



CT Real Estate Investment Trust (CTRRF)

Updated November 11th, 2025, by Kody Kester

Key Metrics

Current Price:	\$11.49	5 Year Annual Expected Total Return:	7.7%	Market Cap:	\$2.7B
Fair Value Price:	\$11.83	5 Year Growth Estimate:	2.0%	Ex-Dividend Date:	11/28/25 ¹
% Fair Value:	97%	5 Year Valuation Multiple Estimate:	0.6%	Dividend Payment Date:	12/15/25 ¹
Dividend Yield:	5.9%	5 Year Price Target	\$13.00	Years Of Dividend Growth:	12 ²
Dividend Risk Score:	F	Sector:	Real Estate	Rating:	Hold

Overview & Current Events

Since its founding and initial public offering in 2013, CT Real Estate Investment Trust has gone on to become one of Canada's largest retail REITs. The company was formed as part of a spinoff of Canadian retailer and vehicle service company Canadian Tire's real estate assets (beginning with the initial transfer of 256 properties). Canadian Tire (CDNTF) has owned a controlling stake in CTRRF throughout the latter's corporate history.

As of September 30th, 2025, CTRRF owned 378 properties and 31.5 million square feet of gross leasable area throughout Canada, with the majority being concentrated in Ontario (145) and Quebec (79). The fair market value for these properties was estimated to be 7.5 billion Canadian Dollars at the time. Unsurprisingly, the close relationship with Canadian Tire means that more than 90% of annualized base rent is derived from the company.

The appeal to this concentration is that the retailer has been in business for more than a century and enjoys a 100% brand recognition rate in Canada. With almost 12 million active Triangle Rewards loyalty members, Canadian Tire knows how to leverage its brand recognition. Approximately a quarter of Canadian Tire's properties are owned by third parties, so consolidating these represents one growth avenue for CTRRF. Another growth catalyst for the company is the 1 million square feet of ongoing development activity totaling 427 million CAD as of September 30th.

On November 3rd, CTRRF released its earnings report for the third quarter ended September 30th. The company's property revenue in native currency grew by 4.5% over the year-ago period to 151.2 million during the quarter. Factoring in currency translation headwinds, CTRRF's property revenue increased by 2.1% year-over-year to \$108.2 million in the quarter. Annual lease escalators, an increase in gross leasable area, and a 99.4% occupancy rate contributed to this growth for the quarter. In CAD, CTRRF's AFFO per unit grew by 2.9% over the year-ago period to 0.317 during the quarter. Adjusting for currency translation, the REIT's AFFO per unit increased by 0.4% year-over-year to \$0.227 in the quarter.

Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
AFFOPS	\$0.63	\$0.64	\$0.73	\$0.70	\$0.77	\$0.81	\$0.87	\$0.85	\$0.91	\$0.86	\$0.91	\$1.00
DPS	\$0.52	\$0.51	\$0.54	\$0.56	\$0.57	\$0.60	\$0.67	\$0.66	\$0.66	\$0.67	\$0.68	\$0.75
Units³	189.6	206.9	213.7	220.3	228.2	231.0	233.2	234.7	235.5	236.8	238.1	244.1

Since 2015, CTRRF's AFFO per unit has compounded by 3.5% annually. In more recent years, AFFO per unit has marginally grown. Moving forward, we think that the REIT's AFFO per unit will compound by about 2.0% each year, off a 2025 base of \$0.91. That's because CTRRF has plenty of projects with Canadian Tire that are currently in development. Along with further consolidation of third-party Canadian Tire locations and annual lease escalators, this should more than cancel out the continued deterioration of the CAD against the USD in the coming years.

¹ Estimated dates based on past dividend dates.

² As measured in Canadian Dollars.

³ Unit count is in millions.



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Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Avg. P/AFFO	15.0	17.7	15.8	14.6	15.4	15.1	15.3	13.3	12.2	11.6	12.6	13.0
Avg. Yld.	5.5%	4.5%	4.7%	5.5%	4.8%	4.9%	5.0%	5.9%	6.0%	6.7%	5.9%	5.7%

CTRRF's P/AFFO ratio has ranged from as little as the low-double-digits to as much as the upper-teens over the last decade. This works out to an average P/AFFO ratio of 14.6. Given that 10-year U.S. Treasury yields will likely remain higher than they have over the last decade, we would argue that fair value is still one standard deviation below the 10-year average. This would work out to be a P/AFFO ratio of approximately 13. Relative to the current multiple of 12.6, shares are a bit undervalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	83%	80%	74%	80%	74%	74%	77%	78%	73%	78%	75%	75%

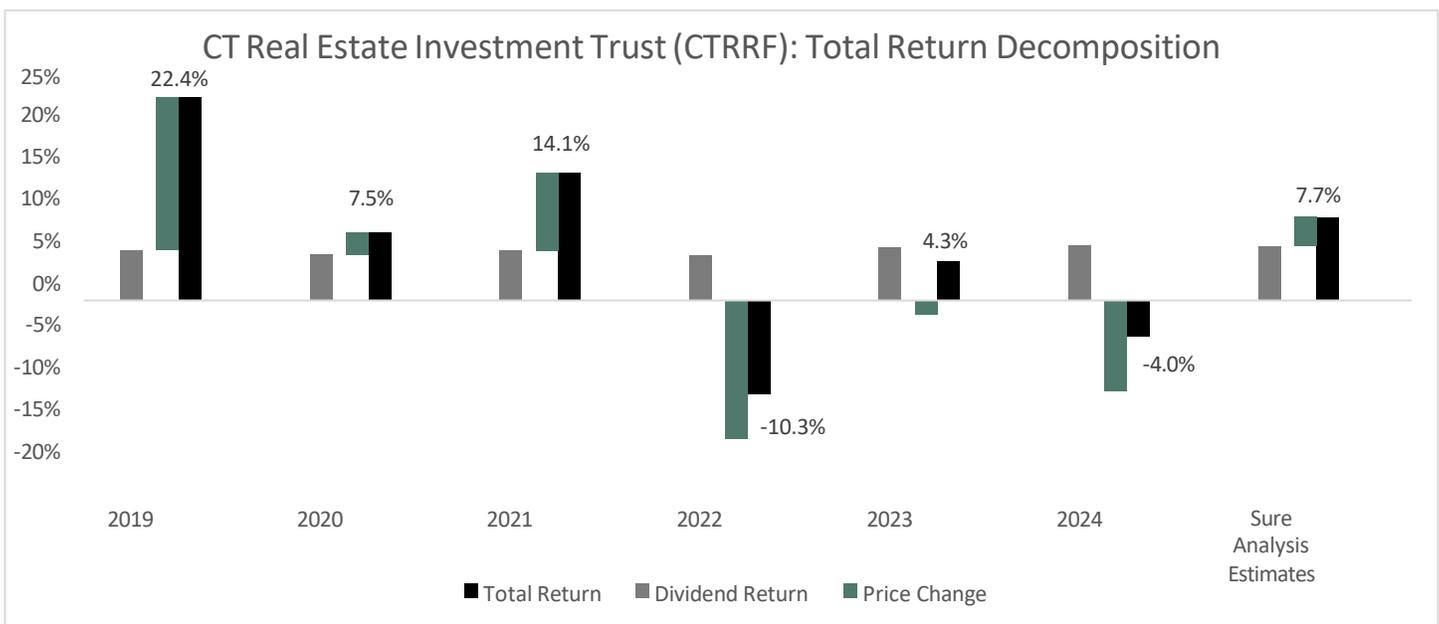
CTRRF's strategic partnership with Canadian Tire is a unique competitive advantage. The company can acquire new stores or distribution centers, often without having to compete with others on the open market. That tends to lead to favorable terms.

Another strength of CTRRF is its robust balance sheet. The company's indebtedness ratio as of September 30th, 2025, was 39.8%. The company also had 303 million CAD in cash and an uncommitted revolving credit facility of 186 million CAD at its disposal. Thus, the Canadian rating agency DBRS awards an investment-grade, BBB credit rating on a stable outlook. CTRRF's distribution is expected to be 75% in 2025. This should give it room to build on its 12-year distribution growth streak in the native currency.

Final Thoughts & Recommendation

CTRRF's 5.9% yield, 2.0% annual AFFO per unit growth, and 0.6% annual valuation multiple upside could generate 7.7% annual total returns over the medium term. As a result, we're maintaining our hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	296	307	342	365	368	375	410	410	409	422
Gross Profit	228	235	266	281	289	292	325	324	324	330
Gross Margin	77.0%	76.3%	77.8%	77.0%	78.3%	77.9%	79.1%	79.1%	79.1%	78.3%
SG&A Exp.	8	8	9	9	11	10	12	11	11	12
Operating Profit	221	227	258	271	278	283	313	313	313	319
Operating Margin	74.5%	73.8%	75.3%	74.4%	75.4%	75.4%	76.3%	76.4%	76.3%	75.5%
Net Profit	184	196	245	232	231	137	364	250	170	317
Net Margin	62.0%	63.6%	71.6%	63.7%	62.8%	36.5%	88.8%	60.9%	41.5%	75.0%
Free Cash Flow	200	193	232	241	256	264	296	284	291	292

Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	3,135	3,719	4,338	4,191	4,612	4,843	5,098	5,043	5,251	5,051
Cash & Equivalents	18	5	9	4	7	4	3	2	16	2
Accounts Receivable	2	2	2	2	2	4	2	3	3	3
Total Liabilities	1,540	1,798	2,063	1,926	2,060	2,196	2,213	2,223	2,351	2,195
Long-Term Debt	294	639	870	824	858	942	962	984	1,078	1,065
Shareholder's Equity	747	812	929	959	1,121	1,162	1,272	1,251	1,287	1,273
LTD/E Ratio	0.39	0.79	0.94	0.86	0.77	0.81	0.76	0.79	0.84	0.84

Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	5.6%	5.7%	6.1%	5.4%	5.3%	2.9%	7.3%	4.9%	3.3%	6.1%
Return on Equity	11.1%	11.1%	11.7%	10.2%	9.6%	5.3%	13.2%	8.7%	5.9%	11.0%
ROIC	9.8%	8.8%	8.6%	7.4%	7.1%	3.9%	9.8%	6.5%	4.4%	8.0%
Shares Out.	189.6	206.9	213.7	220.3	228.2	231.0	233.2	234.7	235.5	236.8
Revenue/Share	0.92	1.00	1.09	1.08	1.17	1.16	1.29	1.25	1.21	1.26
FCF/Share	0.62	0.63	0.74	0.72	0.81	0.82	0.93	0.87	0.86	0.87

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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