

This Prospectus Supplement, together with the accompanying short form base shelf prospectus of Cominar Real Estate Investment Trust dated November 27, 2014 (the “**Base Shelf Prospectus**”) and each document (or part thereof) incorporated by reference therein as of the date of this Prospectus Supplement for the purposes of the distribution of the securities to which this Prospectus Supplement pertains, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”) and accordingly will not be offered, sold or delivered, directly or indirectly, within the United States of America, its territories, its possessions and other areas subject to its jurisdiction or to, or for the account or for the benefit of, a U.S. person (as defined in Regulation S under the 1933 Act) without the availability of an exemption from registration. See “Plan of Distribution”. The Base Shelf Prospectus, as supplemented by this Prospectus Supplement, does not constitute an offer to sell or solicitation of an offer to buy any of the securities offered hereby within the United States of America.

Information has been incorporated by reference in this Prospectus Supplement and in the Base Shelf Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated therein and herein by reference may be obtained on request without charge from the Secretary of Cominar Real Estate Investment Trust at Complexe Jules-Dallaire, 2820 Laurier Blvd., Suite 850, Québec City, Québec, G1V 0C1, telephone (418) 681-8151 and are also available electronically at www.sedar.com.

PROSPECTUS SUPPLEMENT

(to the short form base shelf prospectus dated November 27, 2014)

New Issue

January 23, 2015



COMINAR REAL ESTATE INVESTMENT TRUST

\$135,015,150
6,871,000 Units

The Base Shelf Prospectus, as supplemented by this Prospectus Supplement, qualifies the distribution of 6,871,000 units (the “**Units**”) of Cominar Real Estate Investment Trust (the “**REIT**”, which expression includes the REIT and its subsidiaries where the context so requires) at a price of \$19.65 per Unit (the “**Offering**”). The terms of the Offering and the offering price of the Units were determined by negotiation between the REIT and the Underwriters (as defined below).

The Units are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “**CUF.UN**”. The REIT has applied to have the Units distributed under this Prospectus Supplement listed on the TSX. Listing will be subject to the REIT fulfilling the requirements of the TSX. On January 22, 2015, the last trading day prior to the announcement of this Offering, the closing price of the Units on the TSX was \$19.98.

Although the REIT intends to make distributions of its available cash to Unitholders, these cash distributions are not assured. A return on an investment in the REIT is not comparable to the return on an investment in a fixed-income security. The ability of the REIT to make cash distributions and the actual amount distributed will be dependent upon, among other things, the financial performance of the REIT, its debt covenants and obligations, its working capital requirements and its future capital requirements. The market value of the Units may deteriorate if the REIT is unable to maintain current levels of cash distributions in the future, and that deterioration may be material. An investment in the Units is subject to a number of risks and investment considerations that should be considered by a prospective purchaser. See “Risk Factors and Investment Considerations”.

In the opinion of counsel, the Units will qualify as eligible investments as set forth under “Eligibility for Investment”.

	Price: \$19.65 per Unit		
	Price to the public	Underwriters’ fee	Net Proceeds to the REIT⁽¹⁾
Per Unit	\$19.65	\$0.786	\$18.864
Total ⁽²⁾	\$135,015,150	\$5,400,606	\$129,614,544

Notes:

- (1) Before deducting expenses of the Offering estimated to be approximately \$300,000 which, together with the Underwriters’ fee, will be paid from the proceeds of the Offering. See “Plan of Distribution”.
- (2) The REIT has granted to the Underwriters an option (the “Over-Allotment Option”) to purchase up to 1,030,650 additional Units on the same terms and conditions as this Offering, exercisable in whole or in part from time to time, not later than the 30th day following the closing of this Offering for market stabilization purposes and to cover over-allotments, if any. If the Over-Allotment Option is exercised in full, the total price to the public, Underwriters’ fee and net proceeds to the REIT (before deducting the estimated expenses of this Offering) will be \$155,267,422.50, \$6,210,696.90 and \$149,056,725.60 respectively. This Prospectus Supplement qualifies the distribution of the Units issuable on the exercise of the Over-Allotment Option and their subsequent transfer. See “Plan of Distribution”. Unless otherwise indicated, the disclosure in this Prospectus Supplement assumes that the Over-Allotment Option has not been exercised.

A purchaser who acquires Units forming part of the Underwriters’ over-allocation position acquires those Units under this Prospectus Supplement, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

(continued on next page)

<u>Underwriters' Position</u>	<u>Maximum size or number of securities available</u>	<u>Exercise Period</u>	<u>Exercise Price</u>
Over-Allotment Option.....	Option to purchase up to 1,030,650 additional Units (being up to 15% of the number of the Units sold)	The exercise period of the Over-Allotment Option is set forth above	\$19.65 per Unit

The Underwriters of this Offering are National Bank Financial Inc. (“**NBF**”), BMO Nesbitt Burns Inc. (“**BMO**”), Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Canaccord Genuity Corp., Dundee Securities Ltd. and Laurentian Bank Securities Inc. (collectively, the “**Underwriters**”). The Underwriters, as principals, conditionally offer the Units for sale, subject to prior sale, if, as and when issued by the REIT and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under “Plan of Distribution”, and subject to the approval of certain legal matters on behalf of the REIT by Davies Ward Phillips & Vineberg LLP, and on behalf of the Underwriters by Lavery, de Billy, L.L.P. In accordance with and subject to applicable laws, the Underwriters may effect transactions that stabilize or maintain the market price of the Units. See “Plan of Distribution”.

Subscriptions will be received subject to rejection or allotment in whole or in part, and the right is reserved to close the subscription books at any time without notice. This Offering will be conducted under the book-based system. No certificates will be issued to purchasers of Units except in limited circumstances, and registration will be made with the depository services of CDS Clearing and Depository Services Inc. on the closing date of this Offering, which is expected to occur on or about January 30, 2015 or such later date as the REIT and the Underwriters may agree, but in any event no later than February 20, 2015.

Each of NBF, BMO, Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc. and Laurentian Bank Securities Inc. is a subsidiary of financial institutions which are among the principal lenders of the REIT and its subsidiaries. Mr. Gérard Coulombe, a trustee of the REIT, is a director of the financial institution of which NBF is a subsidiary. Consequently, the REIT may be considered a “connected issuer” of such Underwriters within the meaning of applicable securities legislation. As at January 22, 2015, the consolidated indebtedness of the REIT to such financial institutions amounted to approximately \$769.8 million in the aggregate. See “Relationship Between the REIT and the Underwriters”.

The REIT is an unincorporated closed-end investment trust created by contract of trust dated March 31, 1998, as amended, supplemented or restated from time to time, and is governed by the laws of the Province of Québec. **The REIT is not a trust company and is not registered under applicable legislation governing trust companies as it does not carry on or intend to carry on the business of a trust company.**

The after-tax return for any Units acquired by Unitholders which are subject to Canadian income tax and are Canadian residents will depend, in part, on the composition for tax purposes of distributions paid by the REIT (portions of which may be fully or partially taxable or may constitute non taxable returns of capital). The adjusted cost base of Units held by a Unitholder generally will be reduced by the non-taxable portion of distributions made to the Unitholder other than the portion thereof attributable to the non-taxable portion of certain capital gains. The composition for tax purposes of those distributions may change over time, thus affecting the after-tax return to Unitholders. See “Canadian Federal Income Tax Considerations”.

In this Prospectus Supplement, unless otherwise specified or the context otherwise requires, all dollar amounts are expressed in Canadian dollars. Defined terms used in this Prospectus Supplement that are not defined herein have the meanings ascribed thereto in the Base Shelf Prospectus.

TABLE OF CONTENTS

	Page	Page	
FORWARD-LOOKING STATEMENTS	2	ELIGIBILITY FOR INVESTMENT	15
NON-IFRS FINANCIAL MEASURES	3	CANADIAN FEDERAL INCOME TAX	
DOCUMENTS INCORPORATED BY REFERENCE.....	3	CONSIDERATIONS	15
MARKETING MATERIALS.....	4	RISK FACTORS AND INVESTMENT	
GLOSSARY	5	CONSIDERATIONS	18
RECENT DEVELOPMENTS	9	LEGAL MATTERS	24
CREDIT RATINGS.....	9	INTEREST OF EXPERTS.....	24
CHANGES IN UNITS OUTSTANDING AND LOAN		TRANSFER AGENT AND REGISTRAR	24
CAPITAL	10	PURCHASERS' STATUTORY RIGHTS	24
PLAN OF DISTRIBUTION	10	CERTIFICATE OF THE REIT.....	C-1
RELATIONSHIP BETWEEN THE REIT AND THE		CERTIFICATE OF THE UNDERWRITERS.....	C-2
UNDERWRITERS	11		
USE OF PROCEEDS	12		
PRIOR SALES	12		
TRADING PRICE AND VOLUME.....	13	□	

FORWARD-LOOKING STATEMENTS

Certain statements contained in the short form base shelf prospectus dated November 27, 2014 (the “**Base Shelf Prospectus**”) of Cominar Real Estate Investment Trust (the “**REIT**”, which expression includes the REIT and its subsidiaries where the context so requires), as supplemented by this prospectus supplement (the “**Prospectus Supplement**”), and in certain documents incorporated by reference therein and herein, constitute forward-looking statements. These statements relate to future events or the REIT’s future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “plan”, “continue”, “estimate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These factors include general economic conditions in Canada and elsewhere in the world, the effects of competition in markets where the REIT operates, the impact of changes in laws and regulations, including tax laws, successful execution of the REIT’s strategy, the REIT’s ability to complete and integrate acquisitions successfully, the REIT’s ability to attract and retain key employees and executives, the financial position of clients, the REIT’s ability to refinance its debts upon maturity and to lease vacant space, the REIT’s ability to complete developments according to plans and to raise capital to finance growth, as well as changes in interest rates. See “Risk Factors and Investment Considerations” in the Base Shelf Prospectus and in this Prospectus Supplement.

Although this is not an exhaustive list, the REIT cautions investors that statements concerning the following subjects are, or are likely to be, forward-looking statements: the ability of the REIT to continue to identify, pursue and consummate acquisition opportunities, the return on investment of the REIT’s development and existing property enhancement projects, the status of the REIT for tax purposes and the access of the REIT to capital and debt markets. The REIT’s actual results could differ materially from those anticipated in forward-looking statements, as applicable, including as a result of the risks associated with the ownership of immovable property, access to capital, current global financial conditions, competition in the real estate sector, acquisitions, the REIT’s development program, dependence on key personnel, potential conflicts of interest, general uninsured losses, governmental regulation, and risks associated to reliance on credit ratings, credit risks related to the REIT, and limits on activities of the REIT. See “Risk Factors and Investment Considerations” in the Base Shelf Prospectus and in this Prospectus Supplement. While the REIT believes that the expectations reflected in the forward-looking statements contained in the Base Shelf Prospectus, as supplemented by this Prospectus Supplement, and in its documents incorporated by reference therein and herein, are reasonable, no assurance can be given that these expectations will prove to be correct, and such forward-looking statements included in, or incorporated by reference in, such documents should not be unduly relied upon. Unless otherwise indicated in the Base Shelf Prospectus, as supplemented by this Prospectus Supplement, these statements speak only as of the date of the Base Shelf Prospectus, as supplemented by this Prospectus Supplement, or as of the date specified in the documents incorporated by reference therein and herein, as the case may be. The REIT does not assume any obligation to update the aforementioned forward-looking statements, except as required by applicable laws.

NON-IFRS FINANCIAL MEASURES

The REIT issues guidance and reports on certain non-IFRS (as defined below) measures, including “net operating income”, “adjusted net income”, “recurring distributable income”, “recurring funds from operations”, “recurring adjusted funds from operations” and “proportionate share in joint arrangements adjustments”, that it uses to evaluate its performance. Because non-IFRS measures do not have a standardized meaning and may differ from similar measures presented by other entities, securities regulations require that non-IFRS measures be clearly defined and qualified, reconciled with their nearest IFRS measure and given no more prominence than the closest IFRS measure. Such information is presented in the sections dealing with these financial measures herein and in the documents incorporated by reference into the Base Shelf Prospectus and into this Prospectus Supplement.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference into the Base Shelf Prospectus (together with this Prospectus Supplement, the “Prospectus”) as of the date hereof and only for the purposes of the offering of the Units hereunder (the “Offering”).

Information has been incorporated by reference in this Prospectus Supplement from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary of the REIT, Complexe Jules-Dallaire, 2820 Laurier Blvd., Suite 850, Québec City, Québec, G1V 0C1, Telephone: (418) 681-8151, and are also available electronically under the REIT’s profile on SEDAR (as defined below) at www.sedar.com.

The following documents, filed with the various securities commissions or similar regulatory authorities in each of the provinces and territories of Canada, are specifically incorporated by reference in and form an integral part of this Prospectus Supplement:

- (a) the annual information form (“**AIF**”) of the REIT dated March 28, 2014 (the “**2013 AIF**”);
- (b) the audited consolidated financial statements of the REIT for the year ended December 31, 2013, together with the notes thereto and the auditor’s report thereon (the “**2013 Financial Statements**”);
- (c) the management’s discussion and analysis of operating results and financial position (“**MD&A**”) of the REIT for the year ended December 31, 2013 (the “**2013 MD&A**”);
- (d) the unaudited condensed interim consolidated financial statements of the REIT for the nine-month period ended September 30, 2014, together with the notes thereto (the “**September 2014 Financial Statements**”);
- (e) the MD&A of the REIT for the nine-month period ended September 30, 2014 (the “**September 2014 MD&A**”);
- (f) the management information circular of the REIT dated March 26, 2014 (the “**March 2014 Circular**”) in connection with the annual and special meeting of Unitholders (as defined below) held on May 13, 2014;
- (g) the material change report of the REIT dated January 15, 2014 with respect to the sale of the 4.941% Series 4 senior unsecured debentures due July 27, 2020 of the REIT (the “**Series 4 Debentures**”) in the principal amount of \$100 million;
- (h) the material change report of the REIT dated March 6, 2014 with respect to the sale of the Series 4 Debentures in the principal amount of \$100 million;
- (i) the material change report of the REIT dated September 2, 2014 with respect to the September Unit Offering (as defined below), the Acquisition (as defined below) and the Concurrent Private Placement (as defined below);
- (j) the material change report of the REIT dated September 22, 2014 with respect to the sale of the Series 6 Debentures (as defined below) and the Series 7 Debentures (as defined below) in the aggregate principal amount of \$550 million;
- (k) the business acquisition report of the REIT dated October 8, 2014 (the “**Business Acquisition Report**”) with respect to the Acquisition;

- (l) the material change report of the REIT dated December 15, 2014 with respect to the sale of the Series 8 Debentures (as defined below) in the principal amount of \$200 million; and
- (m) the term sheet dated January 22, 2015 filed on SEDAR in connection with this Offering (the “**Term Sheet**”).

All material change reports (excluding confidential material change reports), AIFs, annual financial statements and the auditor’s report thereon and related MD&A, interim financial reports and related MD&A, information circulars, business acquisition reports and any other documents as may be required to be incorporated by reference herein under applicable securities laws which are filed by the REIT with a securities commission or any similar regulatory authority in Canada after the date of this Prospectus Supplement shall be deemed to be incorporated by reference into this Prospectus Supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference in the Base Shelf Prospectus, this Prospectus Supplement or in a document incorporated or deemed to be incorporated by reference therein and herein for the purposes of the Offering shall be deemed to be modified or superseded, for purposes of this Prospectus Supplement, to the extent that a statement contained in this Prospectus Supplement, the Base Shelf Prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference therein and herein modifies or replaces such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of the Base Shelf Prospectus or of this Prospectus Supplement.

MARKETING MATERIALS

The Term Sheet does not form part of this Prospectus Supplement or the Base Shelf Prospectus to the extent that the contents of the Term Sheet have been modified or superseded by a statement contained in this Prospectus Supplement or any amendment. Any “template version” of “marketing materials” (as such terms are defined in National Instrument 41-101 – *General Prospectus Requirements* (referred to in Québec as *Regulation 41-101 respecting General Prospectus Requirements*)) filed with the securities commission or similar regulatory authority in each of the provinces and territories of Canada in connection with this Offering after the date of this Prospectus Supplement but prior to the termination of the distribution of the Units will be deemed to be incorporated by reference into the Base Shelf Prospectus and into this Prospectus Supplement.

GLOSSARY

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

“**1933 Act**” means the United States *Securities Act of 1933*, as amended.

“**2013 AIF**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**2013 Financial Statements**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**2013 MD&A**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**Acquisition**” means the direct and/or indirect acquisition by the REIT from Ivanhoé Cambridge and certain of its affiliates of all of their interests in the Acquisition Properties pursuant to the terms of the Purchase Agreement and the acquisition by the REIT of (i) the 50% co-ownership interest of Healthcare of Ontario Pension Plan in Mail Champlain, Brossard, Québec, and (ii) the 15 % co-ownership interest of Sears Canada Inc. in Les Galeries de Hull, Gatineau, Québec.

“**Acquisition Properties**” means, collectively, a portfolio of 15 properties (prior to the reclassification by the REIT of certain mixed-use, multi-tower, multi-building and multi-phase properties), consisting of 11 retail properties (4.9 million square feet), including Centre Rockland, three office properties (0.7 million square feet), including one property under development, and one industrial and mixed-use property (0.1 million square feet) in Québec and Ontario, comprising a total of approximately 5.7 million square feet of gross leasable area, and includes (i) the 50% co-ownership interest of Healthcare of Ontario Pension Plan in Mail Champlain, Brossard, Québec, and (ii) the 15 % co-ownership interest of Sears Canada Inc. in Les Galeries de Hull, Gatineau, Québec. See “About this Prospectus” in the Base Shelf Prospectus.

“**affiliate**” has the meaning ascribed thereto in the *Securities Act* (Québec), as amended.

“**AIF**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**associate**” has the meaning ascribed thereto in the CBCA, except under “Legal Matters”.

“**Base Shelf Prospectus**” has the meaning ascribed thereto under “Forward-looking Statements”.

“**BMO**” means BMO Nesbitt Burns Inc.

“**Business Acquisition Report**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**CBCA**” means the *Canada Business Corporations Act*, as amended.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Centre Rockland**” means one of the Acquisition Properties, consisting of a 649,174 square foot enclosed shopping mall located in the Town of Mont-Royal, Québec.

“**Co-Lead Underwriters**” means NBF and BMO.

“**Concurrent Private Placement**” means the subscription by Ivanhoé Cambridge to 13,158,000 Units at a price of \$19.00 per Unit which was completed on September 30, 2014.

“**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 from time to time.

“**Convertible Debentures**” means, collectively, (i) the series D 6.50% convertible unsecured subordinated debentures due September 30, 2016, and (ii) the series E 5.75% convertible unsecured subordinated debentures due June 30, 2017, of the REIT, and includes where the context so requires, convertible unsecured subordinated debentures of the REIT which may be issued by the REIT from time to time in the future under that certain trust indenture made as of September 17, 2004 between the REIT and Natcan Trust Company (subsequently replaced by Computershare Trust Company of Canada), as trustee, subject to their specific terms and conditions upon issuance thereof.

“**CRA**” means the Canada Revenue Agency.

“**DBRS**” means DBRS Limited.

“**DRIP**” means the distribution reinvestment plan of the REIT, as amended and restated, as described under “Distribution Reinvestment Plan” on page 62 of the 2013 AIF.

“**Equity Incentive Plan**” means the equity-based incentive plan of the REIT, as amended and restated, as described in Exhibit 1 to Schedule “A” to the March 2014 Circular.

“**Gross Book Value**” means, at any time, the book value of the assets of the REIT, as shown on its then most recent balance sheet, plus the amount of accumulated depreciation shown thereon.

“**Holder**” has the meaning ascribed thereto under “Canadian Federal Income Tax Considerations” and applies only to such section and to “Risk Factors and Investment Considerations – Risk Factors Related to the Ownership of Units – Status for tax purposes”.

“**IFRS**” means the generally accepted accounting principles determined with reference to International Financial Reporting Standards, as issued by the International Accounting Standards Board, as amended from time to time.

“**Ivanhoé Cambridge**” means Ivanhoé Cambridge Inc., the real estate subsidiary of la Caisse de dépôt et placement du Québec.

“**Management**” means the management of the REIT.

“**March 2014 Circular**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**MD&A**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**NBF**” means National Bank Financial Inc.

“**Offering**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**Over-Allotment Option**” has the meaning ascribed thereto under “Plan of Distribution”.

“**Prospectus Supplement**” has the meaning ascribed thereto under “Forward-looking Statements”.

“**Purchase Agreement**” means the agreement of purchase and sale bearing the date of August 26, 2014 among the REIT, Ivanhoé Cambridge and certain of its affiliates in respect of the sale of the Acquisition Properties by Ivanhoé Cambridge and such affiliates to the REIT, as amended, supplemented or otherwise modified from time to time.

“**Real Estate Investment Trust Exception**” has the meaning ascribed thereto under “Canadian Federal Income Tax Considerations – Taxation of the REIT”.

“**REIT**” means Cominar Real Estate Investment Trust, except as otherwise set forth herein.

“**RRIF**” means registered retirement income fund, as defined in the Tax Act.

“**RRSP**” means registered retirement savings plan, as defined in the Tax Act.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators.

“**September 2014 Financial Statements**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**September 2014 MD&A**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**September Unit Offering**” means the public offering by the REIT of an aggregate of 15,131,700 Units (including 1,973,700 Units issued upon the exercise in full of the over-allotment option granted in connection therewith) at a price of \$19.00 per Unit, which was completed on September 16, 2014.

“**Series 4 Debentures**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**Series 6 Debentures**” means the Series 6 floating rate senior unsecured debentures due September 22, 2016 of the REIT.

“**Series 7 Debentures**” means the 3.62% Series 7 senior unsecured debentures due June 21, 2019 of the REIT.

“**Series 8 Debentures**” means the 4.25% Series 8 senior unsecured debentures due December 8, 2021 of the REIT.

“**SIFT**” means specified investment flow-through trust, as defined in the Tax Act.

“**SIFT Rules**” means the provisions of the Tax Act which address the taxation of SIFTs and their unitholders.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended.

“**Tax Proposals**” means all specific proposals to amend the Tax Act announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Prospectus Supplement.

“**Term Sheet**” has the meaning ascribed thereto under “Documents Incorporated by Reference”.

“**TFSA**” means a tax free savings account, as defined in the Tax Act.

“**Trustee**” means a trustee of the REIT.

“**TSX**” means the Toronto Stock Exchange.

“**Underwriting Agreement**” means the underwriting agreement dated January 23, 2015 between the REIT and the Underwriters.

“**Underwriters**” means, collectively, NBF, BMO, Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Canaccord Genuity Corp., Dundee Securities Ltd. and Laurentian Bank Securities Inc.

“**Unit**” means a unit of interest in the REIT.

“**Unitholder**” means a holder of Units.

“**Unsecured Bridge Credit Facility**” means the up to \$850 million unsecured non-revolving bridge credit facility made available to the REIT on August 26, 2014 by two Canadian chartered banks to fund a portion of the cash consideration for the Acquisition and related transaction expenses, which was subsequently reduced to \$275 million and then to \$258 million on October 16, 2014, and which was repaid in full and terminated on December 18, 2014. See “Recent Developments”.

“Unsecured Debentures” means, collectively, the 4.274% Series 1 senior unsecured debentures of the REIT due June 15, 2017, the 4.23% Series 2 senior unsecured debentures of the REIT due December 4, 2019, the 4.00% Series 3 senior unsecured debentures of the REIT due November 2, 2020, the Series 4 Debentures, the Series 5 floating rate senior unsecured debentures of the REIT due October 9, 2015, the Series 6 Debentures, the Series 7 Debentures and the Series 8 Debentures.

“Unsecured Revolving Credit Facility” means the REIT’s operating and acquisition credit facility entered into on August 4, 2014, in the initial stated amount of \$350 million, and which was increased to \$550 million on September 17, 2014.

RECENT DEVELOPMENTS

Other than as described in the Base Shelf Prospectus, as supplemented by this Prospectus Supplement, there have been no other significant developments in the operations and affairs of the REIT occurring since the filing of the September 2014 Financial Statements and the September 2014 MD&A.

On December 18, 2014, Cominar reimbursed an amount of approximately \$58.7 million remaining outstanding under the Unsecured Bridge Credit Facility using amounts drawn under the Unsecured Revolving Credit Facility and, as a result, the Unsecured Bridge Credit Facility was repaid in full and terminated.

The REIT has also entered into an acquisition agreement pursuant to which the REIT agreed to acquire a portfolio of three industrial properties located in the Greater Montréal area, comprising approximately 697,000 square feet and representing a gross value of approximately \$34.5 million. The acquisition is subject to customary closing conditions and adjustments. There can be no assurances that the acquisition will be completed.

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 Unsecured Debentures (except for the Series 6 Debentures, the Series 7 Debentures and the Series 8 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 Debentures and the Series 7 Debentures. On December 5, 2014, DBRS assigned a credit rating of BBB (low), with a Stable trend, to the Series 8 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 Unsecured 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 Unsecured 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 and Investment Considerations - Risk Factors Related to the Ownership of Units - Credit rating” in this Prospectus Supplement.

The REIT paid to DBRS the customary fee in connection with the ratings assigned to the REIT and the Unsecured Debentures, and will continue to make payments to DBRS from time to time in connection with the confirmation of such ratings for purposes of the Base Shelf Prospectus 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 under the Base Shelf Prospectus and prospectus supplements thereto, as the case may be. 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.

CHANGES IN UNITS OUTSTANDING AND LOAN CAPITAL

As at September 30, 2014, there were 157,415,789 Units outstanding. As at January 22, 2015, there were 158,850,095 Units outstanding. The only changes in the number of outstanding Units since September 30, 2014 resulted from the issuance by the REIT of 1,259,406 Units pursuant to the DRIP and 174,900 Units pursuant to the exercise of options granted under the Equity Incentive Plan.

As at September 30, 2014, the consolidated indebtedness of the REIT was approximately \$4,300.4 million, excluding accounts payable and accrued liabilities, deferred tax liabilities and distributions payable to Unitholders. As at January 22, 2015, the consolidated indebtedness of the REIT was approximately \$4,544.0 million, excluding accounts payable and accrued liabilities, deferred tax liabilities and distributions payable to Unitholders.

Additional information regarding material indebtedness of the REIT is provided in the 2013 Financial Statements, the 2013 MD&A, the September 2014 Financial Statements and the September 2014 MD&A. See “Documents Incorporated by Reference”.

After giving effect to the issuance of the Units under the Offering, the consolidated indebtedness of the REIT, excluding accounts payable and accrued liabilities, deferred tax liabilities and distributions payable to Unitholders, will be approximately \$4,414.7 million. See “Plan of Distribution” and “Use of Proceeds”.

PLAN OF DISTRIBUTION

Under the Underwriting Agreement, the REIT has agreed to sell and the Underwriters have agreed to purchase on or about January 30, 2015, or on such later date as the REIT and the Co-Lead Underwriters (on their own behalf and for and on behalf of the other Underwriters) may agree, but in any event not later than February 20, 2015, 6,871,000 Units for net proceeds to the REIT of \$129,314,544 (after deducting the Underwriters’ fee in respect of the Units issued and sold by the REIT and the estimated expenses of this Offering), payable in cash against delivery. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion in case of any major event in the financial markets of national or international consequence, and may also be terminated upon the occurrence of certain stated events. Under the terms of the Underwriting Agreement, the Underwriters may be entitled to indemnification by the REIT against certain liabilities, including liabilities for misrepresentations in the Prospectus. If an Underwriter fails to purchase the Units which it has agreed to purchase, the other Underwriters may, but are not obligated to, purchase such Units. The Underwriters are, however, obligated to take up and pay for all of the Units if any of the Units are purchased under the Underwriting Agreement. The obligations of the Underwriters to purchase the Units are joint (and not solidary or joint and several). The terms of this Offering and the offering price have been determined by negotiation between the REIT and the Co-Lead Underwriters (on their own behalf and for and on behalf of the other Underwriters).

Under the Underwriting Agreement, the REIT has agreed to pay the Underwriters a fee of \$0.786 per Unit, for an aggregate fee payable by the REIT of \$5,400,606, in consideration for their services in connection with this Offering. The Underwriters’ fee in respect of the Units is payable upon closing of this Offering.

The REIT has granted to the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to 1,030,650 additional Units (being up to 15% of the number of Units sold under this Offering) at the offering price of \$19.65 per Unit on the same terms and conditions as this Offering, exercisable in whole or in part from time to time, not later than the 30th day following the closing of this Offering, for market stabilization purposes and to cover over-allotments, if any. This Prospectus Supplement qualifies the grant of the Over-Allotment Option.

In connection with this Offering, certain of the Underwriters or other registered dealers may distribute this Prospectus Supplement electronically.

Subscriptions for Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

This Offering will be conducted under the book-based system of CDS. Unitholders will receive only a customer confirmation from the registered dealer from or through whom the Units are purchased and who is a CDS depository service participant. No certificates will be issued to purchasers of Units except in certain limited circumstances, and registration will be made in the depository services of CDS on the closing date of this Offering.

The Units are listed and posted for trading on the TSX under the symbol “CUF.UN”. The REIT has applied to have the Units listed on the TSX. Listing will be subject to the REIT fulfilling all the listing requirements. On January 22, 2015, the last trading day prior to the date of this Prospectus Supplement, the closing price of the Units on the TSX was \$19.98.

Pursuant to policy statements and/or rules of the relevant securities commissions or similar regulatory authorities, the Underwriters may not, throughout the period of distribution, bid for or purchase Units. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in, or raising the price of the Units. These exceptions include: (i) a bid or purchase permitted under the Universal Market Integrity Rules of the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities; and (ii) a bid or purchase made for and on behalf of a customer where the order was not solicited during the period of the distribution. Such transactions, if commenced, may be discontinued at any time.

Under the first mentioned exception, in connection with this Offering, the Underwriters may effect transactions that stabilize or maintain the market price of the Units at levels other than those which might otherwise prevail in the open market. Those transactions, if commenced, may be interrupted or discontinued at any time.

The Units offered by this Prospectus Supplement have not been and will not be registered under the 1933 Act, or the securities laws of any state, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the 1933 Act), unless the Units are registered under the 1933 Act or an exemption from the registration requirements under the 1933 Act and applicable state securities laws is available. The Underwriters have agreed that they will not offer or sell the Units within the United States, its territories or possessions or other areas subject to its jurisdiction or to, or for the account or benefit of, a U.S. person except, in accordance with the Underwriting Agreement, to “Qualified Institutional Buyers” (as defined in Rule 144A under the 1933 Act) pursuant to the exemption from the registration requirements of the 1933 Act provided by Rule 144A thereunder and in compliance with applicable state securities laws. In addition, until 40 days after the commencement of this Offering, an offer or sale of Units within the United States by any dealer (whether or not participating in this Offering) may violate the registration requirements of the 1933 Act if such offer is made otherwise than in compliance with Rule 144A.

RELATIONSHIP BETWEEN THE REIT AND THE UNDERWRITERS

Each of NBF, BMO, Desjardins Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc. and Laurentian Bank Securities Inc. is a subsidiary of financial institutions which are lenders to the REIT and its subsidiaries. Mr. Gérard Coulombe, a Trustee, is a director of the financial institution of which NBF is a subsidiary. Consequently, the REIT may be considered to be a “connected issuer” of those Underwriters under National Instrument 33-105 – Underwriting Conflicts (referred to in Québec as *Regulation 33-105 respecting Underwriting Conflicts*).

As at January 22, 2015, the consolidated indebtedness of the REIT to the above-mentioned financial institutions amounted to approximately \$769.8 million in the aggregate; namely (i) approximately \$1.8 million of hypothecary loans owed to the financial institution of which NBF is a subsidiary, approximately \$164.0 million of hypothecary loans owed to the financial institution of which Desjardins Securities Inc. is a subsidiary, approximately

\$9.2 million of hypothecary loans owed to the financial institution of which RBC Dominion Securities Inc. is a subsidiary, approximately \$112.8 million of hypothecary loans owed to the financial institution of which Scotia Capital Inc. is a subsidiary, approximately \$105.8 million of hypothecary loans owed to the financial institution of which TD Securities Inc. is a subsidiary and approximately \$3.4 million of hypothecary loans owed to the financial institution of which Laurentian Bank Securities Inc. is a subsidiary, and (ii) approximately \$372.8 million outstanding under the Unsecured Revolving Credit Facility, in respect of which the lenders are the financial institutions of which NBF (as to approximately \$86.9 million), BMO (as to approximately \$87.0 million), Desjardins Securities Inc. (as to approximately \$62.1 million), RBC Dominion Securities Inc. (as to approximately \$49.8 million), Scotia Capital Inc. (as to approximately \$49.8 million) and TD Securities Inc. (as to approximately \$37.2 million) are subsidiaries, as the case may be.

After giving effect to the Offering and the use of proceeds therefrom, the indebtedness of the REIT, on a consolidated pro forma basis, to the above-mentioned financial institutions will amount to approximately \$658.9 million in the aggregate; namely (i) approximately \$397.0 million will remain outstanding under the hypothecary loans in the same proportions as at January 22, 2015, as described in the immediately preceding paragraph, and (ii) approximately \$261.9 million outstanding under the Unsecured Revolving Credit Facility, in respect of which the lenders are the financial institutions of which NBF (as to approximately \$61.1 million), BMO (as to approximately \$61.1 million), Desjardins Securities Inc. (as to approximately \$43.6 million), RBC Dominion Securities Inc. (as to approximately \$35.0 million), Scotia Capital Inc. (as to approximately \$35.0 million) and TD Securities Inc. (as to approximately \$26.1 million) are subsidiaries, as the case may be.

The REIT is not in breach of the terms of the agreements governing such indebtedness, in any material respect, and therefore no breach has been waived. Additional information regarding such security interests is provided in the 2013 AIF which is available electronically under the REIT's profile on SEDAR at www.sedar.com.

The decision of each Underwriter that is a subsidiary of an aforesaid financial institution to participate in the Offering was made independently of such financial institution and was not required by such financial institutions. None of the Underwriters will receive any benefit from the Offering, other than its respective portion of the fee payable by the REIT. See "Plan of Distribution".

USE OF PROCEEDS

The estimated total net proceeds to be received by the REIT from this Offering will amount to approximately \$129.3 million (approximately \$148.8 million if the Over-Allotment Option is exercised in full), after deducting the Underwriters' fee in respect of the Units issued and sold by the REIT and the estimated expenses of this Offering. The net proceeds from the sale of the Units will be used to repay amounts outstanding under the Unsecured Revolving Credit Facility and for general and trust purposes. Indebtedness incurred under the Unsecured Revolving Credit Facility was used by the REIT to acquire real estate properties, to finance real estate developments of the REIT and for general trust purposes.

After giving effect to this Offering and the proposed use of net proceeds therefrom, the indebtedness of the REIT, expressed as a percentage of the Gross Book Value (including proportionate share in joint arrangements adjustments) is estimated by Management to be approximately 54.5%, including the Convertible Debentures (approximately 52.3%, excluding the Convertible Debentures). The REIT's long-term target leverage remains at approximately 50% of debt to Gross Book Value.

PRIOR SALES

Units

The following table sets forth the date, number and prices at which the REIT has issued Units in the 12 months preceding the date of this Prospectus Supplement.

Date	Issuance Type	Total Units Issued	Price per Unit
Calendar 2014			
January	—	—	—
February	DRIP	260,366	\$18.43
March	Exercise of Options	4,500	\$15.14
	DRIP	250,139	\$18.23
April	DRIP	235,905	\$18.45
May	DRIP	214,125	\$19.12
June	DRIP	220,239	\$18.95
	Settlement of deferred Units	488	—
July	DRIP	261,740	\$18.78
	Settlement of deferred Units	8,323	—
August	DRIP	269,837	\$18.99
September	Exercise of Options	73,500	\$15.14
	DRIP	275,832	\$19.31
	September Unit Offering	15,131,700	\$19.00
	Concurrent Private Placement	13,158,000	\$19.00
October	DRIP	297,038	\$18.93
November	Exercise of Options	6,000	\$17.55
	DRIP	325,204	\$18.96
December	Exercise of Options	8,000	\$17.55
	DRIP	637,164	\$18.40
Calendar 2015			
January (to January 22)	Exercise of Options	160,900	\$17.55

Equity Incentive Plan

On December 16, 2014, the REIT granted 2,659,500 options to purchase Units pursuant to the Equity Incentive Plan at an exercise price of \$18.07. No other options to purchase Units were granted by the REIT in the 12 months preceding the date of this Prospectus Supplement.

On February 21, 2014, the REIT granted 45,261 deferred Units and 535 restricted Units pursuant to the Equity Incentive Plan. No other deferred Units or restricted Units were granted by the REIT in the 12 months preceding the date of this Prospectus Supplement.

TRADING PRICE AND VOLUME

The Units are listed and posted for trading on the TSX under the symbol “CUF.UN”. The following table sets forth the market price range and trading volumes of the Units on the TSX for each month of the last 12-month period prior to the date of this Prospectus Supplement.

Period	TSX		
	High (\$)	Low (\$)	Volume
Calendar 2014			
January	18.91	18.16	6,053,130
February	18.69	17.92	6,723,666
March	18.53	17.96	6,011,831
April	19.21	18.34	7,036,711
May	19.42	18.77	3,346,520
June	19.18	18.38	4,547,822
July	19.30	18.51	5,834,902
August	19.75	18.74	6,810,521
September	19.42	18.68	8,069,842
October	19.09	18.55	7,754,696
November	19.31	18.66	6,293,044
December	18.88	17.84	12,918,039

Period	TSX		
	High (\$)	Low (\$)	Volume
Calendar 2015			
January (to January 22)	20.11	18.66	5,852,421

Source: TMX Datalinx

The Convertible Debentures are 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 Convertible Debentures on the TSX for each month of the last 12-month period prior to the date of this Prospectus Supplement.

CUF.DB.D:

Period	TSX		
	High (\$)	Low (\$)	Volume (000)
Calendar 2014			
January	106.00	104.03	457
February	104.35	104.00	4,071
March	104.30	104.02	1,990
April	104.55	104.00	32,787
May	104.70	103.65	2,162
June	104.00	103.45	465
July	104.00	103.45	401
August	104.25	102.24	2,209
September	103.45	102.29	995
October	105.15	103.00	1,394
November	105.50	104.50	132
December	104.75	100.40	594
Calendar 2015			
January (to January 22)	103.00	102.00	273

Source: TMX Datalinx

CUF.DB.E:

Period	TSX		
	High (\$)	Low (\$)	Volume (000)
Calendar 2014			
January	105.00	103.75	492
February	105.00	103.10	260
March	105.25	103.61	299
April	105.04	104.00	238
May	104.50	104.01	438
June	104.50	104.02	592
July	104.25	104.10	2,333
August	104.50	102.00	610
September	105.00	102.39	392
October	105.00	103.00	358
November	105.20	104.16	187
December	105.26	104.16	232
Calendar 2015			
January (to January 22)	104.76	101.00	313

Source: TMX Datalinx

ELIGIBILITY FOR INVESTMENT

In the opinion of Davies Ward Phillips & Vineberg LLP, counsel to the REIT, and Lavery, de Billy, L.L.P., counsel to the Underwriters, subject to the restrictions, limitations and assumptions set out under the heading “Canadian Federal Income Tax Considerations”, provided that at the date of closing of this Offering the REIT qualifies under the Tax Act as a “mutual fund trust” or the Units are listed on a designated stock exchange in Canada (which currently includes the TSX), then on that date the Units will be qualified investments for Deferred Income Plans. Notwithstanding that Units may be qualified investments for a TFSA, RRSP or RRIF, the holder of a TFSA, or the annuitant of an RRSP or RRIF, as the case may be, will be subject to a penalty tax if the Units are a “prohibited investment”, and other tax consequences may result if the Units are a “prohibited investment” (within the meaning of the Tax Act). Units will generally be a “prohibited investment” if the holder of a TFSA, or the annuitant of an RRSP or RRIF, as applicable, (i) does not deal at arm’s length with the REIT for purposes of the Tax Act, or (ii) has a “significant interest” (within the meaning of the Tax Act) in the REIT. Unitholders are advised to consult their own tax advisors in this respect.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Davies Ward Phillips & Vineberg LLP, counsel to the REIT, and Lavery, de Billy, L.L.P., counsel to the Underwriters, the following is, as of the date hereof, a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to the acquisition, holding and disposition of Units by a holder who acquires Units pursuant to this Prospectus Supplement. This summary is applicable to a Unitholder who, for purposes of the Tax Act, is, or is deemed to be, resident in Canada, deals at arm’s length with, and is not affiliated with, the REIT and holds the Units as capital property (a “**Holder**”). Generally, Units will be considered to be capital property to a Holder provided that the Holder does not hold the Units in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Certain Holders who might not otherwise be considered to hold their Units as capital property may, in certain circumstances, be entitled to have them treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. Such Holders should consult their own tax advisors regarding their particular circumstances.

This summary is not applicable to a Holder that (i) is a “financial institution”, as defined in the Tax Act for purposes of the mark-to-market rules, (ii) is a “specified financial institution”, (iii) reports its “Canadian tax results” in a currency other than Canadian currency, (iv) enters into, with respect to the Units, a “derivative forward agreement”, or (v) has an interest which is a “tax shelter investment” (each as defined in the Tax Act). Such Holders should consult their own tax advisors to determine the tax consequences to them of the acquisition, holding and disposition of Units acquired pursuant to this Prospectus Supplement. In addition, this summary does not address the deductibility of interest by an investor who has borrowed money to acquire the Units.

This summary is based upon the facts set out in this Prospectus Supplement, including Management’s belief, based on its assessment of the SIFT Rules, that the REIT meets all the necessary conditions and qualifies for the Real Estate Investment Trust Exception, and information provided by the REIT (including an officers’ certificate from Management) and takes into account the Tax Proposals, the current provisions of the Tax Act and the regulations thereunder, and counsel’s understanding, based on publicly available published materials, of the current administrative and assessing practices of the CRA, all in effect as of the date of this Prospectus Supplement. This summary does not otherwise take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, and does not take into account provincial, territorial or foreign tax legislation or considerations, which may differ significantly from those discussed herein. This summary assumes that the Tax Proposals will be enacted as proposed, but no assurances can be given that this will be the case. There can be no assurances that the CRA will not change its administrative and assessing practices. With respect to opinions and views based on representations and statements as to matters of fact, counsel has assumed the accuracy of such representations and statements in giving such opinions and views. This summary is also based on the assumption that the REIT will at all times comply with the Contract of Trust.

This summary assumes that the REIT does and will continue to qualify as a “mutual fund trust” under the Tax Act while the Units remain outstanding. This assumption is based upon a certificate of the REIT as to certain factual matters. If the REIT does not qualify as a mutual fund trust, the income tax considerations described below would in some respects be materially different.

This summary is not exhaustive of all possible Canadian federal tax considerations applicable to an investment in Units. Moreover, the income and other tax consequences of acquiring, holding or disposing of

Units will vary depending on the Holder's particular circumstances. Accordingly, this summary is of a general nature only and is not intended to be legal or tax advice to any prospective purchaser of Units. Consequently, a prospective Holder should consult the Holder's own tax advisor for advice with respect to the tax consequences of an investment in Units based on the prospective Holder's particular circumstances.

Taxation of Holders

REIT distributions

Holders will generally be required to include in income for a particular taxation year the portion of the net income of the REIT for a taxation year, including net realized taxable capital gains (determined for purposes of the Tax Act), that is paid or payable, or deemed to be paid or payable, to the Holders in the particular taxation year, whether or not those amounts are reinvested in additional Units pursuant to the DRIP.

The non-taxable portion of any net realized capital gains of the REIT paid or payable to a Holder in a taxation year will not be included in computing the Holder's income for the year. The Holder will not be required to reduce the adjusted cost base of the Holder's Units by such amount.

Distributions in excess of the REIT's net income for tax purposes in a year, including the five percent additional bonus distribution of Units acquired pursuant to the DRIP, will not generally be included in the Holder's income for the year. However, such amount will reduce the adjusted cost base of the Units held by the Holder, and the Holder will realize a capital gain in the year to the extent the adjusted cost base of the Units would otherwise be a negative amount.

The REIT will designate, to the extent permitted by the Tax Act, the portion of the taxable income distributed to Holders as may reasonably be considered to consist of net taxable capital gains of the REIT. Any such designated amount will be deemed for tax purposes to be received by Holders in the year as a taxable capital gain and will be subject to the general rules relating to the taxation of capital gains described below. The REIT will also designate, to the extent permitted by the Tax Act, the portion of taxable dividends received or deemed to be received by the REIT from any taxable Canadian corporation owned by the REIT as may reasonably be considered to be an amount included in the income of Holders. Any such designated amount will be deemed for purposes of the Tax Act to be received by the Holders as a taxable dividend and will be subject to the general rules regarding the taxation of taxable dividends paid by taxable Canadian corporations. Thus, to the extent that amounts are designated as taxable dividends from any taxable Canadian corporation owned by the REIT, they will be subject, inter alia, to the normal gross-up (or in the case of eligible dividends, the enhanced) and dividend tax credit provisions in respect of Holders who are individuals, to the refundable tax under Part IV of the Tax Act in respect of Holders that are private corporations and certain other corporations controlled directly or indirectly by or for the benefit of an individual or related group of individuals, and to the deduction in computing taxable income in respect of Holders that are corporations. A Holder which is a Canadian-controlled private corporation (as defined in the Tax Act) may also be liable to pay an additional refundable tax of 6 $\frac{2}{3}$ % on certain investment income, including taxable capital gains. Holders should consult their own tax advisors for advice with respect to the potential application of these provisions.

The cost of Units acquired by reinvestment of distributions pursuant to the DRIP will be the amount of such reinvestment. There will be no net increase or decrease in the adjusted cost base of all of a Holder's Units as a result of the receipt of Bonus Units under the DRIP. However, the receipt of Bonus Units under the DRIP will result in a per Unit reduction of adjusted cost base to the Holder.

The above amounts (including eligible dividends) will also generally be taken into account in determining the liability, if any, of a Holder that is an individual (or certain trusts) for alternative minimum tax under the Tax Act.

Dispositions of Units

In general, on the disposition or deemed disposition of a Unit, a Holder will realize a capital gain (or capital loss) equal to the amount by which the Holder's proceeds of disposition exceed (or are less than) the aggregate of the adjusted cost base of the Unit and any reasonable costs of disposition. Proceeds of disposition will not include an amount that is otherwise required to be included in the Holder's income.

The adjusted cost base of a Unit to a Holder will include all amounts paid or payable by the Holder for the Unit with certain adjustments. For the purposes of determining the adjusted cost base of a Unit to a Holder, the cost of the newly-acquired Unit, whether acquired pursuant to the DRIP or otherwise, will be averaged with the adjusted cost base of all of the Units owned by the Holder as capital property immediately before the time of acquisition.

One-half of the amount of any capital gain (a “**taxable capital gain**”) realized by a Holder in a taxation year generally must be included in the Holder’s income for that year and one-half of the amount of any capital loss (an “**allowable capital loss**”) realized by a Holder in a taxation year must generally be deducted from taxable capital gains realized by the Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances provided in the Tax Act. Where a Holder that is a corporation or trust (other than a mutual fund trust) disposes of a Unit, such Holder’s capital loss from the disposition will generally be reduced by the amount of any dividends received by the REIT previously designated by the REIT to the Holder, except to the extent that a loss on a previous disposition of a Unit has been reduced by those dividends.

A Holder that is a “Canadian-controlled private corporation” as defined in the Tax Act may be liable to pay an additional refundable tax of 6 $\frac{2}{3}$ % on its “aggregate investment income” for the year, including taxable capital gains.

In general terms, capital gains realized on the disposition of Units may increase the Holder’s liability for alternative minimum tax.

Taxation of the REIT

The taxation year of the REIT is the calendar year. Subject to the SIFT Rules described below, in each taxation year, the REIT is subject to tax under the Tax Act on its income for the year, including net realized taxable capital gains, computed in accordance with the detailed provisions of the Tax Act, less the portion thereof that it deducts in respect of the amounts paid or payable or deemed to be paid or payable in the year to Holders of Units. An amount will be considered to be payable to a Holder in a taxation year if it is paid to the Holder in the year by the REIT or if the Holder is entitled in that year to enforce payment of the amount.

The income for purposes of the Tax Act of the REIT may include income realized from the rental of its rental properties; income payable to it by other trusts in which the REIT is beneficially interested, dividends received from corporations in which it holds shares; and any taxable capital gains or recapture of capital cost allowance arising from dispositions by it of properties.

In computing its income for purposes of the Tax Act, the REIT may deduct reasonable administrative costs, interest and other expenses incurred by it for the purpose of earning income. The REIT may also deduct from its income for the year a portion of any reasonable expenses incurred by the REIT to issue Units. The portion of such issue expenses deductible by the REIT in a taxation year is 20% of such issue expenses pro rated for a taxation year of the REIT that is less than 365 days.

In general, it is expected that all of the REIT’s income for tax purposes will be paid or payable to Holders in the year. The REIT will deduct, for tax purposes, such portion of the amount paid or payable, or deemed to be paid or payable, to Holders in the year, so that the REIT will generally not be liable for income tax in any year, subject to the SIFT Rules.

Losses incurred by the REIT cannot be allocated to Holders but may be deducted by the REIT in future years in accordance with the Tax Act.

Application of the SIFT Rules

If the REIT were to become subject to the SIFT Rules, the REIT would generally be taxed in a manner similar to corporations on income from business carried on in Canada by the REIT 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. Allocations or distributions of income and capital gains that are subject to the SIFT Rules will not be deductible by the REIT in computing its net income and will be taxed as a dividend from a taxable Canadian corporation in the hands of the beneficiaries of the REIT. Under the SIFT Rules, such dividends will be “eligible dividends” (as defined in the Tax Act) and a Canadian resident individual should therefore benefit from an enhanced gross-up and dividend tax credit available under the Tax Act. In general, distributions paid as returns of capital will not be subject to the SIFT Rules, but serve to reduce the adjusted cost base of a Holder’s Units.

The REIT will not be considered to be a SIFT in respect of a particular taxation year and, accordingly, will not be subject to the SIFT Rules in that year, if it qualifies as a “real estate investment trust” for the year (the “**Real Estate Investment Trust Exception**”). The Real Estate Investment Trust Exception to the SIFT Rules is comprised

of a number of technical tests and the determination as to whether the REIT qualifies for the Real Estate Investment Trust Exception in any particular taxation year can only be made with certainty at the end of that taxation year. Management of the REIT believes that the REIT satisfies the requirements of the Real Estate Investment Trust Exception and will be able to meet the requirements of the Real Estate Investment Trust Exception throughout 2015, and intends for the REIT to qualify for the Real Estate Investment Trust Exception at all future times. However, there can be no assurance that subsequent investments or activities undertaken by the REIT will not result in the REIT failing to qualify for the Real Estate Investment Trust Exception.

If the REIT is subject to the SIFT Rules, certain income tax considerations would, in some respects, be materially and adversely different, and the SIFT Rules may, depending on the nature of distributions from the REIT, including what portion of its distributions are income and what portion are returns of capital, have a material adverse effect on the after-tax returns of certain Holders.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

An investment in the Units is subject to certain risks. Investors should carefully consider the risk factors and investment considerations described below and in the Base Shelf Prospectus, the risk factors described in the 2013 AIF, the 2013 MD&A and the September 2014 MD&A incorporated by reference in the Prospectus, and other information elsewhere in the Base Shelf Prospectus, as supplemented by this Prospectus Supplement, prior to making an investment in the Units. If any of such or other risks occur, the REIT's business, prospects, financial condition, results of operations and cash flows could be materially adversely impacted. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the below described or other unforeseen risks.

Risk Factors Related to the Business of the REIT

Access to capital and debt financing, and current global financial conditions

The real estate industry is capital intensive. The REIT 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 the REIT will have access to sufficient capital (including debt financing) on terms favourable to the REIT for future property acquisitions and developments, including for the financing or refinancing of properties, for funding operating expenses or for other purposes. In addition, the REIT may not be able to borrow funds under its credit facilities due to limitations on the REIT's ability to incur debt set forth in the Contract of Trust. Failure by the REIT to access required capital could adversely impact the REIT's financial position and results of operations and reduce the amount of cash available for distributions.

Recent market events and conditions, including disruptions in international and regional credit markets and in other financial systems and deteriorating global economic conditions, could impede the REIT'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 the REIT's financial position and results of operations, including on its acquisition and development program.

Debt Financing

The REIT has and will continue to have substantial outstanding consolidated borrowings comprised primarily of hypothecs, property mortgages, debentures, bridge loan, and borrowings under its acquisition and operating credit facilities. The REIT 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. The REIT's activities are therefore partially dependent upon the interest rates applied to its existing debt. The REIT may not be able to refinance its existing debt or renegotiate the terms of repayment at favourable rates. In addition, the terms of the REIT'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 the REIT. Therefore, upon an event of default under such borrowings or an inability to renew same at maturity, the REIT's ability to make distributions will be adversely affected.

A portion of the REIT's cash flows is dedicated to servicing its debt, and there can be no assurance that the REIT 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 \$550.0 million is repayable in one tranche in August 2017. As at January 22, 2015, \$435.0 million was drawn down under the Unsecured Revolving Credit Facility and approximately \$129.3 million will be repaid from the net proceeds of this Offering. See “Use of Proceeds”.

The REIT is exposed to debt financing risks, including the risk that the existing hypothecary borrowings 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 hypothecary borrowings, the REIT 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 hypothecary borrowings on such properties become due for refinancing.

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 Jacob, Mexx and Target Canada, which are tenants of the REIT. Other retailers may follow. The REIT’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 the REIT 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 the REIT’s rights as a lessor and substantial costs may be incurred to protect the REIT’s investment. The ability to rent unleased space in the properties in which the REIT 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 the REIT’s financial position and the value of its properties.

Certain significant expenditures, including property taxes, maintenance costs, hypothecary 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 the REIT 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 hypothecary 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 the REIT’s ability to make changes to its portfolio promptly in response to changing economic or investment conditions. If the REIT were to be required to liquidate its immovable property investments, the proceeds to the REIT might be significantly less than the aggregate carrying value of its properties.

Leases for the REIT’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 the REIT 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 the REIT’s financial position and results of operations and decrease the Distributable Income.

Environmental matters

Environmental and ecological related policies have become increasingly important in recent years. As an owner or operator of real property, the REIT 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 the REIT’s ability to sell such real estate or to borrow using such real estate as collateral, and could, potentially, also result in claims against the REIT by private plaintiffs or governmental agencies. The REIT is not currently aware of any material non-compliance, liability or other claim in connection with any of our properties, nor is the REIT aware of any

environmental condition with respect to any properties that it believes would involve material expenditures by the REIT.

Pursuant to the REIT's operating policies, the REIT shall obtain or review a Phase I environmental audit of each immovable property to be acquired by it. See "Description of the Business – Investment Guidelines and Operating Policies – Operating Policies" on pages 13 and 14 of the 2013 AIF.

Legal risks

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

Competition

The REIT 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 the REIT. Many of those investors have greater financial resources than the REIT, or operate without the investment or operating restrictions applicable to the REIT 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 the REIT in seeking tenants. The existence of competing developers, managers and owners and competition for the REIT's tenants could have an adverse effect on the REIT's ability to lease space in its properties and on the rents charged, and could adversely affect the REIT's revenues and, consequently, its ability to meet its debt obligations.

Acquisitions

The REIT'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 the REIT is unable to manage its growth effectively, this could adversely impact the REIT's financial position and results of operations, and decrease the Distributable Income. There can be no assurance as to the pace of growth through property acquisitions or that the REIT 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.

Property development program

Information regarding the REIT'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, the REIT's cost tendering process, continuing tenant negotiations, demand for leasable space in the REIT'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 the REIT's development program, asset values and financial performance.

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 the REIT is unable to attract and retain qualified and capable employees and executives, the conduct of its activities may be adversely affected.

Government regulation

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

In addition, environmental and ecological legislation and policies have become increasingly important in recent decades. Under various laws, the REIT 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 the REIT's ability to sell such real estate or to borrow using such real

estate as collateral, and could potentially also result in claims against the REIT by private plaintiffs or governmental agencies. Notwithstanding the above, the REIT is not aware of any material non-compliance, liability or other claim in connection with any of its properties, nor is the REIT aware of any environmental condition with respect to any of its properties that it believes would involve material expenditure by the REIT.

Limit on activities

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

General uninsured losses

The REIT 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. The REIT also carries insurance for earthquake risks, subject to certain policy limits, deductibles, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, the REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but the REIT would continue to be obligated to repay any hypothecary recourse or mortgage indebtedness on such properties.

Many insurance companies have eliminated coverage for acts of terrorism from their policies, and the REIT 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 the REIT’s financial condition and results of operation and decrease the amount of cash available for distribution.

Potential conflicts of interest

The REIT 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 Dallaire Group Inc., 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 Dallaire Group Inc. The REIT rents premises to Dallaire Group Inc. and to Dalcon Inc. Dalcon Inc. also performs leasehold improvements and carries out construction and development projects, all on behalf of the REIT. Finally, the REIT and Dallaire Group Inc. each own 50% of two joint ventures for the ownership and development of real estate properties. The Dallaire Family and related entities may become involved in transactions or leasing opportunities which conflict with the interests of the REIT.

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.

Risk Factors Related to the Ownership of Units

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 the REIT 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, the REIT’s financial performance, debt covenants and obligations, working capital requirements and future capital requirements. The market price of the Units may deteriorate if the REIT 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 the REIT (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 the REIT’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 of the REIT 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 the REIT.

Credit rating

The credit rating assigned by DBRS to the REIT and the Unsecured 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. Prospective investors should consult with DBRS with respect to the interpretation and implications of the rating. 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 or withdrawn. 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 usually provides broader contextual information regarding securities in rating reports, which generally set out the full rationale for the chosen rating symbol, and in other releases.

Availability of cash flow

Distributable Income may exceed actual cash available to the REIT from time to time because of items such as principal repayments, tenant allowances, leasing commissions and capital expenditures. The REIT may be required to use part of its debt capacity or to reduce distributions in order to accommodate such items.

The REIT 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 the REIT are replaced with debt that has less favourable terms or if the REIT is unable to refinance its debt. In addition, loan and credit agreements with respect to debt obligations of the REIT, include, and may include in the future, certain covenants with respect to the operations and financial condition of the REIT and Distributable Income may be restricted if the REIT is unable to maintain any such covenants.

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 the REIT or of the Trustees. Only assets of the REIT are intended to be liable and subject to levy or execution.

The Contract of Trust further provides that certain written instruments signed by the REIT (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 the REIT) 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, the REIT 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, the REIT may not be able to obtain such modification in all cases. If a claim is not satisfied by the REIT, there is a risk that a Unitholder or annuitant will be held personally liable for the performance of the obligations of the REIT 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.

The REIT uses all reasonable efforts to obtain acknowledgments from the hypothecary creditors under assumed hypothecs that assumed hypothec obligations will not be binding personally upon the Trustees or the Unitholders.

Claims against the REIT 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 the REIT'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 a REIT obligation were to be made by a Unitholder, such Unitholder would be entitled to reimbursement from the available assets of the REIT.

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 the REIT 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 the REIT.

Dilution

The number of Units the REIT 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 the REIT, upon conversion of the Convertible Debentures, and to Computershare Trust Company of Canada, as trustee under the Convertible Debentures, in payment of interest on the Convertible Debentures. Any issuance of Units may have a dilutive effect on Unitholders.

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 the REIT. The REIT 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 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.

Cash distributions are not guaranteed

There can be no assurance regarding the amount of income to be generated by the REIT's properties. The ability of the REIT to make cash distributions, and the actual amounts distributed, will be entirely dependent on the operations and assets of the REIT 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 the REIT 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.

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 the REIT equivalent to the CBCA, which sets out the rights, and entitlements of shareholders of corporation in various circumstances.

Status for tax purposes

The REIT 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 the REIT to Holders and to deduct such distributions and designations for income tax purposes.

Certain of the REIT'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 SIFTs 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 for the Real Estate Investment Trust Exception for the year. If the REIT fails to qualify for the Real Estate Investment Trust Exception, the REIT will be subject to the tax regime introduced by the SIFT Rules.

Management believes that the REIT 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 the REIT. 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 the REIT will continue to meet all the required conditions to be eligible for the Real Estate Investment Trust Exception for the remainder of 2015 or any other subsequent year.

LEGAL MATTERS

Certain legal matters in connection with the issuance of the Units offered hereby will be passed upon at the date of closing on behalf of the REIT by Davies Ward Phillips & Vineberg LLP and on behalf of the Underwriters by Lavery, de Billy, L.L.P.

As of the date of this Prospectus Supplement, partners and associates of Davies Ward Phillips & Vineberg LLP, as a group, and partners and associates of Lavery, de Billy, L.L.P., as a group, each owned, beneficially or of record, less than 1% of the outstanding securities of the REIT or other outstanding securities of any of the REIT's associates or affiliates.

INTEREST OF EXPERTS

The auditors of the REIT are PricewaterhouseCoopers LLP, a partnership of chartered professional accountants.

Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, are the external auditors who prepared the auditor's report to the Management and Board of Directors of Ivanhoé Cambridge dated August 29, 2014 with respect to the retail and office portfolio of Ivanhoé Cambridge for the financial year ended December 31, 2013 which is included in the Business Acquisition Report incorporated by reference in this Prospectus Supplement. Raymond Chabot Grant Thornton LLP, Chartered Professional Accountants, are independent with respect to Ivanhoé Cambridge within the meaning of the Code of Ethics of the *Ordre des comptables professionnels agréés du Québec*.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Units is Computershare Investor Services Inc., at its principal offices in Montréal, Québec and Toronto, Ontario.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. The right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal adviser.

CERTIFICATE OF THE REIT

Dated: January 23, 2015

The short form base shelf prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

(signed) MICHEL DALLAIRE
President and Chief Executive Officer

(signed) GILLES HAMEL
Executive Vice-President and Chief Financial Officer

On behalf of the Trustees

(signed) MARY-ANN BELL
Trustee

(signed) JOHANNE M. LÉPINE
Trustee

CERTIFICATE OF THE UNDERWRITERS

Dated: January 23, 2015

To the best of our knowledge, information and belief, the short form base shelf prospectus, together with the documents incorporated in the prospectus by reference, as supplemented by the foregoing, constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and this supplement as required by the securities legislation of each of the provinces and territories of Canada.

NATIONAL BANK FINANCIAL INC.

By: (signed) LOUIS GENDRON

BMO NESBITT BURNS INC.

By: (signed) GRÉGOIRE
BAILLARGEON

DESJARDINS SECURITIES INC.

By: (signed) FRANÇOIS CARRIER

RBC DOMINION SECURITIES INC.

By: (signed) JEAN-CHARLES ANGERS

SCOTIA CAPITAL INC.

By: (signed) CHARLES ÉMOND

TD SECURITIES INC.

By: (signed) LOUIS G. VÉRONNEAU

CANACCORD GENUITY CORP.

By: (signed) PIERRE FLEURENT

DUNDEE SECURITIES LTD.

By: (signed) BRAD CUTSEY

LAURENTIAN BANK SECURITIES INC.

By: (signed) TYLER WIRVIN