

# Condensed Interim Consolidated Financial Statements

Quarter ended March 31, 2023  
Unaudited



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## Consolidated Balance Sheets

[unaudited, in thousands of Canadian dollars]

		March 31, 2023	December 31, 2022
	Note	\$	\$
<b>Assets</b>			
Investment properties			
Income properties	3	2,082,804	1,988,690
Land held for future development		52,975	52,700
		2,135,779	2,041,390
Investment properties held for sale	4	190,556	312,865
Investments in joint ventures	5	15,637	13,317
Mortgages receivable	6	12,000	10,000
Accounts receivable	7	17,122	17,823
Prepaid expenses and other assets		16,479	3,669
Cash and cash equivalents		14,985	38,063
<b>Total assets</b>		<b>2,402,558</b>	<b>2,437,127</b>
<b>Liabilities</b>			
Mortgages payable	8	803,214	775,431
Mortgages payable related to investment properties held for sale	4, 8	64,201	96,439
Debentures	9	270,044	269,916
Accounts payable and accrued liabilities	10	63,503	68,516
<b>Total liabilities</b>		<b>1,200,962</b>	<b>1,210,302</b>
<b>Unitholder's equity</b>			
Unitholder's equity		1,201,596	1,226,825
<b>Total liabilities and unitholder's equity</b>		<b>2,402,558</b>	<b>2,437,127</b>

See accompanying notes to the condensed interim consolidated financial statements.

## Interim Consolidated Statements of Unitholder's Equity

### Quarters ended March 31

[unaudited, in thousands of Canadian dollars]

	Unitholder's contributions \$	Cumulative net income \$	Cumulative distributions \$	Contributed surplus \$	Total \$
Balance as at January 1, 2023	2,143,800	3,886,121	(4,803,096)	—	1,226,825
Net income and comprehensive income	—	3,971	—	—	3,971
Distributions to parent company (IRIS)	—	—	(29,200)	—	(29,200)
<b>Balance as at March 31, 2023</b>	<b>2,143,800</b>	<b>3,890,092</b>	<b>(4,832,296)</b>	<b>—</b>	<b>1,201,596</b>

	Unitholder's 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	—	—	(8,210)	—	(8,210)
Special distribution in units	1,300,000	—	(1,300,000)	—	—
Parent company (IRIS) subscription under the Arrangement	2,143,800	—	—	—	2,143,800
Repurchase of units under the Arrangement	(4,533,486)	2,389,686	—	—	(2,143,800)
Long-term incentive plan	—	490	—	(8,923)	(8,433)
<b>Balance as at March 31, 2022</b>	<b>2,143,800</b>	<b>4,003,255</b>	<b>(3,658,462)</b>	<b>—</b>	<b>2,488,593</b>

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]

	Note	2023 \$	2022 \$
<b>Operating revenues</b>			
Rental revenue from investment properties	13	77,970	139,791
<b>Operating expenses</b>			
Operating costs		(24,038)	(38,596)
Realty taxes and services		(17,144)	(32,334)
Property administrative expenses		(1,655)	(3,862)
		(42,837)	(74,792)
<b>Net operating income</b>		35,133	64,999
Finance charges		(12,359)	(32,812)
Trust administrative expenses		(7,621)	(7,357)
Change in fair value of investment properties	3, 4	(6,547)	71,332
Share in joint ventures' net income		—	2,105
Transaction costs		(4,635)	(76,155)
<b>Net income and comprehensive income</b>		3,971	22,112

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	2023 \$	2022 \$
Operating activities			
Net income		3,971	22,112
Adjustments for:			
Excess of share of net income over distributions received from the joint ventures		—	(2,105)
Change in fair value of investment properties	3, 4	6,547	(71,332)
Depreciation and amortization		738	1,701
Recognition of leases on a straight-line basis	3	(142)	70
Financing costs and other asset write-offs		—	12,542
Changes in non-cash working capital items	14	(14,284)	(24,800)
<b>Cash flows used in operating activities</b>		<b>(3,170)</b>	<b>(61,812)</b>
Investing activities			
Investments in income properties	3, 14	(10,877)	(1,404)
Investments in properties under development/land	14	(288)	(2,498)
Proceeds from the sale of investment properties net of assigned mortgages payable	3, 4	27,884	2,812,607
Proceeds from the disposition of interest in a joint venture	5	—	60,390
Contributions to the capital of a joint venture	5	(2,320)	(252)
Change in other assets		(249)	(201)
<b>Cash flows provided by investing activities</b>		<b>14,150</b>	<b>2,868,642</b>
Financing activities			
Cash distributions to unitholders	12	(29,200)	(8,210)
Net variation of bank borrowings		—	(537,093)
Financing costs incurred for mortgages payable	8	(585)	—
Financing costs incurred for Debentures	9	(19)	—
Parent company (IRIS) subscription under the Arrangement	12	—	724,354
Repurchase of units under the Arrangement	12	—	(2,049,744)
Repayments of debentures	9	—	(300,000)
Repayments of mortgages payable	8	—	(598,162)
Monthly repayments of mortgages payable	8	(4,254)	(10,526)
<b>Cash flows used in financing activities</b>		<b>(34,058)</b>	<b>(2,779,381)</b>
Net change in cash and cash equivalents		(23,078)	27,449
Cash and cash equivalents, beginning of period		38,063	7,604
<b>Cash and cash equivalents, end of period</b>		<b>14,985</b>	<b>35,053</b>
<b>Other information</b>			
Interest paid		8,272	24,753

See accompanying notes to the condensed interim consolidated financial statements.

# Notes to Condensed Interim Consolidated Financial Statements

## Quarters ended March 31, 2023 and 2022

[unaudited, in thousands of Canadian dollars]

### 1) Description of the Trust

Cominar Real Estate Investment Trust ("Cominar", the "Trust" or the "REIT") is an unincorporated trust created by a Contract of Trust on March 31, 1998, under the laws of the Province of Québec. As at March 31, 2023, Cominar owned and managed a real estate portfolio of 60 properties that covered a total area of approximately 11.7 million square feet in the Province of Québec and in Ottawa, Ontario.

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

The board of trustees of the REIT (the "Board of Trustees") approved Cominar's condensed interim consolidated financial statements on May 9, 2023.

#### The Arrangement

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

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 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 disclosure that would 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 year ended December 31, 2022.

#### 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, 2022. There have been no changes to the critical accounting estimates and judgments during the three-month period ended March 31, 2023.

### 3) Income Properties

		Quarter ended March 31, 2023	Year ended December 31, 2022
	Note	\$	\$
Balance, beginning of period		1,988,690	2,517,447
Change in fair value		7,210	(64,766)
Capital costs		7,514	35,976
Dispositions		—	(16,000)
Transfers (to) from investment properties held for sale	4	78,625	(485,378)
Change in initial direct costs		477	1,753
Recognition of leases on a straight-line basis		288	(342)
Balance, end of period		2,082,804	1,988,690

### 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 2023, Cominar revalued its investment properties using external valuations and definitive agreements to sell investment properties and determined that a net decrease of \$6,547 was necessary to adjust the carrying amount of investment properties to fair value. The change in fair value related to investment properties held as at March 31, 2023, amounts to a net decrease of \$5,787. At the end of the first quarter of 2023, the Trust reassessed the fair value for its entire portfolio, using external valuations and definitive agreements to sell investment properties.

### 4) Investment Properties Held for Sale

		Quarter ended March 31, 2023			Year ended December 31, 2022
	Note	Office and mixed-use properties \$	Retail properties \$	Total \$	Total \$
<b>Investment properties held for sale</b>					
Balance, beginning of period		264,000	48,865	312,865	3,363,500
Net transfer from (to) income properties <sup>1</sup>	3	(61,411)	(17,214)	(78,625)	485,378
Transfers from properties under development and land held for future development		—	—	—	7,867
Capitalized costs		533	59	592	11,709
Change in fair value		(12,562)	(1,195)	(13,757)	(27,706)
Dispositions		(8,384)	(22,135)	(30,519)	(3,527,883)
Balance, end of period		182,176	8,380	190,556	312,865

<sup>1</sup> During the first quarter of 2023, Cominar transferred \$78,625 of investment properties held for sale to investment properties. These properties no longer met the required criteria to be presented as held for sale.



Quarter ended March 31, 2023				Year ended December 31, 2022
Note	Office and mixed-use properties	Retail properties	Total	Total
	\$	\$	\$	\$
<b>Mortgages payable related to investment properties held for sale</b>				
Balance, beginning of period	<b>96,439</b>	—	<b>96,439</b>	992,785
Transfer from (to) mortgages payable	<b>(31,634)</b>	—	<b>(31,634)</b>	140,718
Monthly repayments of principal	<b>(604)</b>	—	<b>(604)</b>	(6,954)
Repayments of balances	—	—	—	(469,850)
Mortgages payable assumed by the purchaser	8	—	—	(560,260)
Balance, end of period	<b>64,201</b>	—	<b>64,201</b>	96,439

## 5) Investments in Joint Ventures

March 31			2023	2022
Joint ventures	Address	City/province	Ownership interest	Ownership interest
Société en commandite Complexe Jules-Dallaire	2820 Laurier Boulevard	Québec, Québec	—	— <sup>1</sup>
Société en commandite Marais	Du Marais Street	Québec, Québec	75%	75%
Société en commandite Bouvier-Bertrand	Espace Bouvier	Québec, Québec	—	50% <sup>2</sup>
Société en commandite Terrains Centropolis	Centropolis	Laval, Québec	50%	50%

<sup>1</sup> Société en commandite Complexe Jules-Dallaire sold its property and was subsequently liquidated and dissolved in connection with the Arrangement

<sup>2</sup> 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, 2023	Year ended December 31, 2022
	\$	\$
Investments in joint ventures, beginning of period	<b>13,317</b>	76,383
Contributions to the capital of the joint ventures	<b>2,320</b>	2,307
Share of joint ventures' net income and comprehensive income	—	1,282
Dissolution of a joint venture	—	(60,390)
Disposition of interest in a joint venture	—	(6,265)
Investments in joint ventures, end of period	<b>15,637</b>	13,317

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

	Joint ventures		Cominar's proportionate share	
	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	\$	\$	\$	\$
Properties under development	<b>21,167</b>	17,957	<b>10,584</b>	8,979
Land held for future development	<b>7,124</b>	7,000	<b>5,343</b>	5,250
Other assets	<b>658</b>	187	<b>336</b>	95
Other liabilities	<b>(1,191)</b>	(2,010)	<b>(626)</b>	(1,007)
Net assets of joint ventures	<b>27,758</b>	23,134	<b>15,637</b>	13,317

## 6) Mortgages Receivable

	Quarter ended March 31, 2023		Year ended December 31, 2022	
	\$	Weighted average contractual rate	\$	Weighted average contractual rate
Balance, beginning of period	<b>10,000</b>	4.50 %	—	— %
Mortgages receivable granted	<b>2,000</b>	6.00 %	10,000	4.50 %
Balance, end of period	<b>12,000</b>	4.75 %	10,000	4.50 %

As at March 31, 2023, the second ranking mortgages receivable shall be reimbursed at various dates from March 2025 to October 2026 and are subject to certain covenants.

## 7) Accounts Receivable

	March 31, 2023	December 31, 2022
	\$	\$
Trade receivables	<b>10,754</b>	12,028
Provision for expected credit losses	<b>(3,073)</b>	(4,017)
	<b>7,681</b>	8,011
Other receivables and accrued income	<b>9,441</b>	9,812
Total	<b>17,122</b>	17,823

## 8) Mortgages Payable

		Quarter ended March 31, 2023		Year ended December 31, 2022	
	Note	\$	Weighted average contractual rate	\$	Weighted average contractual rate
Balance, beginning of period		<b>874,448</b>	<b>3.63 %</b>	2,059,632	3.53 %
Monthly repayments of principal		<b>(4,254)</b>	— %	(26,762)	— %
Repayments of balances		—	— %	(598,162)	3.35 %
Mortgages payable assumed by the purchasers	4	—	— %	(560,260)	3.39 %
		<b>870,194</b>	<b>4.72 %</b>	874,448	3.63 %
Less: Deferred financing costs		<b>(2,779)</b>		(2,578)	
Balance, end of period <sup>1</sup>		<b>867,415</b>		871,870	

<sup>1</sup> As at March 31, 2023, includes \$64,201 in mortgages payable related to the investment properties held for sale (\$96,439 as at December 31, 2022)

Mortgages payable are secured by immovable hypothecs on investment properties with a book value of \$1,488,326. As at March 31, 2023, they bear annual contractual interest rates ranging from 3.10% to 6.74%; representing a weighted average contractual rate of 4.72%, and mature at various dates from August 2023 to December 2031. As at March 31, 2023, the weighted average effective interest rate was 4.93%.

As at March 31, 2023, the majority of the 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, 2023 and December 31, 2022.

## 9) Debentures

The following table presents characteristics of outstanding debentures as at March 31, 2023:

	Date of issuance	Contractual interest rate	Effective interest rate	Maturity date	Par value as at March 31, 2023 (\$)
Series 10	May 2016	4.247 %	4.34 %	May 2023	<b>71,097</b>
Series 11	May 2019	4.50 %	4.82 %	May 2024	<b>50,787</b>
Series 12	May 2020	5.95 %	6.24 %	May 2025	<b>149,131</b>
		<b>5.23 %</b>	<b>5.48 %</b>		<b>271,015</b>
Less: Deferred financing costs					<b>(971)</b>
Total					<b>270,044</b>

## 10) Accounts Payable and Accrued Liabilities

	March 31, 2023	December 31, 2022
	\$	\$
Trade accounts payable	<b>199</b>	401
Accrued interest payable	<b>10,073</b>	6,315
Prepaid rent and tenants' deposits	<b>12,723</b>	11,378
Other accounts payable and accrued expenses	<b>39,121</b>	48,062
Commodity taxes and other non-financial liabilities	<b>1,387</b>	2,360
Total	<b>63,503</b>	68,516

## 11) Issued and Outstanding Units

	Quarter ended March 31, 2023		Year ended December 31, 2022	
	Units	\$	Units	\$
Units issued and outstanding, beginning of period	182,451,027	2,143,800	182,451,026	3,233,486
Special distribution in units net of units consolidation impact	—	—	—	1,300,000
Non-redeemable units issuance to parent company (IRIS)	45,612,757	—	—	—
Parent company (IRIS) subscription under the Arrangement	—	—	182,451,027	2,143,800
Repurchase of units under the Arrangement	—	—	(182,451,026)	(4,533,486)
Units issued and outstanding, end of period	<b>228,063,784</b>	<b>2,143,800</b>	182,451,027	2,143,800

As at March 31, 2023, there were a total of 228,063,784 units of the REIT issued and outstanding, comprised of 182,451,027 units designated as "Redeemable Units" and 45,612,757 units designated as "Non-Redeemable Units". Non-Redeemable Units and Redeemable Units will at all times be equivalent in all respects, other than the right of redemption which only applies in respect of the Redeemable Units. All units, whether a Non-Redeemable Unit or a Redeemable Unit, represent a unitholder's undivided and proportionate ownership interest in Cominar. Each unit whether a Non-Redeemable Unit or a Redeemable Unit, confers the right to vote at any meeting and to participate equally and rateably in all Cominar distributions.

## 12) Distributions to the Unitholder

Cominar is governed by a Contract of Trust dated as of March 31, 1998, as amended or amended and restated from time to time. The trustees of the REIT intend to distribute Cominar's distributable income to its sole unitholder, 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 and certain other items not affecting cash, if applicable.

## 13) Operating Revenues

	Office and mixed-used properties	Retail properties	Total of operating revenues
Quarter ended March 31, 2023	\$	\$	\$
Lease revenues	31,248	34,894	66,142
Contingent rents	—	1,608	1,608
Parking revenues	2,671	106	2,777
Revenues from other services <sup>1</sup>	2,793	4,650	7,443
<b>Total</b>	<b>36,712</b>	<b>41,258</b>	<b>77,970</b>

<sup>1</sup> Revenues from other services are estimated based on operating costs billable to tenants.

	Office and mixed-used properties	Retail properties	Industrial and flex properties	Total of operating revenues
Quarter ended March 31, 2022	\$	\$	\$	\$
Lease revenues	52,724	44,624	25,893	123,241
Contingent rents	—	1,643	—	1,643
Parking revenues	2,114	119	(27)	2,206
Revenues from other services <sup>1</sup>	5,068	6,106	1,527	12,701
<b>Total</b>	<b>59,906</b>	<b>52,492</b>	<b>27,393</b>	<b>139,791</b>

<sup>1</sup> Revenues from other services are estimated based on operating costs billable to tenants.

## 14) Supplemental Cash Flow Information

Quarters ended March 31	2023	2022
	\$	\$
Accounts receivable	<b>1,285</b>	(4,596)
Prepaid expenses and other assets	<b>(13,558)</b>	(2,821)
Accounts payable and accrued liabilities	<b>(2,011)</b>	(17,383)
Changes in non-cash working capital items	<b>(14,284)</b>	(24,800)
<b>Other information</b>		
Accounts payable and accrued liabilities relating to investing activities	<b>7,543</b>	1,322
Accounts receivable relating to investing activities	<b>2,132</b>	6,648
Subscription receivable from a parent company	—	1,325,275

## 15) Related Party Transactions

Since March 1, 2022, Cominar has been a 100% owned subsidiary of IRIS. In connection with their investment in IRIS, certain affiliates of IRIS created a joint venture to provide asset management services to Cominar. This entity is a related party to Cominar by virtue of common joint control.

During the quarter ended March 31, 2023 Cominar entered into transactions with such entities, then related companies, in the normal course of business, the details of which are as follows:

Quarters ended March 31	2023	2022
	\$	\$
Parent company (IRIS) subscription under the Arrangement	—	2,143,800
Reimbursement of the subscription receivable from parent company (IRIS)	—	305,626
Cash distributions to parent company (IRIS)	<b>29,200</b>	—
Asset management fees and expense reimbursements to parent company (IRIS)	—	2,613
Asset management fees to a joint venture under common control	<b>1,501</b>	500
Professional fees to a company controlled by a member of the Board of Trustees	<b>675</b>	—

  

	March 31, 2023	December 31, 2022
	\$	\$
Accounts payable – joint venture under common control	<b>500</b>	500
Accounts payable – company controlled by a member of the Board of Trustees	<b>225</b>	225

## 16) 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:

		March 31, 2023		December 31, 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
	Level	\$	\$	\$	\$
Recurring valuations of non-financial assets					
Investment properties	3	2,326,335	2,326,335	2,354,255	2,354,255
Financial assets					
Mortgages receivable	3	12,000	11,754	10,000	9,796
Financial liabilities					
Mortgages payable	2	867,415	820,363	871,870	830,403
Debentures	2	270,044	269,204	269,916	262,388

## 17) Segmented Information

Following the Arrangement, Cominar's activities consist of the ownership and management of a portfolio composed of two types of properties (office and mixed use properties and retail properties) located in the Province of Québec 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. As part of this new allocation, properties that were previously classified in industrial and flex properties that were not disposed have been grouped with office and mixed-use properties. 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.

Quarters ended

	Office and mixed-use properties	Retail properties	Industrial and flex properties	Condensed interim consolidated financial statements
March 31, 2023	\$	\$	\$	\$
Rental revenue from investment properties	36,712	41,258	—	77,970
Change in fair value of investment properties	(10,062)	3,515	—	(6,547)
Net operating income	16,549	18,584	—	35,133
March 31, 2022	\$	\$	\$	\$
Rental revenue from investment properties	59,906	52,492	27,393	139,791
Change in fair value of investment properties	73,090	(1,989)	231	71,332
Net operating income	27,257	21,507	16,235	64,999

	Office and mixed-use properties	Retail properties	Condensed interim consolidated financial statements
March 31, 2023	\$	\$	\$
Income properties	1,001,370	1,081,434	2,082,804
Investment properties held for sale	182,176	8,380	190,556
December 31, 2022	\$	\$	\$
Income properties	934,000	1,054,690	1,988,690
Investment properties held for sale	264,000	48,865	312,865

## 18) Subsequent Events

On April 3, 2023, Cominar contracted a \$30,000 mortgage bearing interest at 6.35% and maturing in April 2025. The net proceeds of this mortgage were used to declare and pay \$29,705 in cash distributions to IRIS.

On April 4, 2023, Cominar used the net proceeds from March 30 and March 31, 2023 property sales to declare and pay \$4,375 in cash distributions to IRIS.

On April 20, 2023, Cominar completed the sale of 6 properties held for sale located in Montréal for a total amount of \$64,753 and used the net proceeds to declare and pay \$54,000 in cash distributions to IRIS.

On April 24, 2023, Cominar entered into a credit agreement with a banking syndicate (the "Credit Agreement"). Under the terms of the Credit Agreement, the lenders committed to provide Cominar with revolving facilities in an aggregate amount of up to \$132,500 (collectively, the "Credit Facilities") maturing on April 24, 2024. Revolving Facility A allows Cominar to draw up to an aggregate of \$80,000, and such facility is secured by a hypothec on 3 properties. Revolving Facility B allows Cominar to draw up to an aggregate of \$52,500, and such facility is unsecured. On the financial statements approval date, a portion of the Revolving Facility A is used and bears interest at banker acceptance rate plus 170 basis points and was used to declare and pay a distribution of \$63,700, which was used to fully repay the balance under a credit agreement entered into by IRIS. Following the repayment such credit agreement, which was guaranteed by Cominar, was terminated. The Credit Agreement limits the amount of distributions that can be made to IRIS and subordinates all of the outstanding units owned by IRIS.

