

Press Release
For Immediate Release

**Cominar pursues its growth
in the third quarter**

- **Rental revenue: + 9.7%**
 - **Net operating income: + 10.0%**
 - **Net income: + 9.6%**
 - **Recurring distributable income: + 9.3%**
 - **Recurring funds from operations: + 10.5%**
 - **\$49.2 million in acquisitions realized year-to-date**
 - **Five development projects completed in 2006: a \$17.1 million investment**
 - **11 ongoing development projects: a \$47.7 million investment**
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Quebec City, November 8, 2006 —Cominar Real Estate Investment Trust (“Cominar”) announces today its results for the third quarter ended September 30, 2006.

Solid Results

Rental revenue and **net operating income** rose to \$32.7 million and \$20.9 million, respectively, representing increases of 9.7% and 10.0% over the third quarter of 2005. **Net income** stood at \$9.1 million, a 9.6% increase. **Recurring distributable income** amounted to \$12.9 million, compared with \$11.8 million for the corresponding period of 2005, a 9.3% increase. On a per unit basis, it went from \$0.362 to \$0.374, up 3.3%. **Recurring funds from operations** amounted to \$14.8 million compared with \$13.4 million in the third quarter of 2005, a 10.5% increase. On a per unit basis, they stood at \$0.427, up 3.9%.

“Our strategy in today’s rising commercial real estate market is focused on developing our properties and on new construction projects, while making acquisitions matching our criteria of quality and profitability over the short and long term. This successful strategy is again reflected in our financial performance” indicated Michel Dallaire, President and Chief Executive Officer.

During the nine-month period ended September 30, 2006, rental revenue grew by 8.6% to reach \$98.7 million, compared with \$90.9 million for the first nine months of 2005. **Net operating income** rose 9.6% to \$59.5 million. **Net income** stood at \$23.6 million, a 5.4% increase. **Recurring distributable income** jumped 8.3% to \$35.2 million or \$1.045 per unit. **Recurring funds from operations** were up 9.7% to \$40.9 million (\$1.213 per unit) compared with \$37.3 million (\$1.146 per unit) for the first nine months of 2005.

High Occupancy Rate

As at September 30, 2006, Cominar showed an **occupancy rate** of 94.6%, compared to 95.3% as at September 30, 2005.

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Continued Solid Financial Health

As at the end of the third quarter, Cominar continued to show sound financial health with a **debt-to-gross book value ratio of 45%**. Using the 60% authorized by its Contract of Trust, Cominar has an acquisition capacity of \$308 million as at September 30, 2006.

Seven Acquisitions: a \$15.3 million Investment

In the third quarter, Cominar acquired six income properties representing 186,210 square feet of leasable space at a weighted average capitalization rate of 9.1% and approximately 500,000 square feet of land for \$1.2 million.

Subsequent Events: Acquisitions – a \$19.2 million Investment

Subsequent to the end of the quarter, Cominar acquired a 133,000 square foot office property in Montreal for \$19 million. Cominar also acquired a lot for future development for \$0.2 million. Since the beginning of the year, Cominar has acquired land and income properties totalling \$49.2 million.

Five Development Projects Completed: a \$17.1 million Investment

Since the beginning of the year, Cominar has completed the development of five properties representing 318,706 square feet of leasable space and a \$17.1 million investment.

11 Properties under Development – a \$47.7 million Investment

Cominar currently has 11 properties under development representing more than 683,000 square feet of leasable space. These projects, amounting to \$47.7 million, are advancing according to plan both in terms of construction and leasing.

Outlook

Cominar continues to apply its strategy of growth through profitable high-quality acquisitions and the development of those of its properties offering a potential increase in return, while maintaining prudent financial management. Considering its quality properties, market intelligence, solid balance sheet and available funds, Cominar is confident it will remain on the growth track in the next quarters.

Additional Financial Information

Cominar's consolidated financial statements and the management's discussion and analysis for the quarter ended September 30, 2006 will be on file with SEDAR at www.sedar.com and are available on Cominar's website at www.cominar.com.

Conference Call and Webcast

On Wednesday, November 8, 2006, at 11:30 a.m. EST, Cominar's management will hold a conference call to discuss the 2006 third quarter results. Investors who are interested may take part in this call by dialing 1-800-814-4862. A presentation of the third quarter results will be available at www.cominar.com under the title "Conference Call." The event will also be webcast on www.q1234.com.

PROFILE as at November 8, 2006

Cominar is one of the largest commercial real estate property owners and managers in the province of Quebec. It owns a high quality portfolio of **139 properties in the Greater Montreal and Quebec City areas, consisting of 15 office, 31 retail, and 93 industrial and mixed-use buildings, totalling over 10.2 million square feet**. The REIT's objectives are to deliver to its unitholders growing cash distributions and to maximize unitholder value through proactive management and the growth of its portfolio.

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Cominar has a distribution reinvestment plan for its unitholders that allows participants to reinvest their monthly cash distributions in additional Trust units. Participants will be given the right to receive an **effective discount of 5% of distributions** to which they are entitled in the form of additional units. Additional information and enrollment forms are available at www.cominar.com.

Financial Measures and Forward-Looking Statements

Net operating income, distributable income, and funds from operations are not financial measures defined by generally accepted accounting principles (“GAAP”) and may not be comparable to the financial measures used by other trusts. Recurring distributable income and recurring funds from operations exclude \$554,000 in non recurring expenses incurred in the first quarter of 2006 in connection with an important transaction which was not concluded. Readers are directed to the management’s discussion and analysis for a description of the measures and a reconciliation of the measures to the closest GAAP measure. The consolidated financial statements for the quarter ended September 30, 2006, as well as the management’s discussion and analysis, can be found on Cominar’s website at www.cominar.com.

This press release may contain forward-looking statements that are based on Cominar’s expectations regarding its business or economic and real estate environments. These statements are not guarantees of future performance, and involve risks and uncertainties that are described in Cominar’s most recent Annual Report, Annual Information Form, and other publicly available documents, which are available at www.sedar.com. Actual outcomes and results may differ materially from those expressed in these forward-looking statements.

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The complete consolidated financial statements, including the notes thereto, are available on Cominar website at www.cominar.com under “Investor Relations – Quarterly Reports”.

COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Balance Sheets

| [In thousands of dollars] | As at September 30, 2006 [unaudited] \$ | As at December 31, 2005 [audited] \$ |
|--|--|---|
| ASSETS | | |
| Income properties | 688,040 | 658,855 |
| Properties under development | 17,685 | 20,777 |
| Land held for future development | 6,590 | 1,243 |
| Deferred expenses and other assets | 31,731 | 30,009 |
| Prepaid expenses | 7,496 | 2,355 |
| Accounts receivable | 14,003 | 12,343 |
| | 765,545 | 725,582 |
| LIABILITIES AND UNITHOLDERS' EQUITY | | |
| Liabilities | | |
| Mortgages payable | 273,966 | 253,581 |
| Convertible debentures | 48,181 | 97,535 |
| Bank indebtedness | 47,499 | 25,811 |
| Accounts payable and accrued liabilities | 20,615 | 21,890 |
| Distributions payable to unitholders | 3,581 | 3,623 |
| | 393,842 | 402,440 |
| Unitholders' equity | | |
| Unitholders' contributions | 394,197 | 338,230 |
| Cumulative net income | 208,091 | 184,463 |
| Cumulative distributions | (230,971) | (199,902) |
| Contributed surplus | 386 | 351 |
| | 371,703 | 323,142 |
| | 765,545 | 725,582 |

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COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Statements of Unitholders' Equity

| Period ended September 30, [unaudited, in thousands of dollars] | Quarter | | Cumulative (nine months) | |
|--|----------------|----------------|--------------------------|----------------|
| | 2006 | 2005 | 2006 | 2005 |
| | \$ | \$ | \$ | \$ |
| Unitholders' contributions | | | | |
| Balance, beginning of period | 362,384 | 332,843 | 338,230 | 328,433 |
| Issue of units | 31,813 | 1,886 | 55,967 | 6,296 |
| Balance, end of period | 394,197 | 334,729 | 394,197 | 334,729 |
| Cumulative net income | | | | |
| Balance, beginning of period | 198,991 | 167,223 | 184,463 | 153,136 |
| Net income | 9,100 | 8,322 | 23,628 | 22,409 |
| Balance, end of period | 208,091 | 175,545 | 208,091 | 175,545 |
| Cumulative distributions | | | | |
| Balance, beginning of period | (220,227) | (179,891) | (199,902) | (160,353) |
| Distributions to unitholders | (10,744) | (9,815) | (31,069) | (29,353) |
| Balance, end of period | (230,971) | (189,706) | (230,971) | (189,706) |
| Contributed surplus | | | | |
| Balance, beginning of period | 342 | 287 | 351 | 252 |
| Unit option plan | 44 | 48 | 35 | 83 |
| Balance, end of period | 386 | 335 | 386 | 335 |
| Unitholders' equity | 371,703 | 320,903 | 371,703 | 320,903 |

Cominar Real Estate Investment Trust — Press Release (continued)

COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Statements of Income

| Period ended September 30, [unaudited, in thousands of dollars except per unit amounts] | Quarter | | Cumulative (nine months) | |
|---|---------|--------|--------------------------|--------|
| | 2006 | 2005 | 2006 | 2005 |
| | \$ | \$ | \$ | \$ |
| Operating revenues | | | | |
| Rental revenue from income properties | 32,742 | 29,812 | 98,664 | 90,889 |
| Operating expenses | | | | |
| Operating costs | 5,816 | 5,544 | 19,104 | 18,313 |
| Realty taxes and services | 5,789 | 4,935 | 19,298 | 17,367 |
| Property management expenses | 223 | 299 | 803 | 960 |
| | 11,828 | 10,778 | 39,205 | 36,640 |
| Operating income before the undernoted : | 20,914 | 19,034 | 59,459 | 54,249 |
| Interest on borrowings | 5,444 | 5,042 | 16,626 | 15,312 |
| Depreciation of income properties | 4,141 | 3,748 | 12,088 | 11,043 |
| Amortization of deferred leasing costs | 1,537 | 1,355 | 4,601 | 4,038 |
| Amortization of deferred financing costs and other assets | 183 | 174 | 535 | 519 |
| | 11,305 | 10,319 | 33,850 | 30,912 |
| Operating income from real estate assets | 9,609 | 8,715 | 25,609 | 23,337 |
| Trust administrative expenses | 557 | 466 | 1,628 | 1,366 |
| Other revenues | 48 | 73 | 201 | 181 |
| Unusual item | — | — | 554 | — |
| Net income from continuing operations | 9,100 | 8,322 | 23,628 | 22,152 |
| Net income from discontinued operations | — | — | — | 257 |
| Net income | 9,100 | 8,322 | 23,628 | 22,409 |
| Basic net income per unit | 0.263 | 0.255 | 0.701 | 0.689 |
| Diluted net income per unit | 0.259 | 0.251 | 0.691 | 0.678 |

Cominar Real Estate Investment Trust — Press Release (continued)

COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Statements of Cash Flows

| Period ended September 30, [unaudited, in thousands of dollars] | Quarter | | Cumulative (nine months) | |
|---|-----------------|----------------|--------------------------|-----------------|
| | 2006 \$ | 2005 \$ | 2006 \$ | 2005 \$ |
| OPERATING ACTIVITIES | | | | |
| Net income | 9,100 | 8,322 | 23,628 | 22,409 |
| Adjustments for: | | | | |
| Depreciation of income properties | 4,141 | 3,748 | 12,088 | 11,070 |
| Amortization of above-market leases | 30 | 30 | 90 | 90 |
| Amortization of deferred leasing costs | 1,537 | 1,355 | 4,601 | 4,038 |
| Amortization of deferred financing costs and other assets | 183 | 174 | 535 | 520 |
| Compensation costs related to unit options | 83 | 55 | 145 | 146 |
| Gain on sale of an income property | — | — | — | (248) |
| Change in non-cash operating working capital items | 2,682 | 4,875 | (7,978) | (2,583) |
| | 17,756 | 18,559 | 33,109 | 35,442 |
| FINANCING ACTIVITIES | | | | |
| Mortgages payable | — | — | 59,652 | — |
| Repayments of mortgages payable | (21,931) | (2,459) | (39,267) | (7,211) |
| Bank indebtedness | 39,566 | 3,070 | 21,688 | 19,949 |
| Distributions to unitholders | (10,250) | (9,563) | (30,095) | (28,779) |
| Net proceeds from issue of units | 716 | 304 | 5,487 | 3,834 |
| | 8,101 | (8,648) | 17,465 | (12,207) |
| INVESTING ACTIVITIES | | | | |
| Acquisitions of income properties | (12,472) | (7,758) | (31,080) | (14,522) |
| Net proceeds from disposition of an income property | — | — | — | 675 |
| Acquisitions of properties under development and land held for future development | (10,825) | (578) | (13,816) | (13,099) |
| Leasing costs | (2,526) | (1,543) | (5,252) | (4,320) |
| Other assets | (34) | (32) | (426) | (143) |
| | (25,857) | (9,911) | (50,574) | (31,409) |
| Net change in cash and cash equivalents | — | — | — | (8,174) |
| Cash and cash equivalents, beginning of period | — | — | — | 8,174 |
| Cash and cash equivalents, end of period | — | — | — | — |