



**COMINAR
REAL ESTATE INVESTMENT TRUST**

**NOTICE OF ANNUAL AND SPECIAL MEETING
OF UNITHOLDERS
AND
MANAGEMENT INFORMATION PROXY CIRCULAR**

March 30, 2001



COMINAR REAL ESTATE INVESTMENT TRUST

NOTICE OF ANNUAL AND SPECIAL MEETING OF UNITHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the holders of units of Cominar Real Estate Investment Trust (the "**REIT**") will be held in the Duluth room of The Queen Elizabeth Hotel, 900 René-Lévesque Blvd. West, Montreal, Québec, on Tuesday, May 15, 2001 at 11:00 a.m. (Montreal time), for the following purposes:

1. **To receive** the financial statements of the REIT for the financial year ended December 31, 2000, together with the report of the auditors thereon;
2. **To elect** two Independent Trustees of the REIT for the next two years;
3. **To re-appoint** the auditors and authorize the Trustees of the REIT to fix their remuneration;
4. **To consider** and, if thought fit, to pass a resolution reconfirming and approving the amended and restated Unitholders Rights Plan Agreement, as set forth in Schedule "B" of the annexed management information proxy circular;
5. **To consider** and, if though fit, to pass a resolution approving the amended and restated Unit Option Plan, as set forth in Schedule "C" of the annexed management information proxy circular; and
6. **To transact** such other business as may properly come before the Meeting or any adjournment thereof.

The accompanying management information proxy circular dated March 30, 2001 provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice.

The Trustees have fixed April 5, 2001 as the record date for determining those Unitholders entitled to receive notice of and vote at the Meeting.

Unitholders who are unable to be personally present at the Meeting should complete, sign, date and return the enclosed form of proxy to the REIT's transfer agent, General Trust of Canada, 1100 University Street, 9th Floor, Montreal, Québec, H3B 2G7, or to the head office of the REIT, 455 rue Marais, Vanier, Québec, G1M 3A2. In order to be effective, proxies must be received no later than 5:00 p.m. (Montreal time), Monday, May 14, 2001 or, if the Meeting is adjourned, the last business day preceding the day of any adjournment thereof.

Enclosed herewith is a copy of the REIT's 2000 Annual Report, which contains copies of its audited consolidated financial statements for the financial year ended December 31, 2000.

DATED at Quebec, Québec, the 30th day of March, 2001.

BY ORDER OF THE BOARD OF TRUSTEES,
The Secretary,

Michel Paquet



COMINAR REAL ESTATE INVESTMENT TRUST

MANAGEMENT INFORMATION PROXY CIRCULAR

SOLICITATION OF PROXIES

This management information proxy circular (the "Circular") is furnished in connection with the solicitation of proxies by or on behalf of management of Cominar Real Estate Investment Trust (the "REIT") for use at the Annual and Special Meeting (the "Meeting") of holders of Units of the REIT (the "Unitholders") to be held on Tuesday, May 15, 2001 in the Duluth room at The Queen Elizabeth Hotel, 900, René-Lévesque Blvd. West, Montreal, Québec, at 11:00 a.m. (Montreal time), and any adjournment thereof for the purposes set forth in the accompanying notice of the Meeting (the "Notice"). It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally or by telephone, fax or other electronic means, by the Trustees (the "Trustees"), officers or other employees of the REIT. The costs of solicitation if any, will be borne by the REIT. Except as otherwise stated, the information contained herein is given as of March 14, 2001.

Enclosed with this Circular and the attached Notice is a copy of the 2000 Annual Report of the REIT and a form of proxy for use in connection with the Meeting.

Units of the REIT are herein referred to as "**Units**".

APPOINTMENT AND REVOCATION OF PROXIES

If it is not your intention to be present in person at the Meeting, you are asked to complete and return the form of proxy enclosed. The proxy must be executed by the Unitholder or the attorney of such Unitholder, duly authorized in writing. Proxies to be used at the Meeting must be deposited with the REIT's transfer agent, General Trust of Canada, 1100 University street, 9th floor, Montreal, Québec, H3B 2G7, or at the head office of the REIT, 455 Marais street, Vanier, Québec, G1M 3A2, no later than 5:00 p.m. (Montreal time), Monday, May 14, 2001 or, if the Meeting is adjourned, the last business day preceding the day of any adjournment thereof.

The persons named in the enclosed form of proxy are Trustees and officers of the REIT. A Unitholder may appoint a proxyholder other than any person designated in the form of proxy, to attend and act on such Unitholder's behalf at the Meeting, either by inserting such other desired proxyholder's name in the space provided on the form of proxy and deleting the names printed thereon or by substituting another form of proxy.

A proxy given by a Unitholder for use at the Meeting may be revoked at any time prior to its use. A proxy may be revoked by an instrument in writing executed by the Unitholder or by his or her attorney in writing; if the Unitholder is a corporation, the revocation must be executed by an officer duly authorized in writing or, if the Unitholder is an association, by an attorney duly authorized in writing, and deposited with the REIT's transfer agent at any time up to and including the last business day preceding the Meeting or any adjournment thereof at which the proxy is to be used or with the Chairman of the Meeting on the date of the Meeting or any adjournment thereof, and upon either of such deposits, the proxy is revoked.



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MANAGEMENT INFORMATION PROXY CIRCULAR

VOTING OF UNITS

Units represented by proxies will be voted or withheld from voting as specified on any ballot that may be called for and, if the Unitholder specifies a choice with respect to any matter to be acted upon at the Meeting, Units represented by properly executed proxies will be voted accordingly. If no specification is made to withhold the said Units from voting, a proxyholder will vote the Units for (i) the election of the persons to be nominated by management as Independent Trustees (as defined below), (ii) the re-appointment of auditors and the authorization of the Trustees to fix their remuneration, (iii) the reconfirmation and approval of the amended and restated Unitholders Rights Plan Agreement and (iv) the approval of the amended and restated Unit Option Plan, all as described in this Circular.

If a choice to the contrary is not specified by a Unitholder, such Units will be voted in favour of such matters. The Trustees know of no matters to come before the Meeting, other than the matters referred to in the Notice of Meeting. However, if any other matters which are not known to the Trustees should properly come before the Meeting, the Units represented by proxies will be voted on such matters in accordance with the best judgement of the proxyholder.

VOTING AT MEETING AND QUORUM

On March 14, 2001, 20,456,998 Units were issued and outstanding. Each Unit entitles its holder to one vote at meetings of Unitholders. Unitholders of record at the close of business on April 5, 2001, the record date established for Notice of Meeting, will be entitled to vote at the Meeting, or any adjournment thereof, either in person or by proxy. However, to the extent that a person transfers the ownership of any Units after that date and the transferee of those Units produces properly endorsed Unit certificates or otherwise establishes that it owns the Units and demands, no later than 10 days before the Meeting, that its name be included in the list of Unitholders to vote at the Meeting, the transferee will be entitled to vote such Units at the Meeting or any adjournment thereof.

Unless otherwise required in the Contract of Trust pertaining to the REIT dated March 31, 1998, as amended, supplemented or restated from time to time (the "**Contract of Trust**"), every question coming before the Meeting or any adjournment thereof shall be decided by the majority of the votes duly cast on the question. The quorum at the Meeting or any adjournment thereof shall consist of at least two individuals present in person, each of whom is a Unitholder or a proxyholder representing a Unitholder, and who hold or represent by proxy not less than 25% of the total number of outstanding Units.

PRINCIPAL HOLDERS OF UNITS

To the knowledge of the Trustees and officers of the REIT, there is no beneficial owner of, nor any person who exercises control or direction over Units carrying more than 10% of the votes attached to the outstanding Units, except:



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Unitholder	Approximate number of Units beneficially owned or over which control or direction is exercised	Approximate percentage of outstanding Units
AM Total Investments, general partnership ⁽¹⁾	6,607,400	32,3%
CDS & Co.	13,680,975	66.9%

NOTE:

(1) The Units of AM Total Investments, general partnership, formerly known as Société en nom collectif Cominar, are indirectly held by Michel Dallaire, Alain Dallaire, Sylvie Dallaire and Linda Dallaire, being the children of Jules Dallaire.

ELECTION OF INDEPENDENT TRUSTEES

The Contract of Trust provides that the assets and operations of the REIT will be subject to the control and authority of a minimum of nine and a maximum of eleven Trustees (including the AM Total Investments Trustees and the Independent Trustees, as such terms are defined under the heading Corporate Governance).

Presently, there are nine Trustees of the REIT. Of this number, pursuant to the Contract of Trust, four were appointed by Groupe Financier Alpha (GFA) Inc. (formerly known as Groupe Cominar Inc.) on behalf of AM Total Investments, general partnership, namely Jules Dallaire, Michel Berthelot, Michel Dallaire and Michel Paquet, and three of the Independent Trustees, namely Robert Després, Pierre Gingras and Richard Marion shall hold office for a term expiring at the close of the Annual Meeting of Unitholders for the financial year ending December 31, 2001. Consequently, only two Independent Trustees, namely Yvan Caron and Ghislaine Laberge, whose respective terms expire at the close of the Annual Meeting of Unitholders for the financial year ended December 31, 2000, will be nominated by management for election as Independent Trustees at the Meeting.

It is the intention of the persons named in the enclosed form of proxy for use at the Meeting intend to vote in favour of the election of Yvan Caron and Ghislaine Laberge as Independent Trustees, to hold office until the close of the Annual Meeting of Unitholders for the financial year ending December 31, 2002, or until their successors are duly elected or appointed in accordance with the Contract of Trust. Management does not contemplate that any of such nominees will be unable to serve as Independent Trustees but, if that should occur for any reason prior to the Meeting, the persons named in the enclosed form of proxy will vote for another nominee as management may recommend unless the Unitholder has specified in the form of proxy that his Units are to be withheld from voting on the election of Independent Trustees.

The following table sets forth information of such two nominees as Independent Trustees, the names of each current Trustee, all other positions and offices within the REIT currently held by them, their principal occupations and their employment during the last five years, the year they first became Trustees of the REIT and the approximate number of Units they have advised are beneficially owned, directly or indirectly, by them or over which they exercise control or direction as at March 14, 2001.



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Name, municipality of residence and office within the REIT	Principal occupation	Year first became a Trustee	Number of Units beneficially owned or over which control or direction is exercised
Jules Dallaire Charlesbourg, Québec Cominar Trustee, President and Chief Executive Officer	President and Chief Executive Officer of the REIT	1998	---
Michel Berthelot, c.a. Cap-Rouge, Québec Cominar Trustee, Executive Vice- President and Chief Financial Officer	Executive Vice-President and Chief Financial Officer of the REIT	1999	5,881
Michel Dallaire, eng. ⁽²⁾ Beauport, Québec Cominar Trustee, Executive Vice- President, Operations	Executive Vice-President, Operations of the REIT	1998	6,628,759 ⁽⁴⁾
Me Michel Paquet Sainte-Foy, Québec Cominar Trustee, Executive Vice- President, Legal Affairs and Secretary	Executive Vice-President, Legal Affairs and Secretary of the REIT	1998	8,877
Yvan Caron ⁽²⁾⁽³⁾ Quebec, Québec Independent Trustee	Director of Place Desjardins inc.	1998	---
Robert Després, o.c. ⁽²⁾ Quebec, Québec Independent Trustee	Chairman of the Board of Alliance Forest Products inc.	1998 ⁽⁵⁾	10,000
Pierre Gingras ⁽³⁾ Ste-Pétronille Ile d'Orléans, Québec Independent Trustee	President of Placements Moras inc., Director of Impérial, Life Insurance and Director of Fédération des caisses populaires Desjardins de Québec	1998 ⁽⁵⁾	37,000
Ghislaine Laberge ⁽³⁾ Verdun, Québec Independent Trustee	Consultant in real estate investments, Director of Cadim inc., Hypothèques CDP inc. and Cadev inc., members of the group of the Caisse de dépôt et placement du Québec	1998	---
Richard Marion Dollard-des-Ormeaux, Québec Independent Trustee	President of Actigest inc. and General Manager of Société en commandite immobilière Solim	1998 ⁽⁵⁾	---

NOTES :

- (1) Individual Trustees have furnished information as to the Units beneficially owned by them or over which they exercise control or direction.
- (2) Member of the Audit Committee.
- (3) Member of Compensation and Governance Committee.
- (4) Comprises 6,607,400 Units held by AM Total Investments, general partnership. The Units held by AM Total Investments, general partnership, are indirectly held by Michel Dallaire, Alain Dallaire, Sylvie Dallaire and Linda Dallaire, being the children of Jules Dallaire.
- (5) Will hold office as an Independent Trustee for a term expiring at the close of the Annual Meeting of Unitholders for the financial year ending December 31, 2001.



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Each of the Trustees listed above has held his principal occupation for at least five preceding years, except: for Michel Berthelot who, from January 1997 to January 1999, was President of Michel Berthelot and Associates Inc. and prior to 1997, was Vice-President and General Manager of Forkem inc., a manufacturer and distributor of industrial and commercial sanitary products.

Management of the REIT and the Trustees as a group (seven persons), owned beneficially, or exercised control or direction over 6,719,442 Units, or approximately 32,8% of the outstanding Units as at March 14, 2001.

REMUNERATION OF TRUSTEES

A person who is employed by and receives a salary from the REIT does not receive any remuneration from the REIT for serving as a Trustee. Trustees who were not so employed received remuneration in the amount of \$8,000 per annum and an additional \$500 for each meeting of Trustees attended by the Trustee. Each Independent Trustee, as members of the Audit Committee and/or the Compensation and Governance Committee received \$500 for each meeting attended. In all cases, Trustees are entitled to reimbursement from the REIT of their out-of-pocket expenses incurred in acting as a Trustee. During financial year ended December 31, 2000, the aggregate remuneration paid by the REIT to the Trustees for their services in their capacity as Trustees was \$57,520.

In the same financial year, the Trustees with the exception of one, were granted options to purchase 288,000 Units. The Contract of Trust provides that at all relevant times, it is intended that at least one Trustee will not be, directly or indirectly, a Unitholder or a person who owns an option to acquire Units.

TRUSTEES' AND OFFICERS' LIABILITY INSURANCE

The REIT purchased insurance, which covers Trustees' and officers' liability for \$5,000,000 for a period of one year expiring on December 31, 2001, for an annual premium of \$20,760. The premium was paid entirely by the REIT and has not been allocated among the insured. The REIT retains a risk of \$10,000 per loss on its coverage. As at March 14, 2001, no claim has ever been presented or paid under such policy.

SUMMARY COMPENSATION TABLE

The following table sets forth all compensation earned by the President and Chief Executive Officer of the REIT (the "**Named Executive Officer**") who is the only officer of the REIT whose total salary and bonus exceeded \$100,000 during the financial year ended December 31, 2000.



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NAME AND POSITION	ANNUAL COMPENSATION				LONG TERM COMPENSATION		
	Year	Salary	Bonus	Other Annual Compensation	Options Granted	Options Exercised	Other Annual Compensation
		(\$)	(\$)	(\$)			(\$)
Jules Dallaire President and Chief Executive Officer	2000	131,821 (1)	---	---	36,000	---	---
	1999	128,125 (1)	---	---	300,000	---	---
	1998	97,910 (2)	75,000 (2)	---	21,000	---	---

NOTES :

- (1) Amounts disclosed under the heading Annual Compensation for 2000 and 1999 correspond to the compensation paid by Les Services Administratifs Cominar Inc., a wholly-owned subsidiary of the REIT.
- (2) Amounts disclosed under the heading Annual Compensation for 1998 correspond to the compensation paid from May 21, 1998 to December 31, 1998 by Les Services Administratifs Cominar Inc., a wholly-owned subsidiary of the REIT, and from January 1, 1998 to May 20, 1998 by corporations related to Groupe Financier Alpha (GFA) Inc. (formerly known as Groupe Cominar Inc.).

UNIT OPTION PLAN

On May 21, 1998, the REIT adopted a Unit option plan (the "**Unit Option Plan**"). Participation in the Unit Option Plan is restricted to an "**Eligible Person**" which means: (i) a Trustee, officer or employee of the REIT or any subsidiary (an "**Eligible Individual**"), (ii) a corporation controlled by an Eligible Individual the issued and outstanding voting Units of which are, and will continue to be, beneficially owned, directly or indirectly, by such Eligible Individual and/or the spouse, minor children and/or minor grandchildren of such Eligible Individual, or (iii) a family trust of which the sole Trustee is an eligible individual and the beneficiary(ies) are any one or combination of such Eligible Individual and/or the spouse, minor children, and/or minor grandchildren of such Eligible Individual.

The granting of options is made by the Trustees. The options have a maximum term of five years and are exercisable at a price not less than the fair market value of the Units at the time of grant. The options are exercisable in respect of 33 1/3% of the Units subject to such options after each anniversary of the granting of such options. During the year ended December 31, 2000, the REIT granted to 20 persons, a total of 498,000 options at an exercise price of \$8.55 per Unit. At the close of financial year ended December 31, 2000, 49,000 options were available for issuance under the terms of the Unit Option Plan.

The following tables provide information with regard to the grant of options to the Named Executive Officer during the financial year ended December 31, 2000 and with regard to unexercised options held by such officer at the completed financial year end.



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UNIT OPTION PLAN – OPTIONS GRANTED DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2000					
NAME	SECURITIES UNDER OPTIONS GRANTED	% OF TOTAL OPTIONS GRANTED IN FINANCIAL YEAR 2000	EXERCISE OR BASE PRICE (\$/Security)	MARKET VALUE OF SECURITIES UNDERLYING OPTIONS ON THE DATE OF GRANT (\$/Security)	EXPIRATION DATE
Jules Dallaire	36,000	7.2%	\$8.55	\$8.55	January 14, 2005

UNIT OPTION PLAN - OPTION EXERCISES DURING THE FINANCIAL YEAR ENDED DECEMBER 31, 2000 AND THE FINANCIAL YEAR END OPTION VALUES				
NAME	SECURITIES ACQUIRED ON EXERCISE	AGGREGATE VALUE REALIZED (\$)	UNEXERCISED OPTIONS AS AT DECEMBER 31, 2000 EXERCISABLE/ UNEXERCISABLE	VALUE OF UNEXERCISED IN THE MONEY OPTIONS AS AT DECEMBER 31, 2000 EXERCISABLE/ UNEXERCISABLE (\$)
Jules Dallaire	---	---	114,000 / 243,000	1,066,400 / 2,228,500

CORPORATE GOVERNANCE

The Trustees of the REIT believe that sound governance practices are essential to the proper functioning of the REIT and to its Unitholders, and that these practices should be reviewed regularly to ensure that they are appropriate. The REIT's governance practices are as follows and are in accordance with the guidelines adopted by the Toronto Stock Exchange (the "TSE").

In this Circular, the term "**Independent Trustee**" has the meaning given in the Contract of Trust, namely a Trustee (i) who is not a member of the Dallaire Family (as defined below), or an associate, director, officer or employee of a corporation or partnership comprising the Dallaire Group (as defined below) or an affiliate thereof, (ii) who is not related (as defined in the TSE guidelines on corporate governance) to the Dallaire Group, (iii) who is not a person who is a "related person" (within the meaning of the *Income Tax Act* (Canada)) in relation to the Dallaire Group or to any member of the Dallaire Family, (iv) who has no material business relationships with the REIT (other than his election or appointment as Trustee or, subject to the provisions thereof, his being a Unitholder), the Dallaire Group or any member of the Dallaire Family and (v) who represents to the REIT, upon his election or appointment as a Trustee, that he meets the foregoing criteria.

In this Circular, the expression "**Dallaire Family**" means Jules Dallaire, his wife, their children and the spouses of such children.

In this Circular, the expression "**Dallaire Group**" includes AM Total Investments, general partnership, Corporation Financière Alpha (CFA) Inc. and Société en Commandite Alpha-Québec.



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In this Circular, the expression "**AM Total Investments Trustee**" has the meaning given to the expression Cominar Trustee in the Contract of Trust, namely, a nominee appointed as Trustee by Groupe Financier Alpha (GFA) Inc. (formerly known as Groupe Cominar Inc.) on behalf of AM Total Investments, general partnership.

MANAGEMENT OF THE REIT

Entirely Integrated Real Estate Investment Trust

The REIT operates as a fully integrated real estate investment trust, which is not subject to any third party management contracts.

In the opinion of the REIT, this structure reduces the potential for conflict between the interests of management and the REIT. The REIT also believes that adopting a fully internalized management structure allows the harmonization of the interests of management and employees with those of Unitholders.

Mandate of the Trustees

The Trustees shall exercise their powers and carry out their functions honestly, in good faith, with a view to the best interests of the REIT and the Unitholders, and exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Composition

The Contract of Trust provides that there shall be a minimum of nine and a maximum of 11 Trustees. The initial number of Trustees has been set at nine. Groupe Financier Alpha (GFA) Inc. (formerly known as Groupe Cominar Inc.) is entitled to appoint four Trustees on behalf of AM Total Investments, general partnership, so long as the percentage of Units that AM Total Investments, general partnership, holds is at least 10% of the Units then outstanding. The remaining Trustees are to be elected by resolution passed by a majority of the votes cast at a meeting of Unitholders. Such Trustees will serve two year staggered terms. A majority of the Trustees must be Independent Trustees, be resident Canadians and have at least five years substantial experience in the real estate industry. The Independent Trustees are Yvan Caron, Robert Després, Pierre Gingras, Ghislaine Laberge and Richard Marion.

Independent Trustee Matters

Pursuant to the Contract of Trust, all Independent Trustee matters will require the approval of a majority of the Independent Trustees only. An Independent Trustee matter means any decision:

- (i) to enter into arrangements in which the Dallaire Group has a material interest;
- (ii) to appoint, where permitted under the Contract of Trust, an Independent Trustee to fill a vacancy among the Independent Trustees, and to recommend to Unitholders that the number of Trustees be increased or decreased and, if applicable, to nominate for election by Unitholders individuals as Independent Trustees to fill any office of Trustee so created;
- (iii) to increase the compensation of management;



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- (iv) to grant options under any Unit option plan approved by the Trustees, including, without limitation, the Unit Option Plan;
- (v) to enforce any agreement entered into by the REIT with a Trustee who is not an Independent Trustee, or with an associate of a non-Independent Trustee;
- (vi) in relation to a claim by or against the Dallaire Group, any member of the Dallaire Family or any affiliate or associate of any of the foregoing or in which the interest of one of the foregoing differs from the interests of the REIT.

AM Total Investments Trustee

Pursuant to the Contract of Trust, Groupe Financier Alpha (GFA) Inc. (formerly known as Groupe Cominar Inc.) is entitled to appoint four Trustees on behalf of AM Total Investments, general partnership, so long as the percentage of Units that AM Total Investments, general partnership, holds is at least 10% of the Units then outstanding.

Investment Committee

The Contract of Trust provides that the Trustees may, subject to applicable law, from time to time appoint from among their number an Investment Committee consisting of at least three Trustees. At least two-thirds of the members of the Investment Committee must have had at least five years substantial experience in the real estate industry. In addition, a majority of the members of the Investment Committee must be Independent Trustees and one member must be an AM Total Investments Trustee (for so long as AM Total Investments, general partnership, owns at least 10% of the Units then outstanding).

The Trustees have unanimously decided not to form an investment committee for the time being, preferring to leave all the latitude required to the board of Trustees to approve or reject proposed transaction, including proposed acquisitions and dispositions of investments and borrowings (including the assumption or granting of any immovable hypothec) by the REIT.

Audit Committee

The Contract of Trust requires the creation, subject to applicable law, of an Audit Committee, consisting of at least three Trustees, to review the financial statements of the REIT. A majority of the members of the Audit Committee must be Independent Trustees and one member must be an AM Total Investments Trustee (for so long as AM Total Investments, general partnership, owns at least 10% of the Units then outstanding). The Trustees have appointed an Audit Committee consisting of three Trustees, namely Robert Després (President), Yvan Caron and Michel Dallaire.

Compensation and Governance Committee

The Contract of Trust requires the creation, subject to applicable law, of a Compensation and Governance Committee, consisting of at least three Trustees, to review management's compensation and the governance of the REIT. All of the members of the Compensation and Governance Committee must be Independent Trustees. The Trustees have appointed a Compensation and Governance Committee consisting of three Trustees, namely Yvan Caron (President), Pierre Gingras and Ghislaine Laberge.



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Communication with Unitholders

The President and Chief Executive Officer, and the Executive Vice-President and Chief Financial Officer of the REIT, are the highest ranking officers of the REIT responsible for communication with Unitholders on matters concerning the REIT; however, the Trustees recognize the importance of maintaining effective communication with Unitholders and, to this end, review annual reports, management's analysis of the financial situation and operating results, management information proxy circulars, annual information forms, quarterly financial statements and important press releases of the REIT before they are distributed or filed.

Employment Agreements

The REIT entered into an employment agreement effective as of May 21, 1998 with Jules Dallaire, the President and Chief Executive Officer of the REIT. Under this agreement, Mr. Dallaire is entitled to receive an annual base salary of \$125,000 (reviewable annually) and is entitled to be granted options to acquire up to 5% of the outstanding Units pursuant to the Unit Option Plan. In addition to the foregoing compensation, Mr. Dallaire is entitled to participate in any benefit plan of the REIT made available from time to time. Mr. Dallaire's current base salary is \$131,821.

In addition, on May 21, 1998, the REIT entered into an employment agreement with Michel Dallaire, the Executive Vice-President, Operations of the REIT. The terms of his agreement are the same as Jules Dallaire, with the exception of the base salary of \$87,000 (reviewable annually). Mr. Dallaire's current base salary is \$91,460.

REPORT ON EXECUTIVE COMPENSATION

Composition of the Compensation and Governance Committee

For the financial year ended December 31, 2000, the Compensation and Governance Committee (the "**Committee**") consisted of Yvan Caron, Pierre Gingras and Ghislaine Laberge.

Mandate of the Committee

This Committee, which was formed on August 25, 1998, is entrusted with examining matters related to compensation of executive officers, including that of the Chairman, and the President and Chief Executive Officer of the REIT. The Committee makes also recommendations to the board of Trustees with regard to the granting of options. The Committee examines annually plans for succeeding to and the development of the Chairman, the President and Chief Executive Officer and the other executive officers of the REIT. The Committee is responsible for examining the terms and conditions of compensation, which includes three components: base salary, annual bonus and long-term incentive.

Base salary

Base salaries are established at levels that are meant to be competitive with other entities of comparable size to the REIT in the Greater Québec City Area. Base salaries are determined following an assessment of each executive officer's past performance, experience and level of responsibility within the REIT. Base salaries are reviewed annually by the Committee.

Annual bonus

The annual bonus is based on the financial results and the achievement of the strategic objectives of the REIT. These objectives are set each year.



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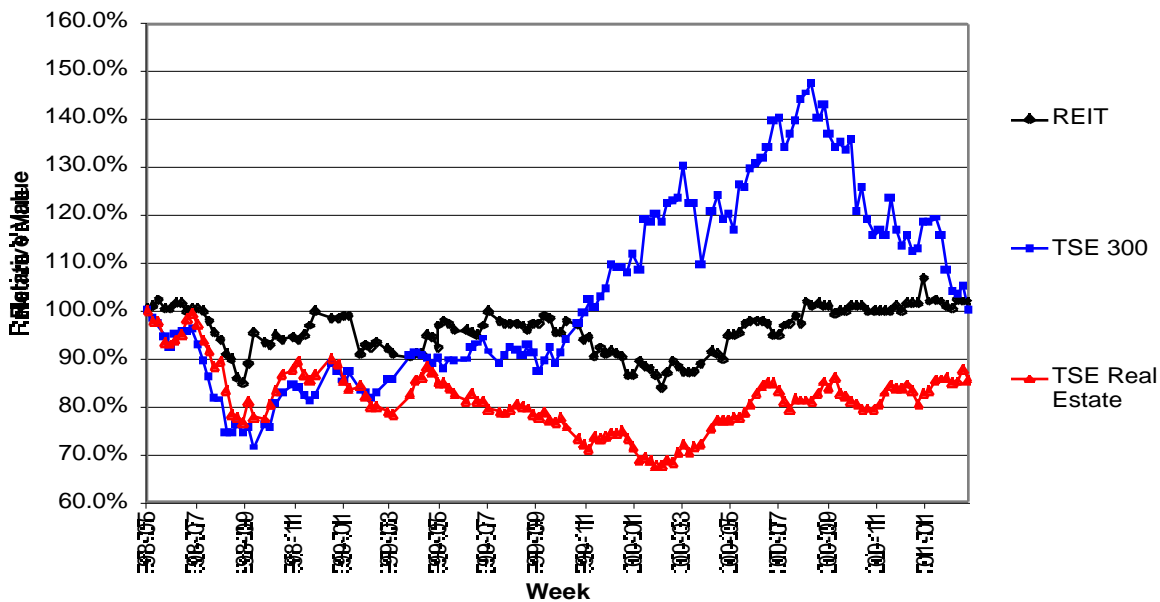
Long-term Incentive

Long-term incentives are provided through the grant of options pursuant to the Unit Option Plan. The options granted to Eligible Persons are generally based on the recommendations of the Committee. The Committee is of the view that the grant of options is a financial incentive for such persons to consider the long-term interest of the REIT and its Unitholders.

PERFORMANCE CHART

The following graph illustrates the REIT's total return to Unitholders for the period from May 21, 1998 (being the date of commencement of operations by the REIT and the date of its initial public offering) to December 31, 2000. The REIT's performance is compared to the total return of the TSE300 Composite Index and the TSE Real Estate and Construction Index.

Comparison of Cumulative Total



	May 21, 1998	December, 31 1998	December 31, 1999	December 31, 2000
REIT	100	100 ⁽¹⁾	89	101.5
TSE 300 Composite Index	100	85	109	115.7
TSE Real Estate and Construction Index	100	85	68	84.7

NOTE :

- (1) The Units began trading on the TSE on May 21, 1998 and traded on the Montreal Exchange (the "ME") until December 3, 1999. Prior thereto, the Units were represented by instalment receipts, which were then posted for trading on the TSE and ME. Accordingly, for comparison purposes, the total return as at December 31, 1999 was calculated by using the closing price of the instalment receipts on the TSE and ME on such date and adding thereto the amount of the final instalment payment.



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INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

Apart from the information provided in this Circular or in the consolidated financial statements of the REIT for the financial year ended December 31, 2000, the REIT has no knowledge of any material interest of a Trustee or of a member of management, current or proposed, in any transaction, or in a proposed transaction, that could or would materially affect the REIT.

Jules Dallaire and Michel Dallaire, both Trustees and officers of the REIT, are indirectly shareholders of Dalcon Inc. and 9007-5847 Québec Inc. Michel Paquet, a Trustee and officer of the REIT, is associated with these corporations as an officer thereof.

During the financial year ended December 31, 2000, the REIT recorded leasing revenues of \$490,620 from Dalcon Inc. and 9007-5847 Québec Inc. The REIT incurred an expense of \$4,237,000 for the realization by Dalcon Inc. on its behalf of tenant improvements for tenants of the REIT and \$4,164,000 for the construction of a property and the development of others completed on its behalf by Dalcon.

RECONFIRMATION AND APPROVAL OF THE AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN AGREEMENT

At the time of its initial public offering, the REIT adopted a Unitholders rights plan (the "**Existing Rights Plan**"). The Existing Rights Plan, which has been effective since May 21, 1998, must be reconfirmed by Unitholders at the Meeting.

Unitholders will be asked to consider and, if deemed advisable, pass a resolution at the Meeting reconfirming and approving an amended and restated Unitholders rights plan agreement reflecting changes made by the Trustees to the Existing Rights Plan on March 27, 2001 (the Existing Rights, as amended and restated, being herein called the "**Rights Plan**") and all rights issued pursuant to the Rights Plan until the next annual general meeting of Unitholders of the REIT. Unitholders are being asked on an exceptional basis to reconfirm and approve the Rights Plan for one year as the Dallaire Family is currently reviewing certain estate planning matters which may require further amendments to the Rights Plan, including the definitions of "Grandfathered Person" and "Permissible Acquisitions".

A copy of the Rights Plan is available from the Secretary of the REIT at the head office of the REIT located at 455, rue Marais, Vanier, Québec, G1M 3A2, and copies of the Rights Plan will be available at the Meeting. In this Circular, important terms, which are not otherwise defined herein, have the meaning ascribed thereto in the Rights Plan. A summary of the Rights Plan is set forth in Schedule "A" to this Circular.

Trustees' Recommendation

The Trustees have determined that the reconfirmation and approval of the Rights Plan is in the best interest of the REIT and its Unitholders, and unanimously recommend that Unitholders vote in favour of the reconfirmation and approval of the Rights Plan.

Background and Purposes of the Rights Plan

The objectives of the Rights Plan are to ensure, to the extent possible, that all Unitholders are treated equally and fairly in connection with any take-over bid for the REIT. Take-over bids may not always result in Unitholders receiving equal or fair treatment or full value for their



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investment. In addition, Canadian securities legislation will soon only require a take-over bid to remain open for 35 days. The Trustees believe that this period would be insufficient for the Trustees to evaluate a bid, pursue alternatives which could maximize Unitholder value and make informed recommendations to the Unitholders.

The Rights Plan discourages discriminatory or unfair take-over bids for the REIT and gives the Trustees time, if appropriate, to pursue alternatives to maximize Unitholder value in the event of an unsolicited take-over bid for the REIT. The Rights Plan encourages an offeror to proceed by way of a permitted bid or to approach the Trustees with a view to negotiation, by creating the potential for substantial dilution of the offeror's position. The permitted bid provisions of the Rights Plan are designed to ensure that, in any take-over bid, all Unitholders are treated equally, receive the maximum value for their investment and are given adequate time to properly assess the take-over bid on a fully informed basis.

The reconfirmation and amendment of the Rights Plan is not being proposed in response to, or in anticipation of, any acquisition or take-over bid. Furthermore, in proposing the reconfirmation and amendment of the Rights Plan, the Trustees do not intend to prevent a take-over of the REIT, to secure continuance of current management or the Trustees in office or to deter fair offers for the Units. The reconfirmation of the Rights Plan may, however, increase the price to be paid by a potential offeror to obtain control of the REIT and may discourage certain transactions, including a take-over bid for less than all the Units. Accordingly, the reconfirmation and amendment of the Rights Plan may deter some take-over bids.

The Rights Plan is not intended to, and ultimately does not, deter full and fair offers for the Units. The reconfirmation of the Rights Plan does not impose any additional burden on the REIT's operations or financial capacity. The reconfirmation of the Rights Plan will not in any way lessen or affect the duty of the Trustees to act honestly and in good faith with a view to the best interests of the REIT and its Unitholders.

Amendments to the Existing Rights Plan

The Trustees have considered the terms and conditions of a number of recently adopted and amended rights plan agreements of other Canadian real estate investment trusts and corporations. As a result of the foregoing, the Trustees have approved certain amendments to the Rights Plan.

The principal amendments consist of the following:

- (i) the definition of "Beneficial Ownership" was amended to exclude Units that have been deposited or tendered to a take-over bid pursuant to a permitted lock-up agreement;
- (ii) the definition of "Competing Permitted Bid" was revised to provide that no Units may be taken up and paid for prior to the close of business on a date that is not earlier than the later of (a) the 60th day after the date on which the earliest permitted bid which preceded the Competing Permitting Bid was made and (b) 35 days following the date of the take-over bid constituting the Competing Permitted Bid;
- (iii) the definition of "Cominar" was renamed the "Dallaire Group" and was amended to give effect to certain transfers within the Dallaire Family and their holding companies which took place after May of 1998 and which were permitted under the Existing Rights Plan, and to delete the definition of "Grandfathered Transferee";
- (iv) the "Exercise Price" was decreased from \$100 to \$50;



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- (v) the definition of "Expiration Time" was amended to enable the Rights Plan to be reconfirmed at next annual meeting of Unitholders following this Meeting and thereafter at every third annual meeting of Unitholders following such meeting;
- (vi) the definition of "Grandfathered Person" was amended to provide that each member of the Dallaire Group shall cease to be a Grandfathered Person, as at the time, after the Record Time (as defined therein), on which the aggregate Beneficial Ownership (as defined therein) of the Dallaire Group is less than 20% of the then outstanding Units;
- (vii) the definition of "Permissible Acquisition" was amended to allow Jules Dallaire and his spouse to transfer their Units to the Dallaire Family and their holding companies upon death; and
- (viii) the concept of a "Permitted Lock-up Agreement" was added.

Certain other minor amendments were also made to the Rights Plan to reflect the terms and conditions of a number of recently adopted or amended rights plan agreements of other Canadian real estate investment trusts or corporations and certain technical amendments were also made in order to conform certain provisions of the Rights Plan as a result of the changes noted above, and to clarify certain other provisions of the Rights Plan.

These amendments and the restatement will become effective only at the time of reconfirmation and approval of the Rights Plan by Unitholders at the Meeting.

Unitholders' Approval

The text of the ordinary resolution reconfirming and approving the amended and restated Rights Plan is set forth in Schedule "B" to this Circular. As at March 14, 2001, AM Total Investments, general partnership, was the beneficial owner of 6,607,400 Units representing 32.3% of the issued and outstanding Units of the REIT. To be effective, the ordinary resolution reconfirming and amending the Rights Plan must be passed by a majority of the votes cast by Unitholders present in person or represented by proxy at the Meeting without giving effect to the votes attached to Units held directly or indirectly by AM Total Investments, general partnership.

APPROVAL OF THE AMENDED AND RESTATED UNIT OPTION PLAN

At the time of its initial public offering, the REIT adopted the Unit Option Plan. The purpose of the Unit Option Plan is to advance the interests of the REIT and its Unitholders by providing to Eligible Persons of the REIT a performance incentive for continued and improved service with the REIT. Unitholders are being asked to consider, and if deemed advisable, approve a resolution amending and restating the Unit Option Plan, as amended and restated by the board of Trustees on March 27, 2001.

Proposed amendments

Increase in Units reserved for issuance

The maximum number of Units available for issuance under the Unit Option Plan currently is 1,450,000 Units. To date, all options available under the Unit Option Plan have been issued to Eligible Individuals. Furthermore, 35,000 options have been exercised within the last 12 month period.



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Accordingly, Unitholders will be asked to consider, and if deemed advisable, approve an amendment to the Unit Option Plan increasing the maximum number of Units which may be reserved under the Unit Option Plan to an aggregate of 2,045,699 Units (representing 10% of the number of outstanding Units of the REIT as at March 14, 2001) and the listing on the TSE of 630,699 additional Units to be reserved for issuance upon the exercise of options granted under the Unit Option Plan. This new maximum number of Units cannot be increased without the further approval of Unitholders.

Option term

Options granted under the Unit Option Plan currently have a maximum term of five years and are exercisable at a price not less than the closing trading price of the Units on the TSE on the last trading day on which the Units traded prior to the day of the grant. The Trustees are proposing to amend the Unit Option Plan to provide that any future options granted may have a maximum term of up to seven years.

Time limitation on exercise of options upon the occurrence of certain events

In order to conform with the requirements of the rules governing options and other compensatory arrangements of Canadian securities regulatory authorities, the Trustees are proposing to amend the Unit Option Plan to restrict the exercise period of the options upon termination of the employment or position of an Eligible Person with the REIT to a maximum of three months and upon the death or retirement of an Eligible Person to a maximum of one year.

Unitholders' approval

At the Meeting, Unitholders will be requested to pass a resolution approving the amendment and restatement of the Unit Option Plan. The form of this resolution is attached as Schedule "C" to this Circular. Approval of this resolution requires the affirmative vote of a majority of Unitholders present or represented by proxy at the Meeting.

RE-APPOINTMENT OF AUDITORS

The persons named in the accompanying form of proxy intend to vote for the re-appointment of PricewaterhouseCoopers LLP as the auditors of the REIT to hold office until the close of the next annual meeting of Unitholders and to authorize the Trustees to fix the remuneration of the auditors. PricewaterhouseCoopers LLP was first appointed auditors of the REIT on March 31, 1998.

GENERAL

The consolidated financial statements of the REIT for the financial year ended December 31, 2000, together with the report of the auditors thereon, will be sent to Unitholders prior to the Meeting where they will be presented.

Copies of the REIT's 2000 annual report containing the REIT's audited consolidated financial statements for the financial year ended December 31, 2000, this Circular and the REIT's most recent annual information form may be obtained by writing to the Secretary of the REIT.



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APPROVAL OF THE TRUSTEES

The contents and the distribution of this Circular have been approved by the board of Trustees of the REIT.

DATED at Quebec, Québec, the 30th day of March, 2001.

BY ORDER OF THE BOARD OF TRUSTEES,
The Secretary,

Michel Paquet



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SCHEDULE "A"

SUMMARY OF THE AMENDED AND RESTATED RIGHTS PLAN

The following is a summary of the principal terms of the amended and restated Rights Plan, which is qualified in its entirety by reference to the text of the amended and restated Rights Plan, which is herein after referred to as the "**Rights Plan**".

Term

Following the Meeting and if reconfirmed by the Unitholders at this Meeting, the Rights Plan will expire at the next annual meeting of the Unitholders of the REIT, subject to reconfirmation by Unitholders at such meeting.

Issue of Rights

On May 21, 1998 (the "**Effective Date**"), one right (a "**Right**") was issued and attached to each outstanding Unit. One Right was also issued and attached to each subsequently issued Unit and will be issued and will attach to any subsequently issued Units. The exercise price of each Right is \$50 (the "**Exercise Price**"), subject to appropriate anti-dilution adjustments.

Rights Exercise Privilege

The Rights will separate from the Units to which they are attached and will become exercisable at the time (the "**Separation Time**") (i) that is ten trading days after the earlier of (a) the date of the first public announcement by the REIT or an Acquiring Person (as hereinafter defined) of facts indicating that a person has become an Acquiring Person (the "**Unit Acquisition Date**"), (b) the date of the commencement of or first public announcement of the intent of any person to commence a take-over bid other than a Permitted Bid or a Competing Permitted Bid (as hereinafter defined) and (c) two days following the date upon which a Permitted Bid ceases to be such or (ii) such later date as may be determined by the Trustees acting in good faith.

Acquiring Person

The acquisition by a person (an "**Acquiring Person**"), including others acting jointly or in concert, of 20% or more of the outstanding Units of the REIT, other than by way of a Unit reduction, a permitted bid acquisition (see Permitted Bid Requirements below), an exempt acquisition, a permissible acquisition and certain other circumstances described in the Rights Plan (see Portfolio Managers below), is referred to as a "**Flip-in Event**". A person who is a Grandfathered Person (see Grandfathered Person below) will not be considered to be an Acquiring Person. A person who makes or proposes to make a take-over bid for Units of the REIT is not deemed to beneficially own Units deposited pursuant to a lock-up agreement that meets the criteria set out in the Rights Plan (see Permitted Lock-up Agreement below). Any Rights held by an Acquiring Person on or after the earlier of the Separation Time or the Unit Acquisition Date will become null and void upon the occurrence of a Flip-in Event. Effective at the close of business on the tenth trading day after the Unit Acquisition Date, each Right (other than those held by the Acquiring Person) will permit the holder to purchase Units with a total market value of \$100 on payment of \$50 (i.e., at a 50% discount).

The issue of the Rights is not initially dilutive. Upon a Flip-in Event occurring and the Rights separating from the attached Units, reported earnings per Unit on a fully diluted or non-



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diluted basis may be affected. Holders of Rights who do not exercise their Rights upon the occurrence of a Flip-in Event may suffer substantial dilution.

Grandfathered Person

A Grandfathered Person means a member of the Dallaire Group (as described below). However, such person will cease to be a Grandfathered Person if that person together with any one or more other members of the Dallaire Group is at the Record Time (as defined therein), or after the Record Time becomes, the Beneficial Owner (as defined therein) of 20% or more of the outstanding Units, and the Beneficial Ownership (as defined therein) of that person, together with the Beneficial Ownership of any one or more other members of the Dallaire Group, thereafter increases, in the aggregate, by 2% or more of the number of outstanding Units, calculated on the basis of the number of Units outstanding at the time of the most recent increase. Furthermore, each member of the Dallaire Group will cease to be a Grandfathered Person, as at the time, after the Record Time, on which the aggregate Beneficial Ownership of the Dallaire Group is less than 20% of the then outstanding Units of the REIT.

The Dallaire Group is comprised of (i) AM Total Investments, general partnership, (ii) AM Total Investments Inc., (iii) 800675 Alberta Ltd. and (iv) 855855 Alberta Ltd. The sole members of AM Total Investments, general partnership, are AM Total Investments Inc. and 800675 Alberta Ltd. All the issued and outstanding shares of AM Total Investments Inc. and 800675 Alberta Ltd. are held by 855855 Alberta Ltd. All the issued and outstanding shares of 855855 Alberta Ltd. are held by Michel Dallaire, Alain Dallaire, Sylvie Dallaire and Linda Dallaire.

Certificates and Transferability

Prior to the Separation Time, the Rights will be evidenced by a legend imprinted on certificates for Units. Prior to the Separation Time, Rights will not be transferable separately from the attached Units. From and after the Separation Time, the Rights will be evidenced by Rights certificates, which will be transferable and traded separately from the Units.

Permitted Bid Requirements

The requirements of a permitted bid (a "**Permitted Bid**") include the following:

- (i) the take-over bid must be made to all holders of Units (including Units underlying convertible securities), other than the bidder;
- (ii) the take-over bid must not permit Units tendered pursuant to the take-over bid to be taken up prior to the expiry of a period of not less than 60 days following the date of the bid and then only if at such time more than 50% of the Units held by Unitholders, other than the offeror, its affiliates or associates, persons acting jointly or in concert with the bidder (the "**Independent Unitholders**"), have been tendered pursuant to the take-over bid and not withdrawn; and
- (iii) if more than 50% of the Units held by Independent Unitholders are tendered to the take-over bid within the 60 day period, the bidder must make a public announcement of that fact and the take-over bid must remain open for deposits of Units for an additional 10 business days from the date of such public announcement.

The Rights Plan allows a competing permitted bid (a "**Competing Permitted Bid**") to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all the



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requirements of a Permitted Bid except for the minimum deposit period, and must provide that no Units may be taken up and paid for prior to the close of business on a date that is not earlier than the later of (i) the 60th day after the date on which the earliest permitted bid which preceded the Competing Permitted Bid was made and (ii) 35 days following the date of the take-over bid constituting the Competing Permitted Bid.

Permitted Lock-up Agreement

A permitted lock-up agreement is defined in the Rights Plan as an agreement, the terms of which are publicly disclosed and made available to the public (including the REIT) not later than (i) the date on which the Lock-up Bid (as defined below) is publicly announced or (ii) if the Lock-up Bid has been made prior to the date on which such agreement is entered into, forthwith and in any event not later than the date following the date of such agreement, between the offeror, any of its affiliates or associates or any other person acting jointly or in concert with the offeror and a person (the "**Locked-up Person**") who is not an affiliate or associate of the offeror or a person acting jointly or in concert with the offeror whereby the Locked-up Person agrees to deposit or tender the Units and/or convertible securities held by the Locked-up Person to the offeror's take-over bid or to any take-over bid made by any of the offeror's affiliates or associates or made by any other person acting jointly or in concert with the offeror (the "**Lock-up Bid**"), where the lock-up agreement provides that any Locked-up Person may withdraw his Units or convertible securities (or both) from the lock-up agreement in order to deposit or tender such securities to another take-over bid or to support another transaction (collectively, a "**Competing Transaction**") prior to the Units and/or convertible securities being taken up and paid for under the Lock-up Bid, if:

- (i) the Competing Transaction is at a price or value per Units and/or convertible securities, as the case may be, that exceeds the price or value per Units and/or convertible securities, as the case may be, offered under the Lock-up Bid; or
- (ii) the Competing Transaction is at a price or value per Units and/or convertible securities, as the case may be, that exceeds the price or value per Units and/or convertible securities, as the case may be, offered under the Lock-up Bid by a specified margin (the "**Specified Margin**"), provided that the Specified Margin is not greater than 7% of the price or the value per Units and/or convertible securities, as the case may be, offered under the Lock-up Bid; or
- (iii) the Competing Transaction is for a number of Units and/or convertible securities, as the case may be, greater than the number of Units and/or convertible securities, as the case may be, subject to the Lock-up Bid at a price or value per Units and/or convertible securities, as the case may be, that is not less than the price or value per Units and/or convertible securities, as the case may be, offered under the Lock-up Bid; and

for greater clarity, a Lock-up Agreement may contain a right of first refusal or required a period of delay to give an offeror an opportunity to match any greater consideration offered under a Competing Transaction or a similar limitation on a Locked-up Person so long as the limitation does not preclude the exercise by the Locked-up Person of its rights to withdraw Units and/or convertible securities, as the case may be, under the Lock-up Agreement during the period of the Competing Transaction.

The lock-up agreement must also provide that no break-up fees, top-up fees, penalties, expenses or other amounts shall be payable pursuant to the lock-up agreement that exceed in the aggregate the greater of (i) 2.5% of the price or value of the consideration payable under the



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Lock-up Bid to a Locked-up Person and (ii) 50% of the amount by which the price or value of the consideration received by the Locked-up Person under a Competing Transaction exceeds the price or value or consideration that the Locked-up Person would have received under the Lock-up Bid, in the event that the Locked-up Person fails to deposit or tender its Units and/or convertible securities, as the case may be, to the Lock-up Bid, or withdraws its Units and/or convertible securities, as the case may be, previously tendered thereto in order to deposit or tender such Units and/or convertible securities, as the case may be, to the Competing Transaction.

Redemption

The Trustees may, with the prior consent of the holders of Units or Rights, at any time prior to the occurrence of a Flip-in Event, determine to redeem all, but not less than all, of the outstanding Rights at a redemption price of \$0.001 per Right.

Waiver

The Trustees may, at any time prior to the occurrence of a Flip-in Event, determine to waive the application of the Flip-in Event provisions to a take-over bid made by means of a take-over bid circular that would otherwise be subject to these provisions. If the Trustees waive the application of the Flip-in Event provisions to a take-over bid, the Trustees are deemed to have waived the application of the Flip-in Event provisions to any other Flip-in Event occurring by reason of any competing take-over bid made by means of a take-over bid circular to all holders of record of Units prior to the expiry of the take-over bid for which the waiver was granted. The Trustees may also waive the application of the Flip-in Event provisions to a Flip-in Event where the Acquiring Person became such by inadvertence if at the time of waiver it is no longer an Acquiring Person. The Trustees may waive the application of the Flip-in Event provisions to any other Flip-in Event upon the prior consent of the holders of the Units or Rights, as the case may be.

Supplement and Amendments

The REIT is authorized to make amendments to the Rights Plan to correct any clerical error or typographical error or to maintain the validity of the Rights Plan as a result of changes in law or regulation. All other amendments require the prior approval of the Unitholders.

Portfolio Managers

The provisions of the Rights Plan relating to portfolio managers are designed to prevent the occurrence of a Flip-in Event solely by virtue of the customary activities of such managers, including trust companies and other persons, where a substantial portion of the ordinary business of such person is the management of funds for unaffiliated investors, so long as any such person does not propose to make a take-over bid either alone or jointly with others.

General

Until a Right is exercised, the holders thereof, as such, will have no rights as a Unitholder.



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SCHEDULE "B"

RESOLUTION TO RECONFIRM AND APPROVE THE AMENDED AND RESTATED UNITHOLDERS RIGHTS PLAN

RESOLVED:

1. THAT the Unitholders Rights Plan Agreement of the REIT adopted by the Trustees and implemented on May 21, 1998, as amended and restated as of March 30, 2001, substantially in the form available for inspection at the Meeting, be and it is hereby reconfirmed and approved until the next annual meeting of Unitholders of the REIT following this Meeting and all rights issued pursuant thereto are hereby approved, ratified and confirmed; and
2. THAT any trustee or officer of the REIT be and he/she is hereby authorized and empowered to take or cause to be taken, for and on behalf of the REIT and the Trustees of the REIT, all such additional or other actions, and to execute, deliver and/or file, or cause to be executed, delivered and/or filed, such additional amendments and restatements or other documents or instruments, as may be deemed by such person in his or her discretion as necessary, advisable or appropriate in carrying into effect the intents and purposes of the foregoing resolution.



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SCHEDULE "C"

RESOLUTION TO APPROVE THE AMENDED AND RESTATED UNIT OPTION PLAN

RESOLVED:

1. THAT the REIT is hereby authorized to increase the number of Units available for issuance under the Unit Option Plan from 1,450,000 to 2,045,699 and to make an application to the Toronto Stock Exchange to list 630,699 additional Units to be reserved for issuance pursuant to the terms of the Unit Option Plan;
2. THAT the Unit Option Plan, as amended and restated on March 27, 2001, substantially in the form available for inspection at the Meeting and as approved by the board of Trustees on March 27, 2001, be and it is hereby ratified and approved; and
3. THAT any trustee or officer of the REIT be and he/she is hereby authorized and empowered to take or cause to be taken, for and on behalf of the REIT and the Trustees of the REIT, all such additional or other actions, and to execute, deliver and/or file, or cause to be executed, delivered and/or filed, such additional amendments and restatements or other agreements, documents, listing applications or instruments, as may be deemed by such person in his or her discretion as necessary, advisable or appropriate in carrying into effect the intents and purposes of the foregoing resolutions.