Press Release

For Immediate Release

<u>Cominar Real Estate Investment Trust:</u>

<u>sustained financial performance and expansion in the first quarter of 2011</u>

- **Increase of 16.0% in net income**
- **Increase of 14.5% in operating revenues and net operating income**
- **Acquisitions of approximately $80 million: three office buildings – 515,000 square feet**

<u>Subsequent event</u>: acquisition of two properties in Moncton, N.B.

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Québec City, May 12, 2011 — Cominar Real Estate Investment Trust ("Cominar" or the "REIT") announces a sustained performance for its first quarter ended March 31, 2011. "The year is off to a good start as we achieved results in line with our track record of growth and closed three quality acquisitions in the Atlantic Provinces and Montréal representing an investment of approximately $80 million. We also maintained our distributions at $0.36 per unit. Our healthy and solid financial position enables us to pursue our business strategy," indicated Michel Dallaire, President and Chief Executive Officer of Cominar.

For the first quarter of 2011, **operating revenues** totaled $79.7 million, up 14.5%. This increase is due mainly to the contribution of the property acquisitions completed in 2010 and 2011.

Net operating income grew to $43.2 million, up 14.5% over the first quarter of 2010. The overall portfolio NOI margin stood at 54.2%, the same level as in the first quarter of 2010, whereas the same property NOI margin stood at 53.3%, compared with 54.2% for the same period of 2010.

Net income amounted to $25.6 million, up 16.0% over the first quarter of 2010. **Net income per fully diluted unit** was at $0.41, a 2.5% increase compared to the same period of 2010.

Distributable income improved to $22.0 million, up 11.4% over the first quarter of 2010. **Recurring distributable income per fully diluted unit** amounted to $0.35, compared with $0.36 for the corresponding quarter of 2010, a decrease of 2.8%.

Recurring funds from operations totaled $25.8 million, an increase of 14.0% that reflects the contribution of the acquisitions and developments completed over the past year. **Recurring adjusting funds from operations per fully diluted unit** amounted to $0.34, compared with $0.35 for the first quarter of 2010, a decrease of 2.9%. This decline in the per-unit figure mainly reflects the dilutive effect of the unit offerings closed in 2010.

In the first quarter of 2011, Cominar paid **distributions** of $22.8 million to unitholders, compared with $19.8 million for the corresponding quarter of 2010, an increase of 15.0%. **Distributions per unit** amounted to $0.36, remaining stable compared with the first quarter of 2010.

Financial Position
As at March 31, 2011, Cominar's **overall debt ratio** was 53.9%, well below the maximum of 65.0% allowed by its Contract of Trust when convertible debentures are outstanding. Furthermore, the **annualized interest coverage ratio** was 2.90:1 as at March 31, 2011, which compares favourably with that of its peers.

Property Occupancy Rate
As at March 31, 2011, the overall occupancy rate of Cominar's income-producing properties stood at 93.9%, a most appreciable level, up over the first quarter of last year when the occupancy rate was 92.7% at the end of a challenging economic period. The leasing teams are pursuing their intensive efforts, especially in the industrial and mixed-use sector in the Montréal region where occupancy rates are turning around. Thus, during the first quarter, Cominar already renewed 44.6% of all leases expiring in 2011. In addition, new leases were signed for an area of 0.8 million square feet.

Acquisitions Completed in the First Quarter of 2011
On March 1, 2011, Cominar further expanded its portfolio by acquiring three quality office properties representing a $79.2 million investment and an 8.6% weighted average capitalization rate. One of these properties covers a leasable area of 372,000 square feet in Montréal and is well located near major thoroughfares and subway stations. This property is 99% leased. The other two acquisitions were in the Atlantic Provinces, specifically in Halifax, Nova Scotia and Moncton, New Brunswick. These two recently-built office properties with a weighted average occupancy rate of 92.4% represent a total leasable area of 143,000 square feet.

Subsequent Event: Acquisition of Two Properties in Moncton, N. B.
On April 29, 2011, the REIT acquired an office property covering a leasable area of 15,000 square feet and a 27,000-square-foot retail property, both located in Moncton, New Brunswick. These fully occupied properties were acquired at a cost of $5.2 million, of which $1.5 million by the assumption of a mortgage payable and $3.7 million paid cash. The capitalization rate of this transaction is 8.8%.

Distribution Reinvestment Plan
Cominar has a dividend reinvestment plan for its unitholders that allows participants to reinvest their monthly distributions in additional Trust units. Participants receive an effective discount of 5% of distributions in the form of additional units. Information and enrolment forms are available at www.cominar.com.

Additional Financial Information
Cominar's interim consolidated financial statements, prepared for the first time in accordance with International Financial Reporting Standards (IFRS), and the interim management's discussion and analysis for the first quarter ended March 31, 2011 will be filed on SEDAR at www.sedar.com and are available on Cominar's website at www.cominar.com.

May 12, 2011 Conference Call
On Thursday, May 12, 2011 at 11:00 a.m. (EDT), Cominar's management will hold a conference call to discuss the results for the first quarter of 2011. Anyone who is interested may take part in this call by dialing 1-800-731-5319. To ensure your participation, please dial in five minutes before the start of the call. For those unable to participate, a taped re-broadcast will be available from Thursday, May 12, 2011 at 2:00 p.m. to Thursday, May 19, 2011 at 11:59 p.m. by dialing 1-877-289-8525 followed by the code 4432496#.

PROFILE *as at May 12, 2011*
Cominar is the largest commercial property owner in the Province of Québec. The REIT owns a real estate portfolio of 263 high-quality properties, consisting of 52 office, 52 retail and 159 industrial and mixed-use buildings that cover a total area of 20.8 million square feet in the Greater Québec City, Montréal and Ottawa areas as well as in the Atlantic Provinces. Cominar's objectives are to deliver growing cash distributions to its unitholders and to maximize unitholder value through proactive management and the growth of its portfolio.

Forward-Looking Statements
This press release may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and financial condition. These statements generally can be identified by the use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intend", "believe" or "continue" or the negative thereof or similar variations. The actual results and performance of Cominar discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described under "Risk Factors" in the Annual Information Form of Cominar. The cautionary statements qualify all forward-looking statements attributable to Cominar and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release.

Non-IFRS Measures
Net operating income, distributable income (DI), funds from operations (FFO) and adjusted funds from operations (AFFO) are not measures recognized by International Financial Reporting Standards ("IFRS") and do not have standardized meanings prescribed by IFRS. These measures may differ from similar computations reported by other similar organizations and, accordingly, may not be comparable to similar measures reported by such organizations. The following table shows the reconciliation of DI, FFO and AFFO with the most similar IFRS measures:

Quarters ended March 31		**2011**			**2010**	
	DI	**FFO**	**AFFO**	**DI**	**FFO**	**AFFO**
Net income (IFRS)	**25,619**	**25,619**	**25,619**	22,087	22,087	22,087
+ Compensation expenses related to unit option plan	**271**	**—**	**271**	223	—	223
+ Accretion of liability component of convertible debentures	**58**	**—**	**—**	56	—	—
- Rental income – straight-line accounting for leases	**(1,096)**	**—**	**(1,096)**	(550)	—	(550)
- Amortization of fair value adjustments on assumed mortgages payable	**(156)**	**—**	**—**	(30)	—	—
- Capital expenditures– maintenance of ability to generate rental income	**—**	**—**	**(518)**	—	—	(138)
+ Differed income tax expense	**132**	**132**	**132**	—	—	—
- Leasing costs allowance	**(2,870)**	**—**	**(2,870)**	—	—	—
+ Transaction costs – business combinations	**—**	**—**	**—**	500	500	500
	21,958	**25,751**	**21,538**	19,705	22,587	19,541

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Complete interim consolidated financial statements, including accompanying notes, are available on Cominar's website at www.cominar.com under "Investor Relations" – Interim Reports".