Crombie Real Estate Investment Trust (CROMF)

Updated May 10th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$12.47	**5 Year Annual Expected Total Return :**	5.0%	**Market Cap:**	$2.34 B
Fair Value Price:	$11.90	**5 Year Growth Estimate:**	1.0%	**Ex-Dividend Date:**	05/29/2026[1]
% Fair Value:	105%	**5 Year Valuation Multiple Estimate:**	-0.9%	**Dividend Payment Date:**	06/16/2026
Dividend Yield:	5.3%	**5 Year Price Target**	$12.51	**Years Of Dividend Growth:**	1
Dividend Risk Score:	F	**Sector:**	Real Estate	**Rating:**	Hold

Overview & Current Events

Crombie Real Estate Investment Trust is a publicly traded Canadian REIT that owns, manages, and develops a diversified portfolio of commercial real estate assets across Canada, with a heavy focus on grocery-anchored retail, retail-related industrial, and mixed-use residential properties. At quarter-end, Crombie's portfolio included 300 investment properties with a gross leasable area of about 18.8 million sq. ft. (310 properties total when including joint ventures, properties under development, and the residential asset) and very high occupancy levels (97.6% committed and 96.8% economic). All figures in this report have been converted in USD unless otherwise noted. The REIT has a market cap of $2.34 billion and pays dividends on a monthly basis.

On May 6th, 2026, Crombie reported its first quarter results for the three months ended March 31st, 2026, with property revenue of US$93 million, up 3.6% year over year, driven by renewals, new leasing, and acquisitions, partially offset by higher tenant incentive amortization from modernizations. Net property income increased 3.2% to US$58 million, while commercial same-asset property cash NOI grew 3.7%, reflecting renewals, contractual rent step-ups, and new leasing.

Portfolio fundamentals remained strong, with committed occupancy improving to 97.6% (up 50 bps year over year) and renewal rent spreads of 12.1%, underscoring the defensive, necessity-based nature of the portfolio. Despite higher financing and G&A costs, AFFO per Unit increased 7.4% to US$0.21, reflecting continued cash flow growth and operating leverage. For FY2026, we expect AFFO per share of $0.85.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
AFFO	$0.74	$0.80	$0.75	$0.75	$0.69	$0.77	$0.75	$0.76	$0.75	$0.84	***$0.85***	***$0.89***
DPS	$0.66	$0.71	$0.65	$0.69	$0.70	$0.70	$0.66	$0.67	$0.62	$0.62	***$0.66***	***$0.69***
Shares[2]	140.1	155.5	151.2	151.7	157.4	162.1	176.3	179.7	182.6	185.4	***187.1***	***200.0***

Crombie's AFFO per share has been more or less stable over the past decade. The increase in AFFO per share from 2016 through 2017 was driven by stable grocery-anchored retail fundamentals, high occupancy, and incremental NOI growth from renewals and re-leasing activity. The modest drop and subsequent flat performance in 2018–2019 reflects higher interest expense, higher maintenance CapEx, and the dilutive effects of development and redevelopment activity that had not yet fully stabilized. The decline in 2020 was primarily driven by COVID-19 impacts, including temporary rent deferrals, abatements, and increased uncertainty across retail tenants, even within Crombie's necessity-based portfolio.

AFFO per share rebounded in 2021 as rent collections normalized, deferred rents were largely recovered, and leasing activity strengthened. The company's focus on grocery-anchored properties and strong tenant credit quality supported cash flow stability, while operating efficiencies helped offset rising costs.

AFFO per share remained relatively stable through 2022 and 2023, supported by same-asset NOI growth, positive renewal spreads, and contributions from completed developments and acquisitions. These gains were largely offset by rising interest rates, higher maintenance reserves, and increased general operating costs, resulting in limited net growth

[1] Estimated dates based on past dividend dates.
[2] Share count is in millions.

at the per-share level. The decline in 2024 reflected again elevated interest expense in a restrictive rate environment, along with higher maintenance capital costs as the portfolio matured and expanded, before returning to growth in 2025.

Moving forward, we expect AFFO per share growth of 1% to be powered by same-asset NOI growth, strong occupancy, positive renewal rent spreads, and contributions from completed developments, offset by higher interest expense, ongoing maintenance capital requirements, and a still-restrictive financing environment.

We forecast the same growth for the dividend, which the company raised for the first time this past summer. Prior to this increased, the company's monthly dividend stood at a rate of C$0.0742 since 2008. The company has never cut its dividend since the first payout in 2006.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/AFFO	14.9	12.5	13.3	14.7	13.8	16.9	16.7	15.1	13.3	12.8	***14.7***	***14.0***
Avg. Yld.	6.0%	7.1%	6.5%	6.3%	7.4%	5.4%	5.3%	5.8%	6.2%	5.8%	***5.3%***	***5.5%***

Crombie has historically traded at a P/AFFO in the mid-teens. Today, the stock trades at 14.7x this year's expected AFFO. We believe this multiple modestly overvalues the stock, especially considering the lack of significant growth prospects. In the meantime, the dividend yields hovers at 5.3%, below the past decade average yield of 6.2%.

Safety, Quality, Competitive Advantage, & Recession Resiliency

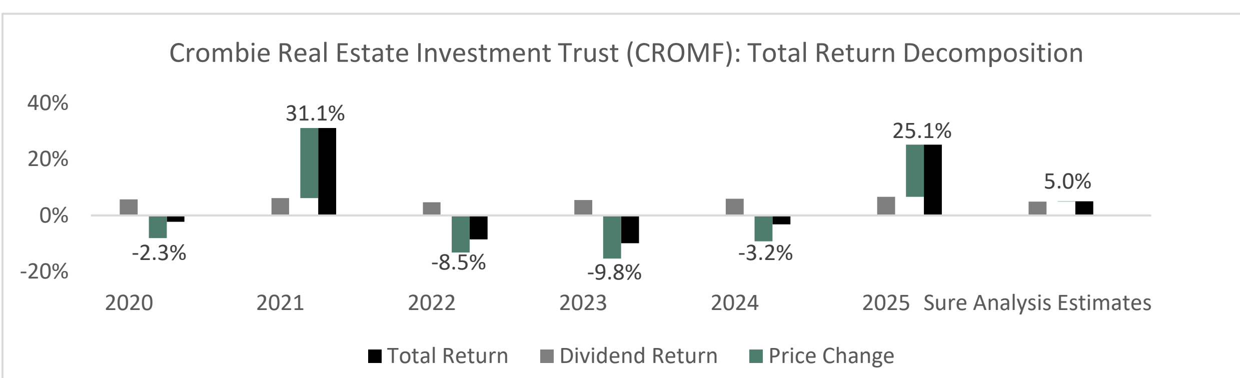
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	89%	89%	87%	92%	101%	91%	88%	88%	83%	74%	***78%***	***78%***

Crombie REIT benefits from a high-quality, necessity-based retail portfolio, anchored by grocery and pharmacy tenants, which supports stable occupancy, long lease terms, and predictable cash flow. The REIT's strong tenant relationships and community-based locations provide a durable competitive advantage and meaningful resilience in economic downturns. However, while leverage is more moderate than many peers, interest rates remain elevated and ongoing maintenance and development capital needs pose risks to near-term cash flow growth. Regardless, we believe the monthly dividend is safe today, with the payout ratio at a healthy 78% this year's expected AFFO.

Final Thoughts & Recommendation

Crombie REIT offers a defensive, high-quality platform anchored by necessity-based retail and stable cash flows, with modest growth potential constrained by interest costs and capital requirements but supported by strong operating fundamentals. It can be a solid vehicle for those seeking safe monthly and a somewhat sizeable dividend yield. We forecast annualized returns of 5.0% through 2031 to be powered mainly by the dividend yield and the soft growth forecast, offset by the possibility of a soft valuation headwind. Shares earn a 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	302	317	320	301	290	326	329	337	348	358
Gross Profit	160	161	152	156	137	150	137	137	143	148
Gross Margin	52.8%	50.6%	47.5%	51.9%	47.2%	45.8%	41.8%	40.8%	41.2%	41.3%
SG&A Exp.	-	-	-	-	-	-	-	-	-	-
D&A Exp.	55	63	74	56	56	76	79	78	81	87
Operating Profit	72	65	56	137	122	143	142	138	188	150
Operating Margin	23.8%	20.6%	17.5%	45.6%	42.1%	43.7%	43.2%	40.9%	53.9%	41.9%
Net Profit	(0)	24	(21)	8	(54)	6	-	(44)	(3)	(37)
Net Margin	-0.1%	7.4%	-6.5%	2.6%	-18.5%	1.9%	0.0%	-13.0%	-0.9%	-10.3%
Free Cash Flow	51	68	39	(17)	(56)	126	122	126	131	135
Income Tax	1	(60)	0	0	0	0	0	0	0	0

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,961	3,262	2,981	3,023	3,222	3,185	3,010	3,146	3,080	3,198
Cash & Equivalents	8	1	-	-	50	3	5	-	7	1
Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-	-	-	-
Goodwill & Int. Ass.	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,924	2,099	1,924	1,901	2,062	1,920	1,644	1,762	1,790	1,854
Accounts Payable	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	1,787	1,997	1,815	1,780	1,947	1,784	1,536	1,659	1,681	1,746
Shareholder's Equity	1,037	1,163	1,056	1,122	1,160	1,265	1,366	1,384	1,290	1,344
LTD/E Ratio	1.72	1.72	1.72	1.59	1.68	1.41	1.12	1.20	1.30	1.30

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.0%	0.8%	-0.7%	0.3%	-1.7%	0.2%	0.0%	-1.4%	-0.1%	-1.2%
Return on Equity	0.0%	2.1%	-1.9%	0.7%	-4.7%	0.5%	0.0%	-3.2%	-0.2%	-2.8%
ROIC	0.0%	0.8%	-0.7%	0.3%	-1.8%	0.2%	0.0%	-1.5%	-0.1%	-1.2%
Shares Out.	140.1	155.5	151.2	151.7	157.4	162.1	176.3	179.7	182.6	185.4
Revenue/Share	2.16	2.04	2.12	1.98	1.84	2.01	1.86	1.88	1.90	1.93
FCF/Share	0.36	0.44	0.26	(0.11)	(0.36)	0.78	0.69	0.70	0.72	0.73

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