30, 2024, the Trust recorded an unrealized fair value loss in other comprehensive income (loss) of \$3,288 (September 30, 2023 - unrealized fair value gain of \$3,470).



## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 19. Supplemental Cash Flow Information

#### (a) Items not affecting cash and other items

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Straight-line rental revenue	5	\$ 346	\$ 839	\$ 1,519	\$ 2,716
Unit-based compensation expense included in general and administrative expenses	14	1,684	1,700	4,861	4,889
Amortization of intangible assets		250	250	750	750
Adjustment to fair value of unit-based compensation	14	3,339	(643)	1,270	(2,373)
Adjustment to fair value of Exchangeable Units	12	906,351	(352,250)	467,028	(823,236)
Adjustment to fair value of investment properties	5	(82,173)	(26,775)	(108,843)	(188,595)
Adjustment to fair value of investment in real estate securities		(57,983)	44,757	(472)	90,576
<b>Items not affecting cash and other items</b>		<b>\$ 771,814</b>	<b>\$ (332,122)</b>	<b>\$ 366,113</b>	<b>\$ (915,273)</b>

#### (b) Net change in non-cash working capital

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net change in accounts receivable and other assets	9	\$ 33,021	\$ 9,172	\$ (48,764)	\$ (40,945)
Cost of sales recognized - residential development inventory		—	—	9,234	—
Net change in trade payables and other liabilities	13	1,480	(23,034)	(40,176)	(19,034)
<b>Net change in non-cash working capital</b>		<b>\$ 34,501</b>	<b>\$ (13,862)</b>	<b>\$ (79,706)</b>	<b>\$ (59,979)</b>

#### (c) Cash and cash equivalents

(\$ thousands)	As at	
	September 30, 2024	December 31, 2023
Cash	\$ 48,404	\$ 107,983
Short-term investments	25,527	144,441
<b>Cash and cash equivalents</b>	<b>\$ 73,931</b>	<b>\$ 252,424</b>

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 20. Segment Information

Choice Properties operates in three reportable segments: retail, industrial, and mixed-use & residential. The segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (“CODM”), determined to be the senior leadership team, which is comprised of the Chief Executive Officer, the Chief Financial Officer, and Chief Operating Officer of the Trust. The CODM measures and evaluates the performance of the Trust based on net rental income.

The tables below presents net rental income for the three and nine months ended September 30, 2024 and September 30, 2023 in a manner consistent with internal reporting. The accounting policies of the segments presented here are the same as those described in Note 2 of the audited annual consolidated financial statements, except that segment rental revenue and segment property operating costs include the proportionate share of revenue and direct operating costs of joint ventures and financial real estate assets.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	Three Months Ended September 30, 2024
Rental revenue	\$ 273,350	\$ 69,511	\$ 18,747	\$ (21,710)	\$ 339,898
Property operating costs	(75,306)	(18,178)	(7,025)	7,616	(92,893)
<b>Net Rental Income</b>	<b>\$ 198,044</b>	<b>\$ 51,333</b>	<b>\$ 11,722</b>	<b>\$ (14,094)</b>	<b>\$ 247,005</b>

(i) Reconciling items to adjust Choice Properties’ proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	Nine Months Ended September 30, 2024
Rental revenue	\$ 825,119	\$ 201,514	\$ 54,635	\$ (68,024)	\$ 1,013,244
Property operating costs	(236,694)	(50,260)	(21,142)	23,903	(284,193)
<b>Net Rental Income</b>	<b>\$ 588,425</b>	<b>\$ 151,254</b>	<b>\$ 33,493</b>	<b>\$ (44,121)</b>	<b>\$ 729,051</b>

(i) Reconciling items to adjust Choice Properties’ proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	Three Months Ended September 30, 2023
Rental revenue	\$ 270,737	\$ 56,388	\$ 17,754	\$ (19,802)	\$ 325,077
Property operating costs	(72,052)	(14,120)	(7,526)	6,469	(87,229)
<b>Net Rental Income</b>	<b>\$ 198,685</b>	<b>\$ 42,268</b>	<b>\$ 10,228</b>	<b>\$ (13,333)</b>	<b>\$ 237,848</b>

(i) Reconciling items to adjust Choice Properties’ proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	Nine Months Ended September 30, 2023
Rental revenue	\$ 816,426	\$ 168,204	\$ 57,485	\$ (62,054)	\$ 980,061
Property operating costs	(228,946)	(43,253)	(23,166)	20,691	(274,674)
<b>Net Rental Income</b>	<b>\$ 587,480</b>	<b>\$ 124,951</b>	<b>\$ 34,319</b>	<b>\$ (41,363)</b>	<b>\$ 705,387</b>

(i) Reconciling items to adjust Choice Properties’ proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

The tables below presents investment properties as at September 30, 2024 and as at December 31, 2023 in a manner consistent with internal reporting. The accounting policies of the segments presented here are the same as those described in Note 2 of the audited annual consolidated financial statements, except that segment income producing properties and segment properties under development include the proportionate share of joint ventures and financial real estate assets.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	As at September 30, 2024
Income producing properties	\$ 11,204,446	\$ 3,926,391	\$ 915,163	\$ (1,077,000)	\$ 14,969,000
Properties under development	194,526	628,500	60,974	(646,000)	238,000
<b>Investment Properties</b>	<b>\$ 11,398,972</b>	<b>\$ 4,554,891</b>	<b>\$ 976,137</b>	<b>\$ (1,723,000)</b>	<b>\$ 15,207,000</b>

(i) Reconciling items to adjust Choice Properties' proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

(\$ thousands)	Retail	Industrial	Mixed-Use & Residential	Consolidation and Eliminations <sup>(i)</sup>	As at December 31, 2023
Income producing properties	\$ 11,025,128	\$ 3,897,983	\$ 833,889	\$ (1,122,000)	\$ 14,635,000
Properties under development	185,024	587,524	115,452	(600,000)	288,000
<b>Investment Properties</b>	<b>\$ 11,210,152</b>	<b>\$ 4,485,507</b>	<b>\$ 949,341</b>	<b>\$ (1,722,000)</b>	<b>\$ 14,923,000</b>

(i) Reconciling items to adjust Choice Properties' proportionate share of joint ventures and financial real estate assets to reflect the equity method of accounting and financial instrument accounting treatment, respectively, under GAAP.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 21. Contingencies, Commitments, and Guarantees

Choice Properties is involved in and potentially subject to various claims by third-parties arising from the normal course of conduct of its business including regulatory, property and environmental claims. In addition, Choice Properties is potentially subject to regular audits from federal and provincial tax authorities, and as a result of these audits may receive assessments and reassessments. Although such matters cannot be predicted with certainty, management currently considers Choice Properties' exposure to such claims and litigation, to the extent not covered by Choice Properties' insurance policies or otherwise provided for, not to be material to the condensed consolidated financial statements, but they may have a material impact in future periods.

#### a. Legal Proceedings

Choice Properties is potentially the subject of various legal proceedings and claims that arise in the ordinary course of business. The outcome of all these proceedings and claims is uncertain. Based on information currently available, any proceedings and claims, individually and in the aggregate, are not expected to have a material impact on Choice Properties.

#### b. Guarantees

Choice Properties issues letters of credit to support guarantees related to its investment properties including maintenance and development obligations to municipal authorities. The Trust has aggregate letters of credit with a maximum capacity of \$83,135 at the Trust's ownership interest. As at September 30, 2024, the aggregate gross potential liability related to these letters of credit totalled \$36,663 (December 31, 2023 - \$37,668).

Choice Properties' credit facility and senior unsecured debentures are guaranteed by each of the General Partner, the Partnership and any other person that becomes a subsidiary of Choice Properties (with certain exceptions). In the case of default by the Trust, the indenture trustee will be entitled to seek redress from the guarantors for the guaranteed obligations in the same manner and upon the same terms that it may seek to enforce the obligations of the Trust. These guarantees are intended to eliminate structural subordination, which would otherwise arise as a consequence of Choice Properties' assets being primarily held in various subsidiaries of the Trust.

#### c. Commitments

Choice Properties has entered into contracts for development and property capital projects and has other contractual obligations. The Trust is committed to future payments of approximately \$598,000, of which \$427,000 relates to equity accounted joint ventures, as at September 30, 2024 (December 31, 2023 - \$427,000 and \$339,000, respectively).

#### d. Contingent Liabilities

Generally, the Trust is only liable for its proportionate share of the obligations of the co-ownerships and equity accounted joint ventures in which it participates, except in limited circumstances. Credit risk arises in the event that the partners default on the payment of their proportionate share of such obligations. The Trust has exposure to its partners' share of mortgage debt obligations within its equity accounted joint ventures in the amount of \$427,460 as at September 30, 2024 (December 31, 2023 - \$399,071). This credit risk is mitigated as the Trust generally has recourse under its co-ownership agreements and joint venture arrangements in the event of default of its partners, in which case the Trust's claim would be against both the underlying real estate investments and the partners that are in default. Management believes that the assets of its co-ownerships and equity accounted joint ventures are sufficient for the purpose of satisfying any obligation of the Trust should the Trust's partner default.

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

### Note 22. Related Party Transactions

Choice Properties' controlling unitholder is GWL, which, as at September 30, 2024, held either directly or indirectly, a 61.7% effective interest in the Trust through ownership of 50,661,415 Units and all of the Exchangeable Units, which are economically equivalent to and exchangeable to Units. GWL is also the controlling shareholder of Loblaw, with ownership of 52.6% of Loblaw's outstanding common shares as at September 30, 2024. Choice Properties' ultimate parent is Wittington Investments, Limited.

In the normal course of operations, Choice Properties enters into various transactions with related parties. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

#### Transactions and Agreements with GWL

##### Services Agreement

During the nine months ended September 30, 2024, GWL provided Choice Properties with corporate, administrative and other support services for an annualized cost of \$4,988 (December 31, 2023 - \$4,970).

##### Distributions on Exchangeable Units

GWL, directly or indirectly, holds all of the Exchangeable Units issued by Choice Properties Limited Partnership, a subsidiary of Choice Properties. During the three and nine months ended September 30, 2024, distributions declared on the Exchangeable Units totalled \$75,199 and \$224,938 (September 30, 2023 - \$74,210 and \$221,971, respectively).

As at September 30, 2024, Choice Properties had distributions on Exchangeable Units payable to GWL of \$249,674 (December 31, 2023 - \$320,587). The payable to GWL includes deferred distributions of \$224,608 to be paid on the first business day of the 2025 fiscal year (December 31, 2023 - \$295,851).

##### Notes Receivable

Holders of Exchangeable Units may, in lieu of receiving all or a portion of their distributions, choose to be loaned an amount from Choice Properties Limited Partnership, and to have such distributions made on the first business day following the end of the fiscal year in which such distribution would otherwise have been made. The loans do not bear interest and are due and payable in full on the first business day following the end of the fiscal year during which the loan was made. During the nine months ended September 30, 2024, GWL elected to receive distributions from Choice Properties Limited Partnership in the form of loans. As such, non-interest bearing short-term notes totalling \$224,608 were issued to GWL. Non-interest bearing short-term notes totalling \$295,851 with respect to the loans received in the 2023 fiscal year were settled against distributions payable by the Trust to GWL in January 2024.

##### Trust Unit Distributions

During the three and nine months ended September 30, 2024, Choice Properties declared cash distributions of \$9,626 and \$28,793, respectively, on the Units held by GWL (September 30, 2023 - \$9,498 and \$28,412, respectively). As at September 30, 2024, \$3,209 of Trust Unit distributions declared were payable to GWL (December 31, 2023 - \$3,166). There were no non-cash distributions settled through the issuance of additional Trust Units during the nine months ended September 30, 2024 (September 30, 2023 - \$nil).

#### Transaction Summary as Reflected in the Consolidated Financial Statements

Transactions with GWL recorded in the consolidated statements of income and comprehensive income were comprised as follows:

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Rental revenue	15	\$ 505	\$ 775	\$ 2,107	\$ 2,327
Services Agreement expense		(1,247)	(1,332)	(3,741)	(3,732)
Distributions on Exchangeable Units	17	(75,199)	(74,210)	(224,938)	(221,971)

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

The balances due from (to) GWL and subsidiaries were as follows:

(\$ thousands)	Note	As at September 30, 2024	As at December 31, 2023
Notes receivable	8	\$ 224,608	\$ 295,851
Other receivables	9	84	512
Exchangeable Units	12	(5,988,250)	(5,521,222)
Accrued liabilities	13	(1,538)	(1,050)
Distributions payable on Exchangeable Units	13	(249,674)	(320,587)
Distributions payable on Trust Units	13	(3,209)	(3,166)
<b>Due to GWL and subsidiaries</b>		<b>\$ (6,017,979)</b>	<b>\$ (5,549,662)</b>

### Transactions and Agreements with Loblaw

#### Acquisitions

During the nine months ended September 30, 2024, Choice Properties completed four acquisitions from Loblaw, for an aggregate purchase price of \$164,764. The acquisitions included: a retail property in Toronto, Ontario \$38,300, a 50% interest in a retail property in Winnipeg, Manitoba for \$15,596, a 50% interest in an industrial property in Mississauga, Ontario for \$89,601, and a 50% interest in a retail property in Toronto, Ontario that was acquired through an equity accounted joint venture for \$21,267. In each case the purchase price excludes transaction costs. Concurrent with the transactions, the properties were leased back to Loblaw.

#### Strategic Alliance Agreement

The Strategic Alliance Agreement creates a series of rights and obligations between Choice Properties and Loblaw intended to establish a preferential and mutually beneficial business and operating relationship. The initial term of the Strategic Alliance Agreement expired on July 5, 2023. Upon expiry of the initial term, the Strategic Alliance Agreement renewed until July 5, 2033 or the date on which GWL and its affiliates own less than 50% of the Trust on a fully diluted basis. The Strategic Alliance Agreement provides Choice Properties with important rights that are expected to meaningfully contribute to the Trust's growth. Subject to certain exceptions, rights include:

- Choice Properties has the right of first offer to purchase any property in Canada that Loblaw seeks to sell;
- Loblaw is generally required to present shopping centre property acquisitions in Canada to Choice Properties to allow the Trust a right of first opportunity to acquire the property itself; and
- Choice Properties has the right to participate in future shopping centre developments involving Loblaw.

Included in certain investment properties acquired from Loblaw is excess land with development potential. In accordance with the Strategic Alliance Agreement, Choice Properties will compensate Loblaw, over time, with intensification payments, as Choice Properties pursues development, intensification or redevelopment of such excess land. The payments to Loblaw are calculated in accordance with a payment grid that takes into account the region, market ranking and type of use for the property.

#### Leases

During the third quarter of 2024, Choice and Loblaw renewed 46 of a tranche of 48 leases expiring in 2025, including one industrial lease.

#### Lease Surrender Revenue

During the nine months ended September 30, 2024, Choice Properties recognized \$7,363 of lease surrender revenue from Loblaw (September 30, 2023 - \$1,427).

#### Site Intensification Payments

Choice Properties compensated Loblaw with intensification payments of \$2,311 in connection with completed gross leasable area for which tenants took possession during the nine months ended September 30, 2024 (September 30, 2023 - \$967).

#### Transaction Summary as Reflected in the Consolidated Financial Statements

Loblaw is the largest tenant for Choice Properties, representing approximately 57.8% of Choice Properties' rental revenue for the nine months ended September 30, 2024 (September 30, 2023 - 57.2%). Transactions with Loblaw recorded in the consolidated statements of income and comprehensive income were comprised as follows:

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Rental revenue	15	\$ 195,853	\$ 185,576	\$ 586,005	\$ 560,311

## Notes to the Unaudited Interim Period Condensed Consolidated Financial Statements

The balances due from (to) Loblaw were as follows:

(\$ thousands)	Note	As at	
		September 30, 2024	December 31, 2023
Rent receivable	9	\$ 1,974	\$ 1,080
Other receivables	9	12,349	2,626
Accrued liabilities	13	(12,272)	(7,428)
Construction allowances payable	13	(20,840)	(26,726)
Reimbursed contract payable	13	(428)	(296)
<b>Due to Loblaw</b>		<b>\$ (19,217)</b>	<b>\$ (30,744)</b>

### Transactions and Agreements with Wittington

#### Management Agreements

Choice Properties provides Wittington with property management services for certain properties with third-party tenancies and development consulting services on a fee for service basis.

#### Trust Unit Distributions

During the three and nine months ended September 30, 2024, Choice Properties declared cash distributions of \$3,135 and \$9,378, respectively, on the Units held by Wittington (September 30, 2023 - \$3,094 and \$9,254, respectively). As at September 30, 2024, \$1,045 of Trust Unit distributions declared were payable to Wittington (December 31, 2023 - \$1,031). There were no non-cash distributions settled through the issuance of additional Trust Units during the nine months ended September 30, 2024 (December 31, 2023 - \$nil).

#### Transaction Summary as Reflected in the Consolidated Financial Statements

Transactions with Wittington recorded in the consolidated statements of income and comprehensive income were comprised as follows:

(\$ thousands)	Note	Three Months		Nine Months	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Rental revenue	15	\$ 399	\$ 391	\$ 1,195	\$ 1,172
Fee income		63	168	258	663

The balances due from (to) Wittington and subsidiaries were as follows:

(\$ thousands)	Note	As at	
		September 30, 2024	December 31, 2023
Rent receivable	9	\$ 132	\$ 129
Cost-to-complete receivable	9	1,980	4,440
Distributions payable	13	(1,045)	(1,031)
<b>Due from Wittington and subsidiaries</b>		<b>\$ 1,067</b>	<b>\$ 3,538</b>

### Transactions and Agreements with other related parties

#### Mortgages receivable

As at September 30, 2024, \$94,890 of mortgages receivable included within mortgages, loans and notes receivable were to entities in which the Trust has an ownership interest (December 31, 2023 - \$114,524).

# Shareholder Information and How to Contact Us

Choice Properties is a leading Real Estate Investment Trust that creates enduring value through places where people thrive.

We are more than a national owner, operator and developer of high-quality commercial and residential real estate. We believe in creating spaces that enhance how our tenants and communities come together to live, work, and connect. As Canada's largest REIT, we have a responsibility to understand deeply our stakeholders' needs and to manage our properties to be best in class. This includes our industry leadership in integrating environmental, social and economic sustainability practices into all aspects of our business. In everything we do, we are guided by a shared set of values grounded in Care, Ownership, Respect and Excellence.

## Conference Call and Webcast

Management will host a conference call on Thursday, November 7, 2024 at 10:00 AM (EDT) with a simultaneous audio webcast. To access via teleconference, please dial 1-888-330-2454 or 1-240-789-2714 and enter the event passcode: 4788974. The link to the audio webcast will be available on [www.choicereit.ca/events-webcasts](http://www.choicereit.ca/events-webcasts).

## Head Office

Choice Properties Real Estate Investment Trust  
The Weston Centre, 700-22 St. Clair Avenue East  
Toronto, Ontario M4T 2S5 Tel: 416-628-7771 •  
Toll free: 1-855-322-2122 • Fax: 416-628-7777

## Stock Exchange Listing and Symbol

The Trust's Units are listed on the Toronto Stock Exchange and trade under the symbol "CHP.UN".

## Distribution Policy

Choice Properties' Board retains full discretion with respect to the timing and quantum of distributions. Declared distributions are paid to Unitholders of record at the close of business on the last business day of a month on or about the 15th day of the following month.

## Registrar and Transfer Agent

TSX Trust Company, P.O. Box 700, Station B,  
Montreal, QC, H3B 3K3  
Tel: 416-682-3860 (outside of Canada and US)  
Tel toll free: 1-800-387-0825 (Canada and US)  
Fax: 514-985-8843 (outside of Canada and US)  
Fax toll free: 1-888-249-6189 (Canada and US)  
E-Mail: [shareholderinquiries@tmx.com](mailto:shareholderinquiries@tmx.com)  
Website: [www.tsxtrust.com](http://www.tsxtrust.com)

## Investor Relations

Tel: 416-628-7771 • Toll free: 1-855-322-2122  
Email: [investor@choicereit.ca](mailto:investor@choicereit.ca) • Website: [www.choicereit.ca](http://www.choicereit.ca)  
Additional financial information has been filed electronically with various securities regulators in Canada through the System for Electronic Document Analysis and Retrieval ("SEDAR+"), [www.sedarplus.ca](http://www.sedarplus.ca). Choice Properties holds a conference call shortly following the release of its quarterly results. These calls are archived in the Investor Relations section of the Trust's website, [www.choicereit.ca](http://www.choicereit.ca).

## Non-Management Trustees

Gordon A. M. Currie – Chair  
Corporate Director

L. Jay Cross  
President, The Howard Hughes Corporation

Diane A. Kazarian<sup>i</sup>  
Corporate Director

Karen A. Kinsley<sup>ii</sup>  
Corporate Director

R. Michael Latimer<sup>ii</sup>  
Corporate Director

Nancy H.O. Lockhart<sup>ii</sup>  
Corporate Director

Dale R. Ponder<sup>i</sup>  
Corporate Director

Qi Tang<sup>i</sup>  
CFO, Skyservice Investments, Inc.

Cornell Wright  
President, Wittington Investments, Limited

<sup>i</sup> Audit Committee

<sup>ii</sup> Governance, Compensation and Nominating Committee

**Ce rapport est disponible en français.**



# ESG Strategy

## Our Sustainability Focus in Action

Choice Properties' commitment to building social, economic and environmental sustainability is one of the most important ways that we bring our Purpose to life.

Our ESG strategy is embedded across all aspects of our business, including development, construction, and operations. We are focused on two core pillars – fighting climate change and strengthening communities to prosper.



Read our [ESG Report](#) to learn more about our sustainability strategy, initiatives and achievements: [choicereit.ca/sustainability](https://choicereit.ca/sustainability).

### Golden Mile Plaza

1880 Eglinton Avenue East  
Toronto, ON

**Asset class type: Retail**  
**Property GLA: 174,313 sq. ft.**

During the third quarter, we launched Scarborough Proud, a 6-week long activation series at Golden Mile Plaza for the local community to connect, play, and celebrate its mosaic of cultures. The series featured Toronto celebrities, the unveiling of a beautiful new mural by a local artist, and food trucks and pop-up shops in support of local entrepreneurs. Through placemaking, we aim to add value to our sites by providing additional amenities, enhancing tenant satisfaction, and fostering stronger connections with the community.

