

Condensed Interim Consolidated Financial Statements

Quarter ended March 31, 2022
Unaudited



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Consolidated Balance Sheets

[unaudited, in thousands of Canadian dollars]

		March 31, 2022	December 31, 2021
	Note	\$	\$
Assets			
Investment properties			
Income properties	4	2,566,074	2,517,447
Properties under development		29,316	28,944
Land held for future development		29,635	29,635
		2,625,025	2,576,026
Investment properties held for sale	5	19,000	3,363,500
Investments in joint ventures	6	18,350	76,383
Subscription receivable from a parent company	10	1,325,275	—
Accounts receivable		37,257	32,661
Prepaid expenses and other assets		12,121	18,230
Cash and cash equivalents		35,053	7,604
Total assets		4,072,081	6,074,404
Liabilities			
Mortgages payable	7	922,674	1,058,049
Mortgages payable related to investment properties held for sale	5, 7	—	992,785
Debentures	8	575,409	871,973
Bank borrowings	9	—	537,093
Accounts payable and accrued liabilities		85,405	131,380
Total liabilities		1,583,488	3,591,280
Unitholders' equity			
Unitholders' equity		2,488,593	2,483,124
Total liabilities and unitholders' equity		4,072,081	6,074,404

See accompanying notes to the condensed interim consolidated financial statements.

Interim Consolidated Statements of Unitholders' Equity

Quarters ended March 31

[unaudited, in thousands of Canadian dollars]

	Note	Unitholders' contributions \$	Cumulative net income \$	Cumulative distributions \$	Contributed surplus \$	Total \$
Balance as at January 1, 2022		3,233,486	1,590,967	(2,350,252)	8,923	2,483,124
Net income and comprehensive income		—	22,112	—	—	22,112
Distributions to unitholders	10	—	—	(8,210)	—	(8,210)
Special distribution in units	10	1,300,000	—	(1,300,000)	—	—
Parent company subscription under the Arrangement ¹	10	2,143,800	—	—	—	2,143,800
Repurchase of units under the Arrangement ¹	10	(4,533,486)	2,389,686	—	—	(2,143,800)
Long-term incentive plan	10	—	490	—	(8,923)	(8,433)
Balance as at March 31, 2022		2,143,800	4,003,255	(3,658,462)	—	2,488,593

¹ Refer to note 1 for more information on the Arrangement

	Note	Unitholders' contributions \$	Cumulative net income \$	Cumulative distributions \$	Contributed surplus \$	Total \$
Balance as at January 1, 2021		3,233,486	1,783,589	(2,300,990)	8,396	2,724,481
Net income and comprehensive income		—	50,264	—	—	50,264
Distributions to unitholders	10	—	—	(16,421)	—	(16,421)
Long-term incentive plan	10	—	13	—	494	507
Balance as at March 31, 2021		3,233,486	1,833,866	(2,317,411)	8,890	2,758,831

See accompanying notes to the condensed interim consolidated financial statements.

Interim Consolidated Statements of Comprehensive Income

Quarters ended March 31

[unaudited, in thousands of Canadian dollars, except per unit amounts]

	Note	2022 \$	2021 \$
Operating revenues			
Rental revenue from investment properties		139,791	169,721
Operating expenses			
Operating costs		(38,596)	(40,465)
Realty taxes and services		(32,334)	(38,244)
Property management expenses		(3,862)	(4,541)
		(74,792)	(83,250)
Net operating income		64,999	86,471
Finance charges		(32,812)	(31,820)
Trust administrative expenses		(7,357)	(5,543)
Change in fair value of investment properties	4, 5	71,332	(65)
Share in joint ventures' net income	6	2,105	1,365
Transaction costs	11	(76,155)	(144)
Net income and comprehensive income		22,112	50,264

See accompanying notes to the condensed interim consolidated financial statements.

Interim Consolidated Statements of Cash Flows

Quarters ended March 31

[unaudited, in thousands of Canadian dollars]

	Note	2022 \$	2021 \$
Operating activities			
Net income		22,112	50,264
Adjustments for:			
Excess of share of net income over distributions received from the joint ventures	6	(2,105)	(315)
Change in fair value of investment properties	4, 5	(71,332)	65
Depreciation and amortization		1,701	1,636
Compensation expense related to long-term incentive plan		—	507
Recognition of leases on a straight-line basis	4, 5	70	(140)
Financing costs and other asset write-offs		12,542	—
Changes in non-cash working capital items	12	(24,800)	26,938
Cash flows provided by (used in) operating activities		(61,812)	78,955
Investing activities			
Investments in income properties	4, 12	(1,404)	(27,884)
Investments in properties under development	12	(2,498)	(3,542)
Proceeds from the sale of investment properties net of assigned mortgages payable	3, 5	2,812,607	20,990
Proceeds from the dissolution of a joint venture	6	60,390	—
Contributions to the capital of a joint venture	6	(252)	(4)
Change in other assets		(201)	(55)
Cash flows provided by (used in) investing activities		2,868,642	(10,495)
Financing activities			
Cash distributions to unitholders	10	(8,210)	(10,947)
Net variation of bank borrowings	9	(537,093)	(36,940)
Parent company subscription under the Arrangement	10	724,354	—
Repurchase of units under the Arrangement	10	(2,049,744)	—
Repayment of debentures	8	(300,000)	—
Repayments of mortgages payable	7	(598,162)	—
Monthly repayments of mortgages payable	7	(10,526)	(13,757)
Cash flows used in financing activities		(2,779,381)	(61,644)
Net change in cash and cash equivalents		27,449	6,816
Cash and cash equivalents, beginning of period		7,604	13,594
Cash and cash equivalents, end of period		35,053	20,410
Other information			
Interest paid		24,753	22,116
Cash distributed by a joint venture	6	—	1,050

See accompanying notes to the condensed interim consolidated financial statements.

Notes to Condensed Interim Consolidated Financial Statements

Quarters ended March 31, 2022 and 2021

[unaudited, in thousands of Canadian dollars, except per unit amounts]

1) Description of the Trust

Cominar Real Estate Investment Trust ("Cominar", the "Trust" or the "REIT") is an unincorporated closed-end real estate investment trust created by a Contract of Trust on March 31, 1998, under the laws of the Province of Quebec. As at March 31, 2022, Cominar owned and managed a real estate portfolio of 80 properties that covered a total area of approximately 12.9 million square feet in the Province of Quebec and in Ottawa, Ontario.

The head office of Cominar is located at Complexe Jules-Dallaire – T3, 2820 Laurier Boulevard, Suite 750, Québec City, Quebec, Canada, G1V 0C1. Additional information about the Trust is available on Cominar's website at www.cominar.com.

The Board of Trustees approved Cominar's condensed interim consolidated financial statements on May 4, 2022.

The Arrangement:

On March 1, 2022, Cominar announced the closing of a transaction, pursuant to which all of Cominar's issued and outstanding units (the "Units") were acquired under a plan of arrangement for \$11.75 per Unit in cash by a consortium, Iris Acquisition II LP ("IRIS"), led by an affiliate of Canderel Management Inc., and including FrontFour Capital Group LLC, Artis Real Estate Investment Trust, partnerships managed by Sandpiper Group, and Koch Real Estate Investments, LLC (the "Arrangement").

As part of the Arrangement, an affiliate of Mach Capital Inc. acquired certain of the REIT's office and retail properties and an affiliate of Blackstone Real Estate Services L.L.C. acquired most of the REIT's industrial portfolio. (see note 3 Dispositions)

As part of the Arrangement, Cominar's existing trustees resigned and were replaced by Alex Avery, Renzo Barazzuol, Navdeep Gill, Stephen Loukas, Samir Manji, Brett Miller, Ben Rodney, Ryan Ross and Jonathan Wener.

As a result of the completion of the Arrangement, the Units of the REIT were delisted from the Toronto Stock Exchange (the "TSX") at the close of trading on March 2, 2022.

2) Significant Accounting Policies

a) Basis of presentation

Cominar's unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, and comply notably with the requirements of IAS 34, "Interim Financial Reporting." They do not include all the disclosures that will normally be found in the Trust's annual consolidated financial statements. The accounting policies and application methods thereof have been consistently applied throughout each of the periods presented in these condensed interim consolidated financial statements. These condensed interim consolidated financial statements should be read in conjunction with Cominar's annual consolidated financial statements prepared in accordance with IFRS for the fiscal year ended December 31, 2021.

b) Basis of preparation

Consolidation

These condensed interim consolidated financial statements include the accounts of Cominar and its wholly owned subsidiaries.

Use of estimates, assumptions and judgments

The preparation of the condensed interim consolidated financial statements in accordance with IFRS requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities at the date of the financial statements. Those estimates, assumptions and judgments also affect the disclosure of contingencies as at the date of the financial statements and the reported amounts of revenues and expenses during the period. The critical accounting estimates and judgments have been set out in note 2 to Cominar's consolidated financial statements for the year ended December 31, 2021. There have been no changes to the critical accounting estimates and judgments during the three-month period ended March 31, 2022.

• COVID-19 related critical accounting estimates and judgments

The continued spread of the respiratory illness caused by the novel coronavirus ("COVID 19") globally have materially and adversely impacted Cominar and certain of its tenants' businesses and operations and could continue to impact Cominar and its tenants' business and operations in the short term and in the long term. Certain aspects of Cominar's business and operations that have been impacted or could be potentially impacted in the future include, without limitation, employee health, rental income, occupancy, tenant improvements, demand for space and market rents, which all ultimately affect the current and future valuation of our portfolio of properties and other factors that depend on future

developments beyond Cominar's control. Expected credit losses related to tenant's financial strength during this pandemic are also subject to significant uncertainty.

Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

- Investment properties**
 Investment properties are recorded at fair value at the balance sheet date. Fair value is determined using valuations from internal and independent real estate appraisers, performed in accordance with recognized valuation techniques, as well as definitive agreements to sell investment properties. Techniques used include the discounted cash flow method that involves estimating expected future cash flows, as well as discount and terminal capitalization rates, and the direct capitalized net operating income method that involves stabilized net operating income and overall capitalization rates. Estimates regarding stabilized net operating income, expected future cash flows, overall capitalization rates, discount and terminal capitalization rates have all been impacted by COVID-19 and impacts have been considered in these condensed interim consolidated financial statements.
- Provision for expected credit losses**
 Cominar's provision for expected credit losses includes estimates of the uncertainty of the recoverability of rents related to tenants and the uncertainty of the recoverability of all other trade receivables.

3) Dispositions

Dispositions of Investment Properties Held for Sale

Date	Property type	Number of properties	Geographic market	Total selling price (\$)
February 1, 2022	Industrial and flex	1	Montreal	2,500
March 1, 2022	Office/Retail and Industrial and flex ¹	226	Montréal/Québec/Ottawa	3,361,000
		227		3,363,500

¹ Refer to note 1 for more information on the Arrangement

Dispositions of Investment Properties

Date	Property type	Number of properties	Geographic market	Total selling price (\$)
February 28, 2022	Retail	2	Quebec City	16,000 ¹

¹ As at March 31, 2022 \$2,200 was receivable

4) Income Properties

		Quarter ended March 31, 2022	Year ended December 31, 2021
	Note	\$	\$
Balance, beginning of period		2,517,447	6,077,025
Change in fair value		78,258	(330,914)
Capital costs		6,071	120,881
Dispositions	3	(16,000)	—
Transfer to investment properties held for sale	5	(19,000)	(3,360,350)
Change in initial direct costs		616	8,614
Recognition of leases on a straight-line basis		(1,318)	2,191
Balance, end of period		2,566,074	2,517,447

Change in Fair Value of Investment Properties

Cominar opted to present its investment properties in the condensed interim consolidated financial statements according to the fair value model.

At the end of the first quarter of 2022, Cominar revalued a portion of its investment properties using external valuations and definitive agreements to sell investment properties that were obtained after the closing of the Arrangement and determined that a net increase of \$71,332 was necessary to adjust the carrying amount of investment properties to fair value [\$0 in 2021]. The change in fair value related to investment properties held as at March 31, 2022, amounts to \$75,017 [\$0 in 2021]. At the end of the quarter, the Trust reassessed the fair value for 28% of its portfolio, using external valuations.

5) Investment Properties Held for Sale

		Quarter ended March 31, 2022				Year ended December 31, 2021
		Office and mixed-use properties	Retail properties	Industrial and flex properties	Total	Total
	Note	\$	\$	\$	\$	\$
Investment properties held for sale						
Balance, beginning of period		840,822	434,678	2,088,000	3,363,500	20,990
Transfer from income properties	4	19,000	—	—	19,000	3,360,350
Transfers from properties under development and land held for future development		—	—	—	—	48,047
Capitalized costs		4,383	2,386	(228)	6,541	577
Change in fair value		(4,383)	(2,386)	228	(6,541)	(577)
Dispositions ¹	3	(840,822)	(434,678)	(2,088,000)	(3,363,500)	(65,887)
Balance, end of period		19,000	—	—	19,000	3,363,500

¹ Refer to note 1 for more information on the Arrangement

		Quarter ended March 31, 2022				Year ended December 31, 2021
		Office and mixed-use properties	Retail properties	Industrial and flex properties	Total	Total
	Note	\$	\$	\$	\$	\$
Mortgages payable related to investment properties held for sale						
Balance, beginning of period		329,601	224,787	438,397	992,785	—
Transfer of mortgages payable related to investment properties held for sale	9	9,852	3,303	(4,918)	8,237	992,785
Monthly repayments of principal		(2,294)	(1,730)	(2,410)	(6,434)	—
Repayments of balances		(35,218)	(3,274)	(431,069)	(469,561)	—
Mortgages payable assumed by the purchaser ¹	9	(301,941)	(223,086)	—	(525,027)	—
Balance, end of period		—	—	—	—	992,785

¹ Refer to note 1 for more information on the Arrangement

6) Investments in Joint Ventures

March 31			2022	2021
Joint ventures	Address	City/province	Ownership interest	Ownership interest
Société en commandite Complexe Jules-Dallaire	2820 Laurier Boulevard	Québec, Quebec	— ¹	75%
Société en commandite Marais	Du Marais Street	Québec, Quebec	75 %	75%
Société en commandite Bouvier-Bertrand	Espace Bouvier	Québec, Quebec	50 % ²	50%
Société en commandite Terrains Centropolis	Centropolis	Laval, Quebec	50 %	50%

¹ Société en commandite Complexe Jules-Dallaire sold its property and was subsequently liquidated and dissolved as part of the Arrangement on March 1, 2022

² Cominar sold its 50% partnership interest in Société en commandite Bouvier-Bertrand on April 27, 2022

The business objective of these joint ventures is the ownership, management and development of real estate projects.

The following table summarizes the financial information on the investments in these joint ventures accounted for under the equity method:

	Quarter ended March 31, 2022	Year ended December 31, 2021
	\$	\$
Investments in joint ventures, beginning of period	76,383	97,497
Contributions to the capital of the joint ventures	252	349
Share of joint ventures' net income (loss) and comprehensive income (loss)	2,105	(17,638)
Cash distributions by a joint venture	—	(3,825)
Dissolution of a joint venture	(60,390)	—
Investments in joint ventures, end of period	18,350	76,383

The following tables summarize the joint ventures' net assets and net income as well as Cominar's proportionate share:

	Joint ventures		Cominar's proportionate share	
	March 31, 2022	December 31, 2021	March 31, 2022	December 31, 2021
	\$	\$	\$	\$
Income properties	41,303	41,200	20,652	20,600
Properties under development	15,119	14,683	7,560	7,341
Land held for future development	11,596	8,487	7,858	6,288
Investment properties held for sale	—	166,000	—	124,500
Other assets	1,681	1,947	844	1,249
Mortgages payable	(33,742)	(34,021)	(16,871)	(17,011)
Mortgages payable related to investment properties held for sale	—	(85,695)	—	(64,271)
Bank borrowings	(1,425)	(1,556)	(713)	(778)
Other liabilities	(1,936)	(2,353)	(980)	(1,535)
Net assets of joint ventures ¹	32,596	108,692	18,350	76,383

¹ The net asset value of Cominar interest in Société en commandite Bouvier-Bertrand is \$6,215

Quarters ended March 31	Joint Ventures		Cominar's proportionate share	
	2022	2021	2022	2021
	\$	\$	\$	\$
Operating revenues	4,378	5,702	2,980	4,035
Operating expenses	(2,093)	(2,456)	(1,402)	(1,721)
Net operating income	2,285	3,246	1,578	2,314
Finance charges	(1,297)	(1,325)	(725)	(923)
Administrative expenses	18	(45)	9	(26)
Change in fair value	2,968	—	1,404	—
Transaction costs	(226)	—	(161)	—
Net income	3,748	1,876	2,105	1,365

7) Mortgages Payable

	Note	Quarter ended March 31, 2022		Year ended December 31, 2021	
		\$	Weighted average contractual rate	\$	Weighted average contractual rate
Balance, beginning of period		2,059,632	3.53 %	2,115,221	3.54 %
Monthly repayments of principal		(10,526)	— %	(49,405)	— %
Repayments of balances ¹		(598,162)	3.35 %	(6,184)	5.56 %
Mortgages payable assumed by the purchasers ¹	5	(525,026)	3.62 %	—	— %
		925,918	3.62 %	2,059,632	3.53 %
Less: Deferred financing costs		(3,244)		(8,798)	
Balance, end of period		922,674		2,050,834	

¹ Refer to note 1 for more information on the Arrangement

Mortgages payable are secured by immovable hypothecs on investment properties with a book value of \$1,580,903 [\$3,495,960 as at December 31, 2021]. As at March 31, 2022, they bear annual contractual interest rates ranging from 3.10% to 4.19% [2.31% to 5.41% as at December 31, 2021], representing a weighted average contractual rate of 3.62% [3.53% as at December 31, 2021], and mature at various dates from February 2023 to December 2031. As at March 31, 2022, the weighted average effective interest rate was 3.75% [3.83% as at December 31, 2021].

As at March 31, 2022, all mortgages payable were bearing interest at fixed rates. Some of the mortgages payable include restrictive covenants, with which Cominar was in compliance as at both March 31, 2022 and December 31, 2021.

8) Debentures

	March 31, 2022		December 31, 2021	
	\$	Weighted average contractual rate	\$	Weighted average contractual rate
Balance, beginning of period	875,000	4.57 %	1,075,000	4.51 %
Repayment	(300,000)	4.25 %	(200,000)	4.25 %
Exercise of optional put right	3,040	— %	—	— %
	578,040	4.78 %	875,000	4.57 %
Less: Deferred financing costs	(2,631)		(3,027)	
Balance, end of period	575,409		871,973	

The following table presents characteristics of outstanding debentures as at March 31, 2022:

	Date of issuance	Contractual interest rate	Effective interest rate	Maturity date	Par value as at March 31, 2022 (\$) ¹
Series 10	May 2016	4.25 %	4.34 %	May 2023	226,539
Series 11	May 2019	4.50 %	4.82 %	May 2024	201,492
Series 12	May 2020	5.95 %	6.24 %	May 2025	150,009
		4.78 %	5.00 %		578,040

¹ Includes the exercise of the optional put right

On March 15, 2022, Cominar early redeemed its Series 9 senior unsecured debentures totaling \$300,000 and bearing interest at 4.25% using its cash on hand following the Arrangement. Cominar paid \$1,952 in yield maintenance fees in connection with the redemption.

During March 2022, holders of \$153,900 of the Series 10 debentures, \$149,200 of the Series 11 debentures and \$900 of the Series 12 debentures exercised their right, following completion of the Arrangement, to require the REIT to repurchase their debentures for a purchase price of 101% of the aggregate principal amount thereof, which repayments were made by the REIT on April 19, 2022. The total amount paid to such debentureholders as part of this optional put right was \$307,025.

9) Bank Borrowings

As at December 31, 2021, Cominar had a revolving unsecured credit facility of \$167,000 maturing in April 2022 and a \$150,000 secured revolving credit facility maturing in April 2023. Cominar also had a non-revolving secured credit facility of \$167,400 maturing in September 2023 and a non-revolving secured credit facility of \$120,000 maturing in September 2022.

On January 14, 2022, Cominar entered into a 3-month agreement for a new unsecured credit facility of up to \$175,000 maturing in March 2022 and bearing interest at the prime rate plus 175 basis points or at the bankers' acceptance rate plus 275 basis points. The purpose of this facility was the repayment of the \$128,200 mortgage on Rockland maturing on January 15, 2022 and the financing of general corporate expenses until the closing of the Arrangement.

On March 1, 2022, Cominar repaid all of its credit facilities using the net balance received in connection with the Arrangement.

Cominar has provided a secured guarantee of the obligations of IRIS, as borrower, under a credit agreement dated March 1, 2022. Prior to April 19, 2022, there were no borrowings under this credit agreement. On April 19, 2022, \$295,000 was borrowed by IRIS under this credit agreement.

10) Issued and Outstanding Units

	Quarter ended March 31, 2022		Year ended December 31, 2021	
	Units	\$	Units	\$
Units issued and outstanding, beginning of period	182,451,026	3,233,486	182,451,026	3,233,486
Special distribution in units net of units consolidation impact, described below	—	1,300,000	—	—
Parent company subscription under the Arrangement ¹	182,451,027	2,143,800	—	—
Repurchase of units under the Arrangement ¹	(182,451,026)	(4,533,486)	—	—
Units issued and outstanding, end of period	182,451,027	2,143,800	182,451,026	3,233,486

¹ Refer to note 1 for more information on the Arrangement

² Subscriptions under the Arrangement consist of \$724,354 paid in cash, \$94,056 of rollover units and a subscription receivable of \$1,325,275

Long Term Incentive Plan

As part of the Arrangement, all outstanding performance units, deferred units and restricted units of the REIT were exchanged by the REIT for cash consideration equal to \$11.75 per Unit. All outstanding options were cancelled for no consideration as the exercise price for all options was greater than \$11.75.

Distributions to Unitholders

Cominar is governed by a Contract of Trust dated as of March 31, 1998, as amended and restated from time to time. The trustees of the REIT intend to distribute Cominar's distributable income to IRIS. Distributable income generally means net income determined in accordance with IFRS, before adjustments to fair value, transaction costs, rental revenue derived from the recognition of leases on a straight-line basis, the provision for leasing costs, gains on the disposition of investment properties, changes to goodwill and certain other items not affecting cash, if applicable.

Quarters ended March 31	2022	2021
	\$	\$
Cash distributions to unitholders	8,210	16,421
Cash distributions per unit	0.045	0.09

On March 1, 2022, as part of the Arrangement, Cominar declared and paid a special distribution (of an aggregate of \$1,300,000) payable by the issuance of Units (of an aggregate of 111,111,111 units) by the REIT. Immediately after this special distribution, the issued and outstanding Units were consolidated to ensure that the number of outstanding Units after the payment of such special distribution remains the same as that immediately before such special distribution.

11) Transaction Costs

Quarters ended March 31	2022	2021
	\$	\$
Banker and professional fees	25,878	144
Closing adjustments	15,431	—
Compensation, severances, retention bonuses and other related costs	19,132	—
Financing costs and other asset write-offs	11,350	—
Penalties on debt repayments	3,013	—
Others	1,351	—
Total	76,155	144

Transaction costs for the quarter ended March 31, 2022 were incurred as a result of the Arrangement.

12) Supplemental Cash Flow Information

Quarters ended March 31	2022	2021
	\$	\$
Accounts receivable	(4,596)	1,623
Prepaid expenses and other assets	(2,821)	13,805
Accounts payable and accrued liabilities	(17,383)	11,510
Changes in non-cash working capital items	(24,800)	26,938
Other information		
Accounts payable and accrued liabilities relating to investing activities	1,322	7,620
Accounts receivable relating to investing activities	6,648	1,872
Subscription receivable from a parent company	1,325,275	—

13) Fair Value

Non-financial assets and their carrying amount and fair value as well as financial liabilities and their carrying amount and fair value, when that fair value does not approximate the carrying amount, are classified as follows:

	Level	March 31, 2022		December 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Recurring valuations of non-financial assets					
Investment properties	3	2,614,709	2,614,709	5,910,582	5,910,582
Financial liabilities					
Mortgages payable	2	922,674	900,733	2,050,834	2,086,586
Debentures	2	575,409	585,454	871,973	940,049

14) Segmented Information

Following the Arrangement, Cominar's activities now consist of the ownership and management of a portfolio composed of two types of properties (office and mixed used properties and retail properties) located in the Province of Quebec and in Ottawa, Ontario, each type being now considered as a segment. As such, Cominar revisited its allocation of properties to those two segments in order to reflect the new composition of its portfolio following the Arrangement and adjusted comparative information to align with this new allocation. The accounting policies followed for each property type are the same as those disclosed in the significant accounting policies in the audited annual financial statements of the Trust.

The segments include Cominar's proportionate share in joint ventures. The joint ventures column reconciles the segment information including the proportionate share in assets, liabilities, revenues and charges, to the information presented in these consolidated financial statements, where the investments in joint ventures are accounted for using the equity method.

Quarters ended

	Office and mixed use Properties	Retail Properties	Industrial and flex Properties	Cominar's proportionate share	Joint ventures	Consolidated financial statements
March 31, 2022	\$	\$	\$	\$	\$	\$
Rental revenue from investment properties	62,608	52,770	27,393	142,771	(2,980)	139,791
Change in fair value of investment properties	74,357	(1,849)	228	72,736	(1,404)	71,332
Net operating income	28,725	21,616	16,236	66,577	(1,578)	64,999
Share of joint ventures' net income	—	—	—	—	2,105	2,105
March 31, 2021	\$	\$	\$	\$	\$	\$
Rental revenue from investment properties	69,637	62,532	41,587	173,756	(4,035)	169,721
Change in fair value of investment properties	55	(120)	—	(65)	—	(65)
Net operating income	36,641	28,921	23,223	88,785	(2,314)	86,471
Share of joint ventures' net income	—	—	—	—	1,365	1,365

	Office and mixed-use Properties	Retail Properties	Industrial and flex Properties	Cominar's proportionate share	Joint ventures	Condensed interim consolidated financial statements
March 31, 2022	\$	\$	\$	\$	\$	\$
Income properties	1,445,334	1,141,392	—	2,586,726	(20,652)	2,566,074
Investment properties held for sale	19,000	—	—	19,000	—	19,000
Investments in joint ventures	—	—	—	—	18,350	18,350
December 31, 2021	\$	\$	\$	\$	\$	\$
Income properties	1,386,507	1,151,540	—	2,538,047	(20,600)	2,517,447
Investment properties held for sale	965,322	434,678	2,088,000	3,488,000	(124,500)	3,363,500
Investments in joint ventures	—	—	—	—	76,383	76,383

15) Subsequent Events

During March 2022, \$153,900 of the Series 10 debentures, \$149,200 of the Series 11 debentures and \$900 of the Series 12 debentures exercised their right, following completion of the Arrangement, to require the REIT to repurchase their debentures for a purchase price of 101% of the aggregate principal amount thereof, which repayments were made by the REIT on April 19, 2022. The total amount paid to such debentureholders as part of this optional put right was \$307,025.

On April 27, 2022, Cominar sold its 50% partnership interest in Société en commandite Bouvier-Bertrand for \$6,265.

