

# bcIMC COMPLETES COMPULSORY ACQUISITION OF REMAINING UNITS OF CANADIAN HOTEL INCOME PROPERTIES REAL ESTATE INVESTMENT TRUST

**Vancouver and Victoria, British Columbia, December 4, 2007** – British Columbia Investment Management Corporation (“bcIMC”) and Canadian Hotel Income Properties Real Estate Investment Trust (“CHIP REIT”) (TSX: HOT.UN) announced today that BFO Acquisition Limited Partnership (“BFO LP”), an indirect wholly-owned subsidiary of bcIMC, has completed a compulsory acquisition of all 1,713,297 remaining units of CHIP REIT not already held by BFO LP in accordance with CHIP REIT’s amended and restated declaration of trust. The compulsory acquisition follows BFO LP’s successful offer to purchase all of the units and 6.0% convertible debentures of CHIP REIT, which expired on October 2, 2007. BFO LP previously completed a compulsory acquisition of the 6.0% convertible debentures not acquired under the offer on October 3, 2007.

The units were acquired for cash consideration of Cdn. \$19.10 per unit under the compulsory acquisition, the same consideration paid to holders of units under the offer. As a result of the compulsory acquisition, BFO LP owns 50,409,292 units of CHIP REIT, representing 100% of the issued and outstanding units. It is expected that the units will be de-listed from the Toronto Stock Exchange shortly.

The purpose of BFO LP’s offer and the compulsory acquisition was to enable it to acquire all of the units of CHIP REIT. bcIMC expects that BFO LP, CHIP REIT and certain of their respective affiliates will complete a reorganization in early December 2007 pursuant to which certain affiliates of bcIMC will purchase all of the assets of CHIP REIT, all units of CHIP REIT will be redeemed and the trust will be terminated.

## About bcIMC

bcIMC is an investment management corporation based in Victoria, BC. With over \$83 billion in assets under administration with global exposure, and supported by industry-leading investment expertise, bcIMC offers fund management services for all major asset classes, including currency and infrastructure investment. bcIMC’s clients include public pension plans, the BC provincial government, public trusts and insurance funds. For more information, visit [www.bcimc.com](http://www.bcimc.com).

BFO LP’s principal place of business is located at Sawmill Point, 3<sup>rd</sup> Floor, 2940 Jutland Road, Victoria, British Columbia V8T 5K6.



**bc imc**

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## About CHIP REIT

CHIP REIT is an integrated hotel real estate investment trust focused on mid-market and upscale full-service hotels. Through its large, diversified portfolio, CHIP REIT provides investors with stable income and growth potential through acquisitions, repositioning and franchising under banners that include Delta, Radisson, Marriott and Hilton. CHIP REIT currently owns and manages 32 hotels with approximately 7,700 guestrooms. In 2006, CHIP REIT was named "Hotel Company of the Year" by Hotelier Magazine, becoming the first REIT to win a Pinnacle Award in the hospitality industry's national recognition program.

## Disclaimer

This news release may contain forward-looking information. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan" or similar words suggesting future outcomes. Such forward-looking statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. bcIMC and BFO LP disclaim any intention or obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For further information:

Gwen-Ann Chittenden, Manager Corporate Initiatives  
British Columbia Investment Management Corporation  
Phone: (250) 507-0128  
Fax: (250) 387-7874  
[communications@bcimc.com](mailto:communications@bcimc.com)  
[www.bcimc.com](http://www.bcimc.com)

Kevin Grayston, Executive Vice President and CFO  
CHIP REIT  
Phone: (604) 646-2447  
Fax: (604) 646-2404  
[www.chipreit.com](http://www.chipreit.com)

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Please direct any enquiries to our Communications mailbox: [communications@bcimc.com](mailto:communications@bcimc.com)