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**PRESS RELEASE**

**For Immediate Release**

**Cominar Announces Acquisition of Landmark Portfolio of Assets in Québec and Ontario  
from Ivanhoé Cambridge for \$1.527 Billion and Offering of Trust Units**

**Transaction Highlights**

- Acquisition of a portfolio of 15 landmark properties in Québec and Ontario from Ivanhoé Cambridge, a real estate subsidiary of the Caisse de dépôt et placement du Québec
- Acquired portfolio consists of 10 enclosed shopping centres, one retail complex, three office properties and one industrial property, totalling approximately 5.7 million square feet of gross leasable area
- Purchase price of \$1.527 billion, representing a capitalization rate of approximately 6.5%
- Natural and complementary fit with Cominar's existing portfolio and management expertise
- Cominar becomes the leading provider of retail space in Québec
- Enhances diversification by asset class with pro forma retail NOI contribution increasing to 38%
- Strong support from Ivanhoé Cambridge, evidenced by a \$250 million equity private placement in Cominar at a price of \$19.00 per trust unit
- Ivanhoé Cambridge will become the largest unitholder of Cominar at 8.5%, followed by the Dallaire family
- Concurrent offering of \$250 million of Cominar trust units on a bought deal basis, at a price of \$19.00 per trust unit
- Provides immediate accretion to AFFO per unit on a leverage neutral basis
- Further increases Cominar's entry in the GTA with the acquisition of a downtown class A office property and suburban retail property

**Acquisition of 15 Properties from Ivanhoé Cambridge**

Québec City, August 26, 2014 – Cominar Real Estate Investment Trust (“Cominar” or “the REIT”) is pleased to announce that it has entered into a definitive agreement with Ivanhoé Cambridge Inc. (“Ivanhoé Cambridge”), the real estate subsidiary of Caisse de dépôt et placement du Québec (“La Caisse”), for the acquisition by Cominar of a real estate portfolio of 15 properties in Québec and Ontario for a purchase price of \$1.527 billion (the “Acquisition”). The acquired portfolio, comprising a total of approximately 5.7 million square feet of gross leasable area, consists of 11 retail properties (4.9 million square feet), three office properties (0.7 million square

feet) including one property under development, and one industrial and mixed-use property (0.1 million square feet), with an occupancy rate of 96.7%.

The Acquisition will increase Cominar’s asset base by approximately 25% to more than \$8.1 billion with more than 45 million square feet of leasable area. The Acquisition will also enhance the REIT’s asset type diversification profile, increasing its retail net operating income (“NOI”) contribution from 24% to 38%, with office at 44% and industrial and mixed-use at 18%. The Acquisition will have a marginal impact on geographic distribution.

The Acquisition price, which is subject to certain adjustments, implies a capitalization rate of approximately 6.5%. The Acquisition is expected to be immediately accretive on a leverage neutral basis to Cominar’s adjusted funds from operations per unit.

The approximately 120 Ivanhoé Cambridge employees dedicated to the properties involved in the Acquisition will transfer to Cominar.

Mr. Michel Dallaire, Cominar’s President and Chief Executive Officer, commented: “This acquisition represents an opportunity for Cominar to acquire a unique portfolio of landmark retail properties from Ivanhoé Cambridge, which is a natural and highly complementary fit with our own retail platform, and marks another important milestone in our development and further enhancing our growth strategy. This acquisition will also allow us to strengthen our competitive position as Québec’s leading provider of retail space while enhancing the diversification of our asset base with pro forma NOI contribution from our retail properties increasing from 24% to 38%. This acquisition will also be immediately accretive to AFFO per unit on a leverage neutral basis, at a time where we have already reduced our distributable income payout ratio below our 90% target” added Mr. Dallaire.

“We are most pleased to welcome Ivanhoé Cambridge as a major unitholder, and to be able to work in close co-operation with them. Ivanhoé Cambridge is a world-class real estate company and we can only benefit from their leading expertise in the retail sector” added Mr. Dallaire.

The Acquisition is expected to close on or about October 1, 2014, following satisfaction of all customary closing conditions, or such later date as Cominar and Ivanhoé Cambridge may agree, but in any event no later than November 26, 2014.

### Details of the Portfolio

|                     | <b>Property</b>                     | <b>Location</b>         | <b>GLA<sup>(1)</sup></b> |
|---------------------|-------------------------------------|-------------------------|--------------------------|
| <b>Retail</b>       | Mail Champlain <sup>(2)</sup>       | Brossard, QC            | 718                      |
|                     | Centropolis                         | Laval, QC               | 674                      |
|                     | Rockland <sup>(3)</sup>             | Town of Mount-Royal, QC | 649                      |
|                     | Galeries Rive-Nord                  | Repentigny, QC          | 569                      |
|                     | Les Rivières                        | Trois-Rivières, QC      | 422                      |
|                     | Dixie Outlet Mall                   | Mississauga, ON         | 419                      |
|                     | Carrefour Rimouski                  | Rimouski, QC            | 345                      |
|                     | Centre Commercial Rivière-du-Loup   | Rivière-du-Loup, QC     | 312                      |
|                     | Carrefour St-Georges                | St-Georges, QC          | 311                      |
|                     | Les Galeries de Hull <sup>(4)</sup> | Gatineau, QC            | 306                      |
|                     | Carrefour Frontenac                 | Thetford Mines, QC      | 180                      |
| <b>Total Retail</b> |                                     |                         | <b>4,905</b>             |

|                        |   |                 |              |
|------------------------|---|-----------------|--------------|
| <b>Office</b>          | Édifce de la Haute-Ville                  | Québec City, QC | 284          |
|                        | 55 University Ave.                        | Toronto, ON     | 258          |
|                        | 3055 Boul. St-Martin Ouest <sup>(5)</sup> | Laval, QC       | 118          |
| <b>Total Office</b>    |   |                 | <b>660</b>   |
| <b>Industrial</b>      | Le 505 Parc Technologique                 | Québec City, QC | 99           |
| <b>Total Portfolio</b> |   |                 | <b>5,664</b> |

#### Notes

(1) In thousands of square feet.

(2) The sale of this property, which is 50% owned by Ivanhoé Cambridge and 50% by a third party, is subject to approval by the co-owner. The third party has advised Ivanhoé Cambridge of its interest in selling.

(3) This property, in respect of which Cominar has made Ivanhoé Cambridge a distinct offer, is subject to a right of first refusal in favour of a third party.

(4) The sale of this property, which is 85% owned by Ivanhoé Cambridge and 15% by a third party, is subject to a right of first refusal and a buy-sell provision.

(5) Under development.

Two of the properties involved in the Acquisition are co-owned by third parties. The REIT will make offers to acquire such third-party interests, which, if accepted, would increase the purchase price of the Acquisition to \$1.63 billion.

#### Offering of Trust Units

Cominar also announced today that it has entered into an agreement with a syndicate of underwriters co-led by National Bank Financial Inc. and BMO Capital Markets to sell, on a bought deal basis, 13,158,000 Cominar trust units (the “Offering”). The agreement with the syndicate provides for the issuance of the trust units at a price of \$19.00 per trust unit for gross proceeds of approximately \$250 million. The net proceeds of the Offering will be used to fund, in part, the Acquisition.

Cominar has also granted the underwriters an over-allotment option to purchase 1,973,700 additional trust units, representing 15% of the size of the Offering. The over-allotment option may be exercised until 30 days following the closing of the Offering.

The trust units will be offered in all provinces and territories of Canada pursuant to a short-form prospectus. The issuance of the trust units pursuant to the Offering is subject to customary approvals of applicable securities regulatory authorities, including the Toronto Stock Exchange. Closing of the Offering is expected to take place on or about September 16, 2014.

#### Private Placement of Trust Units

Concurrently with the Offering, Cominar has entered into a subscription agreement under which the REIT will complete a private placement with Ivanhoé Cambridge, pursuant to which Ivanhoé Cambridge will purchase, at the time of closing of the Acquisition, 13,158,000 trust units at \$19.00 per trust unit for gross proceeds to the REIT of \$250 million (the “Private Placement”). The issuance of the trust units to Ivanhoé Cambridge is subject to customary approvals of applicable securities regulatory authorities, including the Toronto Stock Exchange. Closing of the Private Placement will take place upon closing of the Acquisition.

Assuming completion of the Private Placement and the Offering, but not the exercise of the over-allotment option, Ivanhoé Cambridge will beneficially own, or exercise control or direction over,

directly or indirectly, an aggregate of 13,158,000 trust units of Cominar, representing approximately 8.5% of the issued and outstanding trust units. Ivanhoé Cambridge has also agreed not to sell any trust units of Cominar it will hold for a period of nine months from the closing of the Acquisition, at which time 50% of such trust units will cease to be subject to these restrictions, with the remaining trust units also ceasing to be subject to these restrictions twelve months from the closing of the Acquisition. Ivanhoé Cambridge will also be invited to put forward a candidate for election on the Board of Trustees of Cominar, subject to the approval of the Nominating and Governance Committee of Cominar. This will enable Ivanhoé Cambridge to contribute more readily to Cominar's future growth. Closing of the Private Placement is expected to take place on or about October 1, 2014, concurrent with the closing of the Acquisition.

### **Unsecured Bridge Facilities and Mortgage Financing**

The balance of the purchase price of the Acquisition, together with the transaction expenses, will be funded through new unsecured bridge facilities co-underwritten by National Bank of Canada and Bank of Montreal of up to \$950 million (comprised of a \$850 million unsecured bridge facility and a \$100 million 3-year unsecured credit facility) and a new 10-year mortgage of \$250 million to be provided by Otéra Capital, the commercial real estate financing subsidiary of La Caisse.

The financing plan is structured to provide significant financial flexibility, providing Cominar with approximately \$150 million of available liquidity upon closing of the Acquisition. Cominar intends to replace the bridge facility, over time, with new mortgages and senior unsecured debentures.

### **Pro Forma Leverage**

Following closing of the Acquisition, of the Offering and the Private Placement, Cominar expects to have a debt to gross book value ratio of approximately 57.5% (approximately 55.3% excluding convertible debentures). Cominar's long-term target leverage remains at approximately 50%.

Cominar's aggregate unencumbered assets will increase to more than \$3.5 billion representing approximately 148% of the aggregate principal amount of senior unsecured indebtedness outstanding following the closing of the Acquisition, the Offering and the Private Placement.

National Bank Financial and BMO Capital Markets are acting as financial advisors to Cominar. RBC Capital Markets Real Estate Group is acting as real estate advisor to Cominar in respect of the Acquisition. Davies Ward Phillips & Vineberg LLP is acting as legal counsel to Cominar. Norton Rose Fulbright LLP is acting as legal counsel to Ivanhoé Cambridge.

### **COMINAR PROFILE as at August 26, 2014**

Cominar is the third largest diversified real estate investment trust in Canada and remains the largest commercial property owner in the Province of Québec. Cominar currently owns a real estate portfolio of 526 properties in three different market segments, that is, office properties, retail properties and industrial and mixed-use properties. Cominar's portfolio totals 39.5 million square feet spread out across Québec, Ontario, the Atlantic Provinces and Western Canada. Cominar's objectives are to pay growing cash distributions to unitholders and to maximize unitholder value through proactive management and the expansion of its portfolio.

Cominar offers unitholders the opportunity to participate in its Unitholder Distribution Reinvestment Plan, which allows them to receive their monthly cash distributions as additional Cominar units. Participants will be entitled to receive an additional distribution equal to 5% of the

distributions reinvested, which will be reinvested in additional units. For more information and to obtain a participation form, please visit Cominar's website at [www.cominar.com](http://www.cominar.com).

#### 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.

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#### **Cominar Further Information:**

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