



# **2015**

## **Annual Information Form**

**Cominar Real Estate Investment Trust**  
Year ended December 31, 2015

March 29, 2016

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## GLOSSARY

The following terms used in this AIF have the meanings set out below:

**“Adjusted Unitholders’ Equity”**: means, at any time, the aggregate of the amount of Unitholders’ equity and the amount of accumulated depreciation recorded in the books and records of the REIT in respect of its Properties, calculated in accordance with IFRS;

**“Atlantic Provinces Area” or “Atlantic Provinces”**: includes the Provinces of New-Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador;

**“Book Value”**: means, at any time, the book value of the assets of the REIT, as shown on its then most recent balance sheet;

**“Cominar” or the “REIT”**: means Cominar Real Estate Investment Trust and the corporations wholly-owned by or in partnership with Cominar;

**“Contract of Trust”**: means the contract of trust made as of March 31, 1998, governed by the laws of the Province of Québec, pursuant to which the REIT was established, as amended, supplemented or restated as of May 8, 1998, May 13, 2003, May 11, 2004, May 15, 2007 and May 14, 2008, May 18, 2010 and May 16, 2012;

**“Convertible Debentures”**: means, collectively, the Series D 6.50% and the Series E 5.75% convertible unsecured subordinated debentures of the REIT;

**“Dallaire Family”**: means, unless indicated otherwise, the wife of the late Jules Dallaire, his children, namely Michel Dallaire, Alain Dallaire, Linda Dallaire, Sylvie Dallaire, their respective spouses and related trusts;

**“Dallaire Group”**: means GDI or any one of its subsidiaries;

**“Debentures”**: means, collectively, the Convertible Debentures and Senior Debentures;

**“Distributable Income”**: means the amount of cash available to be distributed by the REIT, calculated in the manner set forth under the heading “Computation of Distributable Income for Distribution Purposes”;

**“Distribution Reinvestment Plan” or “DRIP”**: means the REIT distribution reinvestment plan described under the heading “Distribution Reinvestment Plan”;

**“GDI”**: means Groupe Dallaire Inc.;

**“IFRS”**: means the generally accepted accounting principles determined with reference to International Financial Reporting Standards, as defined by the International Accounting Standard Board, and which have been prescribed as being Canadian generally accepted accounting principles for publicly accountable enterprises by the Accounting Standards Board of the Canadian Institute of Chartered Accountants for financial years beginning on or after January 1, 2011;

**“Immovable Hypothec”**: means a secured interest in an Immovable Property under the applicable laws in the province where the Immovable Property is situated;

**“Immovable Property”**: means an immovable property under the applicable laws in the province where it is situated;

**“Income Properties”**: means properties generating revenues to the REIT;

**“Income Tax Act” or “Tax Act”**: means the *Income Tax Act* (Canada), as amended from time to time;

**“Independent Trustee”**: means a Trustee who has no direct or indirect material relationship with the REIT. A **“material relationship”** is one that could, in the view of the Board of Trustees, be reasonably expected to interfere with the exercise of a Trustee’s independent judgment;

**“Investment Properties”**: means, collectively, the income properties, properties in development and lands owned for future development;

**“Management”**: means the management of the REIT;

**“Montréal Area”**: means the city of Montréal, its metropolitan area and, for the purposes of this AIF, it includes the city of Magog, the city of Joliette, the city of Bromont, the city of Rawdon, the city of Granby, the city of Sherbrooke and the city of Sainte-Agathe-des-Monts;

**“Net Operating Income”**: means the REIT’s operating income before the fair value of investment properties, financial charges, REIT administrative expenses, share of joint ventures net income and comprehensive income, transaction costs – business combinations and income tax;

**“Plan”**: means the REIT’s equity-based incentive Plan;

**“Province of Ontario”** or **“Ontario Area”** or **“Ontario”**: means the Province of Ontario and for the purposes of this AIF, it includes the Gatineau region;

**“Province of Québec”** or **“Québec”**: means the Province of Québec;

**“Québec City Area”**: means the city of Québec, its metropolitan region and includes, for the purposes of this AIF, it includes the city of Saguenay, the city of Sainte-Anne-des-Monts, the city of Victoriaville, the city of Shawinigan, the city of Drummondville, the city of Rimouski, the city of Thetford Mines, the city of Saint-Georges-de-Beauce, the city of Rivière-du-Loup and the city of Trois-Rivières;

**“Senior Debentures”**: means, collectively, the Series 1 4.274%, the Series 2 4.23%, the Series 3 4.00%, the Series 4 4.941%, the Series 7 3.62%, the Series 8 4.25%, the Series 9 4.164% senior unsecured debentures and the Series 6 floating rate senior unsecured debentures of the REIT;

**“SIFT”**: means “specified investment flow-through” trust;

**“SIFT Rules”**: means the provisions under the Income Tax Act which address the taxation of SIFTs and their unitholders;

**“Toronto Area”**: includes the city of Toronto and its metropolitan area;

**“Trustees”**: means the trustees of the REIT and **“Trustee”** means any one of them;

**“Unit”**: means a unit of interest in the REIT issued from time to time in accordance with the Contract of Trust and includes, without limitation and, where the context so requires, units of the REIT issued pursuant to the Plan or the Distribution Reinvestment Plan, and includes a fraction of a unit of the REIT;

**“Unitholder”**: means a holder of REIT Units;

**“Western Canada”**: means the provinces of Alberta and Manitoba.

## FORWARD-LOOKING STATEMENTS

This AIF may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and condition. These statements can generally be identified by use of words such as “may”, “could”, “should”, “would”, “suspect”, “outlook”, “believe”, “plan”, “anticipate”, “estimate”, “expect”, “intend”, “forecast” and “objective” or the negative thereof or similar variations, and the use of the conditional and future tenses. 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 involving future expectations. Some important factors that could cause actual results to differ materially from expectations include general economic and market factors, competition, changes in government regulation and the factors described under “Risk Factors” in this annual information form. 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 AIF.

## PART 1 – DATE OF ANNUAL INFORMATION FORM

This Annual Information Form (the “AIF”) is dated as of March 29, 2016. Unless otherwise noted, the information contained in this AIF is stated as at December 31, 2015.

## PART 2 – STRUCTURE OF THE REIT

Cominar Real Estate Investment Trust is an unincorporated closed-end investment trust created by the Contract of Trust under, and governed by, the laws of the Province of Québec. Amendments to the Contract of Trust were made at various times to give the REIT greater flexibility in operating its portfolio. The REIT was established on March 31, 1998 and began its activities on May 21, 1998, at the time of the completion of its initial public offering.

The head office of the REIT is located at Complexe Jules-Dallaire – T3, 2820 Laurier Boulevard, Suite 850, Québec City, Québec G1V 0C1, phone number (418) 681-8151. Its Website address is [www.cominar.com](http://www.cominar.com).

Unless otherwise noted or the context otherwise requires, references to the “REIT” or to “Cominar” in this AIF are to Cominar Real Estate Investment Trust and Cominar’s wholly-owned companies or in partnership.

## PART 3 – GENERAL DEVELOPMENT OF THE BUSINESS

### 3.1 OVERVIEW OF THE REIT

As the largest commercial property owner and manager in the Province of Québec, the REIT has a leading presence and enjoys significant economies of scale in this market. It is also the third largest diversified real estate investment trusts in Canada in terms of size of leasable area owned. As at March 29, 2016, the REIT owns a diversified portfolio of 556 office, retail, industrial and mixed-use Income Properties comprising an area of 45.3 million square feet across the province of Québec, the province of Ontario, the Atlantic Provinces and Western Canada.

As at December 31, 2015, the REIT owned a diversified portfolio of 566 office, retail, industrial and mixed-use Income Properties, of which 136 are located in the Québec City Area, 301 are located in the Montréal Area, 55 are located in the Province of Ontario, 60 are located in the Atlantic Provinces and 14 are located in Western Canada. The REIT’s portfolio was comprised of approximately 14.6 million square feet of office space, 12.9 million square feet of retail space and 17.9 million square feet of industrial and mixed-use space, representing, in the aggregate, approximately 45.4 million square feet of leasable area. As at December 31, 2015, the REIT’s portfolio was approximately 91.9% leased.

### 3.2 THREE FISCAL YEARS RETROSPECTIVE

Following its creation, Cominar REIT leveraged its domination of the Québec City commercial real estate market to diversify into the Montréal market and in other Canadian markets. In doing so, the REIT continued to pursue its profitable long-term strategy of owning and operating a diversified portfolio of Income Properties concentrated in a specific regional market.

During fiscal 2013, the REIT added 24 Income Properties to its property portfolio representing a total of 2.3 million square feet and directly or indirectly disposed of 11 properties, the ownership of which was not in line with its long-term objectives. Moreover, the REIT continued to develop its Income Properties. Investments made included additions, expansions,

modernizations, modifications and upgrades to existing properties with a view to increasing or maintaining their rental income generating capacity.

During fiscal year ended December 31, 2014, the REIT conducted important strategic acquisitions worth over two billion dollars, which enhanced its segment diversification while pursuing its geographic diversification. These strategic acquisitions resulted in the addition of 66 Income Properties to the REIT's property portfolio and representing a total of 8.1 million square feet. Among others, on September 30 and October 17, 2014, the REIT acquired, for a purchase price of \$1.63 billion, 35 Income Properties, one property under development and land held for future development from Ivanhoé Cambridge Inc.

For details concerning REIT's achievements in 2015, please refer to PART 3 – "General Developments of the Business — 3.3 Developments in 2015".

### 3.3 DEVELOPMENTS IN 2015

#### 3.3.1 ACQUISITIONS MADE IN FISCAL 2015

Over the years, Cominar has achieved much of its growth through the acquisition of companies and high-quality properties based on strict selection criteria, while maintaining an appropriate allocation among its three business segments, namely, office buildings, retail buildings and industrial and mixed-use properties, and geographic diversification of its property portfolio.

On April 23, 2015, Cominar acquired a portfolio of 3 industrial properties with total leasable area of approximately 697,000 square feet, located in the Montréal Area, for a purchase price of \$34.5 million paid in cash.

The following table presents additional information on these acquisitions:

Investment property	City/Province	Business segment <sup>(1)</sup>	Leasable area sq. ft.
2125 23 <sup>rd</sup> Avenue	Montréal, Qc	I	199,000
2177 23 <sup>rd</sup> Avenue	Montréal, Qc	I	210,000
5205 Fairway Street	Montréal, Qc	I	288,000
			697,000

(1) I: Industrial and mixed-use.

#### 3.3.2 DISPOSITIONS

On September 30, 2015, Cominar announced that it had completed the sale of one industrial and mixed-use property and two office properties located in the Montréal Area, for a total purchase price of \$98.0 million. The proceeds from the sale of these properties were used to reimburse a portion of the credit facility and to reduce the debt ratio by 0.5%.

#### 3.3.3 TRANSFERS TO INCOME PROPERTIES

During the second quarter of 2015, Cominar completed the construction of an industrial and mixed-use property that it transferred from property under development to Income Property. Located in Québec City, this property valued at \$5.9 million, with a leasable area of 33,000 square feet, has an occupancy rate of 100%.

During the fourth quarter of 2015, Cominar completed the construction of an industrial and mixed-use property that it transferred from property under development to Income Property. Located in Québec City, this property valued at \$7.4 million, with a leasable area of 68,000 square feet, has an occupancy rate of 80%.

#### 3.3.4 BUILDINGS UNDER CONSTRUCTION AND DEVELOPMENT PROJECTS

As part of the acquisition of the Investment Property portfolio from Ivanhoé Cambridge in 2014, Cominar acquired an office property under development with a leasable area of 118,000 square feet located in Laval as part of the Centropolis complex. Occupancy of this property began at the end of 2014 and will be continued during 2016.

During fiscal 2015, Cominar and Dallaire Group partnered up in a 50%-50% joint venture, in Société en commandite Bouvier-Bertrand (see “PART 4 – Description of the Business – 4.8 Investments in Joint Ventures”) for the development of the “Espace Bouvier” project, a commercial land development located on Highway 40, one of the main arteries of Québec City. During the fourth quarter, one of the retail properties of the project, which has an area of approximately 66,000 square feet, was transferred from “properties under development” to “Income Properties”. This property is 100% occupied.

Moreover, Cominar, at 75%, and Dallaire Group at 25% (see “PART 3 – General Development of the Business – 3.3 Developments in 2015 - 3.3.6 New Investments in a Joint Venture”), are in joint venture for the purpose of commercial land development located in the Québec City Area.

Cominar has begun a project on Louis-B.-Mayer Street, in Laval, for the construction of an industrial and mixed-use property for a single client occupying 100% of the leasable area of 130,000 square feet, with a total estimated cost of \$14.9 million. The delivery of the building is expected in the fourth quarter of 2016.

### **3.3.5 INVESTMENTS IN INCOME PROPERTIES**

Cominar continues to develop its Income Properties in the normal course of business. Investments made include additions, expansions, modernizations, modifications and upgrades to existing properties with a view to increasing or maintaining their rental income generating capacity.

During fiscal 2015, Cominar incurred \$108.2 million in capital expenditures particularly to increase the rental income generating capacity of its properties or to reduce the related operating expenses. Cominar also incurred \$7.2 million in capital expenditures to maintain rental income generating capacity, consisting mainly of major expenditures for maintenance and repairs, as well as property equipment replacements, which will garner benefits for Cominar for the coming years. These expenditures do not include current repair and maintenance costs.

Finally, Cominar invested in leasehold improvements that aim to increase the value of its properties through higher lease rates, as well as in other leasing costs, mostly brokerage fees and client inducements. The level of investment required may vary from quarter to quarter since it closely depends on lease renewals and the signing of new leases. It also depends on increases in rental space due to newly acquired, expanded or upgraded properties, or rental space transferred from properties under development. During fiscal 2015, Cominar made investments of \$32.8 million in this respect.

### **3.3.6 NEW INVESTMENTS IN A JOINT VENTURE**

On February 26 and July 21, 2015, Société en Commandite Chaudière-Duplessis and Société en Commandite Marais were respectively created to carry out real estate developments in the Québec City Area and Cominar has a 75% interest and Dallaire Group has a 25% interest in each of them.

## **PART 4 – DESCRIPTION OF THE BUSINESS**

### **4.1 GENERAL**

The REIT manages its assets with an emphasis on growing net rental revenues and occupancy levels within the portfolio and, where economically viable, exploiting expansion or redevelopment opportunities that offer the REIT an accretive, risk-adjusted rate of return. Growth in cash flow from existing properties comprising the portfolio is anticipated to be achieved through: (i) increases in lease rates built into existing leases for the properties; (ii) improvements in occupancy rates and proactive leasing efforts; and (iii) reductions in operating costs.

The REIT maintains a conservative approach to its borrowing policies and in general seeks to spread out its debt maturities which are appropriate for the overall debt level of its portfolio, taking into account availability of financing, market conditions and the financial terms of the leases from which the REIT derives its cash flow.

Management believes that achieving these objectives will result in a diverse and stable income stream intended to reduce both risk and volatility in respect of the returns realized by Unitholders, with no negative impacts to the interests of the REIT, its employees and the communities in which it is established.



## 4.2 OBJECTIVES AND STRATEGY

Cominar's primary objectives are to provide Unitholders with stable and growing monthly cash distributions which are tax deferred, from investments in a diversified portfolio of properties and to increase and maximize unit value through the proactive management of Income Properties and the expansion of its real estate portfolio.

To reach its objectives, Cominar continues to manage growth, operational risks and debt in a flexible and prudent manner.

In accordance with Cominar's financial management policies on maintaining a sound and strong financial position over the long-term, Cominar developed a strategy of assets dispositions. The proceeds on dispositions of assets will be used to pay down debt and to repurchase Units under the REIT's normal course issuer bid (please refer to "PART 6 – Subsequent events to December 31, 2015 – 6.1 Financing Activities"). In the context of the current market conditions, Cominar believes that to repurchase Units under the normal course issuer bid is a good use of its liquidity. While Cominar is maintaining its long-term debt ratio target of 50%, Cominar has set its 2016 year-end target goal at 53%.

### 4.2.1 THE MARKET

The REIT has a leading presence and enjoys significant economies of scale in the Canadian market by virtue of the size of the portfolio, the diversity of its properties and the attractiveness of their locations, all of which help create opportunities and increase the likelihood that the REIT will discuss leasing with most prospective commercial clients within such market.

The REIT's properties are mostly situated in prime locations along major traffic arteries and benefit from high visibility and easy access by both clients and clients' customers.

The REIT can count on a high-quality real estate portfolio, a diversified client base, good cost and risk management and a healthy financial condition, and it believes that it is in a good position to sustain a relatively stable financial performance during periods affected by instability.

### 4.2.2 ALIGNMENT OF THE INTERESTS OF MANAGEMENT OF THE REIT

The REIT is an integrated and self-managed real estate operation. The REIT benefits from the experience and expertise of its executives and employees. This property management structure enables to rapidly and efficiently respond to its clients' needs, while minimizing its operating cost. The REIT also believes that interests of eligible participants are further aligned with those of Unitholders through the granting of Unit options, deferred units and restricted units under the Plan. The Plan provides an incentive for eligible employees to increase the REIT's Unit value. Participation in the Plan is offered to all employees of the REIT (subject to applicable law).

### 4.2.3 COMPETITIVE STRENGTHS

The REIT intends to capitalize on the following strengths and competitive advantages of the portfolio and Management:

- privileged relationships with its existing client base, which allow Management to better identify and fulfill clients' needs;
- ability to identify and close acquisition and joint venture opportunities;
- strategic alliances with suppliers and innovative cost control measures which reduce or limit the increase in operating costs and that gross rents continue to be competitive;
- strong relationships with financial institutions, which facilitate access to financing and may provide for acquisition and partnership investment opportunities; and
- development and redevelopment expertise and capability of Management and employees, providing the REIT with the ability to respond to opportunities in compliance with the Investment Guidelines and Operating Policies of the REIT.

### 4.2.4 BALANCED PORTFOLIO

The REIT seeks to diversify its portfolio based on business sector and geographic sector by continuing to invest based on asset type and property characteristics consistent with its existing portfolio, but also in line with evolving market conditions. Management believes this strategy will provide the REIT with a broader client base, reduce cash flow volatility and increase potential capital appreciation.

#### 4.2.5 DEBT MANAGEMENT

The REIT seeks to spread its debt maturities which are appropriate for the overall debt level of the portfolio, taking into account availability of financing and market conditions and the financial terms of the leases from which the REIT derives its cash flow. The REIT normally manages its debt maturities by seeking predominantly fixed-rate long-term debt and by maintaining a conservative level of debt relative to Book Value. In 2015, the REIT has obtained from financial institutions and by issuing Units and Debentures the financing required to make Immovable Property acquisitions, to undertake the expansion and improvement of its properties, to reimburse Debentures and to cover certain operating expenses of the REIT and of its properties from time to time, subject to the Investment Guidelines and Operating Policies of the REIT.

### 4.3 INVESTMENT GUIDELINES AND OPERATING POLICIES

#### 4.3.1 INVESTMENT GUIDELINES

The Contract of Trust provides for certain guidelines on investments, which may be made by the REIT. The assets of the REIT may be invested only in accordance with the following guidelines:

- (i) the REIT shall focus its direct and indirect acquisition activities on existing income-producing properties that are capital property of the REIT, including office, retail, industrial and mixed use properties, and assets ancillary thereto necessary for the ownership, utilization or operation of same;
- (ii) notwithstanding anything in the Contract of Trust to the contrary, the REIT shall not make any investment or take any action or omit to take any action that would result in (i) Units not being units of a “mutual fund trust”, a “real estate investment trust”, or a “unit trust” within the meaning of the *Tax Act*; (ii) Units not being disqualified for investment by registered retirement savings plans, registered retirement income funds or deferred profit sharing plans; (iii) the REIT being liable to pay a tax imposed under paragraph 122(1)(b) of the *Tax Act*; or (iv) the REIT paying a tax under the registered investment provisions of the *Tax Act* imposed for exceeding certain investment limits;
- (iii) the REIT may, directly or indirectly, invest in a joint venture arrangement or similar arrangement (including, without limitation, a co-ownership, corporation, general partnership, limited partnership and limited liability company) for purposes of owning interests, directly or indirectly, principally in immovable property or interests or investments otherwise permitted to be held by the REIT, provided that such arrangement contains terms and conditions which in the opinion of the Trustees are commercially reasonable relating to restrictions on transfer, liquidity to the REIT, liabilities in respect of third party liabilities, and management of the interest, as applicable;
- (iv) except for temporary investments held in cash, deposits with a Canadian bank or trust company registered under the laws of a province of Canada, or Caisse centrale Desjardins, short-term government debt securities or money market instruments of, or guaranteed by certain Canadian bank or Caisse centrale Desjardins maturing prior to one year from the date of issue, or some or all of the receivables under the Instalment Receipt Agreement, or except as permitted pursuant to the investment guidelines and operating policies of the REIT herein, the REIT may not hold securities of a person other than to the extent such securities would constitute, directly or indirectly, an investment or an interest in immovable property, or in any entity formed and operated, in whole or in part, for the purpose of carrying on ancillary activities to any immovable property owned, directly or indirectly, in whole or in part, by the REIT, and other than for any other purpose relating to the activities of the REIT, and provided further that, notwithstanding anything contained in this Contract of Trust to the contrary, the REIT may acquire securities of other real estate investment trusts or real estate operating companies;
- (v) except as otherwise prohibited in this Contract of Trust, the REIT may, directly or indirectly, invest in interests (including ownership and leasehold interests) in income-producing immovable property in Canada and the United States that is capital property of the REIT;
- (vi) the REIT shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in immovable property that is capital property of the REIT;
- (vii) the REIT shall not invest in operating businesses unless such investment is incidental to a transaction or purpose (i) where revenue will be derived, directly or indirectly, principally from immovable property, or (ii) which principally involves the ownership, maintenance, development, leasing, management or operation, directly or indirectly, of immovable property (in each case as determined by the Trustees);

- (viii) the REIT may, with the prior approval of the Trustees, directly or indirectly, invest in raw land to be held as capital property for development and ownership or for other development projects, in any such case, for the purpose of (i) renovating or expanding existing facilities that are capital property of the REIT or (ii) developing new facilities which will be income producing and constitute capital property of the REIT, provided that the aggregate value of the investments of the REIT in raw land will not exceed 5% of the Adjusted Unitholders' Equity;
- (ix) the REIT may, directly or indirectly, invest in hypothecs, mortgages or mortgage bonds (including, with the consent of a majority of the Trustees, a participating or convertible hypothec or mortgage) where:
  - (a) the immovable property which is security therefor is income-producing immovable property which otherwise meets the general investment guidelines of the REIT adopted by the Trustees from time to time in accordance with the Contract of Trust and the restrictions set out therein;
  - (b) the amount of the hypothecary or mortgage loan is not in excess of 75% of the market value of the property securing the hypothec or mortgage and the hypothec or mortgage has at least 1.2X debt service coverage;
  - (c) the Immovable Hypothec or mortgage is a first-ranking Immovable Hypothec or mortgage or of subsequent rank registered on title to the immovable property which is security therefore; and
  - (d) the aggregate value of the investments of the REIT in these hypothecs and mortgages, after giving effect to the proposed investment, will not exceed 20% of the Adjusted Unitholders' Equity;
- (x) the REIT may invest in hypothecs or mortgages if its intention is to use the acquisition of the hypothecs and mortgages as a method of acquiring control of an income-producing immovable property which would otherwise meet the investment guidelines of the REIT and provided the aggregate value of the investments of the REIT in these hypothecs and mortgages, after giving effect to the proposed investment, will not exceed 20% of the Adjusted Unitholders' Equity; and
- (xi) subject to paragraph (ii), the REIT may, directly or indirectly, invest an amount (which, in the case of an amount invested to acquire immovable property, is the purchase price less the amount of any indebtedness assumed or incurred by the REIT and secured by a hypothec or mortgage on such property) of up to 15% of the Adjusted Unitholders' Equity of the REIT in investments or transactions which do not comply with paragraphs (iv), (v), (ix) and (x) under the heading "Investment Guidelines and Operating Policies — Investment Guidelines" or paragraph (iii) under the heading "Investment Guidelines and Operating Policies — Operating Policies".

For the purpose of the foregoing guidelines, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by the REIT shall be deemed to be those of the REIT on a proportionate consolidation basis. In addition, any references in the foregoing to investment in Immovable Property shall be deemed to include an investment in a joint venture arrangement. Except as specifically set forth above to the contrary, all of the foregoing prohibitions, limitations or requirements for investment shall be determined as at the date of investment by the REIT. Nothing in the guidelines shall prohibit the REIT from holding or assigning some or all of the receivables due pursuant to any instalment receipt agreement.

Except as specifically set forth above to the contrary, all of the foregoing prohibitions, limitations or requirements for investment shall be determined as at the date of investment by the REIT.

#### 4.3.2 OPERATING POLICIES

The Contract of Trust provides that the operations and affairs of the REIT shall be conducted in accordance with the following policies:

- (i) the REIT shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" shall have the meaning ascribed thereto by National Policy No. 39 adopted by the Canadian Securities Administrators, as amended from time to time;
- (ii) (a) any written instrument creating an obligation which is or includes the granting by the REIT of a hypothec or mortgage, and (b) to the extent the Trustees determine to be practicable and consistent with their duty to act in the best interests of the Unitholders, any written instrument which is, in the judgment of the Trustees, a material obligation, shall contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any of the Trustees, Unitholders, annuitants under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof shall be bound; the

REIT, however, is not required, but shall use all reasonable efforts, to comply with this requirement in respect of obligations assumed by the Trust upon the acquisition of immovable property;

- (iii) shall not lease or sublease to any person any immovable property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing immovable property, premises or space having a fair market value in excess of 20% of the Adjusted Unitholders' Equity of the REIT;
- (iv) the limitations contained in paragraph (iii) shall not apply to the renewal of a lease or sublease and shall not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by:
  - (a) the Government of Canada, the Government of the United States, any province of Canada, any state of the United States or any municipality in Canada or the United States, or any agency thereof;
  - (b) any corporation, the bonds, debentures or other evidences of indebtedness of or guaranteed by which are authorized as an investment for insurance companies pursuant to subsection 86(1)(k) of the *Canadian and British Insurance Companies Act* in effect on December 31, 1991; or
  - (c) a Canadian chartered bank registered under the laws of a province of Canada;
- (v) title to each immovable property shall be drawn up in the name of the Trustees or, to the extent permitted by applicable law, the REIT or a corporation or other entity owned, in whole or in part, directly or indirectly, by the REIT, or jointly by the REIT with other persons, including in co-ownership with other persons;
- (vi) the REIT shall not incur or assume any indebtedness if, after giving effect to the incurring or assumption of the indebtedness, the total indebtedness of the REIT would be more than 60% of the Gross Book Value (65% if Convertible Debentures of the REIT are outstanding, including the full face value of any Convertible Debentures). If as a result of an acquisition or if as a result of a variation in gross book value the 60% limit (the 65% limit if Convertible Debentures of the REIT are outstanding, including the full face value of any Convertible Debentures) is exceeded, the REIT shall reduce its indebtedness or issue additional Units, or take other action, in order to comply with such limit within the twelve months from the date such limit was exceeded, subject to such reasonable extensions beyond such 12-month period as approved by the Trustees;
- (vii) the REIT shall not directly or indirectly guarantee any indebtedness or liabilities of any kind of a third party, except indebtedness or liabilities assumed or incurred by an entity in which the REIT holds, directly or indirectly, an interest or an investment or in respect of an entity in which the REIT holds an interest or an investment, directly or indirectly, or by an entity jointly owned by the REIT, directly or indirectly, with others or in respect of an immovable co-owned by the REIT, directly or indirectly, with others, where such indebtedness, if granted by the REIT directly, would not cause the REIT to otherwise contravene the restrictions set out under the heading "Investment Guidelines and Operating Policies";
- (viii) the REIT shall obtain or review an independent appraisal of each property that it intends to acquire;
- (ix) the REIT shall obtain and maintain at all times insurance coverage in respect of potential liabilities of the REIT and the accidental loss of value of the assets of the Trust from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties; and
- (x) the REIT shall obtain or review a Phase I environmental audit of each immovable property to be acquired by it and, if the Phase I environmental audit report recommends a Phase II environmental audit be conducted, in any material respect, the REIT shall obtain or review a Phase II environmental audit, in each case by an independent and experienced environmental consultant.

For the purposes of the foregoing policies, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by the REIT shall be deemed to be those of the REIT on a proportionate consolidation basis. In addition, any references in the foregoing to investment in Immovable Property shall be deemed to include an investment in a joint venture. All of the foregoing prohibitions, limitations or requirements pursuant to the foregoing policies shall be determined as at the date of investment or other action by the REIT.

#### 4.3.3 AMENDMENTS TO INVESTMENT GUIDELINES AND OPERATING POLICIES

Pursuant to the Contract of Trust, all of the investment guidelines set out under the heading "Investment Guidelines and Operating Policies — Investment Guidelines" and the operating policies contained in paragraphs (v), (vi), (vii), (viii), (ix), (x) and (xi) under the heading "Investment Guidelines and Operating Policies — Operating Policies" may be amended only if such amendment is approved by two-thirds of the votes cast by Unitholders of the REIT at a meeting of Unitholders called for such

purpose. The remaining operating policies may be amended if such amendment is approved by the Trustees and by a majority of the votes cast by Unitholders at a meeting called for such purpose.

## 4.4 PROPERTIES

### 4.4.1 OVERVIEW OF THE PORTFOLIO

The properties comprising the portfolio are generally prime locations along major thoroughfares and benefit from high visibility and easy access by both clients and clients' customers.

The following tables respectively summarize the properties of the REIT as at December 31, 2015 by operating segment, by geographic market, by the top ten clients by percentage of net operating income, leasing activity as at December 31, 2015 and lease maturities from 2016 to 2020:

#### SUMMARY BY OPERATING SEGMENT

As at December 31 2015

	Number of properties	Leasable area (sq. ft.)	Occupancy rate (%)
Office	134	14,574,000	90.3
Retail	197	12,890,000	90.3
Industrial and mixed-use	235	17,888,000	94.3
<b>Total</b>	<b>566</b>	<b>45,352,000</b>	<b>91.9</b>

#### SUMMARY BY GEOGRAPHIC MARKET

As at December 31 2015

	Number of properties	Leasable area (sq. ft.)
Québec City Area	136	10,312,000
Montréal Area	301	25,462,000
Ontario	55	5,774,000
Atlantic Provinces	60	2,698,000
Western Canada	14	1,106,000
<b>Total</b>	<b>566</b>	<b>45,352,000</b>

#### TOP TEN CLIENTS BY PERCENTAGE OF NET OPERATING INCOME

Client	Area occupied (square feet)	% of net operating income
Public Works Canada	1,644,977	4.7
Canadian National Railway Company	1,561,935	3.4
Société québécoise des infrastructures	1,532,571	3.2
Jean Coutu Group	395,640	1.4
Scotiabank	206,444	1.0
Harvest Operations Corp.	142,627	0.9
Shoppers Drug Mart	138,688	0.8
Cinram Canada	635,124	0.8
Thales Canada	219,198	0.7
Desjardins Real Estate Group Inc.	263,683	0.7
<b>Total</b>		<b>17.6</b>

**LEASING ACTIVITY**

	Office	Retail	Industrial and mixed-use	Total
<b>Leases that matured in 2015</b>				
Number of clients	426	512	336	1,274
Leasable area (sq. ft.)	2,531,000	1,308,000	3,415,000	7,254,000
Average net rent (\$/sq. ft.)	12.71	17.33	5.70	10.24
<b>Renewed leases in 2015</b>				
Number of clients	285	383	247	915
Leasable area (sq. ft.)	1,674,000	1,106,000	2,922,000	5,702,000
Average net rent of leases maturing (\$/sq. ft.)	12.54	16.95	5.60	9.83
Average net rent of renewed leases (\$/sq. ft.)	11.90	16.66	5.80	9.68
Retention rate (%)	66.1	84.6	85.6	78.6
<b>New leases in 2015</b>				
Number of clients	121	113	94	328
Leasable area (sq. ft.)	596,000	264,000	882,000	1,742,000
Average net rent (\$/sq. ft.)	17.33	10.95	5.69	10.47

**LEASE MATURITIES**

	2016	2017	2018	2019	2020
<b>Office</b>					
Leasable area (sq. ft.)	2,087,000	1,917,000	2,018,000	1,693,000	1,002,000
Average net rent (\$/sq. ft.)	12.92	14.12	13.28	12.56	14.17
% of portfolio – Office	14.3	13.2	13.8	11.6	6.9
<b>Retail</b>					
Leasable area (sq. ft.)	1,737,000	1,684,000	2,036,000	1,519,000	1,423,000
Average net rent (\$/sq. ft.)	15.74	14.89	13.54	15.30	19.47
% of portfolio – Retail	13.5	13.1	15.8	11.8	11.0
<b>Industrial and mixed-use</b>					
Leasable area (sq. ft.)	3,136,000	2,941,000	2,504,000	1,073,000	2,181,000
Average net rent (\$/sq. ft.)	5.68	6.57	6.40	6.89	6.36
% of portfolio – Industrial and mixed-use	17.5	16.4	14.0	6.0	12.2
<b>Portfolio total</b>					
Leasable area (sq. ft.)	6,960,000	6,542,000	6,558,000	4,285,000	4,606,000
Average net rent (\$/sq. ft.)	10.36	10.93	10.73	12.11	12.11
% of portfolio	15.3	14.4	14.5	9.4	10.2

#### 4.4.2 SUMMARY OF THE INCOME PROPERTIES

The following table summarizes certain aspects of each of the REIT's Income Properties<sup>(1)</sup>:

Income Properties	Year Built/ Renovated	Leasable Area (ft <sup>2</sup> )	% Leased	Selected Clients <sup>(2)</sup>
<b>OFFICE PROPERTIES</b>				
<b>Québec City Area</b>				
4635 1 <sup>st</sup> Avenue Québec City, Québec	1979/1993	41,000	93.1	Industrial Alliance Life Insurance Company
5055 Wilfrid-Hamel Boulevard West Québec City, Québec	1979/1996	28,000	92.2	Matériaux Blanchet
5073-5075-5079 Wilfrid-Hamel Boulevard West Québec City, Québec	1980/1994	30,000	70.8	Au Vieux Duluth (restaurant)
2014 Cyrille-Duquet Street Québec City, Québec	1979/1997	64,000	100.0	InnovMetric Logiciels
2200 Cyrille-Duquet Street Québec City, Québec	1965/1986/ 1996	31,000	18.7	Messrs. Guy Giroux and Alain Tremblay
Place de la Cité 2590-2640 Laurier Boulevard Québec City, Québec	1964/1970/ 1982/1988/ 1993/2003/ 2004	760,000	97.4	Société québécoise des infrastructures (SQI), a Canadian chartered bank, La Cité Médicale, AON Canada
455 du Marais Street Québec City, Québec	1977/1997	61,000	89.5	Industrial Alliance Life Insurance Company
3175 des Quatre-Bourgeois Road Québec City, Québec	1990	101,000	91.7	Société québécoise des infrastructures (SQI)
979 de Bourgogne Avenue Québec City, Québec	1976/1988/ 1996	67,000	88.3	Exagon
Place de la Capitale 150 René-Lévesque Boulevard East Québec City, Québec	1973/1999	223,000	97.4	Société québécoise des infrastructures (SQI)
1265 Charest Boulevard West Québec City, Québec	1975/2002	142,000	92.9	Société québécoise des infrastructures (SQI)
565-585 Charest Boulevard East Québec City, Québec	1950/1999/ 2000	100,000	81.2	Jobillico
6777 Guillaume-Couture Boulevard Lévis, Québec	2007	80,000	100.0	Desjardins General Assurance Group
888 Saint-Jean Street Québec, Québec	1981/2003	77,000	96.9	Canada Broadcasting Corporation
1400 Guillaume-Couture Boulevard Lévis, Québec	2004/2005	77,000	100.0	Société québécoise des infrastructures (SQI)
1156 Guillaume-Couture Boulevard Lévis, Québec	1995	33,000	100.0	Société québécoise des infrastructures (SQI)
30-56 Jacques-Nau Street Lévis, Québec	1990/1994	79,000	87.8	Desjardins General Assurance Group, Desjardins Financial Security Life Assurance Company

Income Properties	Year Built/ Renovated	Leasable Area (ft <sup>2</sup> )	% Leased	Selected Clients <sup>(2)</sup>
Complexe Jules-Dallaire <sup>(3)</sup> 2820-2828 Laurier Boulevard Québec City, Québec	2008/2010 2014	266,000	94.7	Dallaire Group, Gestion LKD, Les services administratifs Cominar, Alpha Architecture, CIBC World Markets, Corporation BCF Québec, Services OR, a Canadian chartered bank, Société québécoise des infrastructures (SQI), RGN Québec III, RBC Dominion Securities
Place Hauteville 654 and 700 René-Lévesque Boulevard East Québec, Québec	1976	271,000	100.0	Société québécoise des infrastructures (SQI)
<b>Sub-total</b>		<b>2,531,000</b>		
<b>Montréal Area</b>				
3100 de la Côte-Vertu Boulevard Montréal, Québec	1983	96,000	57.5	Stella Jones
3773 de la Côte-Vertu Boulevard Montréal, Québec	1989	53,000	71.5	London Life Insurance Company
7405 Trans-Canada Highway Montréal, Québec	1984	82,000	59.0	Sungard Availability Services (Canada)
9800, boulevard Cavendish Montréal, Québec	1989	103,000	89.4	FEDEX Trade Networks Transport & Brokerage (Canada), Kativik School Board
3900 de la Côte-Vertu Boulevard Montréal, Québec	1981	29,000	88.2	A Canadian chartered bank
3950 de la Côte-Vertu Boulevard Montréal, Québec	1982	24,000	99.3	Sungard Availability Services (Canada)
7355 Trans-Canada Highway Montréal, Québec	1981	23,000	87.7	Compugen
Centropolis – Bâtiment D 2968-3000 Pierre-Péladeau Avenue Laval, Québec	2006	64,000	95.9	TD Meloche Monnex
255 Crémazie Boulevard East Montréal, Québec	1967/2002	242,000	95.2	Aecon Group, Ordre des travailleurs sociaux et des thérapeutes du Québec, Claimspro, City of Montréal
3400 Jean-Béraud Avenue Laval, Québec	2001	154,000	86.8	Her Majesty the Queen
201-211 Laurier Avenue East Montréal, Québec	1916/1989/ 2001	132,000	100.0	City of Montréal, Société québécoise des infrastructures (SQI), The Minacs Group
375 Sir-Wilfrid-Laurier Boulevard Mont-Saint-Hilaire, Québec	1999	50,000	100.0	Breton, Banville et associés SENC
325 Honorius-Charbonneau Boulevard Mont-Saint-Hilaire, Québec	1985	19,000	100.0	Breton, Banville et associés SENC
1080 Beaver Hall Hill Montréal, Québec	1968/2000	306,000	90.8	Stantec
4700 de la Savane Street Montréal, Québec	1988/1998/ 1999	183,000	64.9	Fujitsu Canada, Presagis Canada,
455 Fénélon Boulevard Dorval, Québec	1990	93,000	83.3	Société Québécoise des infrastructures (SQI)
9900 Cavendish Boulevard Montréal, Québec	1987	83,000	68.6	Cato research Canada



Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
9999 Cavendish Boulevard Montréal, Québec	1988	52,000	74.8	Famic Technologies
9960-9970 Côte-de-Liesse Road Montréal, Québec	1983	25,000	43.1	High Liner Foods
1 Place Laval Laval, Québec	1965/1989	116, 000	56.5	Groupecho Canada
2 Place Laval Laval, Québec	1965/1989	100,000	63.8	Utopia
3 Place Laval Laval, Québec	1965/1989	185,000	78.2	City of Laval, Société québécoise des infrastructures (SQI), Her Majesty the Queen, a Canadian chartered bank
4 Place Laval Laval, Québec	1965/1989	141,000	83.6	Société québécoise des infrastructures (SQI)
5 Place Laval Laval, Québec	2014	310,000	100.0	Société québécoise des infrastructures (SQI)
3080 Le Carrefour Boulevard Laval, Québec	1990	86,000	73.9	H.B. Group Insurance Management
3090 Le Carrefour Boulevard Laval, Québec	1986	72,000	88.7	London Life Insurance Company
3100 Le Carrefour Boulevard Laval, Québec	1988	77,000	88.2	A Canadian chartered bank
2525 Daniel-Johnson Boulevard Laval, Québec	1977	109,000	98.2	WSP Canada
1111 Dr.-Frederik-Philips Boulevard Montréal, Québec	1990	102,000	95.7	Makivik Corporation,
3300 de la Côte-Vertu Boulevard Montréal, Québec	1976	98,000	73.1	Gamma Entertainment
2001 McGill College Avenue Montréal, Québec	1982	511,000	86.8	SITA (Société internationale de télécommunications aéronautiques), Orange Business Canada, McGill University, a Canadian chartered bank, Joli-Coeur Lacasse, Fondation Lucie et André Chagnon, State Street Trust Company Canada, Eidos Interactive Corporation, BFL Canada risk and insurance
9955 Catania Avenue Brossard, Québec	2004/2006	90,000	96.5	Voith Hydro
5101 Buchan Street Montréal, Québec	1988	116,000	82.3	Axor experts-conseils
5100 Sherbrooke Street East Montréal, Québec	1985/1986	371,000	92.3	HSBC Financial, Société de gestion du réseau informatique, Tetra Tech Québec
2405 Fernand-Lafontaine Boulevard Longueuil, Québec	1966	33,000	100.0	WSP Canada
895 De La Gauchetière Street West Montréal, Québec	1929/1943/ 1961/1981/ 1999-2005	626,000	99.5	Canadian National Railway Company, Intelera Medical Systems Incorporated, Adacel
3400 de Maisonneuve Boulevard West Montréal, Québec	1967/1971/ 1986/1987/ 1988	610,000	93.2	Hapag Lloyd (Canada) Inc., Dale Parizeau Morris Mackenzie, KSH Solutions, NETBX Services, AGA Benefit Solutions, Tecsys, Xerox Canada, Oceanwide, Fédération des médecins omnipraticiens du Québec

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
1717 René-Lévesque Boulevard East Montréal, Québec	1981/2010	70,000	100.0	Astral Media
1200 Papineau Avenue Montréal, Québec	1988/2010	93,000	62.6	SSQ Société d'assurance-vie, Productions J
3669-3681 des Sources Boulevard Dollard-des-Ormeaux, Québec	1981	25,000	84.1	Moksha Yoga West Island
480 Armand-Frappier Boulevard Laval, Québec	2003	51,000	100.0	City of Laval
420 Armand-Frappier Boulevard Laval, Québec	2002	51,000	100.0	TCR Collection Agency, Xprima
440 Armand-Frappier Boulevard Laval, Québec	1999	49,000	93.6	ProMetic Life Sciences
400 Armand-Frappier Boulevard Laval, Québec	2003	50,000	86.2	Technologies 20-20
1301 Gay-Lussac Street Boucherville, Québec	1999	15,000	100.0	Clark, Drouin, Lefebvre
25 de Lauzon Street Boucherville, Québec	1989	43,000	100.0	Graymont (QC)
85 J.-A.-Bombardier Street Boucherville, Québec	2003	26,000	100.0	EnGlobe corp.
9975-9995 Catania Avenue Brossard, Québec	2004	124,000	100.0	Tyco Safety Products Canada
2 Place du Commerce Brossard, Québec	1976	36,000	73.5	Industrielle Alliance, Assurance et Services Financiers
5 Place du Commerce Brossard, Québec	1981	20,000	100.0	Dufour, Charbonneau, Brunet & ass.
8 Place du Commerce Brossard, Québec	1981	31,000	64.9	Financial Horizons Incorporated
1 Place du Commerce Brossard, Québec	1978	43,000	85.4	Société québécoise des infrastructures (SQI)
11 Place du Commerce Brossard, Québec	1976/2004	41,000	100.0	Société québécoise des infrastructures (SQI)
3 Place du Commerce Brossard, Québec	1978	28,000	75.9	Skratch Bar
7450 des Galeries-d'Anjou Boulevard Montréal, Québec	1986	66,000	91.5	Caisse Desjardins d'Anjou - Tétreauxville
7400 des Galeries-d'Anjou Boulevard Montréal, Québec	1988	116,000	70.6	A Canadian chartered bank
8200 Décarie Boulevard Montréal, Québec	1982	61,000	94.8	Silanis Technology
8250 Décarie Boulevard Montréal, Québec	1989	83,000	93.4	Berger Emrich Valencak
768-790 Décarie Boulevard Montréal, Québec	1970-1998	35,000	97.4	Centre d'accueil et de référence sociale et économique pour immigrants de Saint-Laurent
290-316 Benjamin-Hudon Street Montréal, Québec	1975	67,000	100.0	Prosol Distribution, Davflo Management/Viscofan Canada

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
1-243 Place Frontenac Pointe-Claire, Québec	1977	66,000	90.1	Les centres de la jeunesse et de la famille Batshaw
1000 Saint-Jean Boulevard Pointe-Claire, Québec	1976	110,000	82.2	Société québécoise des infrastructures (SQI)
1555 Carrie-Derick Street Montréal, Québec	2005	82,000	100.0	Tata Communications
<b>Sub-total</b>		<b>7,048,000</b>		
<b>Ontario Area</b>				
550 de la Cité Boulevard Gatineau, Québec	2003	321,000	100.0	Her Majesty the Queen
480 de la Cité Boulevard Gatineau, Québec	2003	46,000	100.0	Brookfield Power Services
400 Cooper Street Ottawa, Ontario	1974/1998	184,000	64.5	Her Majesty the Queen, Centretown Community Health Center
975, Saint-Joseph Boulevard Gatineau, Québec	1983/1999	195,000	32.1	Amusement Anik
1145 Hunt Club Road Ottawa, Ontario	1990	88,000	88.9	MMM Group Limited
110 O'Connor Street Ottawa, Ontario	1970/1999/ 2010	189,000	100.0	Her Majesty the Queen
222-230 Queen Street Ottawa, Ontario	1972/1991/ 2002	205,000	87.1	Her Majesty the Queen, a Canadian chartered bank
171 Slater Street Ottawa, Ontario	1970/2011	150,000	84.1	Her Majesty the Queen
2465 Saint-Laurent Boulevard Ottawa, Ontario	1987/2001	59,000	100.0	Her Majesty the Queen
1000 Innovation Drive Kanata, Ontario	2000	150,000	87.2	Entrust Limited
21 Fitzgerald Road Nepean, Ontario	1986/1996	39,000	100.0	Her Majesty the Queen
25 Fitzgerald Road Nepean, Ontario	1998	114,000	94.4	Her Majesty the Queen
35 Fitzgerald Road Nepean, Ontario	2001	64,000	78.7	Her Majesty the Queen
1 Antares Road Nepean, Ontario	1989	72,000	96.2	Synopsys Canada ULC
700 Palladium Drive Ottawa, Ontario	2001	63,000	100.0	DRS Technologies Canada
750 Palladium Drive Ottawa, Ontario	2001	80,000	86.0	Skywave Mobile Communications
770 Palladium Drive Ottawa, Ontario	2001	86,000	100.0	IBM Canada
5500 North Service Road Burlington, Ontario	2001	222,000	81.3	GE Capital Canada Equipment Financing
95 Moatfield Drive Toronto, Ontario	1982	156,000	100.0	Kraft Canada

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
105 Moatfield Drive Toronto, Ontario	1982	249,000	100.0	Thales, Ontario Telemedicine Network
225 Duncan Mill Road Toronto, Ontario	1978	156,000	98.1	City of Toronto, Harlequin
6285 Northam Drive Mississauga, Ontario	1990	54,000	100.0	Milgram & Company
55 University Avenue Toronto, Ontario	1976	264,000	91.0	Bentall Canada
<b>Sub-total</b>		<b>3,206,000</b>		
<b>Atlantic Provinces</b>				
1113 Regent Street Fredericton, New Brunswick	1988	11,000	100.0	Regional Health Authority
1115 Regent Street Fredericton, New Brunswick	1964	16,000	68.8	Atlantic Business College
570 Queen Street Fredericton, New Brunswick	1989	70,000	93.1	Her Majesty the Queen
371 Queen Street Fredericton, New Brunswick	1978/1988	32,000	100.0	Whitechurch
565, Priestman Street Fredericton, New Brunswick	1975/1976	35,000	87.2	Teed Saunders Doyle
1133 Regent Street Fredericton, New Brunswick	1982/1984	86,000	92.8	ADI Systems
65 Regent Street and 590 Queen Street Fredericton, New Brunswick	1994	41,000	82.0	BMO Nesbitt Burns, Her Majesty the Queen
1149 Smythe Street Fredericton, New Brunswick	1970	13,000	56.5	Dillon Consulting
81 Albert Street Moncton, New Brunswick	2002/2003	65,000	100.0	Her Majesty the Queen
84 Chain Lake Drive Halifax, Nova Scotia	2008	76,000	87.6	Johnson
330-350 Elmwood Drive Moncton, New Brunswick	2006	13,000	100.0	Dooly's
1 Agar Place Saint John, New Brunswick	2000	41,000	100.0	Her Majesty the Queen
1199 Saint-George Boulevard Moncton, New Brunswick	1996	60,000	100.0	A Canadian chartered bank
85 and 123 Halifax Street Moncton, New Brunswick	1961/1977/ 1989	81,000	100.0	CO-OP Atlantic
1313 Barrington Street Halifax, Nova Scotia	1984-1985	29,000	100.0	Her Majesty the Queen
11 Akerley Boulevard Dartmouth, Nova Scotia	1973/1987	127,000	100.0	Her Majesty the Queen
1741 Brunswick Street Halifax, Nova Scotia	1978	102,000	90.2	Her Majesty the Queen
32 Akerley Boulevard Dartmouth, Nova Scotia	2008	14,000	38.1	Halifax Chamber of commerce

<b>Income Properties</b>	<b>Year Built/ Renovated</b>	<b>Leasable Area (ft<sup>2</sup>)</b>	<b>% Leased</b>	<b>Selected Clients<sup>(2)</sup></b>
432 Queen Street Fredericton, New Brunswick	1968/1999/ 2006	45,000	100.0	Her Majesty the Queen
<b>Sub-total</b>		<b>957,000</b>		
<b>Western Canada</b>				
720 28 <sup>th</sup> Street North East Calgary, Alberta	1980	37,000	73.7	Remedy Energy Services
Centron Corner 1 221 62 <sup>nd</sup> Avenue South East Calgary, Alberta	1965	8,000	100.0	Blast Promotions
Centron Corner 2 253 62 <sup>nd</sup> Avenue South East Calgary, Alberta	1997	8,000	100.0	LPI Communications Group
Centron Corner 3 6223 2 <sup>nd</sup> Street South East Calgary, Alberta	1965	30,000	100.0	Rockwell Automation Canada
Centron Corner 4 6227 2 <sup>nd</sup> Street South East Calgary, Alberta	1997	14,000	100.0	Cougar Contractors
4124 9 <sup>th</sup> Street South East Calgary, Alberta	1961/2000	47,000	100.0	Enmax Corporation, Canada Brokerlink
4411 6 <sup>th</sup> Street South East Calgary, Alberta	2006	41,000	100.0	ABB
Scotia Centre 700 2 <sup>nd</sup> Street South West Calgary, Alberta	1975/ 1988/1998	525,000	98.7	Harvest Operations Corp.
4000 4 <sup>th</sup> Street South East (Bldg 200) Calgary, Alberta	2008-2011	40,000	97.5	Stantec Consulting
4000 4 <sup>th</sup> Street South East (Bldg 300) Calgary, Alberta	2008-2011	69,000	100.0	Vista Projects, Global Raymac Surveys
3600 4 <sup>th</sup> Street South East (Bldg 100) Calgary, Alberta	2008-2010	13,000	100.0	Enercore Projects
<b>Sub-total</b>		<b>832,000</b>		
<b>TOTAL OFFICE PROPERTIES</b>		<b>14,574,000</b>		
<b>RETAIL PROPERTIES</b>				
<b>Québec City Area</b>				
3345 du Carrefour Street Québec City, Québec	2005	25,000	93.4	Caisse Desjardins du Vieux-Moulin
1367-1371 Sainte-Foy Road Québec City, Québec	1950/1983	6,000	100.0	Couche-Tard
5600 Guillaume-Couture Boulevard Lévis, Québec	2005	10,000	100.0	Société des alcools du Québec
5 d'Orléans Street Québec City, Québec	1978/1985	6,000	100.0	A Canadian chartered bank

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
Halles Fleur de Lys 245 Soumande Street Québec City, Québec	1978/1984/ 1994	95,000	92.8	Dollarama
2195 Guillaume-Couture Boulevard Lévis, Québec	1977/1985	6,000	73.3	A Canadian chartered bank
2160 Guillaume-Couture Boulevard Lévis, Québec	1971/1978/ 1996	73,000	100.0	Metro Richelieu, Music-hall le Cabaret de la Rive-Sud
Place de la Cité 2590-2640 Laurier Boulevard Québec City, Québec	1964/1970/ 1982/1993	265,000	92.3	Caisse Desjardins de Sainte-Foy, YM
Carrefour Charlesbourg 8500 Henri-Bourassa Boulevard Québec City, Québec	1976/1988/ 1995/1996/ 2004	323,000	94.4	Metro Richelieu, Michael Rossy
355 du Marais Street Québec City, Québec	1990	38,000	89.0	Maximus
325 du Marais Street Québec City, Québec	1991	79,000	91.7	Restaurant Tomas Tam
3323 du Carrefour Street Québec City, Québec	2006	4,000	100.0	A Canadian chartered bank
550 du Marais Street Québec City, Québec	1995	17,000	88.7	Écho Sport
Les Promenades Beauport 3333 du Carrefour Street Québec City, Québec	1978/2002/ 2004/2008/ 2009	547,000	97.0	Winners, Caisse Desjardins du Centre-ville de Québec, Leon's Furniture, Magasins Hart, Quilles Univers Beauport, L'Aubainerie concept mode, Énergie Cardio
1295 Charest Boulevard West Québec City, Québec	1982/ 2007	28,000	100.0	Boiteau Luminaire
Place Lévis 50 Président-Kennedy Road Lévis, Québec	1970/1995	217,000	89.8	Provigo Distribution
3319 du Carrefour Street Québec City, Québec	2003	3,000	100.0	Tim Hortons
329 Seigneuriale Street Québec City, Québec	1992/1997	4,000	100.0	Belron Canada
1970 Chauveau Avenue Québec City, Québec	1970/1983	2,000	100.0	Couche-Tard
1275 Charest Boulevard West Québec City, Québec	1975/2002	63,000	100.0	Société québécoise des infrastructures (SQI)
1075 Wilfrid-Hamel Boulevard Québec, Québec	1994	7,000	100.0	Scores
1095 Wilfrid-Hamel Boulevard Québec, Québec	2000	3,000	100.0	Harvey's
1855 des Rivières Road Lévis, Québec	1997	43,000	97.0	Le Groupe Jean Coutu (PJC)
Carrefour Les Saules 5150-5200 de l'Ormière Boulevard Québec, Québec	1972/2000/ 2005	159,000	100.0	Nordia, Provigo Distribution, Hart Stores
950 Jutras Boulevard East Victoriaville, Québec	2012	4,000	100.0	Poulet Frit Kentucky Canada

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
230 des Bois-Francis Boulevard South Victoriaville, Québec	1986	8,000	86.8	Burger King
353-357 des Bois-Francis Boulevard South Victoriaville, Québec	1990/1993	40,000	60.6	The Jean Coutu Group (PJC)
379 des Bois-Francis Boulevard South Victoriaville, Québec	1993	6,000	100.0	G.O. Vision
Les Galeries Shawinigan 3353-3493 Royal Boulevard Shawinigan, Québec	1988/2006	24,000	90.7	Bouclair
2722 Royal Boulevard Shawinigan, Québec	2003	17,000	100.0	The Jean Coutu Group (PJC)
400 des Saguenéens Street Saguenay, Québec	1988	19,000	91.0	The Jean Coutu Group (PJC)
520 Saint-Joseph Boulevard Drummondville, Québec	1988	28,000	95.5	The Jean Coutu Group (PJC)
20 Sainte-Anne Boulevard West Sainte-Anne-des-Monts, Québec	1986	23,000	93.0	Dollarama
La Plaza de la Mauricie 3103 Royal Boulevard Shawinigan, Québec	1974/2000/ 2002/2006	224,000	90.0	Métro Richelieu, The Business Depot, Pharmaprix, Hart Stores, L'Aubainerie, Intersport
2600 Saint-Hubert Street Jonquière, Québec	1989	26,000	100.0	The Jean Coutu Group (PJC)
2620 Saint-Hubert Street Jonquière, Québec	2008	40,000	100.0	Sobeys Québec
3321 du Carrefour Street Québec, Québec	2013	5,000	100.0	Développements Ben & Florentine
3315-3317 du Carrefour Street Québec, Québec	1989	17,000,	100.0	Bouclair
Carrefour Frontenac 805 Frontenac boulevard East Thetford Mines, Québec	1959	181,000	96.6	Rona, Provigo Distribution
Carrefour Saint-Georges 8585 Lacroix boulevard Saint-Georges, Québec	1974/1978/ 1992/2002	305,000	82.5	Sears Canada, Bureau en Gros
Centre commercial Rivière-du-Loup 298 Armand-Thériault Boulevard Rivière-du-Loup, Québec	1973/2005	307,000	83.4	Métro Québec immobilier
252 de l'Hôtel-de-Ville Boulevard Rivière-du-Loup, Québec	1997	7,000	100.0	Ivanhoé Cambridge
95 des Cerisiers Street Rivière-du-Loup, Québec	2008	6,000	100.0	Ivanhoé Cambridge
Carrefour Rimouski 419 Jessop Boulevard Rimouski, Québec	1978	345,000	95.4	Canadian Tire, Provigo Distribution
Les Rivières 4125-4575 des Forges Boulevard Trois-Rivières, Québec	1971/1981/ 2001	377,000	72.1	Toys"R"Us, FGL Sports
3925 des Forges boulevard Trois-Rivières, Québec	2000	38,000	100.0	Sobeys Québec

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
1000 des Basses-Terres street <sup>(4)</sup> Québec, Québec	2015	33 000	100.0	Sportium
<b>Sub-total</b>		<b>4,103,000</b>		
<b>Montréal Area</b>				
Carrefour Lachenaie 400 Montée des Pionniers Terrebonne, Québec	2003	6,000	100.0	Groupe TDL
330-334 Montée des Pionniers Terrebonne, Québec	2004	6,000	100.0	La Belle Province
310-322 Montée des Pionniers Terrebonne, Québec	2003	19,000	72.3	Dormez-vous
250-302 Montée des Pionniers Terrebonne, Québec	2005	77,000	100.0	The Brick Warehouse
216-220 Montée des Pionniers Terrebonne, Québec	2008	13,000	81.8	J.M. Clément
Mail Champlain 2151-2153 Lapinière Boulevard Brossard, Québec	1975/ 1977/1988/ 1990/1994/2009	723,000	94.8	Sears Canada, Les ailes de la mode, Hudson's Bay Company, Centre Sports Ouest, Zara Canada, Hennes & Mauritz, YM, Forever 21, Groupe Archambault
Centre Rockland 2305 Rockland Road Mont-Royal, Québec	1959/ 1983/2005	646,000	96.2	YM, FGL sports, Zara Canada, The Linen Chest, Laura's Shoppe, Hudson's Bay Company, Société des alcools du Québec, Shoppers Realty
Galleries Rive-Nord 100 Brien Boulevard Repentigny, Québec	1974/ 1982/1984/ 1990/1999	578,000	97.5	Walmart Canada, FGL Sports, Toys"R"Us, Hennes & Mauritz, Sears Canada
Centropolis – Building A 2888 du Cosmodôme Avenue Laval, Québec	2000	74,000	100.0	Fruiterie 440
Centropolis – Building C 1731-1799 Pierre-Péladeau Avenue and 2777 Saint-Martin Boulevard West Laval, Québec	2000	69,000	86.6	La Cordée plein air
Centropolis – Building Ea 2900-2940 Pierre-Péladeau Avenue and 101 du Centropolis Promenade Laval, Québec	2003	22,000	100.0	The 3 Brewers
Centropolis – Building Eb 105-165 du Centropolis Promenade Laval, Québec	2003	19,000	100.0	Putting Edge
Centropolis – Building Fa 1820-1880 Pierre-Péladeau Avenue Laval, Québec	2001	18,000	44.9	Jack Astor's (Laval) Realty
Centropolis – Building Fb 100-140 du Centropolis Promenade Laval, Québec	2001	15,000	67.0	Développement Allô mon Coco
Centropolis – Building G 1730-1798 Pierre-Péladeau Avenue et 2929-2981 Saint-Martin Boulevard West Laval, Québec	2001	57,000	95.5	Énergie Cardio



Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
Centropolis – Building H 175-245 du Centropolis Promenade Laval, Québec	2001	40,000	100.0	Gauthier & Germain
Centropolis – Building I 485-575 du Centropolis Promenade Laval, Québec	2004	46,000	100.0	RBC Dominion Securities
Centropolis – Building Ja 150-190 du Centropolis Promenade Laval, Québec	2001	15,000	54.5	Les franchises Carlos & Pepe's
Centropolis – Building Jb 200-250 du Centropolis Promenade Laval, Québec	2001	19,000	100.0	Société des alcools du Québec
Centropolis – Building K 450-510 du Centropolis Promenade Laval, Québec	2004	19,000	81.0	Boston Pizza
Centropolis – Building Pa 580-590 du Centropolis Promenade et 1825-1955 Saint-Martin Boulevard West Laval, Québec	2006	28,000	92.2	J.M. Clément
Centropolis – Building Pb 520-572 du Centropolis Promenade Laval, Québec	2006	14,000	70.8	Les Entreprises Zouki's
Centropolis – Building R 595-655 du Centropolis Promenade et 2005-2105 Saint-Martin Boulevard West Laval, Québec	2006	56,000	89.0	A Canadian chartered bank
Centropolis – Colossus 2800 du Cosmodôme Avenue Laval, Québec	2009	100,000	100.0	Famous Players
Méga Centre Saint-Bruno 1479-1481-1483-1485 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	1997	13,000	100.0	Groupe Yellow
1465 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	1997	26,000	100.0	The Business Depot
1475 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	1997	153,000	100.0	Walmart
1495 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	1997	35,000	100.0	Cinéplex Odéon
800 Claude-Juras Boulevard Saint-Bruno-de-Montarville, Québec	2003	30,000	100.0	Hudson's Bay Company
239-245 Samson Boulevard Laval, Québec	1991	41,000	100.0	The Jean Coutu Group (PJC)
2101-2137 Curé-Labelle Boulevard Laval, Québec	2003	65,000	94.6	Sobeys Québec
2760-2784 Jacques-Cartier Boulevard East Longueuil, Québec	2006	24,000	100.0	Énergie Cardio
2790-2794 Jacques-Cartier Boulevard East Longueuil, Québec	2006	6,000	100.0	Les entreprises MTY Tiki Ming

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
1011-1091 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	2007/2008	79,000	97.6	YM, Récréofun
1101-1191 Saint-Bruno Boulevard Saint-Bruno-de-Montarville, Québec	2007/2008	31,000	100.0	Concept Saint-Bruno
340-360 Sir-Wilfrid-Laurier Boulevard Mont-Saint-Hilaire, Québec	2004/2005	24,000	94.3	BBA
370-380 Sir-Wilfrid-Laurier Boulevard Mont-Saint-Hilaire, Québec	1991	46,000	93.8	Buffet chinois Maison Chan
353-361 Sir-Wilfrid-Laurier Boulevard, 345 Honorius-Charbonneau Boulevard and 365 Sir-Wilfrid-Laurier Boulevard Mont-Saint-Hilaire, Québec	1995/1998	72,000	95.3	Supermarché St-Hilaire
377-383 Sir-Wilfrid-Laurier Boulevard Mont-Saint-Hilaire, Québec	2000	9,000	100.0	Geneviève Meunier, Marc Ahmaranian
933 Armand-Frappier Boulevard Sainte-Julie, Québec	2000	14,000	100.0	Caisse populaire Desjardins du Grand-Coteau
600-660 Le Corbusier Boulevard Laval, Québec	2008	59,000	94.0	Dollarama
690 Le Corbusier Boulevard Laval, Québec	2008	43,000	100.0	Sears Canada
720 Le Corbusier Boulevard Laval, Québec	2009	9,000	100.0	A Canadian chartered bank
760-800 Le Corbusier Boulevard Laval, Québec	2008	12,000	100.0	Urbania
830-850 Le Corbusier Boulevard Laval, Québec	2008	10,000	25.0	Panda d'Or
900-950 Le Corbusier Boulevard Laval, Québec	2009	61,000	100.0	Indigo Books & Music, Golf Town, Jysk Linen'n furniture
1020-1050 Le Corbusier Boulevard Laval, Québec	2008	10,000	83.7	Allstate compagnie d'assurance
1090-1130 Le Corbusier Boulevard Laval, Québec	2008	12,000	100.0	Kanda Sushi Bar
1310 Le Corbusier Boulevard Laval, Québec	2008	31,000	100.0	Winners
1340-1350 Le Corbusier Boulevard Laval, Québec	2008	8,000	100.0	Centre Hi-Fi
1160-1170 Le Corbusier Boulevard Laval, Québec	2011	12,000	48.3	A Canadian chartered bank
99 Saint-Jean-Baptiste Boulevard Châteauguay, Québec	1991/2006	4,000	100.0	Pizza Hut
233-237 Saint-Jean-Baptiste Boulevard Châteauguay, Québec	1989/2002	40,000	100.0	The Jean Coutu Group (PJC)
484 25 <sup>th</sup> Avenue Saint-Eustache, Québec	1990/2006	4,000	100.0	Pizza Hut
155 25 <sup>th</sup> Avenue Saint-Eustache, Québec	1989	7,000	81.2	Boulangerie pâtisserie fine douceur RGC
101 Arthur-Sauvé Boulevard Saint-Eustache, Québec	1963/1995	3,000	100.0	Harvey's

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
Place Longueuil 825 Saint-Laurent Street West Longueuil, Québec	1966/1981/ 1986	415,000	76.5	Sobeys Québec, Société québécoise des infrastructures (SQI)
920 Douglas Street Saint-Jean-sur-Richelieu, Québec	1991/2007	4,000	100.0	KFC Canada
947-955 Du Séminaire Boulevard North Saint-Jean-sur-Richelieu, Québec	1972/1994	22,000	100.0	The Jean Coutu Group (PJC)
1200 Nobel Place Boucherville, Québec	1973/1976	64,000	93.6	Énergie Cardio
2054 Curé-Labelle Boulevard Saint-Jérôme, Québec	1990/2007	4,000	100.0	Pizza Hut
324 Curé-Labelle Boulevard Sainte-Thérèse, Québec	1982/1996/ 2006	4,000	100.0	Pizza Hut
670 Principale Street Sainte-Agathe-des-Monts, Québec	1990/2009	4,000	0.0	Vacant
1837 Gascon Road Terrebonne, Québec	1990/2006	4,000	100.0	Pizza Hut
1950 Leonard-De-Vinci Street Sainte-Julie, Québec	1991/2006	4,000	100.0	Pizza Hut
170 Curé-Labelle Boulevard Rosemère, Québec	1970/1981/ 2009	3,000	100.0	Harvey's
1600 Le Corbusier Boulevard Laval, Québec	1967/1998/ 2003/2005	673,000	75.1	Best Buy Canada, The Brick Warehouse, Hudson's Bay Company, The Business Depot
2001 Victoria Avenue Saint-Lambert, Québec	1986	44,000	81.6	The Jean Coutu Group (PJC)
3285 1 <sup>st</sup> Avenue Rawdon, Québec	1990	24,000	100.0	The Jean Coutu Group (PJC)
8 Bromont Boulevard Bromont, Québec	1989/1993	4,000	0.0	Vacant
20 de Toulouse Street Granby, Québec	1989/2006	4,000	100.0	Pizza Hut
255 Crémazie Boulevard West Montréal, Québec	1983/2000	4,000	100.0	Harvey's
2986 Saint-Charles Boulevard Montréal, Québec	1974/1987/ 1990	2,000	100.0	Harvey's
Les Halles de l'Île 7, Place du Commerce Montréal, Québec	2004	17,000	87.2	Quincaillerie Hogg
405 Grand Boulevard L'Île-Perrot, Québec	2001	16,000	83.6	The Jean Coutu Group (PJC)
378-380 Harwood Boulevard Vaudreuil-Dorion, Québec	1996	14,000	100.0	The Jean Coutu Group (PJC)
3900-3918 Saint-Charles Boulevard Montréal, Québec	1990	21,000	86.8	The Jean Coutu Group (PJC)
425-443 Adolphe-Chapleau Street Bois-des-Filion, Québec	1986	40,000	60.1	The Jean Coutu Group (PJC)
4916-4930 Saint-Jean Boulevard Montréal, Québec	1986/2004	20,000	82.7	The Jean Coutu Group (PJC)

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
5510-5520 de la Côte-des-Neiges Road Montréal, Québec	1992	15,000	100.0	The Jean Coutu Group (PJC)
6455-6461 Christophe-Colomb Avenue Montréal, Québec	1960	20,000	84.6	The Jean Coutu Group (PJC)
9021-9041, boulevard Saint-Michel Montréal, Québec	1959	15,000	100.0	The Jean Coutu Group (PJC)
8995 Saint-Michel Boulevard Montréal, Québec	2001	4,000	100.0	A Canadian chartered bank
4211-4219 Wellington Street Montréal, Québec	1927	7,000	100.0	Société des alcools du Québec
895 De La Gauchetière Street West Montréal, Québec	1929/1943/ 1961/1981/ 1999-2005	90,000	95.4	The Business Depot
Alexis Nihon 1500 Atwater Avenue Montréal, Québec	1967/1971/ 1986/1987/ 1988	398,000	97.1	Winners, FGL Sports, Canadian Tire, Sobeys Québec
50 Lionel-Groulx Boulevard Sherbrooke, Québec	1990/2005	5,000	100.0	Pizza Hut
736 King Street East Sherbrooke, Québec	1986/1988	6,000	100.0	Burger King
3005 King Street East Sherbrooke, Québec	1980/1988	6,000	100.0	Burger King
1331-1363 Belvédère Street South Sherbrooke, Québec	1988	16,000	86.5	The Jean Coutu Group (PJC)
231 Sherbrooke Street Magog, Québec	2001	29,000	100.0	Sobeys Québec
235 Sherbrooke Street Magog, Québec	1990	30,000	79.7	The Jean Coutu Group (PJC)
562-566 Saint-Charles-Borromée Street North Joliette, Québec	2001/2009	18,000	100.0	The Jean Coutu Group (PJC)
121 de la Visitation Street Saint-Charles-Borromée, Québec	1991	4,000	100.0	KFC Canada
2065-2071 des Laurentides Boulevard Laval, Québec	1985/2011	25,000	100.0	The Jean Coutu Group (PJC)
1220 des Promenades Boulevard Saint-Bruno-de-Montarville, Québec	2003	3,000	100.0	Tim Hortons
1200 des Promenades Boulevard Saint-Bruno-de-Montarville, Québec	2003	5,000	100.0	Madisons
3500 de la Côte-Vertu Boulevard and 850-980 Beaulac Street Montréal, Québec	1960/1997/ 1998	168,000	89.0	Cinéma méga-plex Spheretech 14, Énergie Cardio, Bar & billard Unison
3300 de la Côte-Vertu Boulevard Montréal, Québec	1999-2002	4,000	100.0	McDonald's Restaurants of Canada
3310 de la Côte-Vertu Boulevard Montréal, Québec	1999-2002	5,000	0.0	Vacant
3450 de la Côte-Vertu Boulevard Montréal, Québec	1999-2002	6,000	100.0	Groupe sportscène

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
3550 de la Côte-Vertu Boulevard Montréal, Québec	1999-2002	6,000	100.0	Mikes
1059-1095 Jean-Baptiste-Rolland Boulevard West Saint-Jérôme, Québec	1998-2004	78,000	35.8	Pier 1 Imports (U.S.)
1035-1049 Jean-Baptiste-Rolland Boulevard West Saint-Jérôme, Québec	1998-2004	24,000	81.1	L'Équipeur
1105-1135 Jean-Baptiste-Rolland Boulevard West Saint-Jérôme, Québec	1998-2004	77,000	100.0	The Business Depot, Jysk Linen'n Furniture, Winners
1051-1055 Jean-Baptiste-Rolland Boulevard West Saint-Jérôme, Québec	1998-2004	17,000	67.7	Énergie Cardio
1165 du Tremblay Road Longueuil, Québec	2003	3,000	100.0	Harvey's
1175 du Tremblay Road Longueuil, Québec	2003	5,000	100.0	Kelsey's
2401 Roland-Therrien Boulevard Longueuil, Québec	2003	22,000	100.0	La caisse Desjardins Pierre-Boucher
2140 King Street East Sherbrooke, Québec	1989/2003	30,000	92.5	The Jean Coutu Group (PJC)
2110 King Street East Sherbrooke, Québec	2000	1,000	100.0	Subway
Mail Montenach 600 Sir-Wilfrid Laurier Boulevard Beloeil, Québec	1975/1989/ 2012	318,000	92.4	Canadian Tire, Métro Richelieu 2000, Librairie Papeterie Citation
560 Sir-Wilfrid Laurier Boulevard Beloeil, Québec	2005	8,000	100.0	Société des alcools du Québec
546 Sir-Wilfrid Laurier Boulevard Beloeil, Québec	2005	4,000	100.0	A Canadian chartered bank
<b>Sub-total</b>		<b>6,555,000</b>		
<b>Ontario Area</b>				
120 de l'Hôpital Boulevard Gatineau, Québec	1996	67,000	90.9	Cinema 9
2310 Saint-Louis Street Gatineau, Québec	1975/1995/ 2003	43,000	95.9	The Jean Coutu Group (PJC)
129 Queensway East Simcoe, Ontario	2000	74,000	100.0	Zellers
600 Mitchell Road South Listowel, Ontario	1995	80,000	100.0	Walmart Canada
39 Warne Crescent Kingston, Ontario	1990	4,000	100.0	Pizza Hut
268 North Front Street Belleville, Ontario	1970/1980/ 1990	4,000	100.0	Pizza Hut
414 Old Highway #2 Trenton, Ontario	1989	4,000	0.00	Vacant

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
429-431 Kent Street Lindsay, Ontario	1989	6,000	100.0	Harvey's
11 Rea Street North Timmins, Ontario	1993	17,000	100.0	Municipal Property Assessment Corporation
126 King Street West Brockville, Ontario	1965	11,000	100.0	Shoppers Drug Mart
205 King Street East Bowmanville, Ontario	1992	9,000	100.0	Perfect Party
1 Commerce Road Lindsay, Ontario	1987/1994	5,000	100.0	Pizza Hut
641 King Street East Gananoque, Ontario	1996	2,000	100.0	Nick Giannakouras (Gogo Pizza)
1571 Sandhurst Circle Toronto, Ontario	1977/1980/ 1990	284,000	95.1	Food Basics, Shopper's Drug Mart, Casa Deluz Banquet Hall, Woodside Square Cinemas
Galleries de Hull 320 Saint-Joseph Boulevard Gatineau, Québec	1972	307,000	96.8	Sears Canada, Fruiterie de l'Outaouais, Shoppers Realty
350 Saint-Joseph Boulevard Gatineau, Québec	2008	8,000	100.0	Bâton Rouge restaurant
Dixie Outlet Mall 1250 South Service Road Mississauga, Ontario	1956/1978/ 1987/1996/ 2003	416,000	91.8	Michaels of Canada, International Clothiers, Laura's Shoppe, YM, Winners Merchants International, Fantastic Flea Market
1490 Dixie Road Mississauga, Ontario	1976	3,000	100.0	Burger King Restaurants of Canada
<b>Sub-total</b>		<b>1,344,000</b>		
<b>Atlantic Provinces</b>				
360 Pleasant Street Miramichi, New Brunswick	1991	25,000	94.0	Department of Social Development
900 Hanwell Road Fredericton, New Brunswick	1991	66,000	89.3	United Parcel Service (UPS)
146-154 Main Street Fredericton, New Brunswick	1970	18,000	71.2	A Canadian chartered bank
403-415 Elmwood Drive Moncton, New Brunswick	1970	26,000	69.5	New Brunswick Liquor Corporation
86 Chain Lake Drive Halifax, Nova Scotia	2011	2,000	100.0	Starbucks Coffee Canada
612 Windmill Road Dartmouth, Nova Scotia	1998	41,000	94.7	Get Air Halifax
20 Record Street Moncton, New Brunswick	1961/1976	51,000	100.0	CO-OP Atlantic
1300 St-Peter Avenue Bathurst, New Brunswick	1968/2009	212,000	90.9	Sears Canada, The Business Depot
11 Wright Street Sackville, New Brunswick	1997/2003	20,000	100.0	CO-OP Atlantic

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
Dartmouth Shopping Centre 118B Wyse Road and 118 Wyse Road Halifax, Nova Scotia	1960/1974/ 1984/1994	90,000	90.2	Loblaw Properties
950 Bedford Highway Halifax, Nova Scotia	1993-1994	24,000	95.3	Shoppers Realty
Sackville Centre 619 Sackville Drive Sackville, Nova Scotia	1992	10,000	88.0	Rick Latta
24 Stavanger Drive St-John's, Newfoundland and Labrador	1994	107,000	0.00	Vacant
3 MacLean Court Port Hawkesbury, Nova Scotia	1989/2008	17,000	0.00	Vacant
Shippagan Mall 229 J.-D.-Gauthier Boulevard Shippagan, New Brunswick	1960/1981	68,000	93.9	Michael Rossy, Loblaw Properties
231 J.-D.-Gauthier Boulevard Shippagan, New Brunswick	1981	3,000	100.0	Tazza Caffè
Sandpiper Centre 71 Cow Bay Road Halifax, Nova Scotia	1991	5,000	100.0	Mike's Dollar Discount Store
69 Cow Bay Road Halifax, Nova Scotia	1991	5,000	100.0	The Nova Scotia Liquor Corporation
81 Cow Bay Road Halifax, Nova Scotia	1991	5,000	100.0	Valuefoods
<b>Sub-total</b>		<b>795,000</b>		
<b>Western Canada</b>				
600 Manning Crossing Edmonton, Alberta	2001	12,000	100.0	Goodwill Industries of Alberta
Scotia Centre 700-2 <sup>nd</sup> Street South West Calgary, Alberta	1975	81,000	92.2	A Canadian chartered bank
<b>Sub-total</b>		<b>93,000</b>		
<b>TOTAL RETAIL PROPERTIES</b>		<b>12,890,000</b>		
<b>INDUSTRIAL AND MIXED-USE PROPERTIES</b>				
<b>Québec City Area</b>				
2383-2393 Watt Avenue Québec City, Québec	1973/1981	66,000	84.2	Boulangerie Pâtisserie Dumas
2345-2349 Dalton Avenue Québec City, Québec	1973/1981	54,000	100.0	Royal Mat, VAST Auto distribution
830 Godin Avenue Québec City, Québec	1978/1994	49,000	100.0	Iron Mountain Canada
1165 Lomer-Gouin Street Québec City, Québec	1941/1978/ 1993	72,000	50.8	Produits Capitale

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
320 de la Canardière Road Québec City, Québec	1980/1993	13,000	53.8	The Jean Coutu Group (PJC)
1990 Cyrille-Duquet Street Québec City, Québec	1976/1977/ 1995/1996	91,000	90.4	Mission-HGE
2006-2010 Lavoisier Street Québec City, Québec	1976	68,000	100.0	United Auto Parts
2022 Lavoisier Street Québec City, Québec	1978	59,000	81.7	Réseau Furtive
2025 Lavoisier Street Québec City, Québec	1978/1983/ 1990	37,000	100.0	AVW-TELAV
2015 Lavoisier Street Québec City, Québec	1974	2,000	100.0	Modulaire Plus
280 Racine Street Québec City, Québec	1984/1986	16,000	100.0	Dollarama
5130 Rideau Street Québec City, Québec	1988	24,000	100.0	Toromont Industries
2955 Kepler Avenue Québec City, Québec	1978	15,000	100.0	Groupe conseil en croissance urbaine
1400 Saint-Jean-Baptiste Avenue Québec City, Québec	1979/1995	106,000	75.6	Meubles Zip International, Mega Fitness Gym
1515 Saint-Jean-Baptiste Avenue Québec City, Québec	1979/1989	62,000	93.7	Meubl'en vrac
955 Saint-Jean-Baptiste Avenue Québec City, Québec	1978/1991	33,000	100.0	Location Brossard
2020 Cyrille-Duquet Street Québec City, Québec	1968	41,000	100.0	Quillorama Duplessis
2100 Cyrille-Duquet Street Québec City, Québec	1962/1975/ 1995	32,000	100.0	Weston Foods (Canada)
2150 Cyrille-Duquet Street Québec City, Québec	1970/1985/ 1994	22,000	100.0	Nutaq Innovation
2160 Cyrille-Duquet Street Québec City, Québec	1965/1981/ 1994	45,000	83.1	Centre de couture Montcalm
2180 Cyrille-Duquet Street Québec City, Québec	1969/1984/ 1997/2003	20,000	60.4	Mobilier International
100 Chabot Street Québec City, Québec	1968/1986/ 2004	60,000	86.0	Bingo de la Capitale, Jouet K.I.D.
310 Métivier Street Québec City, Québec	1972/1991	19,000	100.0	Centre Hydraulique GMB
454-456 Marconi Avenue Québec City, Québec	1984	16,000	100.0	Information communication services (ICS)
1730-1790 Newton Avenue Québec City, Québec	1987	63,000	100.0	Unisource, Her Majesty the Queen
5000 Rideau Street Québec City, Québec	1995	2,000	100.0	Her Majesty the Queen
5125 Rideau Street Québec City, Québec	1987/1997	12,000	100.0	Canpar Transport



Income Properties	Year Built/ Renovated	Leasable		% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )			
4600 Sainte-Anne Boulevard Québec City, Québec	1974/1977/ 1985/1988	39,000		100.0	Comité financement loisir communautaire Beauport
625 des Canetons Street Québec City, Québec	1989	20,000		100.0	United Parcel Service (UPS)
4975 Rideau Street Québec City, Québec	1990	33,000		100.0	Café G.A.R.
2755 Dalton Avenue Québec City, Québec	1971/1989	24,000		100.0	Distribution 20/20
120 de New York Street Saint-Augustin-de-Desmaures, Québec	2006	34,000		100.0	Équipement SMS
650 Godin Avenue and 460 Desrochers Street Québec City, Québec	1967/1975/ 1977	189,000		95.7	Société québécoise des infrastructures (SQI), Imprimerie Solisco
625 Godin Avenue Québec City, Québec	1989/1990	61,000		100.0	Messageries Dynamiques, a division of Communications Quebecor
579 Godin Avenue Québec City, Québec	1981/1999/ 2007	22,000		100.0	Linde Canada
2700 Jean-Perrin Street Québec City, Québec	1987/1998	129,000		87.8	Imprimerie Litho-Chic
2181-2211 Léon-Harmel Street Québec City, Québec	1974/2003	71,000		93.3	C.S.S.T., Investissement BBL
1540 Cyrille-Duquet Street Québec City, Québec	2000	9,000		100.0	Caravane Marco (2008)
445 Saint-Jean-Baptiste Avenue Québec City, Québec	1986/2003	92,000		92.9	Rosedale Transport
450-500 Saint-Jean-Baptiste Avenue Québec City, Québec	1987	87,000		63.4	Fiso Technologies
5275 Wilfrid-Hamel Boulevard Québec City, Québec	1981	30,000		80.4	Acousti-Plus
1670 Semple Street Québec City, Québec	1972/2000	89,000		81.0	Impecca image et impression
2500 Jean-Perrin Street Québec City, Québec	1998	76,000		85.6	Proludik
2600 Jean-Perrin Street Québec City, Québec	2001	49,000		91.5	Laboratoires Choisy
765 Godin Avenue Québec City, Québec	1976/1989	15,000		100.0	Tyco International of Canada
1041 Pierre-Bertrand Boulevard Québec City, Québec	1963/2002	116,000		100.0	Sears Canada, Déménagement & Transport Dolbec, Centre Massicotte
989 Pierre-Bertrand Boulevard Québec City, Québec	1974/1994	38,000		95.9	Impression Pro-design
955 Pierre-Bertrand Boulevard Québec City, Québec	1995	48,000		59.8	PMT/Roy assurances et services financiers
1080 des Rocailles Street Québec City, Québec	1995	48,000		100.0	Wolseley Canada
235 Fortin Street Québec City, Québec	1996	26,000		100.0	Frito-Lay/Pepsico

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
275 Métivier Street Québec City, Québec	2003	39,000	94.8	Descair, Larose et Fils
300 Métivier Street Québec City, Québec	2004	29,000	100.0	Déménagement & Transport Dolbec
1255 des Artisans Street Québec City, Québec	2007	44,000	100.0	Produits Forestiers C.J.P.
275 Saint-Sacrement Avenue Québec City, Québec	1949/2006	61,000	80.7	City of Québec
1775 Léon-Harmel Street Québec City, Québec	2004	22,000	100.0	Wolseley Canada
2600 Saint-Jean-Baptiste Avenue Québec City, Québec	2004	35,000	100.0	Telops
2800 Saint-Jean-Baptiste Avenue Québec City, Québec	2004	102,000	94.0	Siemens Canada, Groupe immobilier Desjardins
3000 Saint-Jean-Baptiste Avenue Québec City, Québec	2004	47,000	100.0	Société québécoise des infrastructures (SQI)
1990 5th Street Lévis, Québec	2008	51,000	100.0	Société québécoise des infrastructures (SQI)
1986, 5th Street Saint-Romuald, Québec	2015	33 000	100.0	Groupe immobilier Desjardins
795 J.-Ambroise-Craig Street Lévis, Québec	1997/1999	23,000	100.0	Les équipements E.B.M.
820 Alphonse-Desrochers Street Lévis, Québec	2004	212,000	100.0	Groupe Colabor
1870 Saint-Paul Boulevard Saguenay, Québec	1964/1978/ 2007/2008	133,000	100.0	Groupe Colabor
1010 Godin Avenue Québec City, Québec	1985	65,000	100.0	Déménagement & Transport Dolbec
125 Fortin Street Québec, Québec	2013	50,000	100.0	SGS Canada
185 Fortin Street Québec, Québec	2015	68 000	80.3	Isaute Québec, Shred-it
750 Olivier Road Lévis, Québec	1992/1994	25,000	66.9	Manac
5205 Rideau Street Québec, Québec	1994	24,000	100.0	Federal Express Canada
336 Montée Industrielle Rimouski, Québec	1996	4,000	100.0	Air Liquide Canada
505 du Parc-Technologique Boulevard Québec, Québec	2002	99,000	100.0	Olympus NDT Canada
4148-4150 de Portland Boulevard Sherbrooke, Québec	2000	68,000	100.0	Bombardier Recreational Products
<b>Sub-total</b>		<b>3,678,000</b>		
<b>Montréal Area</b>				
2125 23 Avenue Montréal, Québec	1974	199 000	100.0	Domtar

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
2177 23 Avenue Montréal, Québec	1977	210 000	100.0	Intramodal warehouses
5205 Fairway St. Montréal, Québec	1959	288 000	100.0	Remco
8288 Pie-IX Boulevard Montréal, Québec	1989	120,000	100.0	Belron Canada
1415 32nd Avenue Montréal, Québec	1989/1993	72,000	100.0	C.A.C. 3000
1455 32nd Avenue Montréal, Québec	2001	33,000	100.0	GGI International
1475 32nd Avenue Montréal, Québec	1988	92,000	100.0	Pneutech-Rousseau Group, Acier Airport Steel
3300 Jean-Baptiste-Deschamps Boulevard Montréal, Québec	1989	19,000	100.0	Paquette White
9100 du Parcours Street Montréal, Québec	1998/2000	123,000	100.0	Ventrol Air Handling Systems
10550 Parkway Boulevard Montréal, Québec	1964/1972	110,000	100.0	Produits de sécurité North
2105 Dagenais Boulevard West Laval, Québec	1999/2003	277,000	100.0	Dura Housewares, Yourtruckshop, Minimedia International, Sims Group Recycling Solutions Canada, Premium Brands Operating, Groupe Opex
894-930 Bergar Street Laval, Québec	1989	33,000	100.0	Kinecor SC
901-937 Michelin Street Laval, Québec	1988	43,000	100.0	Straub Collaborative
3370-3418 Industriel Boulevard Laval, Québec	1986	55,000	100.0	Les industries Mecanorack
3401-3421 Industriel Boulevard Laval, Québec	1986	53,000	100.0	ATMPRQ, Rexel Canada Électrique
1405-1453 Bergar Street Laval, Québec	1988	33,000	100.0	Liftow
3424-3428 Francis-Hughes Avenue Laval, Québec	2003	16,000	100.0	Trane Québec
1315 Gay-Lussac Street Boucherville, Québec	1991	44,000	100.0	Produits Paklab
40 du Tremblay Road Boucherville, Québec	1991/2006	143,000	100.0	Groupe BMR inc.
620-650 Giffard Street Longueuil, Québec	1980	53,000	100.0	Sonepar Canada
667-687 Giffard Street Longueuil, Québec	1980	43,000	94.8	Trane Canada ULC
784-818 Guimond Boulevard Longueuil, Québec	1988	82,000	91.9	Les Technologies Clemex
9101-9175 des Sciences Boulevard Montréal, Québec	1999/2000	71,000	100.0	Hibbert International, Lallemand, Collection Tuff Avenue
1675 de Montarville Boulevard Boucherville, Québec	1989/2003	142,000	100.0	Groupe Master

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
5250 Armand-Frappier Street Longueuil, Québec	1992	59,000	100.0	Hydro-Québec
1405-1495 55th Avenue Dorval, Québec	2001	66,000	88.4	International Paint, division of Akzo Nobel Coatings, AMJ Campbell International – Montréal
4500-4536 Louis-B.-Mayer Street Laval, Québec	2004	47,000	100.0	Les Services EXP
2900-2976 Joseph-A.-Bombardier Street Laval, Québec	2006	104,000	100.0	Caterpillar of Canada, Mitek Canada, Distribution Nordix
3025 Joseph-A.-Bombardier Street Laval, Québec	2006/2007	78,000	100.0	Wood Wyant Canada, Star Pipe Canada
4451-4479 Laval Highway West Laval, Québec	2004	116,000	94.3	Groupe Dagenais
330 Avro Avenue Pointe-Claire, Québec	1991/1998	89,000	100.0	Motion Industries (Canada)
19701 Clark-Graham Avenue Baie-D'Urfé, Québec	1987	162,000	0.0	Revitalization under way
940 Bergar Street Laval, Québec	1987	15,000	100.0	Brite-Lite Maintenance
11000-11020 Parkway Boulevard Montréal, Québec	1965	217,000	100.0	Cryopak Industries 2007, Data Group, Meubles Concordia
20 Hymus Boulevard Pointe-Claire, Québec	1986	61,000	100.0	Diversifié Ulbrich du Canada
2156-2168 de la Province Street Longueuil, Québec	1990	41,000	100.0	Futech Longueuil
2170 de la Province Street Longueuil, Québec	1990	23,000	100.0	Exprolink
715 Delage Street Longueuil, Québec	1990	42,000	100.0	Équipement d'essai aérospatial
6445 de la Côte-de-Liesse Road Montréal, Québec	1980/1999	50,000	100.0	SE CE Appareil
19100-19180 Trans-Canada Highway Baie-D'Urfé, Québec	1987	25,000	83.3	G Production
3600 Matte Boulevard Brossard, Québec	1988	27,000	74.5	Nasuco Canada
3650 Matte Boulevard Brossard, Québec	1987	43,000	100.0	Cedarome Canada
115 de Vaudreuil Street Boucherville, Québec	1987	16,000	92.4	Laboratoire Sol-labo
3071-3075 Louis-A.-Amos Street and 1922-1996 Onésime-Gagnon Street Montréal, Québec	1987	164,000	94.4	GE Lighting Solutions, AVW Telav
1615-1805 55th Avenue Dorval, Québec	1990	158,000	100.0	John L. Schultz, Option 2, Plastiques innovants Sabic Canada, Transport Midland
3339-3403 Griffith Street Montréal, Québec	1987	117,000	93.0	Henry Schein Ash Arcona
8100 Cavendish Boulevard Montréal, Québec	1981	115,000	100.0	Intramodal Warehouses

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
1949 Onésime-Gagnon Street Montréal, Québec	1988	96,000	72.4	Richards Packaging
2260 32 <sup>nd</sup> Avenue and 3142-3190 Joseph-Dubreuil Street Montréal, Québec	1983	92,000	47.6	Rogers Communications
2102-2150 32 <sup>nd</sup> Avenue Montréal, Québec	1984	77,000	77.3	East West Plastic and Electric Products
2024-2080 32 <sup>nd</sup> Avenue Montréal, Québec	1984	68,000	100.0	AVW-TELAV
6320-6380 de la Côte-de-Liesse Road Montréal, Québec	1955/1981/ 1990	58,000	65.8	Fédération des Caisses Desjardins du Québec
2025 Metropole Street Longueuil, Québec	1977/1993	201,000	100.0	Les métaux Tremblay, Solution extrême
1925-1975 Hymus Boulevard Dorval, Québec	1988	104,000	96.6	Ceva Freight Canada, Apple Express Courier, PNH Enterprises
80-140 Lindsay Avenue Dorval, Québec	1986	44,000	87.9	Centre de conformité ICC
8411-8453 Dalton Road Mount-Royal, Québec	1975	30,000	0.0	Revitalization under way
8459-8497 Dalton Road Mount-Royal, Québec	1975	41,000	100.0	Muxlab
8545-8579 Dalton Road Mount-Royal, Québec	1987	38,000	86.9	VWR Scientifique du Canada
8605-8639 Dalton Road Mount-Royal, Québec	1986	37,000	55.9	UTV international
7527-7583 Henri-Bourassa Boulevard Montréal, Québec	1975	113,000	82.5	Mr. Ralph Di Orio Mr. François Perrier, Mr. Mathieu Riel, Mr. Marc Beaulieu
8552-8648 Pie-IX Boulevard Montréal, Québec	1988	141,000	89.7	Memtronik Innovations, Groupe Corlab
8740-8878 Pie-IX Boulevard Montréal, Québec	1992	164,000	92.7	Bédard Ressources, Peerless Clothing, Commonwealth Home Fashions
7075 Robert-Joncas Place Montréal, Québec	1975	219,000	79.8	Best Buy Canada, Purolator Courier, Tornatech
1225 Volta Street Boucherville, Québec	1988/1991	226,000	100.0	Sysco
2000 Halpern Street Montréal, Québec	1977	527,000	100.0	Corporation de développement logistique LDC
1111 46th Avenue Montréal, Québec	1973	107,000	100.0	Vitesse Transport
1200 55th Avenue Montréal, Québec	1987	68,000	100.0	A.R. Medicom
5055 Lévy Street Montréal, Québec	1989/1990	61,000	100.0	TI-Titanium
2400 Trans-Canada Highway Pointe-Claire, Québec	1969/1976/ 1995	111,000	100.0	Elfe Juvenile Products
243 Hymus Boulevard Pointe-Claire, Québec	1969	40,000	100.0	Peloton Pharmaceuticals

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
2555 Pitfield Boulevard Montréal, Québec	2003	99,000	100.0	Arden Holdings
731-749 Meloche Avenue and 11450 de la Côte-de-Liesse Road Dorval, Québec	1979	36,000	100.0	Gemmar Ordinateurs International
703-729 Meloche Avenue Dorval, Québec	1980	32,000	89.3	True World Foods of Canada
679-701 Meloche Avenue and 135-137 Lindsay Avenue Dorval, Québec	1981	35,000	100.0	Les produits d'ingénierie North Star
1730-1850 55th Avenue and 5435 François-Cusson Street Montréal, Québec	1986	77,000	70.4	Transit Nord-Plus
1520-1660 55th Avenue and 5430 Fairway Street Montréal, Québec	1986	79,000	58.3	Mosa Group
1875 55th Avenue and 20-62 Lindsay Street Dorval, Québec	1988	82,000	57.6	Omnimedia
72 du Tremblay Road Boucherville, Québec	2008	29,000	100.0	Société en commandite Strongco
3855 Matte Boulevard Brossard, Québec	2009	31,000	100.0	Nortrax Canada
2685-2715 Francis-Hughes Avenue Laval, Québec	1975	40,000	32.6	Show Canada Industries
2745 Francis-Hughes Avenue Laval, Québec	1999/2002	31,000	100.0	Roy livraison spécialisée
4141-4149 Highway 440 Laval, Québec	1977/1986	196,000	90.3	Staples Canada
730 Industrial Boulevard Blainville, Québec	2000	43,000	100.0	Xebec Adsorption
895 De La Gauchetière Street West Montréal, Québec	1929/1943/ 1961/1981/ 1999/2005	1,015,000	100.0	Compagnie des chemins de fer nationaux du Canada, Nexacor Realty Management
5200, J-A Bombardier Longueuil, Québec	2006	46,000	100.0	Les produits de papier Lapaco
2789-2855 Le Corbusier Boulevard Laval, Québec	1981	59,000	100.0	S.D. Variations
900-950 Saint-Martin Boulevard West Laval, Québec	1975/1988	143,000	100.0	Messageries dynamiques, division du réseau Québecor Média, Comark
1415-1531 Berlier Street Laval, Québec	1981/2002	71,000	88.2	Le Groupe Master
982-1002 Jean-Neveu Street Longueuil, Québec	1988	29,000	100.0	Location Luber
938-952 Jean-Neveu Street Longueuil, Québec	1989	28,000	71.5	Macpek
908-926 Jean-Neveu Street Longueuil, Québec	1989	28,000	100.0	Footbest

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
847-896 Jean-Neveu Street Longueuil, Québec	1994	29,000	70.4	SP International
601-623 Le Breton Street Longueuil, Québec	1975	49,000	100.0	Coalision
2115-2147 de la Province Street Longueuil, Québec	1987	48,000	64.9	Cima + s.e.n.c.
601-631 Bériault Street Longueuil, Québec	1989	49,000	87.3	Îlot 307
1351 Gay-Lussac Street Boucherville, Québec	1995	13,000	100.0	Sinclair dental
35 de Lauzon Street Boucherville, Québec	1990	29,000	100.0	Northeastern Swimming Pool Distributors
90 Marie-Victorin Boulevard Boucherville, Québec	1998	25,000	100.0	Air liquide Canada
1550 de Coulomb Street Boucherville, Québec	1994/1998	10,000	100.0	Keystone Manufacturing (Plastic)
10 Place du Commerce Brossard, Québec	2001	18,000	100.0	Société canadienne des postes
7 Place du Commerce Brossard, Québec	1977	32,000	100.0	Marché C&T
9 Place du Commerce Brossard, Québec	1976	51,000	49.8	Maison de vêtements Piacente
605-607 Deslauriers Street Montréal, Québec	1972	44,000	100.0	Dalcon
295-371 Deslauriers Street Montréal, Québec	1973	135,000	100.0	Essilor Canada, Métaux Satellite
375-455 Deslauriers Street Montréal, Québec	1972	139,000	95.1	Hostmann Steinberg, Graphiques Cosmex
457-485 and 491-533 Deslauriers Street Montréal, Québec	1972	135,000	82.6	Rideau Recognition Solutions
555 and 604-678 Deslauriers Street Montréal, Québec	1971	67,000	86.4	Armen industries
295-341 Benjamin-Hudon Street and 255 Deslauriers Street Montréal, Québec	1972	54,000	93.6	Jirstrek Fruits
600-610 Bériault Street Longueuil, Québec	1974/2008	56,000	100.0	Ivex emballage protecteur, Wolseley Canada
2044 de la Province Street Longueuil, Québec	1987	50,000	100.0	Kosma-Kare Canada
2060-2068 de la Province Street Longueuil Québec	1984	45,000	100.0	Multotec Canada
2099-2111 de la Province Longueuil Québec	1974	51,000	100.0	Ivex emballage protecteur
789-799 Jean-Paul-Vincent Boulevard Longueuil, Québec	1982/1987	125,000	96.8	Germain Larivière, Ivex emballage protecteur
839-859 Jean-Paul-Vincent Boulevard Longueuil, Québec	1985	92,000	94.9	Solarcan Portes & Fenêtres

Income Properties	Year Built/ Renovated	Leasable		Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )	% Leased	
877 Jean-Paul-Vincent Boulevard Longueuil, Québec	1986/1989	106,000	86.2	Echantillons KD, Atelier de la flèche de fer
2099-2109 Fernand-Lafontaine Boulevard Longueuil, Québec	1988/1993	65,000	88.9	Exide Technologies Canada, Aleees Eco Ark Canada
2177 Fernand-Lafontaine Boulevard Longueuil, Québec	2000/2008	74,000	100.0	Aliments Ultima
2199 Fernand-Lafontaine Boulevard Longueuil, Québec	2002	209,000	100.0	Yves Rocher Amérique du Nord, SCI Logistics
2525 Fernand-Lafontaine Boulevard Longueuil, Québec	1991/1992	72,000	100.0	Commission Scolaire Marie-Victorin
730 Delage Street Longueuil, Québec	2004/2011	62,000	100.0	Produits Forestiers CJP
830 Delage Street Longueuil, Québec	2000	50,000	100.0	D+H Financial Technologies
770 Guimond Boulevard Longueuil, Québec	1975/2009	117,000	100.0	Les Promotions Atlantiques
2625 Jacques-Cartier Boulevard Longueuil, Québec	2012	63,000	95.1	Lennox industries (Canada), Waterco Canada, Métaux solutions
1280 Nobel Street Boucherville, Québec	1972/1991/ 1994	52,000	100.0	V. Boutin Express
1201-1203 Marie-Victorin Street Saint-Bruno-de-Montarville, Québec	1991	145,000	100.0	Norfil
3300 Trans-Canada Highway Pointe-Claire, Québec	1975/1980/ 1983/1998	218,000	100.0	Pretium Canada
3000 Trans-Canada Highway Pointe-Claire, Québec	1960	199,000	100.0	Chrysler Canada
<b>Sub-total</b>		<b>11,859,000</b>		

**Ontario Area**

1201 California Avenue Brockville, Ontario	1978/1982/ 1985	94,000	100.0	The Data Group
6300 Northwest Drive Mississauga, Ontario	1990	26,000	100.0	Bafco Canada
6280 Northwest Drive Mississauga, Ontario	1990	21,000	100.0	IGT Canada
3415 American Drive Mississauga, Ontario	1984	31,000	100.0	Versent
3405 American Drive Mississauga, Ontario	1984	20,000	100.0	Caburgraphic
3403 American Drive Mississauga, Ontario	1984	19,000	100.0	Trillium Meditec
3397 American Drive Mississauga, Ontario	1985	46,000	95.5	Directcash Management
3395 American Drive Mississauga, Ontario	1984	16,000	91.9	IQ Business Events



Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
3355 American Drive Mississauga, Ontario	1988	113,000	100.0	Bestbuy Distributors
6295 Northam Drive Mississauga, Ontario	1990	42,000	94.3	Mueller Canada
6325 Northam Drive Mississauga, Ontario	1994	77,000	100.0	Buckley 1892
6305 Northam Drive Mississauga, Ontario	1990	34,000	100.0	Bulloch Technologies
6275 Northam Drive Mississauga, Ontario	1997	50,000	100.0	Sinclair Dental
400 Nugget Avenue Toronto, Ontario	2005	635,000	100.0	Cinram Canada Operations
<b>Sub-total</b>		<b>1,224,000</b>		
<b>Atlantic Provinces</b>				
291 Industrial Drive Saint John, New Brunswick	1987/1994	33,000	100.0	Interplast Bags and Films
385 Wilsey Road (Bates Building) Fredericton, New Brunswick	1974/1975 1994	32,000	91.2	Habitat for Humanity Fredericton Area
50, 70 and 110 Crown Street (Courtenay Centre) Saint John, New Brunswick	1965	33,000	49.3	Her Majesty the Queen
1080 Champlain Street Dieppe, New Brunswick	2004	37,000	97.3	Johnston Equipment
115 Whiting Road Fredericton, New Brunswick	2004	17,000	83.4	Samuel Strapping Systems
140 MacNaughton Avenue Moncton, New Brunswick	2002	38,000	100.0	Molson Breweries
125 Whiting Road Fredericton, New Brunswick	1975	44,000	86.0	Kerr Controls
140 Alison Boulevard Fredericton, New Brunswick	2006/2007	47,000	92.7	Xplornet Communications
190 Alison Boulevard Fredericton, New Brunswick	2013	29,000	58.6	Acklands Grainger
420 Wilsey Road Fredericton, New Brunswick	1971	19,000	82.7	Atlantic Hydrogen
440 Wilsey Road Fredericton, New Brunswick	1970	45,000	85.6	Enbridge Gas New Brunswick
50 MacNaughton Avenue Moncton, New Brunswick	2007	20,000	71.3	SMS Equipment
245 Hilton Road (Hilton Building) Fredericton, New Brunswick	1975	18,000	86.9	Her Majesty the Queen
727 Wilsey Road Fredericton, New Brunswick	2002	14,000	100.0	Purolator Courier
749 Wilsey Road Fredericton, New Brunswick	1970/2005	16,000	100.0	Coast Tire & Auto Services
520 Edinburgh Drive Moncton, New Brunswick	1980/1993/ 2003	38,000	92.6	Stellar Industrial Sales

Income Properties	Year Built/ Renovated	Leasable	% Leased	Selected Clients <sup>(2)</sup>
		Area (ft <sup>2</sup> )		
699 Champlain Street Dieppe, New Brunswick	1981	10,000	100.0	Nanoptix
120-140 Commerce Street Moncton, New Brunswick	1996-1998	66,000	0.0	Revitalization under way
114 Price Street Moncton, New Brunswick	1968/1973/ 1976	183,000	100.0	CO-OP Atlantic
33 Henri Dunant Street Moncton, New Brunswick	1969	118,000	100.0	CO-OP Atlantic
22 Carr Crescent Gander, Newfoundland and Labrador	1973	60,000	0.0	Vacant
667 Barnes Drive Halifax, Nova Scotia	2000	29,000	100.0	Purolator Courier
<b>Sub-total</b>		<b>946,000</b>		
<b>Western Canada</b>				
640-820 28 <sup>th</sup> Street North East Calgary, Alberta	1980	138,000	86.1	Suncor Energy, Sumwa Trading, Brink's Canada, Golder Associates
560 Camiel Sys Street Winnipeg, Manitoba	2007	43,000	100.0	Fedex Ground Package System
<b>Sub-total</b>		<b>181,000</b>		
<b>Total Industrial And Mixed-Use Properties</b>		<b>17,888,000</b>		
<b>Total Portfolio</b>		<b>45,352,000</b>		

**Notes:**

- (1) These figures are as at December 31, 2015 and are calculated on a per square foot basis of occupied space (and in the case of retail space, calculated in commercial retail units (CRU)) as at such date.
- (2) Client with a leasable area of more than 15,000 sf or main client of the property.
- (3) Corresponds to the REIT's proportion (50%) in Société en commandite CJD. See also "PART 4 – Description of the Business – 4.8 Investments in Joint Ventures".
- (4) Corresponds to the REIT's portion (50%) in Société en commandite Bouvier-Bertrand. See also "PART 4 – Description of the Business – 4.8 Investments in Joint Ventures".

#### 4.4.3 DESCRIPTION OF 10 OF THE REIT'S MAJOR BUILDINGS IN TERMS OF VALUE AS OF DECEMBER 31, 2015

##### ***2590-2640 Laurier Blvd., Québec, Québec***

Place de la Cité in Québec City is a fully-integrated multifunctional office and retail complex of approximately 1.03 million square foot built between 1988 and 2004, which comprises approximately 760,000 square feet of Class "A" office space and 265,000 square feet of retail space, including a 40,000 square foot clinic. Place de la Cité enjoys a prime location on Laurier Boulevard, the most important thoroughfare of the Borough of Sainte-Foy-Sillery and into Québec, and is strategically situated between two major shopping centres comprising approximately 1.7 million square feet of retail space in the aggregate. Université Laval, which is attended by approximately 48,000 students, is in the immediate vicinity. Major tenants include the Société québécoise des infrastructures (SQI), la Cité Médicale, AON Canada and a Canadian chartered bank.

##### ***2001 McGill College Avenue, Montréal, Québec***

This 24-storey office building of approximately 511,000 square foot was built in 1982 on 50,973 square feet of land. Located at the corner of McGill College Avenue and Sherbrooke Street West, in the heart of the business district, it is 86.8% leased and has approximately 305 indoor parking spaces. Major tenants include SITA (Société internationale de télécommunications aéronautiques), a Canadian chartered bank, McGill University, Equant Canada (Orange Business Services), BFL Canada Risk and Insurance, Eidos Interactive Corporation, Joli-Cœur Lacasse, the Lucie and André Chagnon Foundation and Street Trust Company Canada.

##### ***Complexe de la Gare Centrale 895 De La Gauchetière Street West, Montréal, Québec***

The *Complexe de la Gare Centrale* is located in downtown Montréal, in the heart of the business district. The complex consists of an office tower, a shopping centre, CN central station, parking spaces and rail spaces. The 626,000 square-foot office tower is mainly occupied by CN headquarters which occupies about 572,000 square feet. The shopping centre is approximately 90,000 square feet which is set up as a food court (Halles de la Gare). The main retail client in the shopping centre is Bureau en Gros (Staples). The complex also includes 1,623 parking spaces and a rail section of about 990,000 square feet. The property was built in several phases, beginning with central station in 1929, followed by several expansions in 1943, 1961, 1981 and 1995. The office tower was completely renovated between 1999 and 2005. Overall, the occupancy rate of the complex is 99.6%.

##### ***Scotia Centre 700 2<sup>nd</sup> Street S.W., Calgary, Alberta***

This 42-storey and 525,000 square-foot tower, which includes a 81,000 square-foot shopping centre, is built on a 55,555 square-foot lot. The property is strategically located in downtown Calgary. The building was originally built in 1975 and was subsequently renovated in 1988 and 1998. In addition, the food court section was renovated recently. The tower is rented at 98.7% and offers 84 indoor parking spaces spread over two storeys. Some of the major tenants include, among others, a Canadian bank, Shaw Cablesystems, NuVista Energy, Harvest Operations Corp. and Maj-Car Management & Investments.

##### ***Alexis-Nihon 3400 de Maisonneuve Blvd. West, Montréal, Québec, and 1500 Atwater Ave., Montréal, Québec***

Located in downtown Montréal, the Alexis Nihon complex consists of a shopping centre, two office towers, a residential tower, and a parking area. The office spaces represent a leasable area of approximately 610,000 square feet and the shopping centre's area is 398,000 square feet. The residential tower contains 426 units of various sizes and layouts. The three-tier parking area contains 1091 spaces.

The shopping centre has four main tenants Winners, FGL Sports, Canadian Tire, Sobeys Québec, and a mix of national and local tenants. The two office towers are considered Class A spaces and some of the major tenants include Hapag Lloyd (Canada), Dale Parizeau Morris MacKenzie, KSH solutions, Netbx Services, AGA Benefit Solutions, Tecsys, Xerox Canada, Oceanwide, Fédération des médecins omnipraticiens du Québec. The shopping centre was built in 1968, the residential tower was built in 1971, the office tower located at 1 Place Alexis Nihon (Xerox Tower) was built in 1987-1988 and the office tower located at 2 Place Alexis Nihon was completed in 1986.

**Centre Les Rivières**  
**4125-4575 des Forges Blvd., Trois-Rivières, Québec**

This 377,000 square-foot regional shopping centre is erected on a 1,594,005 square-foot land and includes 3,467 outdoor parking spaces. Les Rivières is the largest enclosed shopping centre in the Québec-Montréal corridor and constitutes the main shopping destination in the Mauricie region. The building is located at the corner of des Forges Boulevard and Rigaud Boulevard, two commercial arteries of Trois-Rivières from which the property has a great visibility. It was built in 1971 and extended in 1981 and 2001. The building is 72.1% leased and the main tenants are Toys"R"Us and FGL Sports.

**Galeries Rive-Nord**  
**100 Brien Blvd., Repentigny, Québec**

This 578,000 square-foot regional shopping centre is located in the city of Repentigny on Montréal's North Shore. Built in 1974, Les Galeries Rive-Nord has been renovated in several phases, particularly in 1975, 1982, 1984 and 1990. In 1999, a second storey was built above the Sears area. The food court was completely renovated in 2005. Facing Highway 40, Les Galeries Rive-Nord is strategically situated close to Brien Boulevard. The property is located in the most active commercial area in Repentigny. The main tenants are Walmart Canada, FGL Sports, Toys"R"Us, Hennes & Mauritz and Sears Canada.

**Mail Champlain**  
**2151-2153 Lapinière Blvd., Brossard, Québec**

This 723,000 square-foot regional shopping centre is located in the city of Brossard on Montréal's South Shore. Built in 1975, Mail Champlain has been renovated in several phases, particularly in 1977, 1988, 1990, 1994 and in the early 2000s. In 2009, major investments were made to renovate common areas, entrances and the food court, as well as incentives to attract renowned tenants. Main tenants include Sears, Hudson's Bay Company, FGL Sports, Forever 21, Archambault and YM. The occupancy rate is 94.8%.

**Centre Rockland**  
**2305 Rockland Road, Mont-Royal, Québec**

This 646,000 square-foot regional shopping centre is erected on a 937,208 square-foot land and includes 2,720 outdoor parking spaces. The property was built in 1959 and renovated in 1983 and 2005. Strategically located along Highway 40, Centre Rockland enjoys excellent visibility. The building is rented at 96.2%. Main tenants include YM, FGL Sports, Zara Canada, Linen Chest, Laura's Shoppe, Hudson's Bay Company, SAQ and Shoppers Realty.

**Dixie Outlet Mall**  
**1250 South Service Road, Mississauga, Ontario**

This 416,000 square-foot regional shopping centre is erected on a 1,665,734 square-foot land and includes 2,500 outdoor parking spaces. The property was built in 1956, extended in 1978 and 1987 and substantially renovated in 1996 and 2003. Dixie Outlet Mall is strategically located and is 91.8% leased. The main tenants are Michaels of Canada, International Clothiers, Laura's Shoppe, YM, Winners Merchants International and Fantastic Flea Market.

## **4.5 FINANCINGS**

As at December 31, 2015, the REIT's debt ratio stood at 53.9%, consisting of fixed-rate hypothec loans, Senior Unsecured Debentures and bank loans. Mortgages payable represented approximately 46.4% of total debt, whereas Senior Unsecured Debentures represented approximately 45.0% of total debt. As at December 31, 2015, the weighted average contractual interest rate of mortgages payable was 4.46% per year, and the weighted average residual term of mortgages payable was 5.4 years. The weighted average interest rate stood at approximately 3.95% for Senior Unsecured Debentures.

### **4.5.1 BANK BORROWINGS**

As at December 31, 2015, Cominar had an unsecured revolving operating and acquisition credit facility of up to \$700.0 million which will mature in August 2018. As at December 31, 2015, bank borrowings under such facility totalled \$381.2 million.

#### 4.5.2 HYPOTHECS

The following table summarizes the Immovable Hypothecs on the REIT's Income Properties:

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
565-585 Charest Boulevard East, Québec, Québec		\$10,253,814	3.62%	F	November 2025
800 Claude-Jutras Boulevard, Saint-Bruno, Québec		\$2,312,864	5.72%	F	January 2019
2101-2137 Curé-Labelle Boulevard, Laval, Québec		\$8,589,943	3.48%	F	February 2018
3400 Jean-Béraud Avenue, Montréal, Québec		\$20,187,709	3.21%	F	December 2017
150 René-Lévesque Boulevard East, Québec, Québec		\$42,980,000	2.52%	F	December 2018
8200 Décarie Boulevard, Montréal, Québec	2	\$7,006,087	5.55%	F	April 2016
8250 Décarie Boulevard, Montréal, Québec	2				
1479-1481-1483-1485 Saint-Bruno Boulevard, Saint-Bruno, Québec	3	\$4,069,482	6.94%	F	January 2019
1465 Saint-Bruno Boulevard, Saint-Bruno, Québec	3				
1475 Saint-Bruno Boulevard, Saint-Bruno, Québec	3				
1495 Saint-Bruno Boulevard, Saint-Bruno, Québec	3				
5130 Rideau Street, Québec, Québec	4	\$21,990,667	5.83%	F	July 2021
5600 Guillaume-Couture Boulevard, Lévis, Québec	4				
2150 Cyrille-Duquet Street, Québec, Québec	4				
100 Chabot Street, Québec, Québec	4				
625 Canetons Street, Québec, Québec	4				
325 Marais Street, Québec, Québec	4				
650 Godin Avenue, Québec and 450 Desrochers Street, Québec, Québec	4				
5275 Wilfrid-Hamel Boulevard, Québec, Québec	4				
3000 Saint-Jean-Baptiste Avenue, Québec, Québec	4				
4500-4536 Louis-B.-Mayer Street, Laval, Québec	4				
5073-5075-5079 Wilfrid-Hamel Boulevard West, Québec, Québec	5	\$25,829,683	5.83%	F	July 2021
1515 Saint-Jean-Baptiste Avenue, Québec, Québec	5				
2180 Cyrille-Duquet Street, Québec, Québec	5				
4600 Sainte-Anne Boulevard, Québec, Québec	5				
4975 Rideau Street, Québec, Québec	5				
355 Marais Street, Québec, Québec	5				
2755 Dalton Avenue, Québec, Québec	5				
1775 Léon-Harmel Street, Québec, Québec	5				
2600 Saint-Jean-Baptiste Avenue, Québec, Québec	5				
8288 Pie-IX Boulevard, Montréal, Québec	5				
3424-3428 Francis-Hugues Avenue, Laval, Québec	5				
667-687 Giffard Street, Longueuil, Québec	5				
19701 Clark-Graham Avenue, Baie d'Urfé, Québec	5				
2025 Lavoisier Street, Québec, Québec	6	\$29,814,217	5.35%	F	March 2022
5055 Wilfrid Hamel Boulevard West, Québec, Québec	6				
2014 Cyrille-Duquet Street, Québec, Québec	6				
2020 Cyrille-Duquet Street, Québec, Québec	6				

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
245 Soumande Street, Québec, Québec	6				
455 Marais Street, Québec, Québec	6				
2181-2211 Léon-Harmel Street, Québec, Québec	6				
445 Saint-Jean-Baptiste Avenue, Québec, Québec	6				
1455 32th Avenue, Montréal, Québec	6				
11000 Parkway Boulevard, Montréal and 11020 Parkway Boulevard, Montréal, Québec	6				
1400 Saint-Jean-Baptiste Avenue, Québec, Québec	7	\$69,993,729	5.30%	F	May 2017
1990 Cyrille-Duquet Street, Québec, Québec	7				
4451-4479 Laval Highway West, Laval and 2800-2816 Joseph-A. Bombardier Street, Laval, Québec	7				
2800 Saint-Jean-Baptiste Avenue, Québec, Québec	7				
3175 Quatre-Bourgeois Road, Québec, Québec	7				
9101-9175 Sciences Boulevard, Montréal, Québec	7				
2900-2976 Joseph-A. Bombardier Street, Laval, Québec	7				
201 Laurier Street East, Montréal, Québec	7				
4635 1 <sup>st</sup> Avenue, Québec, Québec	7				
625 Godin Avenue, Québec, Québec	7				
1367-1371 Sainte-Foy Road, Québec, Québec	7				
1730-1790 Newton Avenue, Québec, Québec	7				
2006-2010 Lavoisier Street, Québec, Québec	7				
2022 Lavoisier Street, Québec, Québec	7				
2200 Cyrille-Duquet Street, Québec, Québec	7				
2383-2393 Watt Avenue, Québec, Québec	7				
2760 - 2784 Jacques Cartier Boulevard East, Longueuil, Québec	7				
2790 - 2794 Jacques Cartier Boulevard East, Longueuil, Québec	7				
955 Saint-Jean-Baptiste Avenue, Québec, Québec	8	\$43,798,682	5.51%	F	July 2017
2100 Cyrille-Duquet Street, Québec, Québec	8				
2700 Jean-Perrin Street, Québec, Québec	8				
1540 Cyrille-Duquet Street, Québec, Québec	8				
500 Saint-Jean-Baptiste Avenue, Québec and 450 Saint-Jean-Baptiste Avenue, Québec, Québec	8				
1670 Semple Street, Québec, Québec	8				
2500 Jean-Perrin Street, Québec, Québec	8				
2600 Jean-Perrin Street, Québec, Québec	8				
50 Président-Kennedy Road and 5410-5500 Guillaume-Couture Boulevard, Lévis, Québec	8				
9100 Parours, Montréal, Québec	8				
1455 55th Avenue, Dorval, Québec	8				
795 Craig Street, Lévis, Québec	9	\$26,139,800	5.36%	F	April 2018
2156-2168 Province Street, Longueuil, Québec	9				
2170 Province Street, Longueuil, Québec	9				
715 Delage Street, Longueuil, Québec	9				

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
3600 Matte Boulevard, Brossard, Québec	9				
3650 Matte Boulevard, Brossard, Québec	9				
115 Vaudreuil Street, Longueuil, Québec	9				
1615-1805 55th Avenue, Dorval, Québec	9				
2102-2150 32th Avenue, Montréal, Québec	9				
120 de l'Hôpital Boulevard, Gatineau, Québec	9				
120 New York Street, Saint-Augustin-de-Desmaures, Québec	10	\$19,290,752	5.75%	F	June 2018
979 Bourgogne Avenue, Québec, Québec	10				
40 Tremblay Road, Boucherville, Québec	10				
1675 Montarville Boulevard, Boucherville, Québec	10				
2260 32th Avenue and 3142-3190 Joseph-Dubreuil Street, Montréal, Québec	10				
8500 Henri-Bourassa Boulevard, Québec, Québec	11	\$80,973,750	4.34%	F	July 2020
830 Godin Avenue, Québec, Québec	11				
989-999 Pierre-Bertrand Boulevard, Québec, Québec	11				
955 Pierre-Bertrand Boulevard, Québec, Québec	11				
255 Crémazie Boulevard East, Montréal, Québec	11				
784-818 Guimond Boulevard, Longueuil, Québec	11				
239-245 Samson Boulevard, Laval, Québec	11				
340-360 Sir-Wilfrid-Laurier Boulevard, Mont Saint-Hilaire, Québec	12	\$14,583,214	6.68%	F	November 2018
370-380 Sir-Wilfrid-Laurier Boulevard, Mont Saint-Hilaire, Québec	12				
353-361 Sir-Wilfrid-Laurier Boulevard and 345 Honorius-Charbonneau Boulevard and 365 Sir-Wilfrid-Laurier Boulevard, Mont Saint-Hilaire, Québec	12				
377-383 Sir-Wilfrid-Laurier Boulevard, Mont Saint-Hilaire, Québec	12				
375 Sir-Wilfrid-Laurier Boulevard, Mont Saint-Hilaire, Québec	12				
325 Honorius-Charbonneau Boulevard, Mont Saint-Hilaire, Québec	12				
1 Laval Place, Laval, Québec	13	\$52,299,272	5.41%	F	April 2016
2 Laval Place, Laval, Québec	13				
3 Laval Place, Laval, Québec	13				
4 Laval Place, Laval, Québec	13				
3080 Le Carrefour Boulevard, Laval, Québec	13				
3090 Le Carrefour Boulevard, Laval, Québec	13				
3100 Le Carrefour Boulevard, Laval, Québec	13				
2525 Daniel-Johnson Boulevard, Laval, Québec	13				
5 Laval Place, Laval, Québec	13				
1010 Godin Avenue, Québec, Québec	14	\$4,663,401	5.05%	F	January 2039
2685-2715 Francis-Hughes Avenue, Laval, Québec	14				
2745 Francis-Hughes Avenue, Laval, Québec	14				
2345-2349 Dalton Avenue, Québec, Québec	15	\$38,609,066	4.07%	F	March 2023
2955 Kepler Avenue, Québec, Québec	15				
550 Marais Street, Québec, Québec	15				
765 Godin Avenue, Québec, Québec	15				

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
1255 Artisans Street, Québec, Québec	15				
5150-5200 Ormière Boulevard, Québec, Québec	15				
3300 Jean-Baptiste-Deschamps Boulevard, Montréal, Québec	15				
10550 Parkway Boulevard, Montréal, Québec	15				
940 Bergar Street, Laval, Québec	15				
20 Hymus Boulevard, Pointe-Claire, Québec	15				
6445 Côte-de-Liesse Road, Montréal, Québec	15				
4700 Savane Street, Montréal et 4905-4995 Paré Street, Montréal, Québec	15				
1925-1975 Hymus Boulevard, Dorval, Québec		\$3,242,202	5.17%	F	February 2021
80-140 Lindsay Avenue, Dorval, Québec		\$1,499,294	5.17%	F	February 2021
8411-8453 Dalton Road, Mont-Royal, Québec		956,295	5.17%	F	February 2021
8459-8497 Dalton Road, Mont-Royal, Québec		\$1,284,458	5.17%	F	February 2021
8545-8579 Dalton Road, Mont-Royal, Québec		\$1,414,744	5.17%	F	February 2021
8605-8639 Dalton Road, Mont-Royal, Québec		\$1,188,398	5.17%	F	February 2021
6320-6380 Côte-de-Liesse Road, Montréal, Québec		\$2,207,111	5.17%	F	February 2021
3339-3403 Griffith Street, Montréal, Québec		\$4,131,364	5.17%	F	February 2021
9960-9970 Côte-de-Liesse Road, Montréal, Québec		\$1,018,561	5.17%	F	February 2021
455 Fénelon Boulevard, Dorval, Québec		\$7,067,687	5.17%	F	February 2021
8100 Cavendish Boulevard, Montréal, Québec		\$2,734,239	5.17%	F	February 2021
1225 Volta Street, Boucherville and 1275 Graham-Bell Street, Boucherville, Québec		\$4,488,243	5.17%	F	February 2021
2000 Halpern Street, Montréal, Québec		\$22,790,250	3.56%	F	December 2025
9999 Cavendish Boulevard, Montréal, Québec		\$3,885,662	5.30%	F	December 2021
550 Cité Boulevard, Gatineau, Québec		\$10,269,659	5.51%	F	December 2018
480 Cité Boulevard, Gatineau, Québec		\$2,629,048	6.61%	F	July 2019
5100 Sherbrooke Street East, Montréal, Québec		\$32,466,398	4.00%	F	January 2023
2555 Pittfield Boulevard, Montréal, Québec		\$3,378,064	3.17%	F	January 2017
81 Albert Street, Moncton, Nouveau-Brunswick		\$4,155,540	7.25%	F	January 2023
81 Albert Street, Moncton, Nouveau-Brunswick		\$513,122	7.75%	F	May 2021
1 Agar Place, Saint-John, Nouveau-Brunswick		\$4,208,870	3.37%	F	December 2029
3000 Transcanadienne Highway, Pointe-Claire, Québec		\$7,304,622	3.91%	F	June 2023
1113 Regent Street, Fredericton, Nouveau-Brunswick	16	\$1,312,668	6.95%	F	March 2018
1115 Regent Street, Fredericton, Nouveau-Brunswick	16				
140 MacNaughton Avenue, Moncton, Nouveau-Brunswick		\$1,703,884	6.72%	F	March 2018
291 I Drive, Saint-Jean, Nouveau-Brunswick		\$1,253,213	6.39%	F	July 2020
570 Queen Street, Fredericton, Nouveau-Brunswick		\$4,976,245	5.80%	F	May 2016
900 Hanwell Road, Fredericton, Nouveau-Brunswick		\$3,859,794	3.23%	F	March 2018
1133 Regent Street, Fredericton, Nouveau-Brunswick		\$9,181,583	4.14%	F	July 2023
3103 Royal Boulevard, Shawinigan, Québec		\$19,736,011	4.17%	F	June 2023
895 Gauchetière Street West, Montréal, Québec		\$223,201,415	5.67%	F	February 2018
1165 Tremblay Street, Longueuil, Québec	17	\$4,048,217	5.77%	F	June 2021
1175 Tremblay Street, Longueuil, Québec	17				



Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
2401 Roland-Therrien Boulevard, Longueuil, Québec	17				
1220 Promenades Boulevard, Saint-Bruno, Québec	18	\$1,701,135	5.77%	F	June 2021
1200 Promenades Boulevard, Saint-Bruno, Québec	18				
3400 Maisonneuve Boulevard West, Montréal, Québec		\$158,384,982	4.77%	F	November 2023
3400 Maisonneuve Boulevard West, Montréal, Québec		\$19,082,528	4.77%	F	November 2023
3400 Maisonneuve Boulevard West, Montréal, Québec		\$19,082,528	4.77%	F	November 2023
1741 Brunswick Street, Halifax, Nouvelle-Écosse		\$8,961,986	3.46%	F	September 2025
4124 9th Street S.E., Calgary, Alberta		\$4,030,325	4.31%	F	September 2021
4411 6th Street S.E., Calgary, Alberta		\$4,972,115	4.75%	F	July 2016
825 Saint-Laurent Street West, Longueuil, Québec		\$36,199,576	3.10%	F	October 2022
1717 René-Lévesque East Boulevard, Montréal, Québec	19	\$16,066,062	5.24%	F	January 2021
1200 Papineau Avenue, Montréal, Québec	19				
700 2nd Street S.W., Calgary, Alberta		\$61,981,602	4.60%	F	May 2018
700 2nd Street S.W., Calgary, Alberta		\$26,026,605	3.73%	F	May 2018
700 2nd Street S.W., Calgary, Alberta		\$46,476,080	3.73%	F	May 2018
2405 Fernand-Lafontaine Boulevard, Longueuil, Québec		\$2,053,702	6.64%	F	May 2017
6777 Guillaume-Couture Boulevard, Lévis, Québec		\$5,575,290	6.30%	F	January 2016
6777 Guillaume-Couture Boulevard, Lévis, Québec		\$1,115,227	3.20%	F	January 2016
2986 Saint-Charles Boulevard, Montréal, Québec	20	\$1,873,007	4.06%	F	November 2016
170 Curé-Labelle Boulevard, Rosemère, Québec	20				
255 Crémazie Ouest Boulevard, Montréal, Québec	20				
101 Arthur-Sauvé Boulevard, Saint-Eustache, Québec	20				
4000 4th Street SE (Bldg 200), Calgary, Alberta	21	\$21,796,351	3.77%	F	November 2016
4000 4th Street SE (Bldg 300), Calgary, Alberta	21				
3600 – 4000 Street SE, Calgary, Alberta	21				
2600 Saint-Hubert Street, Jonquière, Québec	22	\$7,101,165	3.90%	F	November 2024
2620 Saint-Hubert Street, Jonquière, Québec	22				
560 Camiel Sys Street, Winnipeg, Manitoba		\$2,072,582	5.50%	F	May 2018
667 Barnes Drive, Halifax, Nouvelle-Écosse		\$1,667,020	6.48%	F	January 2016
1201 California Avenue, Brockville, Ontario		\$2,567,994	5.57%	F	January 2018
1415-1531 Berlier Street, Laval, Québec		\$2,732,351	5.00%	F	February 2016
1400 Guillaume-Couture Boulevard, Lévis, Québec		\$7,706,852	4.93%	F	February 2017
1000 Innovation Drive, Kanata, Ontario		\$14,534,484	5.19%	F	January 2016
2199 Fernand-Lafontaine Boulevard, Longueuil, Québec		\$4,142,811	5.92%	F	January 2016
2199 Fernand-Lafontaine Boulevard, Longueuil, Québec		\$1,439,654	5.00%	F	January 2016
2177 Fernand-Lafontaine Boulevard, Longueuil, Québec		\$1,589,222	5.92%	F	January 2016
2177 Fernand-Lafontaine Boulevard, Longueuil, Québec		901,761	5.00%	F	January 2016
3300 Transcanadienne Highway, Pointe-Claire, Québec		\$3,294,638	6.62%	F	January 2016
3300 Transcanadienne Highway, Pointe-Claire, Québec		\$2,346,139	5.00%	F	January 2016
830 Delage Street, Longueuil, Québec		\$1,113,761	5.28%	F	January 2017
2525 Fernand-Lafontaine Boulevard, Longueuil, Québec		518,699	5.71%	F	May 2016
1201-1203 Marie-Victorin Street, Saint-Bruno, Québec		\$1,781,397	5.48%	F	October 2016

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
770 Guimond Boulevard, Longueuil, Québec		\$3,495,246	4.53%	F	March 2022
1555 Carrie-Derrick Street, Montréal, Québec		\$6,166,806	5.41%	F	July 2031
600-610 Bériault Street, Longueuil, Québec		\$1,360,374	3.94%	F	April 2017
2099-2111 Province Street, Longueuil, Québec		\$1,360,374	3.94%	F	April 2017
730 Delage Street, Longueuil, Québec		865,967	3.88%	F	March 2022
2044 Province Street, Longueuil, Québec		584,129	5.29%	F	March 2017
590 Queen Street, Fredericton, Nouveau-Brunswick	23	\$28,765,819	4.87%	F	September 2023
1149 Smythe street, Fredericton, Nouveau-Brunswick	23				
115 Whiting Road, Fredericton, Nouveau-Brunswick	23				
125 Whiting Road, Fredericton, Nouveau-Brunswick	23				
420 Wilsey Road, Fredericton, Nouveau-Brunswick	23				
440 Wilsey Road, Fredericton, Nouveau-Brunswick	23				
50 MacNaughton Avenue, Moncton, Nouveau-Brunswick	23				
520 Edinburgh Drive, Moncton, Nouveau-Brunswick	23				
330-350 Elmwood Drive, Moncton, Nouveau-Brunswick	23				
612 Windmill Road, Darmouth, Nouvelle-Écosse	23				
699 Champlain Street, Dieppe, Nouveau-Brunswick	23				
1199 Saint-George Boulevard, Moncton, Nouveau-Brunswick	23				
140 Commerce Street, Moncton, Nouveau-Brunswick	23				
229 J.D. Gauthier Boulevard, Shippagan, Nouveau-Brunswick	23				
231 J.D. Gauthier Boulevard, Shippagan, Nouveau-Brunswick	23				
95 Moatfield Drive, Toronto, Ontario	24	\$38,092,272	5.70%	F	July 2016
105 Moatfield Drive, Toronto, Ontario	24				
225 Duncan Mill Road, Toronto, Ontario	24				
95 Moatfield Drive, Toronto, Ontario	25	\$1,720,948	5.60%	F	July 2016
105 Moatfield Drive, Toronto, Ontario	25				
225 Duncan Mill Road, Toronto, Ontario	25				
95 Moatfield Drive, Toronto, Ontario	26	\$1,756,138	6.47%	F	July 2016
105 Moatfield Drive, Toronto, Ontario	26				
225 Duncan Mill Road, Toronto, Ontario	26				
95 Moatfield Drive, Toronto, Ontario	27	\$7,200,943	6.50%	F	July 2016
105 Moatfield Drive, Toronto, Ontario	27				
225 Duncan Mill Road, Toronto, Ontario	27				
5500 North Service Road, Burlington, Ontario		\$23,400,338	5.37%	F	March 2016
6300 Northwest Drive, Mississauga, Ontario	28	\$21,441,789	5.71%	F	October 2017
6280 Northwest Drive, Mississauga, Ontario	28				
3415 American Drive, Mississauga, Ontario	28				
3405 American Drive, Mississauga, Ontario	28				
3403 American Drive, Mississauga, Ontario	28				
3397 American Drive, Mississauga, Ontario	28				
3395 American Drive, Mississauga, Ontario	28				
3355 American Drive, Mississauga, Ontario	28				

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>		Maturity Date
6295 Northam Drive, Mississauga, Ontario	28				
6325 Northam Drive, Mississauga, Ontario	28				
6305 Northam Drive, Mississauga, Ontario	28				
6285 Northam Drive, Mississauga, Ontario	28				
6275 Northam Drive, Mississauga, Ontario	28				
6300 Northwest Drive, Mississauga, Ontario	29	\$13,636,271	5.71%	F	October 2017
6280 Northwest Drive, Mississauga, Ontario	29				
3415 American Drive, Mississauga, Ontario	29				
3405 American Drive, Mississauga, Ontario	29				
3403 American Drive, Mississauga, Ontario	29				
3397 American Drive, Mississauga, Ontario	29				
3395 American Drive, Mississauga, Ontario	29				
3355 American Drive, Mississauga, Ontario	29				
6295 Northam Drive, Mississauga, Ontario	29				
6325 Northam Drive, Mississauga, Ontario	29				
6305 Northam Drive, Mississauga, Ontario	29				
6285 Northam Drive, Mississauga, Ontario	29				
6275 Northam Drive, Mississauga, Ontario	29				
4125-4575 Des Forges Boulevard, Trois-Rivières, Québec	30	\$126,409,212	4.09%	F	October 2024
3925 Des Forges Boulevard, Trois-Rivières, Québec	30				
100 Brien Boulevard, Repentigny, Québec		\$116,685,426	4.09%	F	October 2024
3345 Carrefour Street, Québec, Québec	31	\$65,000,000	3.57%	F	December 2025
3323 Carrefour Street, Québec, Québec	31				
3333 Carrefour Street, Québec, Québec	31				
3319 Carrefour Street, Québec, Québec	31				
3321 Carrefour Street, Québec, Québec	31				
3315-3317 Carrefour Street, Québec, Québec	31				
2590-2600-2640 Laurier boulevard Québec, Québec		\$185,000,000	2.90%	V	December 2025
<b>Other mortgages payable guaranteed by bond investments</b>		\$2,009,595	5.51%	F	June 2016
<b>Total mortgages payable</b>		<b>\$2,051,334,277</b>	<b>4.46%</b>		

**Notes:**

- (1) F: Fixed rate, V: Variable rate
- (2) These two properties constitute the collateral securing the mortgage payable.
- (3) These four properties constitute the collateral securing the mortgage payable.
- (4) These ten properties constitute the collateral securing the mortgage payable.
- (5) These thirteen properties constitute the collateral securing the mortgage payable.
- (6) These ten properties constitute the collateral securing the mortgage payable.
- (7) These eighteen properties constitute the collateral securing the mortgage payable.
- (8) These eleven properties constitute the collateral securing the mortgage payable.
- (9) These ten properties constitute the collateral securing the mortgage payable.
- (10) These five properties constitute the collateral securing the mortgage payable.
- (11) These seven properties constitute the collateral securing the mortgage payable.
- (12) These six properties constitute the collateral securing the mortgage payable.
- (13) These nine properties constitute the collateral securing the mortgage payable.
- (14) These three properties constitute the collateral securing the mortgage payable.

Income Property	Note	Balance as at December 31, 2015	Interest rate <sup>(1)</sup>	Maturity Date
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- (15) *These twelve properties constitute the collateral securing the mortgage payable.*
- (16) *These two properties constitute the collateral securing the mortgage payable.*
- (17) *These three properties constitute the collateral securing the mortgage payable.*
- (18) *These two properties constitute the collateral securing the mortgage payable.*
- (19) *These two properties constitute the collateral securing the mortgage payable.*
- (20) *These four properties constitute the collateral securing the mortgage payable.*
- (21) *These three properties constitute the collateral securing the mortgage payable.*
- (22) *These two properties constitute the collateral securing the mortgage payable.*
- (23) *These fifteen properties constitute the collateral securing the mortgage payable.*
- (24) *These three properties constitute the collateral securing the mortgage payable.*
- (25) *These three properties constitute the collateral securing the mortgage payable.*
- (26) *These three properties constitute the collateral securing the mortgage payable.*
- (27) *These three properties constitute the collateral securing the mortgage payable.*
- (28) *These thirteen properties constitute the collateral securing the mortgage payable.*
- (29) *These thirteen properties constitute the collateral securing the mortgage payable.*
- (30) *These two properties constitute the collateral securing the mortgage payable.*
- (31) *These six properties constitute the collateral securing the mortgage payable.*

**Contractual maturity of Mortgages Payable**

12 Month Fiscal Year Ending December 31	Repayment of Principal	Repayment of Balances at Maturity	Total	Weighted Average Rate <sup>1)</sup>
2016	53,259,955	204,979,658	258,239,613	4.77%
2017	50,993,483	177,190,043	228,183,526	4.70%
2018	40,115,216	451,983,362	492,098,578	4.91%
2019	32,427,544	4,255,316	36,682,860	6.20%
2020	33,736,286	82,013,244	115,749,530	4.37%
2021 and thereafter	127,298,224	793,081,946	920,380,170	4.14%
<b>Total</b>	<b>337,830,708</b>	<b>1,713,503,569</b>	<b>2,051,334,277</b>	<b>4.46%</b>

**Note:** 1) Calculated on balances at maturity

**4.5.3 DEBENTURES****4.5.3.1 Convertible Debentures**

On July 6, 2015, Cominar redeemed early all of the Series E 5.75% convertible unsecured subordinated debentures totalling \$86.3 million.

On September 8, 2015, Cominar redeemed early all of the Series D 6.50% convertible unsecured subordinated debentures totalling \$99.7 million.

**4.5.3.2 Senior Debentures**

The following table presents the features of Cominar's Senior Debentures as well as the balances as at December 31, 2015:

**Debentures**

	Contractual interest rate	Date of issuance	Dates of interest payments	Maturity date	Balance as at December 31, 2015 \$
Series 1	4.274%	June 2012 <sup>(1)</sup>	June 15 and December 15	June 2017	250,000,000
Series 2	4.23%	December 2012 <sup>(2)</sup>	June 4 and December 4	December 2019	300,000,000
Series 3	4.00%	May 2013	May 2 and November 2	November 2020	100,000,000
Series 4	4.941%	July 2013 <sup>(3)</sup>	July 27 and January 27	July 2020	300,000,000
Series 6	1.94% <sup>(4)</sup>	September 2014	September 22, December 22, March 22 and June 22	September 2016	250,000,000
Series 7	3.62%	September 2014	December 21 and June 21	June 2019	300,000,000

Series 8	4.25%	December 2014	June 8 and December 8	December 2021	200,000,000
Series 9	4.164%	June 2015	June 1 and December 1	June 2022	300,000,000
Weighted average interest rate	<b>3.95%</b>				
<b>Total</b>					<b>2,000,000,000</b>

(1) Re-opened in September 2012 (\$125.0 million).

(2) Re-opened in February 2013 (\$100.0 million).

(3) Re-opened in January 2014 (\$100.0 million) and March 2014 (\$100.0 million).

(4) Variable interest rate fixed quarterly for the period from December 22, 2015 to March 21, 2016 (corresponding to the three-month CDOR rate plus 108 basis points).

On June 1, 2015, Cominar issued \$300.0 million in Series 9 senior unsecured debentures bearing interest at a rate of 4.164% and maturing in June 2022.

On October 9, 2015, Cominar redeemed at maturity the Series 5 senior unsecured debentures bearing a floating interest rate and totalling \$250.0 million using the unsecured revolving operating and acquisition credit facility.

As at December 31, 2015, the residual weighted average term of senior unsecured debentures was 3.9 years.

#### 4.6 EMPLOYEES

As at December 31, 2015, Cominar had 709 permanent employees. These employees are spread throughout Cominar's offices across Canada. More specifically, as at December 31, 2015, 593 employees were located in the province of Québec, 53 in the province of Ontario, 21 in the province of Alberta, 21 in the province of New Brunswick and 21 in the province of Nova Scotia.

#### 4.7 OPERATING REVENUES

For the fiscal year ended December 31, 2015, the REIT had operating revenues of \$889.2 million and Net Operating Income of \$487.5 million compared to \$739.9 million and \$411.3 million, respectively, the previous year. The REIT's total assets as at December 31, 2015 were \$8.2 billion.

#### 4.8 INVESTMENTS IN JOINT VENTURES

The REIT invested with Dallaire Group in joint ventures whose business objective is the ownership, management and development of real estate projects.

Each of Cominar and Dallaire Group owns a 50% interest in Société en Commandite CJD, for the purpose of operating a real estate project, being the Complexe Jules-Dallaire.

Each of Cominar and Dallaire Group owns a 50% interest in *Société en commandite Bouvier-Bertrand*, which is involved in a real estate development project in several phases on land located along Highway 40, one of Québec City's main highway. It is foreseen that this project, Espace Bouvier, will consist primarily of commercial space, the first three phases being comprised of an office building of approximately 83,000 square feet and two commercial buildings totalling approximately 90,000 square feet.

Cominar and Dallaire Group are also limited partners in Société en Commandite Chaudière-Duplessis and in Société en Commandite Marais. Both limited partnerships were created to carry out real estate developments in the Québec City Area and Cominar has a 75% interest and Dallaire Group has a 25% interest in each of them.

#### 4.9 INVESTMENT IN A MORTGAGE RECEIVABLE

In 2014, Cominar entered into a loan agreement with a related party, Dallaire Group, regarding the realization of a future real estate development project on Laurier Boulevard, in Québec City. The underlying land is subject to a mortgage guarantee in favour of Cominar. The mortgage receivable of \$8.3 million bears interest at bankers' acceptance rate plus 250 basis points, payable monthly. The timeline, the construction plans and the terms of Cominar's interest in this project are to be finalized. Once that is done, Cominar can elect either to have the mortgage receivable repaid or to participate in the development of the project. The joint agreement provides Cominar with the opportunity to contribute to the realization of this large-scale project, in the Québec City Area, while reducing the risk associated with the development of such project.

## **PART 5 – RISK FACTORS**

Like all real estate entities, Cominar is exposed, in the normal course of business, to various risk factors that may have an impact on its ability to attain strategic objectives, despite all the measures implemented to counter them. Accordingly, Unitholders should consider the following risks and uncertainties when assessing Cominar's outlook in terms of investment potential.

### **5.1 RISK FACTORS RELATED TO THE BUSINESS OF THE REIT**

#### **5.1.1 ACCESS TO CAPITAL AND DEBT FINANCING, AND CURRENT GLOBAL FINANCIAL CONDITIONS**

The real estate industry is capital intensive. Cominar will require access to capital to maintain its properties, as well as to fund its growth strategy and significant capital expenditures from time to time. There can be no assurances that Cominar will have access to sufficient capital (including debt financing) on terms favourable to Cominar for future property acquisitions and developments, for the financing or refinancing of properties, for funding operating expenses or for other purposes. In addition, Cominar may not be able to borrow funds under its credit facilities due to limitations on Cominar's ability to incur debt set forth in the Contract of Trust or conditions in its debt instruments. Failure by Cominar to access required capital could adversely impact Cominar's financial position and results of operations and reduce the amount of cash available for distributions.

Market events and conditions, including disruptions that sometimes affect international and regional credit markets and other financial systems and global economic conditions, could impede Cominar's access to capital (including debt financing) or increase the cost of such capital. The Canadian economy is currently being adversely impacted by low and falling oil prices. Failure to raise capital in a timely manner or under favourable terms could have a material adverse effect on Cominar's financial position and results of operations, including on property acquisition and development.

#### **5.1.2 DEBT FINANCING**

Cominar has and will continue to have substantial outstanding consolidated borrowings comprised primarily of mortgages payable, property mortgages, debentures, and borrowings under its unsecured revolving credit facility. Cominar intends to finance its growth strategy, including acquisitions and developments, through a combination of its working capital and liquidity resources, including cash flows from operations, additional borrowings and public or private sales of equity or debt securities. Cominar's activities are therefore partially dependent upon the interest rates applied to its existing debt. Cominar may not be able to refinance its existing debt or renegotiate the terms of repayment at favourable rates. In addition, the terms of Cominar's indebtedness generally contain customary provisions that, upon an event of default, result in accelerated repayment of the amounts owed and that restrict the distributions that may be made by Cominar. Therefore, upon an event of default under such borrowings or an inability to renew same at maturity, Cominar's ability to make distributions will be adversely affected.

A portion of Cominar's cash flows is dedicated to servicing its debt, and there can be no assurance that Cominar will continue to generate sufficient cash flows from operations to meet required interest or principal payments, such that it could be required to seek renegotiation of such payments or obtain additional financing, including equity or debt financing.

The unsecured revolving credit facility in the stated amount of \$700.0 million is repayable in one tranche in August 2018. As at December 31, 2015, \$381.2 million was drawn down under the unsecured revolving credit facility and cash available was \$318.8 million.

Cominar is exposed to debt financing risks, including the risk that the existing mortgages payable secured by its properties and the unsecured revolving credit facility cannot be refinanced or that the terms of such refinancing will not be as favourable as the terms of the existing loans. In order to minimize this risk as regards the mortgages payable, Cominar tries to appropriately structure the timing of the renewal of significant tenant leases on its respective properties in relation to the times at which the mortgages payable on such properties become due for refinancing.

#### **5.1.3 OWNERSHIP OF IMMOVABLE PROPERTY**

All immovable property investments are subject to risk exposures. Such investments are affected by general economic conditions, local real estate markets, demand for leased premises, competition from other vacant premises, municipal valuations and assessments, and various other factors.

The value of immovable property and improvements thereto may also depend on the solvency and financial stability of tenants and the economic environment in which they operate. Recently, due to difficult conditions in the Canadian retail environment,

certain retailers have announced the closure of their stores, including Target Canada and other retailers, which are tenants of Cominar. Other retailers may follow. Cominar's income and Distributable Income would be adversely affected if one or more major tenants or a significant number of tenants were unable to meet their lease obligations or if a significant portion of vacant space in the properties in which Cominar has an interest cannot be leased on economically favourable lease terms. In the event of default by a tenant, delays or limitations may be experienced in enforcing Cominar's rights as a lessor and substantial costs may be incurred to protect Cominar's investment. The ability to rent unleased space in the properties in which Cominar has an interest will be affected by many factors, including the level of general economic activity and competition for tenants by other properties. Costs may need to be incurred to make improvements or repairs to property as required by a new tenant. The failure to rent unleased space on a timely basis or at all or at rents that are equivalent to or higher than current rents would likely have an adverse effect on Cominar's financial position and the value of its properties.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of Immovable Property regardless of whether the property is producing any income. If Cominar is unable to meet mortgage payments on a property, a loss could be sustained as a result of the mortgage creditor's exercise of its mortgage remedies.

Immovable property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with the demand for and the perceived desirability of such investments. Such illiquidity may tend to limit Cominar's ability to make changes to its portfolio promptly in response to changing economic or investment conditions. If Cominar were to be required to liquidate its immovable property investments, the proceeds to Cominar might be significantly less than the aggregate carrying value of its properties.

Leases for Cominar's properties, including those of significant tenants, will mature from time to time over the short and long term. There can be no assurance that Cominar will be able to renew any or all of the leases upon maturity or that rental rate increases will occur or be achieved upon any such renewals. The failure to renew leases or achieve rental rate increases may adversely impact Cominar's financial position and results of operations and decrease Distributable Income.

#### **5.1.4 ENVIRONMENTAL MATTERS**

Environmental and ecological related policies have become increasingly important in recent years. As an owner or operator of real property, Cominar could, under various federal, provincial and municipal laws, become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in our properties or disposed of at other locations. The failure to remove or remediate such substances, or address such matters through alternative measures prescribed by the governing authority, may adversely affect Cominar's ability to sell such real estate or to borrow using such real estate as collateral, and could, potentially, also result in claims against Cominar by private plaintiffs or governmental agencies. Cominar is not currently aware of any material non-compliance, liability or other claim in connection with any of our properties, nor is Cominar aware of any environmental condition with respect to any properties that it believes would involve material expenditures by Cominar.

Pursuant to Cominar's operating policies, Cominar shall obtain or review a Phase I environmental audit of each immovable property to be acquired by it.

#### **5.1.5 LEGAL RISKS**

Cominar's operations are subject to various laws and regulations across all of its operating jurisdictions and Cominar faces risks associated with legal and regulatory changes and litigation.



### 5.1.6 COMPETITION

Cominar competes for suitable immovable property investments with individuals, corporations and institutions (both Canadian and foreign) which are presently seeking, or which may seek in the future, immovable property investments similar to those desired by Cominar. Many of those investors have greater financial resources than Cominar, or operate without the investment or operating restrictions applicable to Cominar or under more flexible conditions. An increase in the availability of investment funds and heightened interest in immovable property investments could increase competition for immovable property investments, thereby increasing the purchase prices of such investments and reducing their yield.

In addition, numerous property developers, managers and owners compete with Cominar in seeking tenants. The existence of competing developers, managers and owners and competition for Cominar's tenants could have an adverse effect on Cominar's ability to lease space in its properties and on the rents charged, and could adversely affect Cominar's revenues and, consequently, its ability to meet its debt obligations.

### 5.1.7 ACQUISITIONS

Cominar's business plan is focused in part on growth by identifying suitable acquisition opportunities, pursuing such opportunities, completing acquisitions and effectively operating and leasing such properties. If Cominar is unable to manage its growth effectively, this could adversely impact Cominar's financial position and results of operations, and decrease Distributable Income. There can be no assurance as to the pace of growth through property acquisitions or that Cominar will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to Unitholders will increase in the future.

### 5.1.8 PROPERTY DEVELOPMENT PROGRAM

Information regarding Cominar's development projects, development costs, capitalization rates and expected returns are subject to change, which may be material, as assumptions regarding items such as, but not limited to, tenant rents, building sizes, leasable areas, project completion timelines and project costs, are updated periodically based on revised site plans, Cominar's cost tendering process, continuing tenant negotiations, demand for leasable space in Cominar's markets, the obtaining of required building permits, ongoing discussions with municipalities and successful property re-zonings. There can be no assurance that any assumptions in this regard will materialize as expected and any changes in these assumptions could have a material adverse effect on Cominar's development program, asset values and financial performance.

### 5.1.9 RECRUITMENT AND RETENTION OF EMPLOYEES AND EXECUTIVES

Management depends on the services of certain key personnel. Competition for qualified employees and executives is intense. If Cominar is unable to attract and retain qualified and capable employees and executives, the conduct of its activities may be adversely affected.

### 5.1.10 GOVERNMENT REGULATION

Cominar and its properties are subject to various government statutes and regulations. Any change in such statutes or regulations that is adverse to Cominar and its properties could affect Cominar's operating results and financial performance.

In addition, environmental and ecological legislation and policies have become increasingly important in recent decades. Under various laws, Cominar could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its properties or disposed of at other locations, or for the costs of other remedial or preventive work. The failure to remove or remediate such substances, or to effect such remedial or preventive work, if any, may adversely affect Cominar's ability to sell such real estate or to borrow using such real estate as collateral, and could potentially also result in claims against Cominar by private plaintiffs or governmental agencies. Notwithstanding the above, Cominar is not aware of any material non-compliance, liability or other claim in connection with any of its properties, nor is Cominar aware of any environmental condition with respect to any of its properties that it believes would involve material expenditure by Cominar.

### 5.1.11 LIMIT ON ACTIVITIES

In order to maintain its status as a "mutual fund trust" under the Tax Act, Cominar cannot carry on certain active business activities and is limited in the types of investments it may make. The Contract of Trust contains restrictions to this effect.

### 5.1.12 GENERAL UNINSURED LOSSES

Cominar subscribed a blanket comprehensive general liability including insurance against fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks (generally of a catastrophic nature such as from wars or environmental contamination) which are either uninsurable or not insurable on an economically viable basis. Cominar also carries insurance for earthquake risks, subject to certain policy limits and deductibles, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, Cominar could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but Cominar would continue to be obligated to repay any mortgage recourse or mortgage indebtedness on such properties.

Many insurance companies have eliminated coverage for acts of terrorism from their policies, and Cominar may not be able to obtain coverage for terrorist acts at commercially reasonable rates or at any price. Damage to a property sustained as a result of an uninsured terrorist or similar act would likely adversely impact Cominar's financial condition and results of operations and decrease the amount of cash available for distribution.

### 5.1.13 POTENTIAL CONFLICTS OF INTEREST

Cominar may be subject to conflicts of interest because of the fact that the Dallaire Family and related entities are engaged in a wide range of real estate and other business activities. Mr. Michel Dallaire is also Chairman and Chief Executive Officer of GDI, an affiliate of the Dallaire Family which operates a real estate business in the Québec City Area. Dalcon Inc. is a wholly-owned subsidiary of GDI. Cominar rents premises to GDI and to Dalcon Inc. Dalcon Inc. also performs leasehold improvements and carries out construction and development projects, all on behalf of Cominar. Finally, Cominar owns two participations of 50% and two of 75% in joint ventures with Dallaire Group. The business objective of these four joint ventures is the ownership, management and development of real estate projects. The Dallaire Family and related entities may become involved in transactions or leasing opportunities which conflict with the interests of Cominar. The Contract of Trust contains "conflicts of interest" provisions requiring Trustees to disclose material interests in material contracts and transactions and refrain from voting thereon.

## 5.2 RISK FACTORS RELATED TO THE OWNERSHIP OF UNITS

### 5.2.1 MARKET PRICE

A publicly traded real estate investment trust will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. Accordingly, the Units may trade at a premium or a discount to values implied by the initial appraisal of the value of its properties or the value of such properties from time to time.

Although Cominar intends to make distributions of its available cash to Unitholders, these cash distributions are not assured. The actual amount distributed will depend on numerous factors including, but not limited to, Cominar's financial performance, debt covenants and obligations, working capital requirements and future capital requirements. The market price of the Units may deteriorate if Cominar is unable to meet its cash distribution targets in the future.

The after-tax return from an investment in Units to Unitholders subject to Canadian income tax will depend, in part, on the composition for tax purposes of distributions paid by Cominar (portions of which may be fully or partially taxable or may constitute non-taxable returns of capital). The composition for tax purposes of those distributions may change over time, thus affecting the after-tax return to Unitholders.

Factors that may influence the market price of the Units include the annual yield on the Units, the number of Units issued and outstanding and Cominar's payout ratio. An increase in market interest rates may lead purchasers of Units to demand a higher annual yield which could adversely affect the market price of the Units. Unlike fixed-income securities, there is no obligation for Cominar to distribute to Unitholders any fixed amount and reductions in, or suspensions of, distributions may occur that would reduce yield based on the market price of the Units. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities, changes in the economic environment and numerous other factors beyond the control of Cominar.

### 5.2.2 STRUCTURAL SUBORDINATION OF SECURITIES

In the event of a bankruptcy, liquidation or reorganization of Cominar or any of its subsidiaries, holders of certain of their indebtedness and certain trade creditors will generally be entitled to payment of their claims from the assets of Cominar and

those subsidiaries before any assets are made available for distribution to the holders of securities. The securities will be effectively subordinated to most of the other indebtedness and liabilities of Cominar and its subsidiaries. Neither Cominar, nor any of its subsidiaries will be limited in their ability to incur additional secured or unsecured indebtedness.

### 5.2.3 AVAILABILITY OF CASH FLOW

Distributable Income may exceed actual cash available to Cominar from time to time because of items such as principal repayments, tenant allowances, leasing commissions and capital expenditures. Cominar may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items. Cominar may need to refinance its debt obligations from time to time, including upon expiration of its debt. There could be a negative impact on Distributable Income if debt obligations of Cominar are replaced with debt that has less favourable terms or if Cominar is unable to refinance its debt. In addition, loan and credit agreements with respect to debt obligations of Cominar, include, and may include in the future, certain covenants with respect to the operations and financial condition of Cominar and Distributable Income may be restricted if Cominar is unable to maintain any such covenants.

### 5.2.4 UNITHOLDER LIABILITY

The Contract of Trust provides that no Unitholder or annuitant under a plan of which a Unitholder acts as Trustee or carrier (an “annuitant”) will be held to have any personal liability as such, and that no resort shall be had to the private property of any Unitholder or annuitant for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of Cominar or of the Trustees. Only assets of Cominar are intended to be liable and subject to levy or execution.

The Contract of Trust further provides that certain written instruments signed by Cominar (including all Immovable Hypothecs and, to the extent the Trustees determine to be practicable and consistent with their obligation as Trustees to act in the best interests of the Unitholders, other written instruments creating a material obligation of Cominar) shall contain a provision or be subject to an acknowledgment to the effect that such obligation will not be binding upon Unitholders or annuitants personally. Except in case of bad faith or gross negligence on their part, no personal liability will attach under the laws of the Province of Québec to Unitholders or annuitants for contract claims under any written instrument disclaiming personal liability as aforesaid.

However, in conducting its affairs, Cominar will be acquiring immovable property investments, subject to existing contractual obligations, including obligations under hypothecs or mortgages and leases. The Trustees will use all reasonable efforts to have any such obligations, other than leases, modified so as not to have such obligations binding upon any of the Unitholders or annuitants personally. However, Cominar may not be able to obtain such modification in all cases. If a claim is not satisfied by Cominar, there is a risk that a Unitholder or annuitant will be held personally liable for the performance of the obligations of Cominar where the liability is not disavowed as described above. The possibility of any personal liability attaching to Unitholders or annuitants under the laws of the Province of Québec for contract claims where the liability is not so disavowed is remote.

Cominar uses all reasonable efforts to obtain acknowledgments from the mortgage creditors under assumed mortgages that assumed mortgages obligations will not be binding personally upon the Trustees or the Unitholders.

Claims against Cominar may arise other than under contracts, including claims in delict, claims for taxes and possibly certain other statutory liabilities. The possibility of any personal liability of Unitholders for such claims is considered remote under the laws of the Province of Québec and, as well, the nature of Cominar's activities are such that most of its obligations arise by contract, with non-contractual risks being largely insurable. In the event that payment of Cominar's obligation were to be made by a Unitholder, such Unitholder would be entitled to reimbursement from the available assets of Cominar.

Article 1322 of the Civil Code of Québec effectively states that the beneficiary of a trust is liable towards third persons for the damage caused by the fault of the Trustees of such trust in carrying out their duties only up to the amount of the benefit such beneficiary has derived from the act of such Trustees and that such obligations are to be satisfied from the trust patrimony. Accordingly, although this provision remains to be interpreted by the courts, it should provide additional protection to Unitholders with respect to such obligations.

The Trustees will cause the activities of Cominar to be conducted, with the advice of counsel, in such a way and in such jurisdictions as to avoid, to the extent they determine to be practicable and consistent with their duty to act in the best interests of the Unitholders, any material risk of liability on the Unitholders for claims against Cominar.

### 5.2.5 DILUTION

The number of Units Cominar is authorized to issue is unlimited. The Trustees have the discretion to issue additional Units in other circumstances. Additional Units may also be issued pursuant to the DRIP, the equity incentive plan and any other incentive plan of Cominar. Any issuance of Units may have a dilutive effect on Unitholders.

### 5.2.6 RESTRICTIONS ON CERTAIN UNITHOLDERS AND LIQUIDITY OF UNITS

The Contract of Trust imposes restrictions on non-resident Unitholders, who are prohibited from beneficially owning more than 49% of the Units. These restrictions may limit the rights of certain Unitholders, including non-residents of Canada, to acquire Units, to exercise their rights as Unitholders and to initiate and complete take-over bids in respect of the Units. As a result, these restrictions may limit the demand for Units from certain Unitholders and thereby adversely affect the liquidity and market value of the Units held by the public Unitholders who are non-residents of Canada are required to pay all withholding taxes payable in respect of distributions by Cominar. Cominar withholds such taxes as required by the Tax Act and remits such payment to the tax authorities on behalf of the Unitholder. The Tax Act contains measures to subject to Canadian non-resident withholding tax on certain otherwise non-taxable distributions of Canadian mutual funds to non-resident Unitholders. This may limit the demand for Units and thereby affect their liquidity and market value.

### 5.2.7 CASH DISTRIBUTIONS ARE NOT GUARANTEED

There can be no assurance regarding the amount of income to be generated by the Cominar's properties. The ability of Cominar to make cash distributions, and the actual amounts distributed, will be entirely dependent on the operations and assets of Cominar and its subsidiaries, and will be subject to various factors including financial performance, obligations under applicable credit facilities, fluctuations in working capital, the sustainability of income derived from anchor tenants and capital expenditure requirements. The market value of the Units will deteriorate if Cominar is unable to meet its distribution targets in the future, and that deterioration may be significant. In addition, the composition of cash distributions for tax purposes may change over time and may affect the after-tax return for investors.

### 5.2.8 NATURE OF INVESTMENT

A Unitholder does not hold a share of a body corporate. As holders of Units, the Unitholders will not have statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions. The rights of Unitholders are based primarily on the Contract of Trust. There is no statute governing the affairs of Cominar equivalent to the CBCA, which sets out the rights, and entitlements of shareholders of corporation in various circumstances.

### 5.2.9 TAX RISK

Cominar is considered a mutual fund trust for income tax purposes. Pursuant to the Contract of Trust, the Trustees intend to distribute or designate all taxable income directly earned by Cominar to holders and to deduct such distributions and allocations of its income for tax purposes.

Certain of Cominar's subsidiaries are subject to tax on their taxable income under the Tax Act and the Taxation Act, Québec.

A special tax regime applies to trusts that are considered specified investment flow-through ("SIFT") entities as well as those individuals who invest in SIFTs. Under the SIFT rules, a SIFT is subject to tax in a manner similar to corporations on income from business carried on in Canada and on income (other than taxable dividends) or capital gains from "non-portfolio properties" (as defined in the Tax Act), at a combined federal/provincial tax rate similar to that of a corporation.

The SIFT rules apply unless (among other exceptions not applicable here) the trust qualifies as a "real estate investment trust" for the year (the "Real Estate Investment Trust Exception"). If Cominar fails to qualify for the Real Estate Investment Trust Exception, Cominar will be subject to the tax regime introduced by the SIFT rules.

Management believes that Cominar currently meets all the criteria required to qualify for the Real Estate Investment Trust Exception, as per the Real Estate Investment Trust Exception currently in effect. As a result, Management believes that the SIFT rules do not apply to Cominar. Management intends to take all the necessary steps to meet these conditions on an on-going basis in the future. Nonetheless, there is no guarantee that Cominar will continue to meet all the required conditions to be eligible for the Real Estate Investment Trust Exception for the remainder of fiscal 2016 and any other subsequent year.

### **5.3 RISK FACTORS RELATED TO THE OWNERSHIP OF SENIOR DEBENTURES**

#### **5.3.1 CREDIT RATINGS**

The credit ratings assigned to Cominar and the Senior Debentures by DBRS are not a recommendation to buy, hold or sell securities of Cominar. A rating is not a comment on the market price of a security nor is it an assessment of ownership given various investment objectives. There is no assurance that any rating will remain in effect for any given period of time and ratings may be upgraded, downgraded, placed under review, confirmed and discontinued. Non-credit risks that can meaningfully impact the value of the securities issued include market risk, trading liquidity risk and covenant risk. DBRS uses rating symbols as a simple and concise method of expressing its opinion to the market, although DBRS ratings usually consist of broader contextual information regarding the security provided by DBRS in rating reports, which generally set out the full rationale for the chosen rating symbol, and in other releases.

#### **5.3.2 SENIOR DEBENTURES CREDIT RISK, PRIOR RANKING INDEBTEDNESS AND STRUCTURAL SUBORDINATION OF THE SENIOR DEBENTURES**

The likelihood that purchasers of the Senior Debentures will receive payments owing to them under the terms of the Senior Debentures will depend on the financial health of Cominar and its creditworthiness. In addition, the Senior Debentures are unsecured obligations of Cominar and, therefore, if Cominar becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, Cominar's assets will be available to pay its obligations with respect to the Senior Debentures only after it has paid all of its secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Senior Debentures then outstanding.

Liabilities of a parent entity with assets held by various subsidiaries may result in the structural subordination of the lenders of the parent entity. The parent entity is entitled only to the residual equity of its subsidiaries after all debt obligations of its subsidiaries are discharged. In the event of a bankruptcy, liquidation or reorganization of Cominar, holders of indebtedness of Cominar (including holders of Senior Debentures) may become subordinate to lenders to the subsidiaries of Cominar.

#### **5.3.3 TRADING MARKET FOR SENIOR DEBENTURES**

There is no market through which the Senior Debentures may be sold and purchasers may not be able to resell Senior Debentures purchased under the base shelf prospectus, as supplemented by the prospectus supplements. This may affect the pricing of the Senior Debentures in the secondary market, the transparency and availability of trading prices, the liquidity of the Senior Debentures and the extent of issuer regulation. No assurance can be given as to whether an active trading market will develop or be maintained for the Senior Debentures. To the extent that an active trading market for the Senior Debentures does not develop, the liquidity and trading prices for the Senior Debentures may be adversely affected.

#### **5.3.4 MARKET PRICE OR VALUE FLUCTUATION**

If the Senior Debentures are traded after their initial issuance, they may trade at a discount from their initial public offering price. The market price or value of the Senior Debentures depends on many factors, including liquidity of the Senior Debentures, prevailing interest rates and the markets for similar securities, general economic conditions and Cominar's financial condition, historic financial performance and prospects. Assuming all other factors remain unchanged, the market price or value of the Senior Debentures, which carry a fixed interest rate, will likely decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

Challenging market conditions, the health of the economy as a whole and numerous other factors beyond the control of Cominar may have a material effect on the business, financial condition, liquidity and results of operations of Cominar. In recent years, financial markets have experienced significant price and volume fluctuations that have particularly affected the market prices of securities of issuers and that have often been unrelated to the operating performance, underlying asset values or prospects of such issuers. There can be no assurance that such fluctuations in price and volume will not occur. Accordingly, the market price of the Senior Debentures may decline even if Cominar's operating results, underlying asset values or prospects have not changed. In periods of increased levels of volatility and market turmoil, Cominar's operations could be adversely impacted and the market price of the Senior Debentures may be adversely affected.

### 5.3.5 SENIOR DEBENTURES REDEMPTION RIGHT RISK

Cominar may choose to redeem the Senior Debentures prior to maturity, in whole or in part, at any time or from time to time, especially when prevailing interest rates are lower than the rate borne by the Senior Debentures. If prevailing rates are lower at the time of redemption, a purchaser may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the interest rate on the Senior Debentures being redeemed.

### 5.3.6 INABILITY OF COMINAR TO PURCHASE SENIOR DEBENTURES ON A CHANGE OF CONTROL

Cominar may be required to purchase all outstanding Senior Debentures upon the occurrence of a change of control. However, it is possible that following a change of control, Cominar will not have sufficient funds at that time to make any required purchase of outstanding Senior Debentures or that restrictions contained in other indebtedness will restrict those purchases.

## PART 6 – SUBSEQUENT EVENTS TO DECEMBER 31, 2015

### 6.1 FINANCING ACTIVITIES

On January 13, 2016, February 16, 2016 and March 16, 2016, Cominar declared a monthly distribution of \$0.1225 per Unit for these months.

On January 20, 2016 Cominar announced the suspension of the DRIP until further notice. If Cominar elects to reinstate the DRIP in the future, Unitholders that were enrolled in the DRIP at suspension and remain enrolled at reinstatement will automatically resume participation in the DRIP. The suspension of the DRIP until further notice does not affect the regular monthly cash distribution.

Under its normal course issuer bid, Cominar has repurchased, since the beginning of fiscal year 2016, 2,717,396 Units, for a total cash consideration of \$40.7 million. As at March 29, 2016, Cominar has repurchased 3,248,232 Units under its normal course issuer bid for a total cash consideration of \$48.5 million.

### 6.2 DISPOSITIONS

On January 29, 2016, Cominar completed the sale of a portfolio of ten retail properties located in the Québec and Montréal areas and in Ontario, for gross proceeds of \$15.2 million. Cominar recorded no gain or loss on these disposals.

Cominar entered into sale agreements regarding some Income Properties and, subject to usual closing requirements, Cominar expects to close these transactions during fiscal year 2016.

### 6.3 CHANGE IN MANAGEMENT

On March 3, 2016, Mr. Michel Dallaire announced that he will be transferring the role of president of the REIT to Mr. Sylvain Cossette, while retaining the role of chief executive officer. The role of president will be in addition to Mr. Cossette's current role of chief operating officer of Cominar. As chief executive officer, Michel Dallaire will remain the senior executive officer of Cominar and fully responsible and committed to the REIT's strategy, including finances, acquisitions and developments.

## PART 7 – DISTRIBUTIONS

The following outlines the distribution policy of the REIT as contained in the Contract of Trust. The distribution policy may be amended only with the approval of a majority of the votes cast at a meeting of Unitholders.

### 7.1 GENERAL

The REIT distributes to Unitholders monthly, on or about the 15th day in each calendar month (other than January) and on December 31 each calendar year (a "**Distribution Date**"), not less than 85% of the Distributable Income of the REIT for the preceding calendar month and, in the case of distributions made on December 31, for the calendar month then ended. Unitholders also receive a distribution on December 31 of each year of: (i) the net realized capital gains of the REIT and the net recapture income of the REIT for the year then ended; and (ii) any excess of the income of the REIT for the purposes of the Income Tax Act over distributions made for that year.

Distributions are made in cash. Distributions may be adjusted for amounts paid in prior periods if the actual Distributable Income for the prior periods is greater than or less than the Trustees' estimates for the prior periods.

If the Trustees anticipate a cash shortfall and determine that it would be in the best interests of the REIT, they may reduce for any period the percentage of Distributable Income to be distributed to Unitholders.

Monthly distributions will be based on the Trustees' estimate of yearly Distributable Income, subject to adjustment from time to time throughout the year.

## 7.2 COMPUTATION OF DISTRIBUTABLE INCOME FOR DISTRIBUTION PURPOSES

The Distributable Income of the REIT is calculated based on the REIT's income determined in accordance with the provisions of the Income Tax Act, subject to certain adjustments as set out in the Contract of Trust, including that capital gains and capital losses be excluded, net recapture income be excluded, no deduction be made for non-capital losses, capital cost allowance, terminal losses, amortization of cumulative eligible capital or amortization of costs of issuing Units or financing fees related to the instalment loan, and leasehold and client improvements be amortized. Distributable Income so calculated may reflect any other adjustments determined by the Trustees in their discretion and may be estimated whenever the actual amount has not been fully determined. Such estimates will be adjusted as of the subsequent Distribution Date when the amount of Distributable Income has been finally determined.

## 7.3 COMPUTATION OF NET REALIZED CAPITAL GAINS AND NET RECAPTURE INCOME

The net realized capital gains of the REIT for any year means the amount, if any, by which the capital gains of the REIT for the year exceed the aggregate of (i) the amount of any capital losses of the REIT for the year and (ii) the amount of any net capital losses of the REIT from prior years to the extent not previously deducted. The net recapture income of the REIT for any year means the amount, if any, by which the amount required to be included in the income of the REIT for income tax purposes for such year in respect of recapture of capital cost allowance previously claimed by the REIT exceeds terminal losses realized by the REIT in the year.

## 7.4 TAX DEFERRAL ON 2015 DISTRIBUTIONS

The distributions made by the REIT to Unitholders in 2015 were tax-deferred at 73.94% by reason of the REIT's ability to claim capital cost allowance and certain other deductions. In the year of acquisition of a property, capital cost allowance is restricted to one-half of the normal annual rates. The adjusted cost base of Units held by a Unitholder will generally, subject to certain conditions under the Tax Act, be reduced by the non-taxable portion of distributions made to the Unitholder (other than the non-taxable portion of certain capital gains). A Unitholder will generally realize a capital gain to the extent that the adjusted cost base of the Unitholder's Units would otherwise be a negative amount.

## 7.5 DISTRIBUTIONS DURING THE LAST THREE FISCAL YEARS

The following table presents the distributions per Unit made by the REIT for the last three fiscal years ending on December 31.

Year	Distribution per Unit (\$)
2015	1.470
2014	1.453
2013	1.440

## PART 8 – CAPITAL STRUCTURE

### 8.1 GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The ownership interests in the REIT constitute a single class of Units. Units represent a Unitholder's proportionate undivided ownership interest in the REIT. The aggregate number of Units that the REIT may issue is unlimited. As at December 31, 2015,

there were 170,912,647 Units outstanding. No Unit has any preference or priority over another. No Unitholder has or is deemed to have any right of ownership in any of the assets of the REIT. Each Unit confers the right to one vote at any meeting of Unitholders and to participate equally and ratably in any distributions by the REIT and, in the event of any required distribution of all of the property of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. Units are issued in registered form, are non-assessable when issued and are transferable. Issued and outstanding Units may be subdivided or consolidated from time to time by the Trustees without Unitholder approval. No certificates for fractional Units will be issued and fractional Units will not entitle the holders thereof to vote.

The Units are issued upon the terms and subject to the conditions of the Contract of Trust, which Contract of Trust is binding upon all Unitholders.

On January 30, 2015, Cominar closed a public offering of 7,901,650 Units including the full exercise of the over-allotment option at a price of \$19.65 per Unit. Total net proceeds received by Cominar amounted to \$148.7 million, after deducting the underwriters' fee and costs related to the offering. Net proceeds from this offering were used to repay the unsecured revolving credit facility.

On August 28, 2015, Cominar obtained the approval of the Toronto Stock Exchange to set up a normal course of issuer bid for up to 4.0 million Units. The bid expires on September 1, 2016, or on any earlier date on which Cominar would have completed the totality of the purchases pursuant to the bid. During fiscal 2015, Cominar has repurchased 530,836 Units for a total cash consideration of \$7.8 million. As at March 29, 2016, Cominar has repurchased 3,248,232 Units under its normal course issuer bid for a total cash consideration of \$48.5 million.

Under the equity incentive plan, the REIT grants Unit options, deferred units and restricted units, to the company's executives and employees. As at December 31, 2015, there were 10,493,750 Unit options outstanding, and 4,047 restricted units and 180,434 deferred units were outstanding.

## **8.2 RESTRICTIONS ON THE ISSUE AND TRANSFER OF UNITS**

The Contract of Trust imposes certain restrictions on Unitholders who are non-residents of Canada, including that they may not be the beneficial owners of more than 49% of Units. See "Risk Factors Related to the Ownership of Units – Restrictions on Certain Unitholders and Liquidity of Units".

## **8.3 CREDIT RATINGS**

On May 15, 2012, the REIT was assigned an Issuer Rating of BBB (low), with a Stable trend, by DBRS, which rating was confirmed by DBRS on July 9, 2013. On August 26, 2014, DBRS confirmed a credit rating of BBB (low), with a Stable trend, in respect of the Senior Debentures (except for the Series 6 floating rate senior unsecured debentures, the Series 7 3.62% senior unsecured debentures, the Series 8 4.25% senior unsecured debentures and the Series 9 4.164% senior unsecured debentures, which had not yet been created nor issued by the REIT as of such date). On September 18, 2014, DBRS assigned a credit rating of BBB (low), with a Stable trend, to the Series 6 floating rate senior unsecured debentures and the Series 7 3.62% senior unsecured debentures. On December 8, 2014, DBRS assigned a credit rating of BBB (low), with a Stable trend, to the Series 8 4.25% senior unsecured debentures. On May 26, 2015, DBRS assigned a credit rating of BBB (low), with a Stable trend, to the Series 9 4.164% senior unsecured debentures. The requests for such credit ratings were initiated by the REIT.

DBRS provides credit ratings of debt securities for commercial entities and the following description has been sourced from information made publicly available by DBRS. DBRS ratings are opinions that reflect the creditworthiness of an issuer, a security, or an obligation. They are opinions based on forward-looking measurements that assess an issuer's ability and willingness to make timely payments on outstanding obligations (whether principal, interest, dividend, or distributions) with respect to the terms of an obligation. Ratings are opinions based on the quantitative and qualitative analysis of information sourced and received by DBRS, which information is not audited or verified by DBRS. DBRS cautions that no two issuers possess exactly the same characteristics, nor are they likely to have the same future opportunities. Consequently, two issuers with the same rating should not be considered to be of exactly the same credit quality.

The DBRS long-term rating scale provides an opinion on the risk of default, that is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued.

The BBB (low), with a Stable trend, rating assigned by DBRS to the REIT and the Senior Debentures is the fourth highest rating of DBRS' ten rating categories, which range from AAA to D. With the exception of the AAA and D categories, DBRS uses high or low designations to indicate the relative standing of the securities being rated within a particular rating category, and the



absence of either a high or low designation indicates the rating is in the middle of the category. Under the DBRS rating system, debt securities rated BBB are of adequate credit quality and the capacity for payment of financial obligations is considered acceptable, but the entity may be vulnerable to future events.

DBRS uses “rating trends” for its ratings in, among other areas, the real estate investment trust sector. DBRS’ rating trends provide guidance in respect of DBRS’ opinion regarding the outlook for the rating in question, and such rating trends fall into one of three categories: “Positive”, “Stable” or “Negative”. The rating trend indicates the direction in which DBRS considers the rating is headed should present tendencies continue or, in some cases, unless challenges are addressed. In general, DBRS’ view is based primarily on an evaluation of the issuer, but may also include consideration of the outlook for the industry or industries in which the issuer operates. A “Positive” or “Negative” trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a “Stable” trend was assigned.

The credit rating assigned by DBRS to the REIT and the Senior Debentures is not a recommendation to buy, hold or sell securities of the REIT. A rating is not a comment on the market price of a security nor is it an assessment of ownership given various investment objectives. There is no assurance that any rating will remain in effect for any given period of time and ratings may be upgraded, downgraded, placed under review, confirmed and discontinued. Non-credit risks that can meaningfully impact the value of the securities issued include market risk, trading liquidity risk and covenant risk. DBRS uses rating symbols as a simple and concise method of expressing its opinion to the market, although DBRS ratings usually consist of broader contextual information regarding the security provided by DBRS in rating reports, which generally set out the full rationale for the chosen rating symbol, and in other releases. See “Risk Factors – Risk Factors Related to the Ownership of Senior Debentures – Credit Ratings” in this AIF.

The REIT paid to DBRS the customary fee in connection with the ratings assigned to the REIT, the Senior Debentures, and it will continue to make payments to DBRS from time to time in connection with the confirmation of such ratings for purposes of its prospectuses and prospectus supplements thereto, or in connection with credit ratings to be assigned to the debt securities of the REIT, if any, which may be offered for sale from time to time in the future. The REIT did not make any payments to DBRS in respect of any other service provided to the REIT by DBRS during the last two years.

## **PART 9 – DISTRIBUTION REINVESTMENT PLAN**

Subject to the suspension further detailed in PART 6 – “Subsequent events to December 31, 2015 – 6.1 Financing Activities”, the REIT has a DRIP pursuant to which Unitholders may elect to have all cash distributions of the REIT automatically reinvested in additional Units at a price per Unit calculated by reference to the weighted average of the trading price of Units on the Toronto Stock Exchange for the twenty trading days immediately preceding the relevant Distribution Date. No brokerage commissions will be payable in connection with the purchase of Units under the DRIP and all administrative costs were borne by the REIT. Proceeds received by the REIT upon the issuance of additional Units under the DRIP will be used by the REIT for property acquisitions, capital improvements and working capital.

Prior to the DRIP suspension, in order to encourage participation, the Unitholders who participate in the DRIP were granted the right to receive an additional number of Units equal to 3% of the distributions to which they were entitled to. The said additional number of Units receivable under the DRIP was decreased from 5% to 3% as of August 28, 2015.

Unitholders who reside in the United States or who are United States citizens were not entitled to participate in the Distribution Reinvestment Plan.

## **PART 10 – MARKET FOR SECURITIES OF THE REIT**

### **10.1 MARKET FOR UNITS**

The REIT’s Units are listed and posted for trading on the Toronto Stock Exchange under the symbol “CUF.UN”.

The following table sets forth the market price range and trading volumes of Units on the TSX for each of the 12 months of the most recently completed fiscal year.

<b>CUF.UN</b>			
<b>Fiscal year ended December 31, 2015</b>	<b>High (\$)</b>	<b>TSX</b>	
		<b>Low (\$)</b>	<b>Trading Volumes</b>
January	20.11	18.66	8,481,885
February	19.97	19.27	4,909,123
March	19.83	18.55	8,088,842
April	19.65	19.01	5,351,868
May	19.16	18.03	5,859,673
June	18.25	17.46	7,242,332
July	18.30	17.26	4,589,282
August	17.86	14.50	6,844,812
September	16.69	15.81	5,688,425
October	16.38	15.38	6,492,665
November	15.80	14.53	8,295,409
December	15.13	14.10	5,615,138

## 10.2 MARKET FOR CONVERTIBLE DEBENTURES

The Debentures were listed and posted for trading on the TSX under the symbols “CUF.DB.D” and “CUF.DB.E”. The following tables set forth the market price range and trading volumes of the Debentures on the TSX for each of the 12 months of the most recently completed fiscal year.

<b>CUF.DB.D</b>			
<b>TSX</b>			
<b>Fiscal year ended December 31, 2015<sup>(1)</sup></b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Trading Volumes (in thousands)</b>
January	103.00	101.50	337,000
February	105.02	102.43	314,000
March	105.00	103.50	295,000
April	104.01	103.44	672,000
May	103.53	103.10	483,000
June	103.50	102.00	121,000
July	102.50	101.50	187,000
August	102.00	100.05	3,079,000

(1) Cominar redeemed early all of the Series D Convertible Debentures on September 8, 2015.

<b>CUF.DB.E</b>			
<b>TSX</b>			
<b>Fiscal year ended December 31, 2015<sup>(1)</sup></b>	<b>High (\$)</b>	<b>Low (\$)</b>	<b>Trading Volumes (in thousands)</b>
January	104.76	100.00	678,000
February	103.50	100.00	473,000
March	103.60	101.25	428,000
April	103.88	101.90	577,000
May	103.88	102.00	561,000
June	102.76	100.01	1,457,800

(2) Cominar redeemed early all of the Series E Convertible Debentures on July 6, 2015.

## 10.3 MARKET FOR SENIOR DEBENTURES

There is no trading market for Senior Debentures and the REIT has no intention of requesting a TSX listing for its Senior Debentures.

## PART 11 – TRUSTEES AND OFFICERS OF THE REIT

### 11.1 INFORMATION CONCERNING TRUSTEES

The REIT believes that the diversity of members on the Board of Trustees enhances the quality of discussions, and therefore recognizes the importance of increasing the number of women acting as trustees and of improving gender balance on the Board. Indeed, the policy relating to the recruitment of Nominating and Governance Committee members provides that, in the examination of successful candidates, for comparable knowledge, experience and availability, the preference will go to a woman

as long as the number of women on the Board will not be the same as men's. As at December 31, 2015, three of nine members of the Board of Trustees were women and the REIT intends to continue its efforts to identify candidates who meet various selection criteria.

The following table sets forth the name of each current Trustee, the positions and offices within the REIT currently held by them, their principal occupations and their employment during the last five years, the period during which each served as Trustee of the REIT and the approximate number of Units they are beneficially owned, directly or indirectly, by them or over which they exercise control or direction as at March 29, 2015:

Name, municipality of residence and office	Principal occupation	Period during which served as a Trustee	Number of Units beneficially owned or over which control or direction is exercised <sup>(1)</sup>
<b>Robert Després</b> , M.Sc.C, FCPA <sup>(2) (5) (11)</sup> Québec City, Québec Independent Trustee	Chairman of the Board, Corporate director	Since 1998	17,000
<b>Michel Dallaire</b> , Eng. Québec City, Québec Non-Independent Trustee, President and Chief Executive Officer of the REIT	Chief Executive Officer of the REIT <sup>(6)</sup>	Since 1998	8,839,921 <sup>(8)</sup>
<b>Alain Dallaire</b> Lac Beauport, Québec Non-Independent Trustee, Executive Vice-President, Operations – Office and Industrial of the REIT	Executive Vice-President, Operations – Office and Industrial of the REIT <sup>(7)</sup>	Since 2006	8,749,862 <sup>(8)</sup>
<b>Alban D'Amours</b> , G.O.Q., <sup>(2) (3)</sup> Québec City, Québec Independent Trustee	Corporate director	Since 2009	13,182
<b>Me Gérard Coulombe</b> , Q.C. <sup>(4) (5)</sup> Sainte-Marthe, Québec Independent Trustee	Partner, Lavery, Montréal	Since 2007	9,455
<b>Mary-Ann Bell</b> , Eng, M.Sc., ASC <sup>(2) (4)</sup> Montréal, Québec Independent Trustee	Corporate Director	Since 2012	8,500
<b>Ghislaine Laberge</b> , ASC <sup>(3) (4)</sup> Montréal, Québec Independent Trustee	Corporate Director	Since 1998	9,202
<b>Johanne M. Lépine</b> <sup>(3) (5)</sup> Québec, Québec Independent Trustee	President and Chief Executive Officer Aon Parizeau Inc.	Since 2013	–
<b>Michel Thérroux</b> , FCPA, FCA <sup>(2) (5)</sup> Boucherville, Québec Independent Trustee	Corporate Director	Since 2015	– <sup>(10)</sup>

**Notes:**

- (1) Each Trustee has furnished information as to the Units beneficially owned by him or over which he exercises control or direction.
- (2) Member of the Audit Committee.
- (3) Member of the Investment Committee.
- (4) Member of the Compensation Committee.
- (5) Member of the Nominating and Corporate Governance Committee.
- (6) Mr. Michel Dallaire is also Chairman and Chief Executive Officer of GDI. On March 3, 2016, Mr. Dallaire announced that he will be transferring the role of President to Mr. Sylvain Cossette, while retaining the role of Chief Executive Officer.
- (7) Mr. Alain Dallaire is also a director of GDI.
- (8) Comprises 8,277,175 Units held by AM Total Investments, general partnership. AM Total Investments, general partnership, is held by Dallaire Group. The shares of Dallaire Group are held by the children of the late Jules Dallaire, including Michel Dallaire, and related family trusts. In addition, 357,000 Units are held by Fiducie testamentaire Jules Dallaire and 32,435 Units are held by Fiducie immobilière Dallaire (2006) Inc.
- (9) As the Chairman of the REIT, Mr. Després attends the meetings of the committees of which he is not a member.
- (10) Since his appointment as Trustee of the REIT on May 12, 2015, Mr. Thérroux does not, directly or indirectly, hold any interest in the REIT in the form of Units issued, in accordance with the Contract of Trust, which stipulates that, at all times, at least one trustee cannot hold units.

All the Trustees serve until next annual meeting of Unitholders or until his/her successor has been elected or appointed.

Each of the Trustees listed above has held his or her principal occupation or another position with the REIT for the five (5) preceding years, except for (i) Ms. Mary-Ann Bell, who was with the BCE group since 1982 but has been Senior Vice-President, Québec and Ontario at Bell Aliant Regional Communications between 2009 and 2014 (ii) Ms. Johanne M. Lépine, who is President and Chief Executive Officer of Aon Parizeau Inc. since 2002, and also Senior Vice-President and Chair of the Board of Directors of Aon Reed Stenhouse since January 2015, member of Aon Reed Stenhouse's Canadian executive committee and has been Senior Vice-President and Regional Director, Eastern Canada of Aon Reed Stenhouse from 2011 to 2014 and (iii) Michel Thérout was President of Jas A. Ogilvy Inc. from January 1988 to June 2012.

## 11.2 INFORMATION CONCERNING NON-TRUSTEE OFFICERS

Non-Trustee Officer	Office with the REIT	Province and Country of Residence
Sylvain Cossette	President and Chief Operating Officer	Québec, Canada
Gilles Hamel	Executive Vice-President and Chief Financial Officer	Québec, Canada
Todd Bechard	Executive Vice-President, Acquisitions	Nova Scotia, Canada
Guy Charron	Executive Vice President, Operations – Retail	Québec, Canada
Jean Laramée	Executive Vice President, Development	Québec, Canada
Michael Racine	Executive Vice-President, Leasing - Office and Industrial	Québec, Canada
René Bérubé	Vice-President, Leasing - Québec City	Québec, Canada
Manon Deslauriers	Vice President, Legal Affairs and Corporate Secretary	Québec, Canada
Denis Laberge	Vice President, Property Management - Montréal	Québec, Canada
Louis Lebel	Vice President, Operation – Office and Industrial Québec City Area	Québec, Canada
Johanne Leclerc	Vice President, Operations – Shopping Centres	Québec, Canada
Wally Commisso	Vice-President, Operations Canada	Québec, Canada
Gerry McBride	Vice-President, Operations – New Brunswick	New Brunswick, Canada
Jean-Guy Moreau	Vice-President, Development – Québec City Area	Québec, Canada
Richard Nolin	Vice-President, Shopping Centres	Québec, Canada
Carl Pepin	Vice-President, Finances and Accounting	Québec, Canada

Each of the non-trustee officers of the REIT has held his or her present principal office or another position with the REIT for the five preceding years, with the exception of: (i) Todd Bechard, Executive Vice-President, Acquisitions who was previously REIT's Executive Vice-President, Atlantic Provinces between August 2011 and March 2014, Vice-President Finance, Atlantic Provinces from March 2010 to August 2011 and Chief Financial Officer of Overland Realty Limited from June 2006 to March 2010; (ii) Gerry McBride, Vice-President, Operations – New Brunswick of the REIT since September 2011 and who was previously General Manager of the REIT for New Brunswick from November 2010 to September 2011 and President and Chief Executive Officer of Bird Holdings Ltd. from January 2005 to November 2010; (iii) Sylvain Cossette, President and Chief Operating Officer, who was, between December 2012 and March 2016, Executive Vice-President and Chief Operating Officer of the REIT and who was previously a partner at Davies Ward Phillips & Vineberg, LLP, a law firm; (iv) Guy Charron, Executive Vice-President, Operations – Retail since May 2012, who was Executive Vice-President and Chief Operating Officer - Québec of Canmarc Real Estate Investment Trust; (v) Gilles Hamel, Executive Vice-President and Chief Financial Officer who was the REIT's Vice President, Corporate Finances and Administration between July 2013 and March 2014 and partner at PricewaterhouseCooper, LLP from 1994 to July 2013; (vi) Jean Laramée, Executive Vice President, Development who previously was, at Ivanohé Cambridge inc., Senior Vice President – Quebec Real Estate Capital between March 2013 and November 2014, Senior Vice President – East North America Portfolio between July 2011 and March 2013 and Senior Vice-President– Operations, East Region between March 2002 and July 2011; (vii) Johanne Leclerc, Vice President, Operations – Shopping Centres who previously was Regional Director and Vice President, Operations at Ivanohé Cambridge Inc. from September 1996 to October 2014; (viii) Manon Deslauriers, Vice President, Legal Affairs and Corporate Secretary who previously was a lawyer at Manon Deslauriers, avocate inc. and Harvey Deslauriers, conseils s.e.n.c.r.l. from August 2001 to December 2014, was Director, Business relationships at Scotia Bank, from October 2012 to May 2013 and Vice President, Legal Affairs and Corporate Secretary at Atrium Innovations inc. from January 2001 to August 2011; (ix) Denis Laberge Vice President, Property Management Montréal who previously was Property manager for the REIT between April 2013 and April 2015, and Property manager for CBRE from August 2005 to April 2013; and (x) Louis Lebel, Vice President, Operation – Office and Industrial, Québec City Area who previously was Director, leasing for the REIT between October 2013 and June 2015, Director, leasing for the Les Immeubles Roussin LTD between December 2012 and October 2013, and General manager, Place du Centre for Le Groupe de Société Westcliff from September 1993 to October 2012.

As at March 29, 2015, the executive officers and Trustees of the REIT beneficially owned as a group, directly or indirectly, 9,041,810 Units.

### **11.3 INDEPENDENCE**

The REIT considers that the Independent Trustees are “independent” within the meaning of Regulation 58-101 respecting Disclosure of Corporate Governance Practices and that the members of the Audit Committee are independent within the meaning of Regulation 52-110 respecting Audit Committees. The Trustees appointed by the Dallaire Group are not considered “independent”.

### **11.4 AUDIT COMMITTEE**

#### **11.4.1 GENERAL PROVISIONS**

The REIT has an Audit Committee which currently consists of Messrs. Alban D'Amours, Michel Thérout and Robert Després and Ms. Mary-Ann Bell. All the members of the Audit Committee are Independent Trustees and are considered “independent” and “financially literate” within the meaning of Regulation 52-110 respecting Audit Committees. Mr. Després is a Fellow of the Corporation of Certified General Accountants of Québec and a Fellow of the *Ordre des comptables en management accrédités du Québec*, and Mr. D'Amours is the former President and Chief Executive Officer of the *Fédération du Mouvement des caisses Desjardins* and is a Fellow of the *Ordre des administrateurs agréés du Québec*. Ms. Bell was the Senior Vice-President, Québec and Ontario at Bell Aliant Regional Communications between 2009 and 2014 and has been an administrator for different companies for 14 years. Mr. Thérout became chartered accountant in 1972 and obtained his FCA in 2004.

#### **11.4.2 MANDATE OF THE AUDIT COMMITTEE**

The mandate of the Audit Committee is to assist the Board of Trustees of the REIT in fulfilling its oversight responsibilities. As such, the Audit Committee reviews the financial reporting process, the system of internal controls, the management of financial risks, the audit process and the REIT's process for monitoring compliance with laws and regulations and its own general policies. The Committee maintains effective working relationships with the Board of Trustees, Management and external auditors. The mandate of the Audit Committee is attached hereto as SCHEDULE “A”.

#### **11.4.3 EDUCATION AND EXPERIENCE OF AUDIT COMMITTEE MEMBERS**

The following is a brief summary of the education and experience of each member of the Audit Committee that is relevant to the performance of his or her responsibilities as a member of the Audit Committee, including any education or experience that has provided the member with an understanding of the accounting principles used by the REIT to prepare its annual and interim financial statements.

Name of Audit Committee Member	Relevant Education and Experience
Alban D'Amours, M.C., G.O.Q., F.AdM.A. (President)	Mr. Alban D'Amours was President and Chief Executive Officer of the <i>Mouvement des caisses Desjardins</i> from 2000 to 2008. In 1988 he joined the <i>Confédération des caisses Desjardins du Québec</i> , where he held various management positions. He held various positions in the Québec civil service, including those of Associate Deputy Minister of Energy and Deputy Minister of Revenue. He taught for 12 years at the <i>Université de Sherbrooke</i> , where he helped set up the Economics Department. Mr. D'Amours completed his doctoral studies with a major in monetary policy, public finance and econometrics.
Robert Després, OC., GOQ., M.Sc.C., FCPA, FCMA, FCGA, FICD, FCAS	Mr. Després, M.Sc.C., is a Fellow of the <i>Ordre des comptables professionnels agréés du Québec</i> , Fellow of the <i>Ordre des comptables en management accrédités du Québec</i> and a Fellow of the <i>Ordre des comptables généraux et accrédités du Québec</i> . He is also a Fellow of the Institute of Corporate Directors and of the <i>Collège des administrateurs de sociétés</i> . He has acted as director of several public companies and has chaired several audit committees.
Mary-Ann Bell, Eng, M.Sc., ASC	Ms. Mary-Ann Bell has had a career in telecommunications for more than 30 years. Earned her bachelor's in industrial engineering from L'École Polytechnique of Montréal (1982) and her master's degree in science from the INRS. In 1982, she started her career with Bell Canada where she held various positions in operations and finance, such as Senior Vice President, Customer Service from 2003 to 2006; in 2006, she participated in the creation of Bell Aliant where she was up until recently (2014), the Senior Vice President, Québec and Ontario. Certified Corporate Director and member of the Institute of Corporate Directors, Ms. Bell has been sitting on several Boards of Directors for more than 14 years and has many years of experience on audit committees.
Michel Thérout	<p>Michel Thérout was President of Jas A. Ogilvy Inc., a retail company, from January 1988 to June 2012. He was also President of Equidev Inc., a real estate company, from 1988 to 1997. From 1984 to 1987, Mr. Thérout was involved in the <i>Ordre des comptables agréés du Québec</i> (OCAQ) as a member of the Tax Committee. From 1995 to 1998, he was a member of the Business and Industrial CA Committee of which he became Chair in 1998 for a two-year term. Since 1998, he has been a member of the Bureau of the OCAQ and also serves on the Finance Committee for which he became Chair in 2000. That same year, he also became a member of the Executive Committee. In 2003, he was appointed to the position of Vice-Chairman of the Board of the OCAQ. From 2005 to 2007, he was appointed Chairman of the Board of the OCAQ. Then, he joined the Government Relations Committee of the OCAQ as well as the Board of the Foundation of Québec Chartered Accountants. Since 2010, he is a member of the Board of the Canadian Institute of Chartered Accountants (CICA) as the Québec representative and since January 2013, he has been serving on the Board of Directors of the Chartered Professional Accountants of Canada (CPA). In August 2014, he became member of the Board of Optimum Group Inc.</p> <p>Mr. Thérout obtained a license in commerce and accounting from the <i>École des Hautes Études Commerciales</i> in 1970. He became chartered accountant in 1972 and obtained his FCA in 2004. He has been teaching taxation at the <i>École des Hautes Études Commerciales</i> of Montréal from 1972 to 1981, and accounting at the <i>École Polytechnique</i> of Montréal from 1972 to 1974.</p> <p>Finally, he was director and partner in the taxation department at the firm Samson, Bélair/Deloitte &amp; Touche from 1972 to 1988.</p>

Each of the Audit Committee members understands the accounting principles used by the REIT to prepare its financial statements and has the capacity to generally assess the application of the accounting principles related to the accounting of estimates, accounts receivable, accounts payable and reserves. Messrs. Després, Thérout and D'Amours and Ms. Bell all have experience in the preparation, audit, analysis and assessment of financial statements containing accounting issues of a generally similar scope and complexity as can reasonably be expected to be raised by the REIT's financial statements. Messrs. Després, Thérout and D'Amours and Mss. Bell also understand internal controls and disclosure controls and procedures.

#### 11.4.4 EXTERNAL AUDITOR SERVICE FEES

The following table shows fees accrued and paid to the external auditors in the past two fiscal years for various services provided to the REIT:

	Year ended December 31, 2015 (\$)	Year ended December 31, 2014 (\$)
Audit Fees	523,587	660,180
Audit Related Fees	199,025	225,537
Fees related to fiscal services	119,193	168,065
Other Fees	-	-
<b>Total:</b>	<b>841,805</b>	<b>1,053,782</b>

#### Audit Fees

These fees include professional services rendered by the external auditors for audits of financial statements or services usually provided by external auditors for regulatory filings and engagements.

#### Audit Related Fees

These fees include certification services and other services provided by external auditors that are reasonably related to audits or reviews of financial statements and that are not included in the audit fees.

#### Fees Related to Fiscal Services

These fees include the total fees paid to the auditors for professional services related to tax compliance, tax advice and tax planning.

#### Other Fees

These fees include the total fees for other products and services rendered and billed by external auditors.

#### 11.4.5 PROCEDURES FOR THE ENGAGEMENT OF AUDIT AND NON-AUDIT SERVICES

The Audit Committee may engage advisors if it deems it necessary in the exercise of its functions, and fix and pay their remuneration.

#### 11.5 CEASE TRADE ORDERS AND BANKRUPTCIES

To the knowledge of the Trustees and officers of the REIT and according to information provided to the REIT, none of the candidates proposed for election as Trustee of the REIT, other than Mr. Gérard Coulombe who, until September 28, 2005, was a Board member of *Centre International de Gestion de Projets G.P.*, a non-profit company which went bankrupt on September 29, 2005, and emerged from bankruptcy on April 4, 2008, are as of the date of this AIF or have been, within the ten years before such date, a director, trustee, chief executive officer or chief financial officer or, in respect of subsection (iii) below, an executive officer of a company which, while the person was acting in such capacity:

- (i) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (ii) was, after the director or executive officer ceased to be a director or executive officer, the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days as a result of an event which occurred while the director or executive officer was acting in such capacity; or



- (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

#### 11.5.1 PERSONAL BANKRUPTCIES

No trustee or officer has within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his, her or its assets.

### PART 12 – LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The REIT is involved in various claims and litigation as a regular part of its business. Management believes that the resolution of these claims and litigation (which in certain cases are subject to applicable deductibles covered by insurance) will not have a material adverse effect on its financial position or results of operations.

In addition, in the fiscal year ended December 31, 2015, the REIT has not been subject of any penalties or sanctions imposed by a court pursuant to securities legislation or regulatory authority or any penalties or sanctions that a reasonable investor would consider significant and that were imposed by a court or regulatory body or any settlement agreements pertaining to such penalties or sanctions.

### PART 13 – INTEREST OF MANAGEMENT AND OTHER INFORMED PERSONS IN MATERIAL TRANSACTIONS

Michel Dallaire and Alain Dallaire, trustees and members of Cominar's management team, exercise indirect control over GDI and Dalcon Inc. During fiscal 2015, Cominar recorded \$272,000 in net rental income from Dalcon Inc. and GDI. Cominar also incurred from Dallaire Group costs of \$71.8 million for capital costs in Investment Properties solely owned by Cominar and \$14.5 million for capital costs in Investment Properties held in joint ventures with the Dallaire Group.

Cominar recorded \$312,000 in interest income from GDI during fiscal 2015.

Cominar owns participations of 50% and of 75% in joint ventures with the Dallaire Group for a total net investment by Cominar of \$74.9 million. The business objective of these joint ventures is the ownership, management and development of its real estate projects.

These transactions were entered into in the normal course of business and were measured at the exchange amount. By retaining the services of related companies for property construction work and leasehold improvements, Cominar achieves significant time and cost savings while providing better service to its clients.

Apart from the information provided in this AIF or in the consolidated financial statements of the REIT for the fiscal year ended December 31, 2015 and since January 1, 2016, the REIT has no knowledge of any material interest of a Trustee or of an officer, current or proposed, in any transaction, or in a proposed transaction, that could or will materially affect the REIT.

### PART 14 – TRANSFER AGENT AND REGISTRAR

The REIT's transfer agent and registrar is Computershare Trust Company of Canada. The register of transfers maintained is located at its offices in Montréal, Québec.

### PART 15 – INTEREST OF EXPERTS

PricewaterhouseCoopers LLP are the external auditors of the REIT who prepared the Independent Auditor's Report to the Unitholders dated March 1, 2016 with respect to the consolidated annual financial statements of the REIT for the fiscal year ended December 31, 2015. PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l. is independent with respect to the REIT within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

**PART 16 – ADDITIONAL INFORMATION**

Additional information with respect to the REIT may be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information, including Trustees and officers' remuneration, principal holder of the REIT's Units and Units authorized for issuance under the Long Term Incentive Plan, where applicable, is contained in the REIT's information circular for its most recent annual meeting of Unitholders that involves the election of Trustees.

Additional financial information is provided in the REIT's financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2015 available on SEDAR at [www.sedar.com](http://www.sedar.com).

## SCHEDULE A

### COMINAR REAL ESTATE INVESTMENT TRUST (the “REIT”) AUDIT COMMITTEE CHARTER

#### CONSTITUTION

The Board of Trustees (the “**Board**”) has by resolution set up an Audit Committee (the “**Committee**”) made up of four unrelated and independent trustees (as such term is defined in the Standards Applicable to Audit Committees) who are financially literate.

The Board appoints the members and designates the Committee Chair. The Committee may from time to time invite other persons it considers advisable to attend its meetings and participate in deliberations and discussions on the various matters transacted by the Committee. Any person invited to attend Committee meetings who is not a member of the Committee is not entitled to vote on decisions made thereat.

#### RESPONSIBILITIES OF THE CHAIR OF THE COMMITTEE

The Chair of the Committee is responsible for the following:

- (i) scheduling Committee meetings;
- (ii) in consultation with the Executive Vice-President and CFO and the Committee Secretary, preparing the agenda for Committee meetings and ensuring that relevant documentation is made available in a timely manner;
- (iii) chairing Committee meetings;
- (iv) ensuring that the Committee fulfils its responsibilities as per its Charter and complies with the terms thereof; and
- (v) reporting to the Board of Trustees on all matters transacted by the Committee.

#### QUORUM

A majority of the Committee members constitutes the quorum. At a meeting, all questions are decided by a majority of the members. However, if one of the members is absent, all questions must be decided upon unanimously.

#### MEMBER TERMS

Members appointed to the Committee hold office until the first meeting of the Board following the annual general meeting of Unitholders where they are elected members of the Board or until they resign or are removed. Any member who ceases to be a Trustee shall cease to be a member of the Committee and may also be removed from office at any time by the Board.

#### PROCEDURE

The Committee follows the same procedure for calling and holding its meetings as the Board does with regard to such issues. The Board secretary also serves as secretary of the Committee.

## MEETINGS

The Committee meets as often as circumstances require but it must hold at least four regularly scheduled meetings per year. After each of these meetings, the members meet the external auditor and Management separately.

## PRESENCE OF EXTERNAL AUDITOR

The external auditor attends all Committee meetings. The Committee Chair shall call a meeting of the Committee when so required by the external auditor.

## POWERS OF THE COMMITTEE

The Committee exercises all powers and duties conferred upon it under the Contract of Trust governing the REIT and the laws and regulations governing the REIT.

In the exercise of its duties, the Committee or its representative is authorized to access the books, ledgers and accounts of the REIT and its subsidiaries, and to discuss any question concerning the financial situation and financial results of the REIT and its subsidiaries with the officers and the internal and external auditors of the REIT and its subsidiaries.

The Committee also has the authority to conduct investigations or have investigations conducted on any question arising from its jurisdiction. It is authorized to:

- use the services of external advisors, accountants or other experts to advise the Committee or to help it conduct any investigation. However, should the amounts incurred exceed \$100,000 during a given fiscal year, the committee shall obtain approval from the Board of Trustees in the form of a resolution adopted to this effect;
- ask personnel for any information that it may need;
- meet, as often as circumstances require, the officers, the external and internal auditor or the external advisors.

## PURPOSE OF THE COMMITTEE

The Committee assists the Board in fulfilling its responsibility to oversee the financial management of the REIT, the financial information presentation process, the internal control system, the internal and external auditing process, the identification and management of financial and operational risks and the procedures set up to ensure compliance with the code of ethics and professional conduct and the laws and regulations governing the REIT. In performing its duties, the Committee shall promote good relations with the Board, Management and the external auditor, and the internal auditor, if any.

The REIT's Management is responsible for the preparation, presentation and integrity of financial statements, as well as for the efficient functioning of the system of internal controls respecting disclosure of financial information. Management and the internal audit department, if any, are responsible for implementing and applying appropriate accounting and financial principles and policies respecting the disclosure of financial information and internal controls and procedures in accordance with accounting standards and practices and in compliance with the relevant laws and regulations.

The external auditor is responsible for planning and conducting a review of the REIT's quarterly financial statements and an audit of the REIT's annual financial statements, in accordance with Canadian generally accepted auditing standards, which are intended among other things to establish with reasonable assurance that the financial information set forth in the financial statements is free from material inaccuracies pursuant to generally accepted accounting principles. The external auditor must also inform the Committee of any deficiency that it may find during its annual audit regarding the system of internal controls and its functioning, including the disclosure of financial information.

Unless the situation is otherwise and the Committee members are aware of it, in which case they must promptly inform the Board, the latter is entitled to rely on the integrity of the persons or organizations that provide them with internal and external information, on the accuracy of the financial and other information that the Committee members receive from such persons or organizations and on statements made by Management and the external auditor regarding non-audit services provided by the external auditor.

## MANDATE

1. Recommend to the Board the choice of external auditor and when appointed, remind the latter that it is not management but the unitholders who are its client;
2. Recommend to the Board the remuneration to be paid to the external auditor as well as the terms and conditions of the auditor's mandate.
3. Determine and confirm the independence of the external auditor.
4. Review with the external auditor the approach and scope of its mission plan, oversee the auditor's work and report to the Board on material qualifications that the Committee may have or that the external auditor may have formulated.
5. Give prior approval to all non-audit services desired to be referred to the external auditor to the extent the remuneration paid for these services does not exceed 5% of the total remuneration paid by the REIT and its subsidiaries to the external auditor during the fiscal year in which the services are rendered and provided that the Audit Committee is kept informed thereof at each meeting.

In addition, the Committee may, subject to certain conditions, adopt specific policies and procedures to delegate prior approval authority. It may also delegate this authority to one of its members provided said member informs the Committee at its next regular meeting following the approval.

6. Oversee performance of the work of the external auditor.
7. Review the quarterly unaudited financial statements and notes thereto, the management discussion and analysis, the external auditor's report, the press releases, the message to Unitholders and any other written communications related to the Committee's mandate intended for the public, the regulatory authorities, etc. and recommend their approval to the Board.
8. Review the annual audited consolidated financial statements and recommend their approval to the Board, as well as all financial statements and reports that may require review by the Committee pursuant to applicable laws and regulations or in response to a request from the Board. The Committee is also responsible for reviewing all related financial information, including the financial information contained in the annual report, the management discussion and analysis, the annual information form and any prospectus.

In performing this task, the Committee shall discuss with the external auditor such issues as the acceptability and quality of the accounting principles and practices applied, underlying assumptions and material judgments affecting the REIT's financial statements, while ensuring that there is no disagreement between the external auditor and Management concerning the financial statements. Should a disagreement arise, the Committee is responsible for resolving it.

9. Receive at each regular meeting a certificate signed by the Chief Executive Officer and the Chief Financial Officer to the effect that the quarterly and annual consolidated financial statements and the related management discussion and analysis are free of false or misleading information and that they fairly reflect the REIT's financial situation, operating results and cash flow for the period in question.
10. Receive and examine the internal auditor's and, if any, the external auditor quarterly report as well as those that the latter may produce following its quarterly review and year-end audit or for any other purpose and the auditor's letter to Management together with Management's comments on each point raised.
11. Following a review of the external auditor's comments and suggestions after its audit, report to the Board on the following matters:
  - the pertinence of accounting records and how they are kept;
  - the pertinence and efficiency of the accounting, internal control and information systems as well as the extent to which they are properly and uniformly applied; and

- the competency and efficiency of the personnel assigned to accounting, financial and internal control tasks and if the number of people working in each of these areas is sufficient.
12. Assess the performance of the external auditor.
  13. Following consultation with the external and internal auditors, if any, request that Management indicate to the Committee the major risks to which the REIT is exposed and the actions taken to minimize them, and report to the Committee thereon at each regular meeting, the latter, upon review and if required, shall make any modifications deemed necessary.
  14. Following the periodic evaluation of the competency, performance and independence of the external auditor, recommend to the Board renewal or, if deemed appropriate, termination of the auditor's mandate either by recommending that the mandate not be renewed or by recommending that a meeting of the Unitholders be held to consider the auditor's removal.
  15. Periodically assess the need to set up an internal audit program. Where such a function exists or is created:
    - determine how the work it includes will be carried out;
    - examine the approach and scope of the program, the mission plan and the budget;
    - review quarterly the reports issued together with comments from Management;
    - keep informed of projects and activities related to this program;
    - assess its performance;
    - ensure that Management follows up on the recommendations it and the Committee have accepted; and
    - ensure the best possible match between the external auditor's and the internal auditor's mission plans.
  16. Obtain at each quarterly meeting an officer certificate stating that the REIT complies with all applicable laws and regulations, and to rules of corporate governance, that there are no off-balance sheet activities and that the REIT is not in default under any of its loans or contracts and that it has complied with the policy, if any, regarding foreign currency hedging.
  17. Review the efficiency of the system implemented to ensure that the REIT complies with all applicable laws and regulations and review the results of any investigations that Management conducted and ensure that the Committee is informed of any fraudulent activity or accounting or financial irregularities.
  18. Review at each regular meeting, the report of pending and ongoing litigation or actions, indicating to the Committee if there is any case or major litigation that may have occurred since the reporting date.
  19. Review once a year the policies and procedures in place for approval of the expenses and bonuses of officers.
  20. Periodically address important accounting issues and review the manner in which the most recent reports and statements, both professional and regulatory, are presented.
  21. Ensure that the general insurance portfolio for the REIT and its subsidiaries is adequate and make appropriate recommendations to the Board while ensuring that the recovery plan in the event of disaster is appropriate.
  22. Review and report to the Board on contingent liabilities and commitments of the REIT and its subsidiaries, as well as off-balance sheet transactions.
  23. Resolve any disputes arising between Management and the external auditor regarding the disclosure of financial information, financial statements, internal controls or any question about accounting or finance.

24. Ensure that adequate procedures were implemented to review procedures related to the disclosure of financial information and periodically assess if these procedures are adequate.
25. Be informed of and discuss with Management any legal question and any regulatory or compliance with laws and regulations issue that could have a material effect on the REIT's financial situation or business.
26. Review any pro forma publication of financial statements or financial information that is non-compliant with accounting principle and practices used by the REIT.
27. Obtain and receive on a quarterly basis the certificate produced by management on the internal control, management information, internal audit, important information and documents, relevant facts, prosecution and risks;
28. Ensure that the rotation of the external auditor's associates is done according to standards.
29. Update and monitor the policy for the confidential or anonymous communication of complaints about accounting, financial and internal audit matters.
30. Review and update, when necessary, the REIT's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.
31. Establish the list of questions to be submitted in writing at the end of the year to the external auditor and Management and review the responses received when reviewing the audited consolidated financial statements for the fiscal year.
32. Ensure that the Committee's Charter is disclosed when required, including in the management proxy circular and in the annual information form.
33. Review the findings of any investigation conducted by any regulatory body.
34. Assess Management's performance of its responsibilities respecting the security of computer systems and applications, and its emergency plans for handling financial information in the event of a system breakdown.
35. Review and closely monitor proposals that are made or may be made by Canada's or Québec's Ministers of Finance pertaining to the taxation system applicable to trusts and partnerships and report thereon to the Board, from time to time.
36. Meet separately, after each meeting with the internal auditor, if any, the external auditor and Management, as well as any time that circumstances require so.
37. Review once a year and update the Committee's Charter and its work program, as required.
38. Assess the performance of the Committee and its members at least once a year and inform the Board thereof.
39. Confirm each year to the Board that the Committee has fulfilled its responsibilities as per its Charter.
40. Perform all other tasks related to the Charter as the Board may request.

## **ANNUAL WORK PROGRAM**

The annual work program is appended hereto.

## **MINUTES**

Minutes are prepared for each Committee meeting.

**REPORT TO BOARD**

The Committee must report on its proceedings at the following Board meeting.

**REMUNERATION**

The Committee members receive remuneration as fixed by the Board for their services.

*Revised – August 4, 2015*



**COMINAR REAL ESTATE INVESTMENT TRUST**  
(the “REIT”)

**Audit Committee**  
(the “Committee”)

**Part 1 – ANNUAL WORK PROGRAM**

<b>Regular Committee meetings</b>	<b>March</b>	<b>May</b>	<b>August</b>	<b>November</b>
Recommend the choice of the external auditors, the terms and conditions of the mandate, compensation, renewal or dismissal, as the case may be.	√			
Determine and confirm the independence of the external auditor	√			
Review the mission plan: approach, scope, time required, audit team, professional fees				√
Pre-approve all non-audit services entrusted to the external auditor to the extent that the fees paid do not exceed 5% of the total amount of fees paid by the REIT and its subsidiaries during the fiscal year in which the services are rendered, in so far as the Audit Committee is informed at each meeting; adopt as needed specific procedures to delegate pre-approval.	√	√	√	√
Oversee the work of the external auditor	√	√	√	√
Examine the quarterly consolidated financial statements, the notes and Management’s Discussion and Analysis	√	√	√	√
Examine the disclosed financial information intended for Unitholders, the business sector and other persons such as press releases, information to Unitholders and others written communications related to the Audit Committee’s mandate and regulatory authorities and recommend their approval to the Board.	√	√	√	√
Examine the annual consolidated financial statements (recommend its approval to the Board), the notes and Management’s Discussion and Analysis	√			
Review with the external auditors, the acceptability and the quality of the accounting principles and practices applied, underlying assumptions and material judgments affecting the financial statements, and ensure that there is no disagreement between Management and the external auditor	√	√	√	√
Review the annual financial reports submitted to the <i>Autorité des marchés financiers</i> and other regulatory authorities i.e. Annual Information Form, etc.	√			
Receive the certificate signed by the CEO and CFO concerning the quarterly and annual consolidated financial statements to ensure they do not contain any false or misleading information and to reflect a faithful picture of the financial situation.	√	√	√	√
Examine the external and internal auditor’s quarterly reports and those of the year-end audit together with Management’s comments, if any, on each of the points raised that concern it.	√	√	√	√
Following a review of the external auditor’s comments and suggestions, report to the Board on the appropriateness of accounting records and how they are kept, the pertinence and effectiveness of the accounting, internal control and information systems and the quality of how they are applied and the competence of the personnel assigned to accounting, financial	√	√	√	√

<b>Regular Committee meetings</b>	<b>March</b>	<b>May</b>	<b>August</b>	<b>November</b>
and internal control tasks and if the number of them is sufficient.				
Assess the performance of the external auditor	√			
Review the major risks to which the REIT is exposed and the actions taken to minimize them while ensuring that the implemented risk-management system is adequate	√	√	√	√
Periodically assess the need to set up an internal audit program. If yes, determine the scope thereof, how the work is to be done, by whom, etc.			√	
Review the external audit approach, scope and plan				√
Receive the officer certificate with respect to compliance with laws and regulations, including corporate governance, off-balance sheet transactions and defaults on loans, and review the findings of investigations that Management may have conducted and make sure to be informed of any fraudulent or irregular activity.	√	√	√	√
Receive the certificate produced by management on the internal control, management information, internal audit, important information and documents, relevant facts, prosecution and risks.	√	√	√	√
Receive the report on pending and ongoing litigation or actions and indicate, as the case may be, all threatened litigation or actions that occurred after the reporting date	√	√	√	√
Review the policies and procedures in place for the approval of the expenses and bonuses of officers			√	
Examine the new accounting standards and practices and the contemplated changes to existing standards and practices	√	√	√	√
Annually review all general insurance portfolio items in terms of coverage, premiums and the quality of the insurer	√			
Review the contingent liabilities and off-balance sheet activities	√	√	√	√
Resolve any disagreement between Management and the external auditor	√	√	√	√
Verify the implementation and adequacy of procedures for reviewing public disclosure of financial information excerpted from or resulting from financial statements		√		√
Be informed of and discuss with Management any legal or regulatory issue or issues pertaining to legislative and regulatory compliance that could have a major impact on the REIT's financial situation or activities	√	√	√	√
Examine every use of pro-forma financial statements or financial information that is not in compliance with the accounting standards and practices of the REIT	√	√	√	√
Receive the semi-annual report of the Executive Vice-President and Chief Financial Officer respecting internal controls, systems, computer systems and other areas that could expose all or part of the company to risk		√		√
Ensure external auditor's partners are rotated in accordance with applicable standards	√			
Establish, update and monitor the implementation of procedures pertaining to the conservation and handling of complaints concerning accounting, internal accounting controls or any aspects of the audit	√	√	√	√
Establish, update when needed and monitor the implementation of procedures for the confidential and anonymous communication of employees' concerns about questionable matters relating to accounting or audit and receiving such communications	√	√	√	√
Examine and update when needed the REIT's hiring policies regarding partners, employees and former partners and employees of the present	√	√	√	√

<b>Regular Committee meetings</b>	<b>March</b>	<b>May</b>	<b>August</b>	<b>November</b>
and former external auditor, ensure their compliance with corporate governance rules and guidelines and implementation and ensure that the Committee is informed of any such hiring				
Establish questions to be transmitted to the external auditors and Management and examine the responses received	√			√
Annually review the Committee's charter and its Annual Work Program, update them as required and ensure that the charter is disclosed when required			√	
Review the findings of any investigation conducted by any regulatory body	√	√	√	√
Review the emergency plans for handling financial information in the event of a computer system and applications breakdown	√			√
Keep informed of any changes regarding the taxation system applicable to trusts and report to the Board, if appropriate	√	√	√	√
Meet separately with external and internal auditors and then with the Chairman of the Board, the President and Chief Executive Officer and the Executive Vice-President and Chief Financial Officer	√	√	√	√
Assess the performance of the Committee and its members and confirm that the Committee fulfils its responsibilities as per its Charter.				√
Receive the report from the Executive Vice-President and CFO on provisions and adjustments made, the acquisition and disposal of assets, elements of risks that could affect the financial results or the financial structure of the REIT, the redemption of units, etc.	√	√	√	√
Receive the report on cash and investments.	√	√	√	√
On a yearly basis, examine the list of work entrusted to other accounting firms	√			
Examine all problems with material consequences that could arise at year end pertaining to write-offs, general and special provisions, regularization, goodwill, etc.				√
Examine the changes contemplated being made to the presentation of audited financial statements and the notes thereto as well as to Management's Discussion and Analysis ( <i>MD&amp;A</i> )				√
Annually review the financial and accounting staff, from a qualitative and quantitative perspective		√		
Examine any major financing proposal and its impact on the REIT's financial performance, financial situation and activities	√	√	√	√

*Revised – August 4, 2015*