



Our Path Forward Investor Day 2019

October 4th , 2019

René Tremblay

Chairman of the Board

Sylvain Cossette

Chief Executive Officer

Opening Remarks



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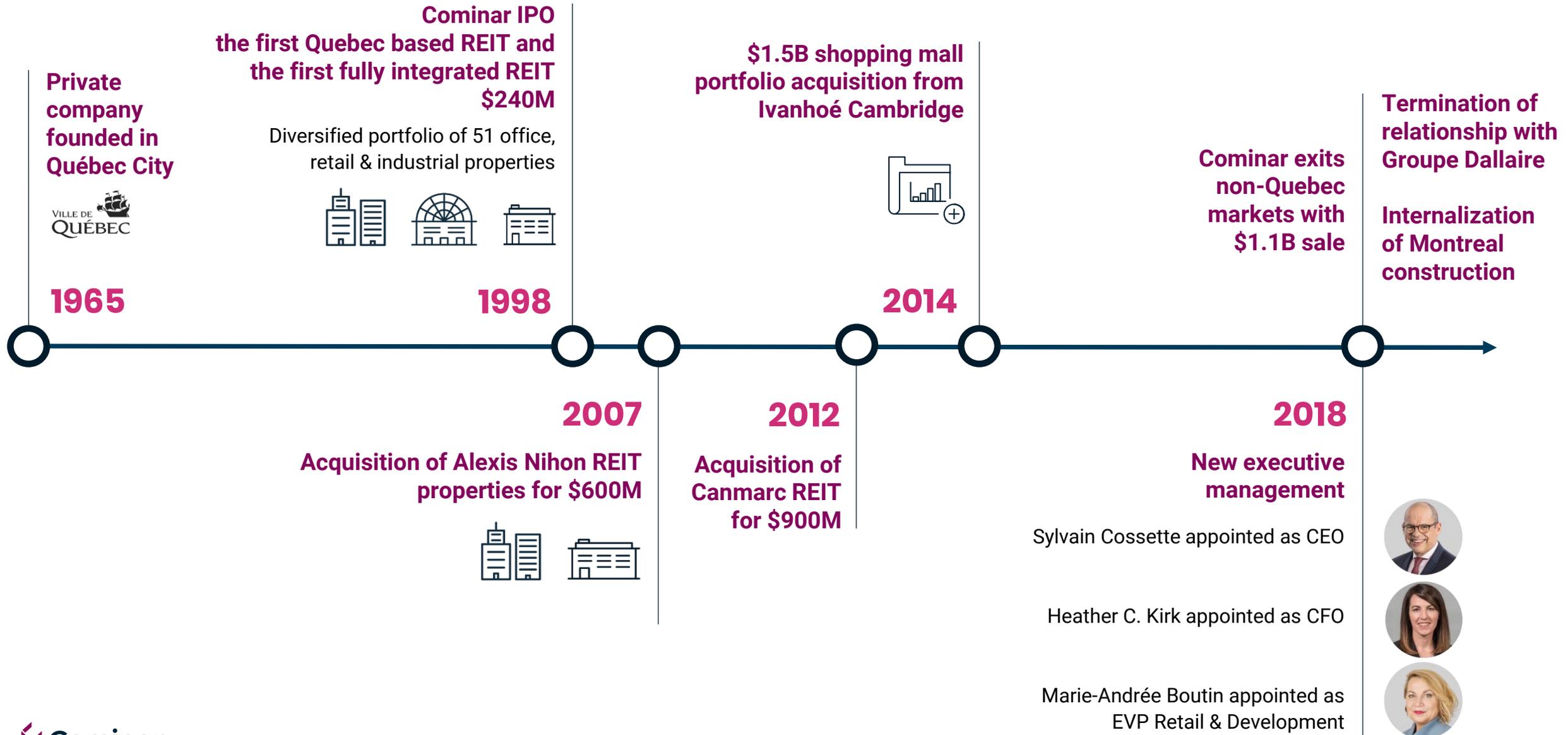
Although this is not an exhaustive list, Cominar cautions investors that statements concerning the following subjects are, or are likely to be, forward-looking statements: leasing results, the financial results we target to deliver pursuant to our strategic plan, the amount of dispositions, developments and redevelopments we are targeting to complete, the return on investment of our development and existing property enhancement

projects, our access to capital and debt markets in the context of our capital structure and financing strategy, our expectations for capital expenditures and the intensification opportunities we have identified. Cominar's actual results could differ materially from those anticipated in forward-looking statements, as applicable, including as a result of the risks described in Cominar's Annual Information Form. While Cominar believes that the expectations reflected the forward-looking statements made in this presentation, are reasonable, no assurance can be given that these expectations will prove to be correct, and such forward-looking statements should not be unduly relied upon. Unless otherwise indicated in this presentation, these statements speak only as of the date of this presentation. Cominar does not assume any obligation to update the aforementioned such statements, except as required by applicable laws.

Net operating income and funds from operations are non-IFRS measures and do not have a standardized meaning. Therefore, they may differ from similar measures presented by other entities and, consequently, may not be comparable to similar measures presented by such other entities.

Today's Agenda

Opening Remarks _____	René Tremblay & Sylvain Cossette
Real Estate Market Overview _____	Marie-France Benoit
Our Market _____	Heather C. Kirk
Our Portfolio _____	Heather C. Kirk
The Strategic Plan _____	Sylvain Cossette & Heather C. Kirk
Capital Structure and Financing Strategy _____	Heather C. Kirk
Significant Transit Coming to our Markets _____	Jean Laramée
Our Retail Strategy and Outlook _____	Marie-Andrée Boutin
Intensification Opportunities _____	Jean Laramée
Retail Digital Strategy _____	Mélanie Vallée
Our Office and Industrial Strategy and Outlook _____	Michael Racine
Asset Management Function _____	Alexandra Faciu
Transform the Way we Work _____	Sandra Lécuyer
Closing Remarks _____	Sylvain Cossette
Q&A	
Lunch	



Phase 1 Break From Past 2018

- › Enabling Cominar to move forward on its own
- › Termination of relationship with Groupe Dallaire
- › Exit of non-Quebec markets and focus on our strong core markets
- › Significant changes to board and real estate expertise add
- › New CEO, CFO, EVP Retail, and VP Human Capital...
→ Empowerment

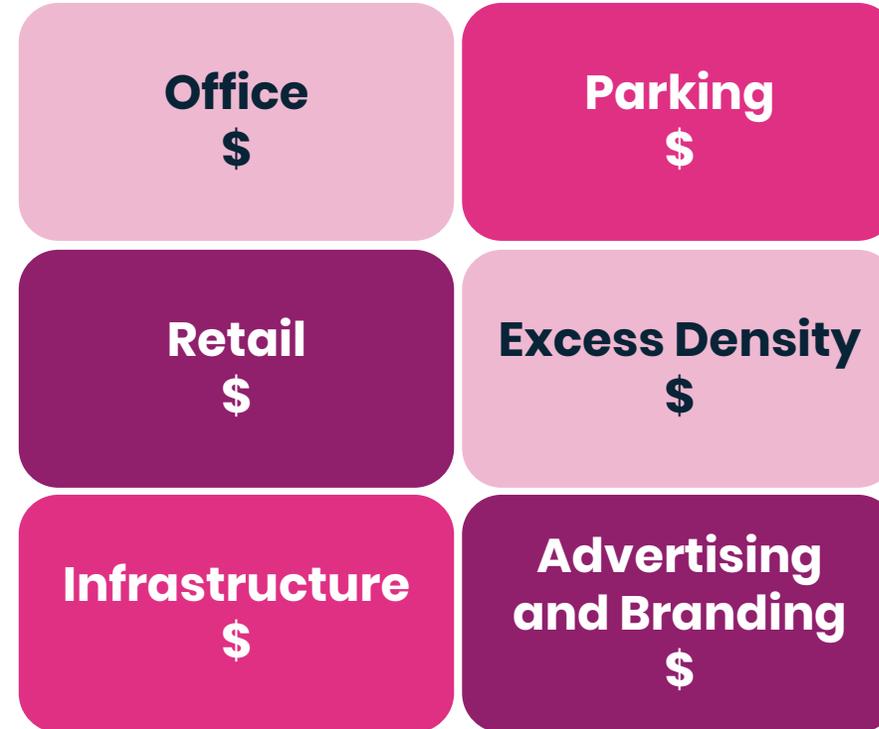
Phase 2 Laying the Ground Work 2019–2020

- › Implementation of a new strategic plan
- › Refocused board & management teams
- › Continuous upgrading of management teams and new asset management function
- › Cost cutting and new revenues
- › Stabilize the balance sheet and refinance debt maturities

Phase 3 2020–2021

- › Deliver 15% NAV growth and 15% FFO growth
- › Optimize balance sheet and cost of capital
 - 50% debt-to-asset ratio
 - 9.5x debt / EBITDA ratio
- › Leverage our industrial portfolio and broaden our relationships
- › Extract value related to intensification opportunities

- › IFRS value materially below market value
- › Exploring alternatives to crystallize value



Addition of **100 +** years of real estate experience



René Tremblay

Trustee since 2018

Chairman of the board
Spent > 35 years in the global real estate industry, primarily in the shopping centre sector. Extensive experience as a senior corporate executive before occupying management positions with several prominent real estate players, including CDPQ, Ivanhoé Cambridge and Taubman.



Christine Beaubien

Trustee since 2019

Over 30 years' experience in information technology, finance and international business. Invests in start-ups and provides strategic consulting to SMEs through her company, Groupe BSC. On executive Committee of Fonds de solidarité FTQ.



Paul Campbell

Trustee since 2018

Held numerous senior leadership positions with several large and complex real estate organizations, including Kingsett, SITQ, 20 Vic, Bentall, Revenue Properties, Maron Properties, Oxford, Campeau Corporation, Trilea, Bramalea and CEO of VersaCold.



Mitchell Cohen

Trustee since 2019

COO of Westdale Construction Co. Limited. President and CEO of Urbanfund Corp.



Zachary R. George

Trustee since 2019

Co-founder of FrontFour Capital, an alternatives investment manager. More than 15 years evaluating investment opportunities of companies focusing on real assets. President and CEO of Huntingdon REIT from 2010-2013.



Heather C. Kirk
Executive Vice President
and Chief Financial Officer



Marie-Andrée Boutin
Executive Vice President
Retail and Development



Sébastien Dubois
Vice President
Leasing – Retail



Brigitte Dufour
Vice President, Legal Affairs
and Corporate Secretary



Sandra Lécuyer
Vice President
Talent and Organization



Jean-Marc Rouleau
Vice President
Operations – Retail



Mélanie Vallée
Vice President
Data and Technology



Alexandra Faciu
Executive Director
Asset Management



Antoine Tronquoy
Executive Director
Capital Markets

Altus Presentation



Marie-France Benoit

Senior Director, Strategic Development
Altus Expert-Services
Altus Group

Real Estate Market Overview





Thank you!

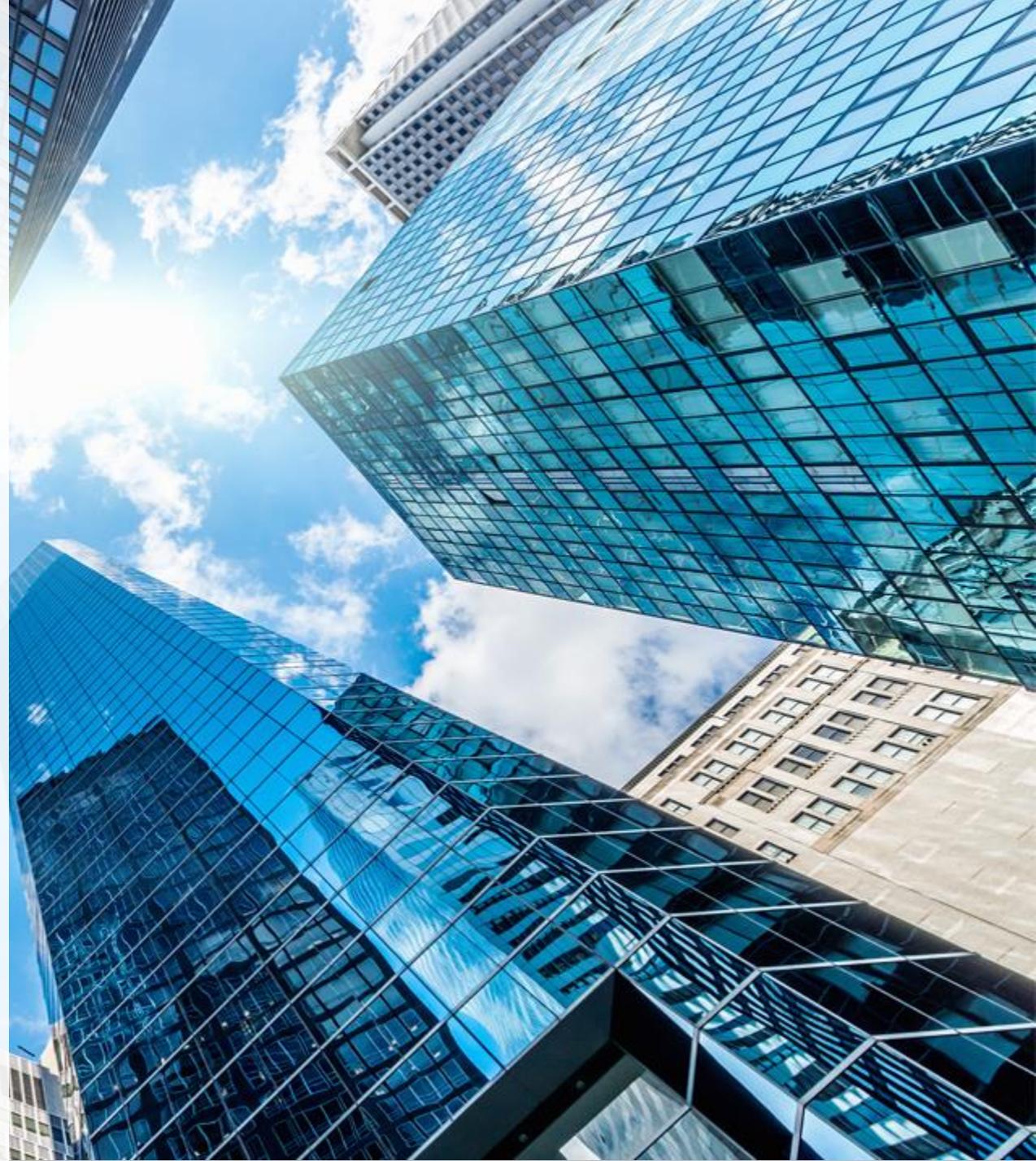
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Our Markets



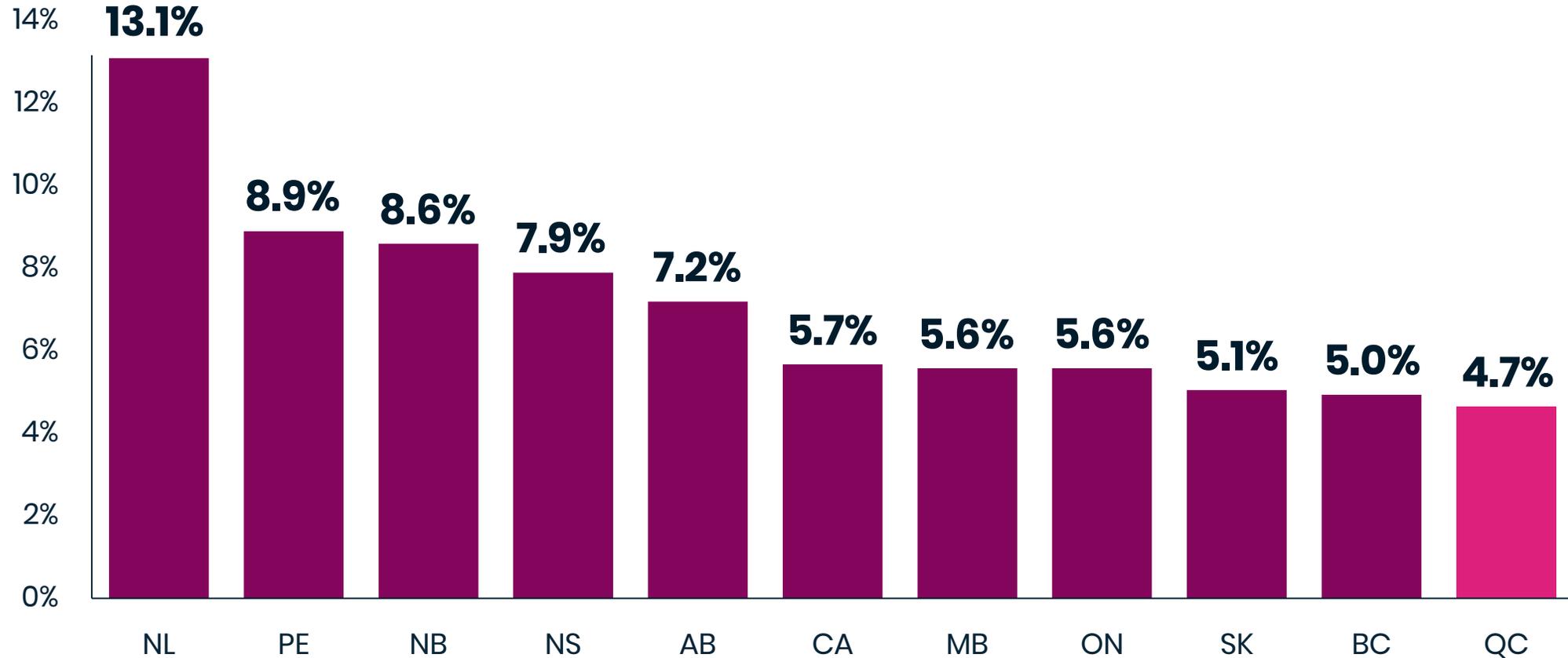
Heather C. Kirk

Executive Vice President
and Chief Financial Officer

Our Markets

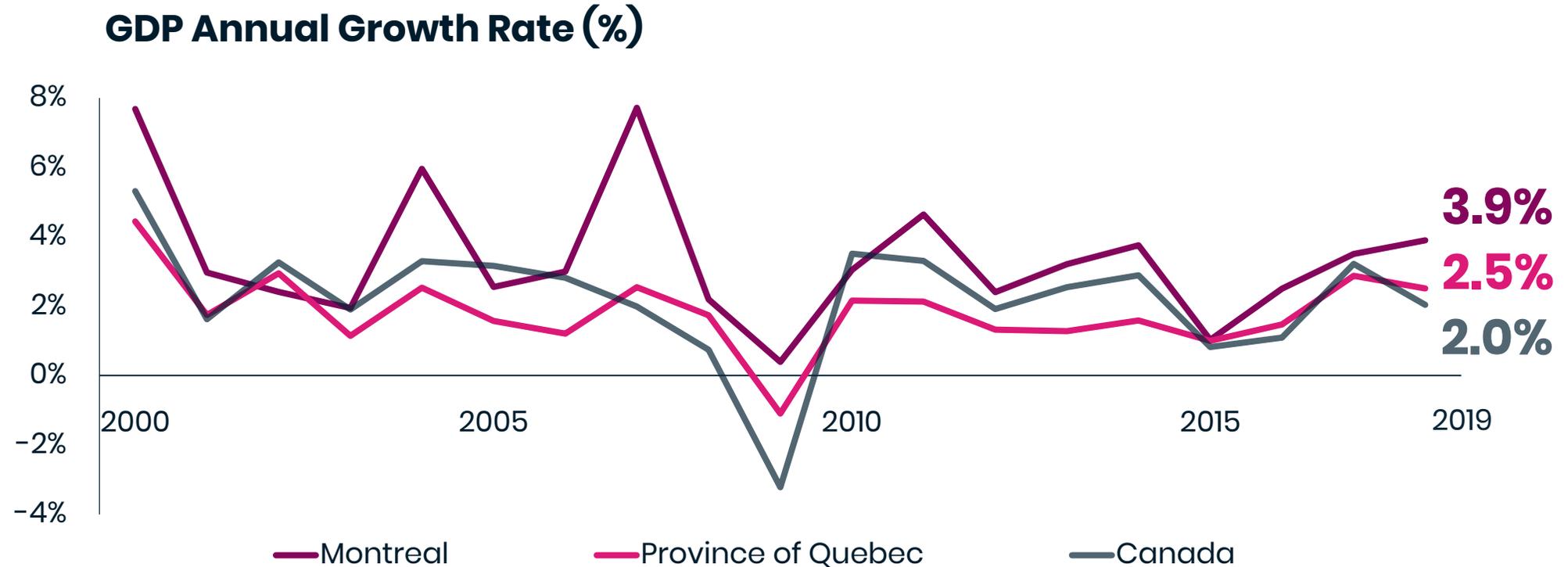


Lowest in the Country Lowest in Over 40 Years



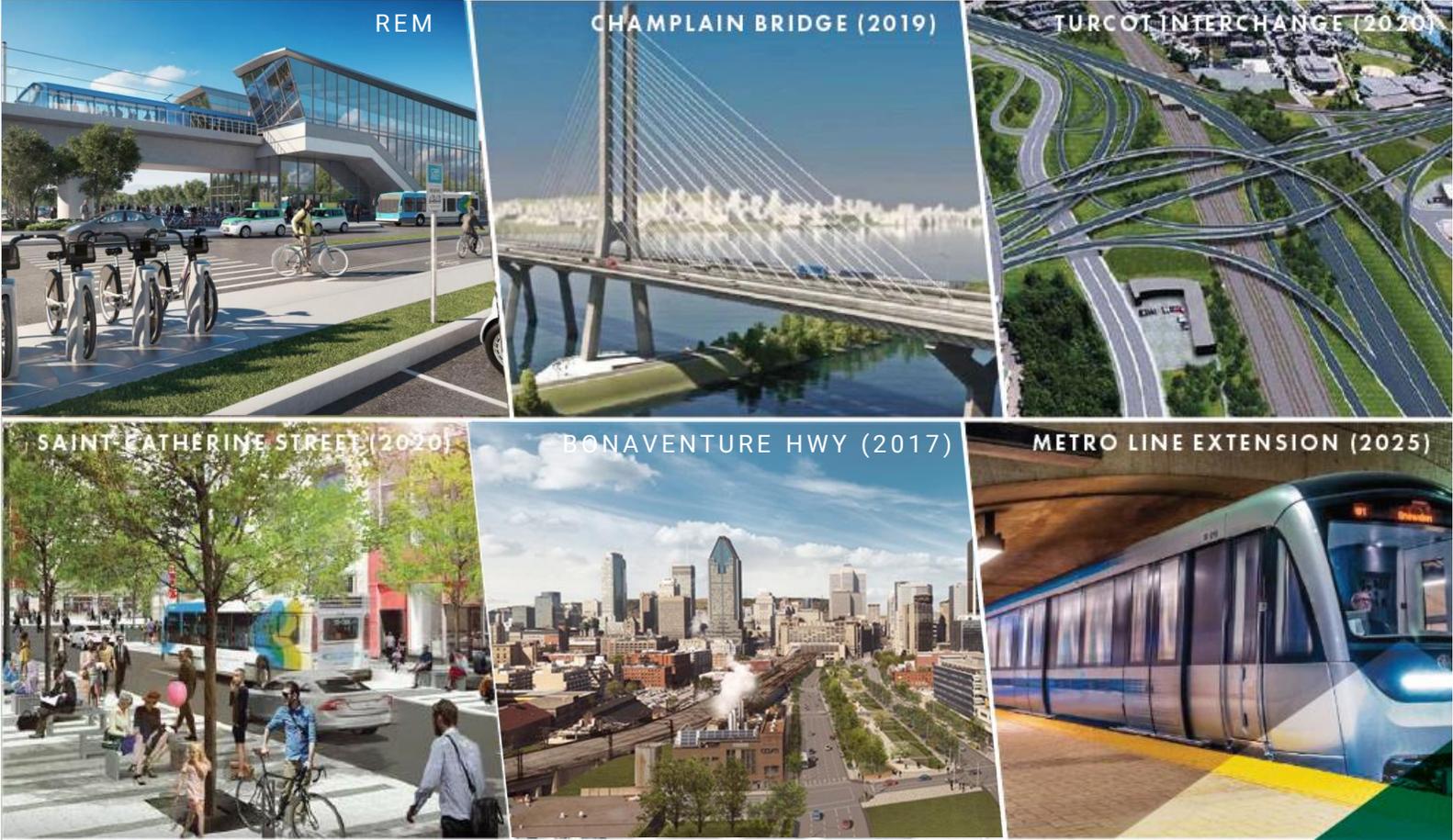
Québec City at 2.6% and GMA at 5.6%

Montreal GDP Growth Tracking at ~ 2x Canadian Average



**\$25B committed
in infrastructure
improvements**

**Strong credit rating
of A (high) by DBRS**



Source: CBRE



1st

concentration
of deep learning
researchers in
the world



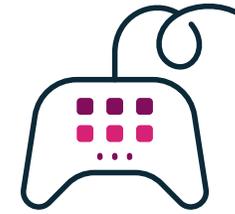
1st

in Canada and
a world leader
in VFX &
animation



2nd

largest
aerospace hub
in North America



5th

video game
development hub
in the world



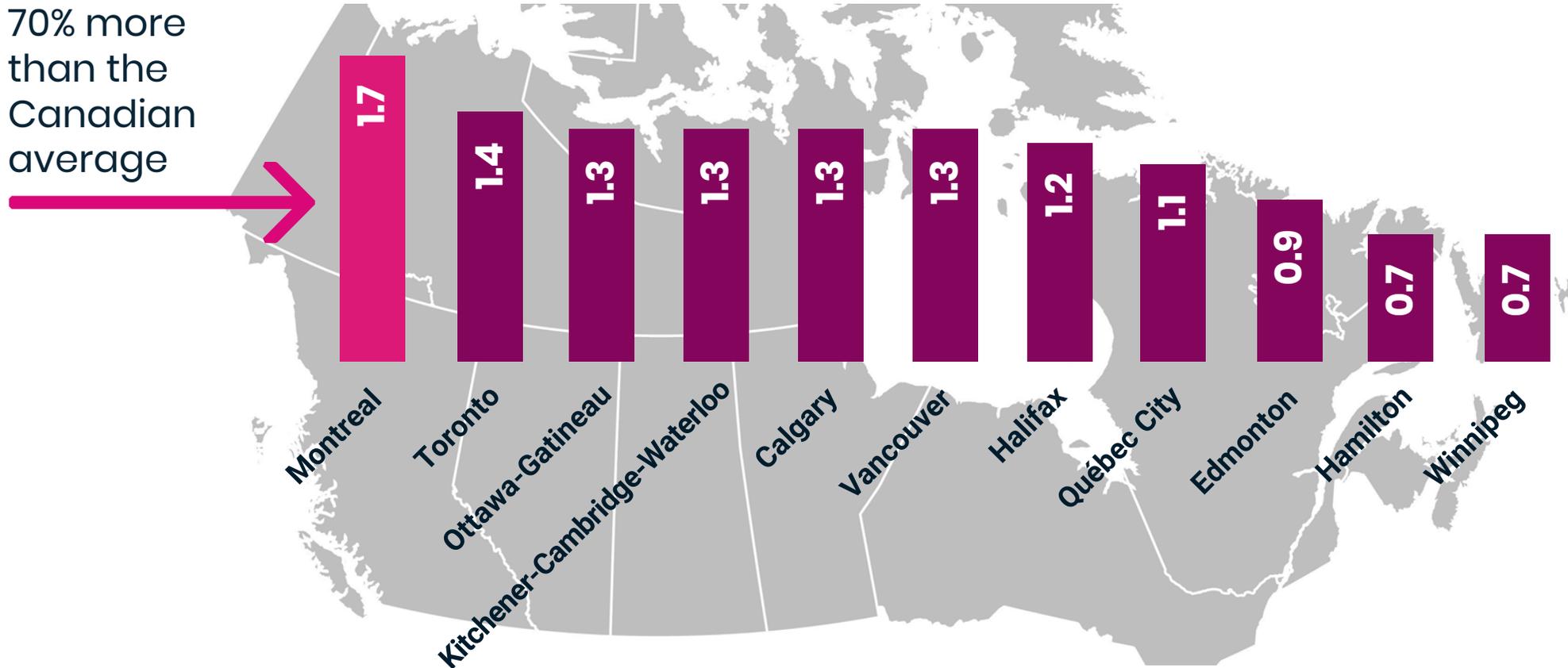
6th

largest life
sciences and
health technologies
hub in North
America

Tech Sector Jobs Concentration Across Canada, 2016

Index: Canadian average = 1.0

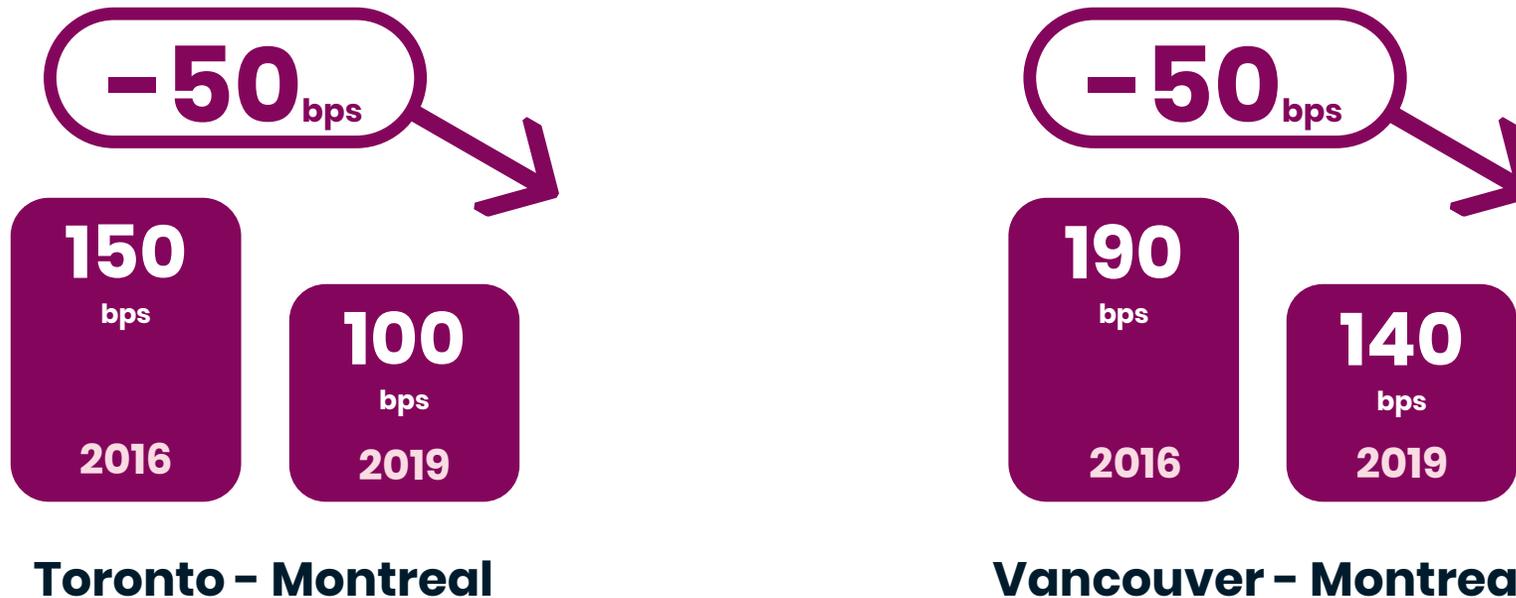
70% more than the Canadian average



Average technology job salaries are 22% lower than major Canadian and US metropolitan areas

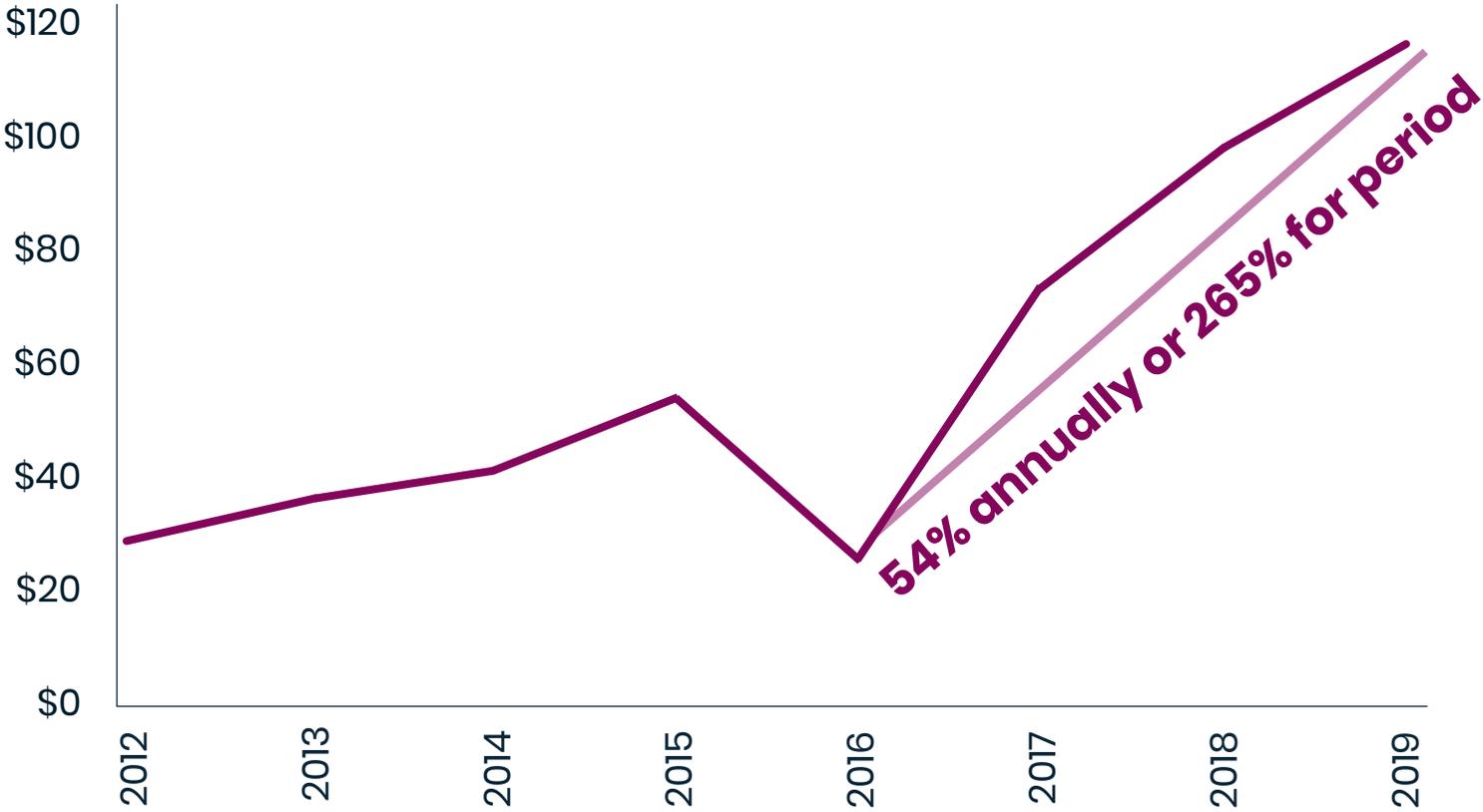
- GMA's population of 4.1M in 2016 is expected to reach 4.8M by 2036 (+17%)
- 5th most attractive city for international immigration in North America with more than 43,000 immigrants on average per year between 2010 and 2017 (outpaced only by New York, Toronto, Miami and Los Angeles)
- Proportion of the immigrant population in the GMA is expected to rise from 24.6% in 2016 to 32.2% in 2036

Average Cap Rate Spread vs. Montreal



Montreal cap rates are the third lowest in Canada, now tighter than Calgary, Edmonton and Ottawa

Downtown Land Sales: Average Price per sq.ft.



Québec City Top 10 in...



**Economic
Potential**

2nd

Ranked **2nd in Canada**
and **8th in America**



**American Cities
of the Future**

2nd

Ranked **2nd in Canada**
and **5th in America**



**Business
Friendliness**

2nd

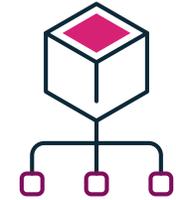
Placed **2nd in Canada**
and **5th in America**



FDI Strategy

3rd

Placed **3rd in Canada**
and **9th in America**



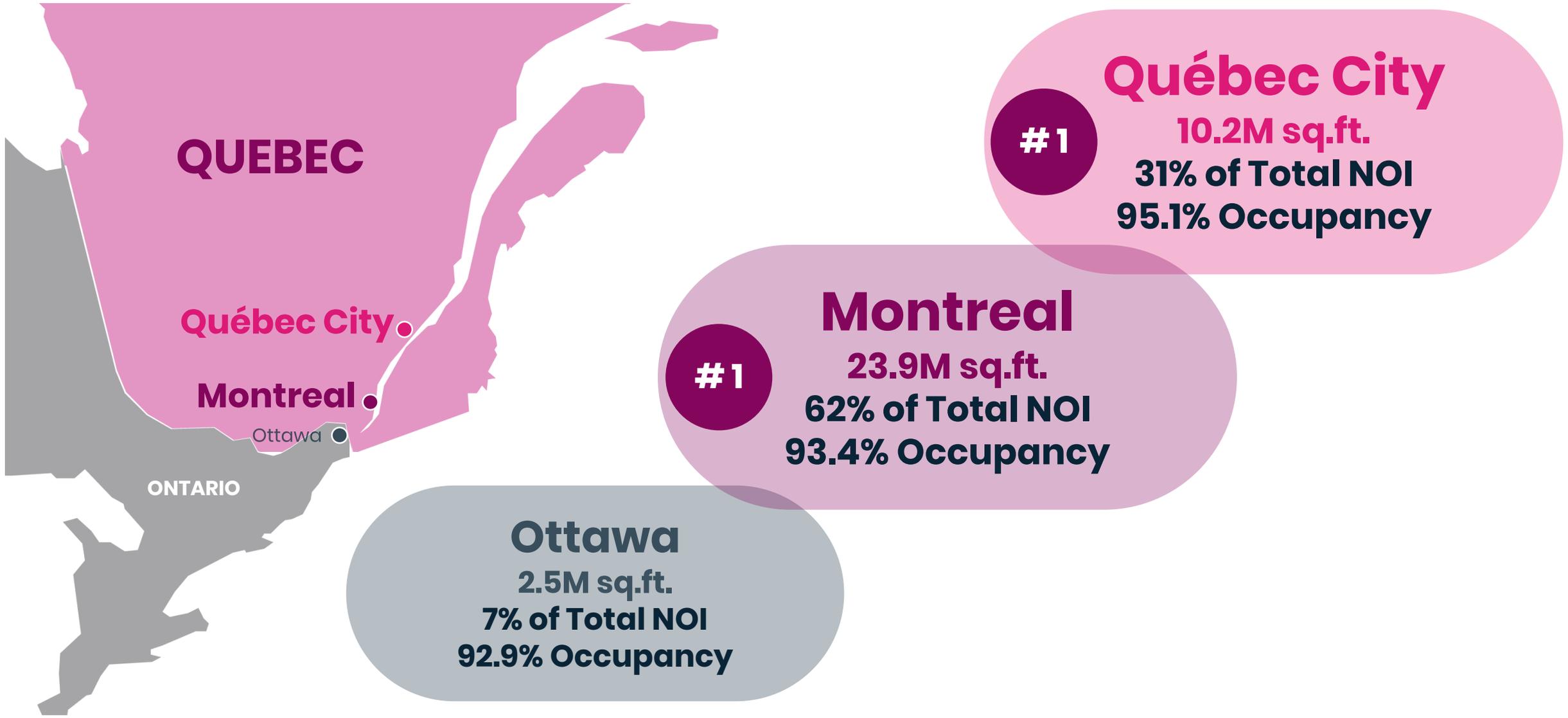
Connectivity

5th

Placed **5th in Canada**
and **8th in America**

Our Portfolio







334 properties • 36.6M sq.ft. • \$366M NOI • \$6.3B Value



RETAIL

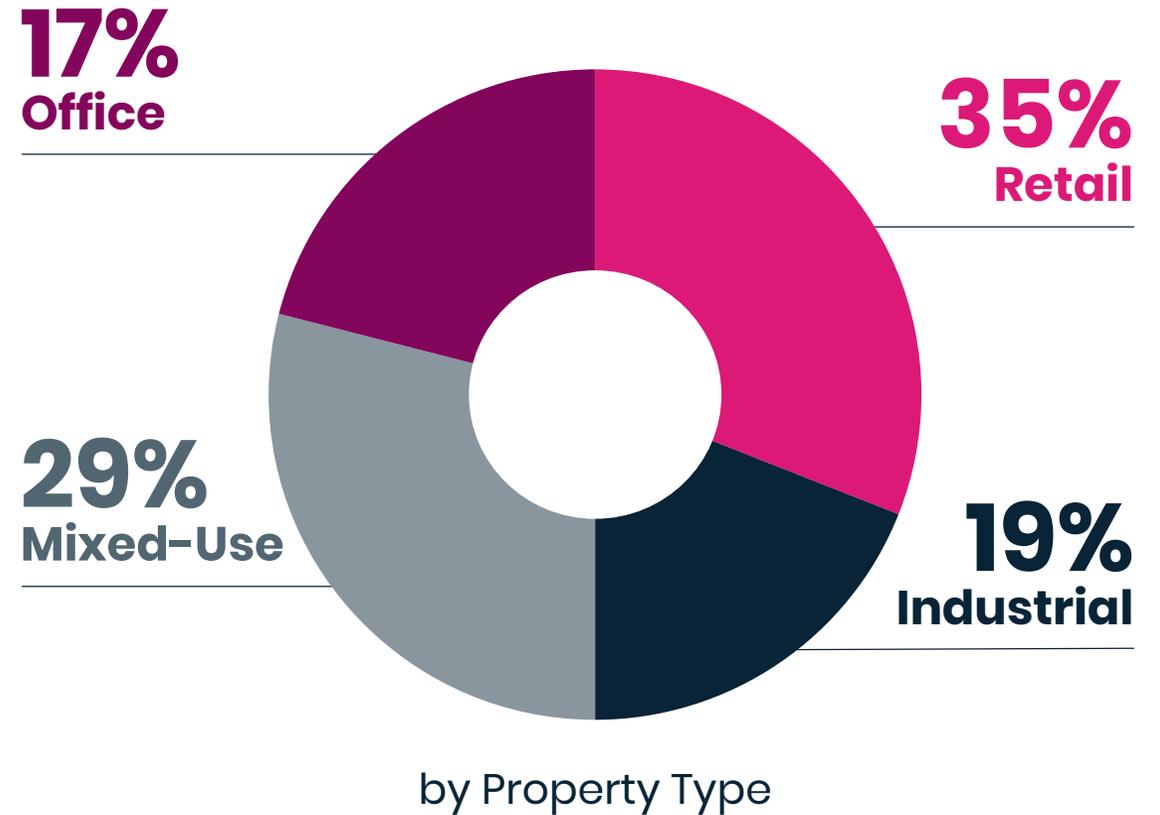
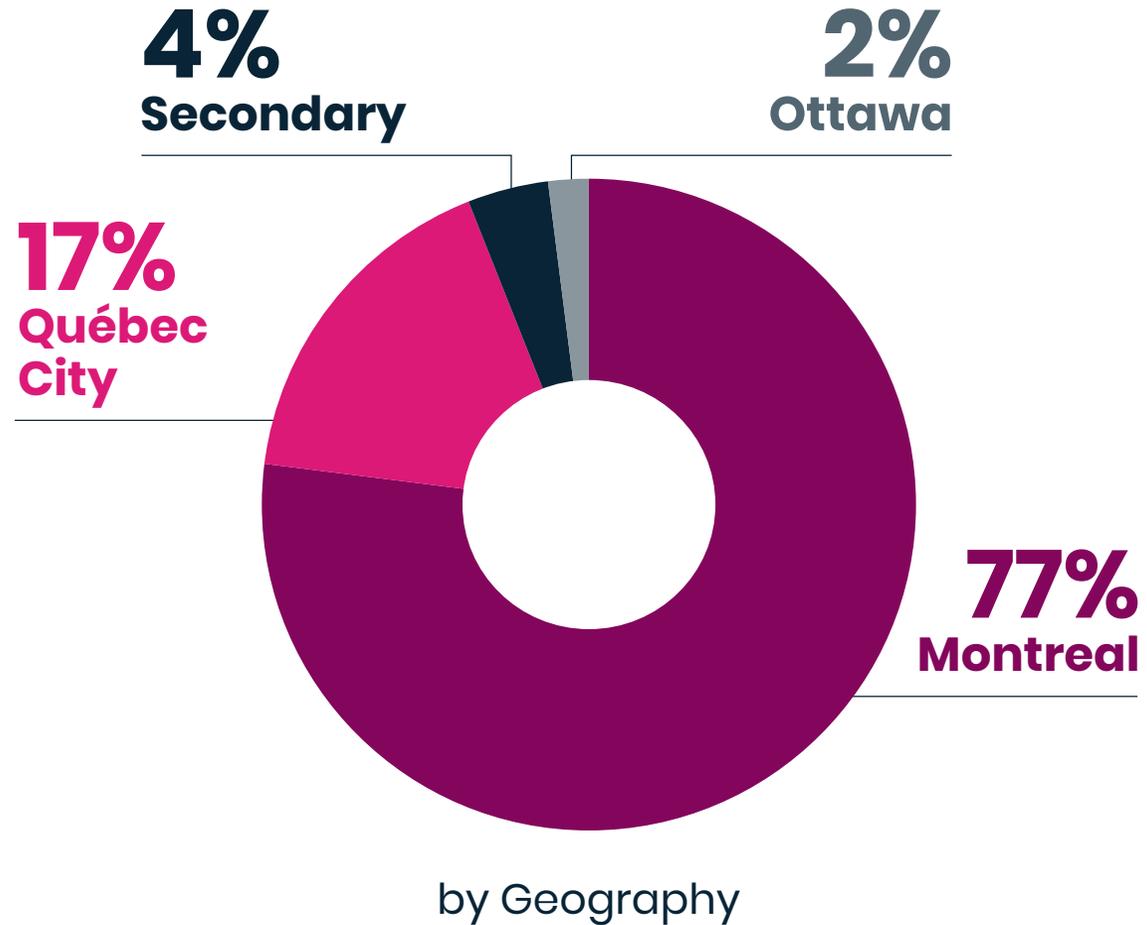


OFFICE



INDUSTRIAL & FLEX

	RETAIL	OFFICE	INDUSTRIAL & FLEX
Properties	58	83	193
GLA	9.9M	11.2M	15.5M
% NOI	35%	40%	25%
Value	38%	39%	23%
IFRS Value	\$2.4B	\$2.5B	\$1.4B
PSF	\$242	\$223	\$90
Implied Cap Rate	5.4%	6.0%	6.4%



\$4B and 62% of total IFRS value



	Property	GLA (000's sq.ft.)	Type	Region
1	Gare Centrale	1,726	Mixed-use	Montreal
2	Alexis Nihon	1,021	Mixed-use	Montreal
3	West Island Industrial Portfolio	4,825	Industrial	Montreal
4	Place de la Cité – Québec City	1,025	Mixed-use	Québec City
5	South Shore Industrial Portfolio	2,755	Industrial	Montreal
6	Rockland	646	Retail	Montreal
7	2001 McGill College	512	Office	Montreal
8	Galleries Rive Nord	575	Retail	Montreal
9	Centropolis	803	Retail	Montreal
10	Les Rivières	565	Retail	Secondary
11	Centre Laval	698	Retail	Montreal
12	Laval Industrial Portfolio	1,535	Industrial	Montreal
13	Complexe Jules-Dallaire – 75% Share	403	Office	Québec City
14	Promenades Beauport	601	Retail	Québec City
15	Mail Champlain	722	Retail	Montreal
16	Place Laval	856	Office	Montreal
17	Place Hauteville	270	Office	Québec City
18	Place Longueuil	416	Retail	Montreal
19	Place de la Cité Properties - Gatineau	321	Office	Ottawa
20	Quartier Laval	267	Retail	Montreal
TOTAL		20,542		

Key Montreal Properties in Proximity to Public Transit Projects





LEGEND

- Office
- Industrial & Flex
- Retail
- RTC - Tramway – Projected Route
- RTC - Trambus – Projected Route



RETAIL PORTFOLIO

58 properties • 9.9M sq.ft. • \$124M NOI • \$2.4B Value

Regional Malls
61%

Urban
41%

Secondary
20%

Mixed-Use
23%

Community
7%

Strips / Freestanding
5%

Power Centre
4%

6 properties
3.6M sq.ft.
\$45M NOI
\$1.0B Value

7 properties
2.3M sq.ft.
\$28M NOI
\$0.5B Value

5 properties
1.6M sq.ft.
\$28M NOI
\$0.5B Value

5 properties
1.2M sq.ft.
\$10M NOI
\$0.2B Value

33 properties
0.8M sq.ft.
\$6M NOI
\$0.1B Value

2 properties
0.4M sq.ft.
\$5M NOI
\$0.1B Value



Top 10 Tenants by Rent	GLA (000'S sq.ft.)	DBRS Credit Rating
Canadian Tire Group	301	BBB (high)
Loblaws Group	285	BBB
TJX Companies	231	A2 ⁽¹⁾
Boutique Marie-Claire	103	-
Metro/Jean Coutu Group	260	BBB
Dollarama	193	BBB
Société des Alcools du Québec	75	-
Famous Players Co. (Cineplex)	99	-
Sail/Sportium	132	-
MTY Group	55	-

Top 10 tenants account for 17% of retail revenues

1: Moody's



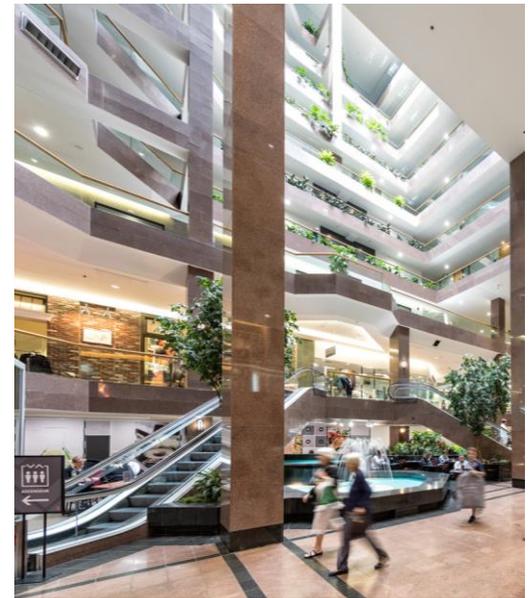
Alexis Nihon – Montreal
403,000 sq.ft. (Retail)



Rockland – Montreal
646,000 sq.ft.



Mail Champlain – Montreal
569,000 sq.ft.



Place de la Cité – Québec City
307,000 sq.ft. (Retail)



Centropolis – Montreal
803,000 sq.ft.



Centre Laval – Montreal
698,000 sq.ft.



Galeries Rive Nord – Montreal
575,000 sq.ft.



OFFICE PORTFOLIO

83 properties • 11.2M sq.ft. • \$148M NOI • \$2.5B Value

Montreal

60%

50 properties \$86M NOI
6.6M sq.ft. \$1.5B

\$230 / sq.ft.

54% CBD

16% Suburban on Transit

25% Suburban Campus Clusters

5% Others

Québec City

24%

16 properties \$39M NOI
2.5M sq.ft. \$0.6B

\$234 / sq.ft.

81% CBD

10% Suburban on Transit

1% Suburban Campus Clusters

8% Others

Ottawa

16%

17 properties \$24M NOI
2.1M sq.ft. \$0.4B

\$180 / sq.ft.

33% CBD

26% Suburban on Transit

24% Suburban Campus Clusters

17% Others



Asset Type
(% of value)

58%
CBD

16%
Suburban
on Transit

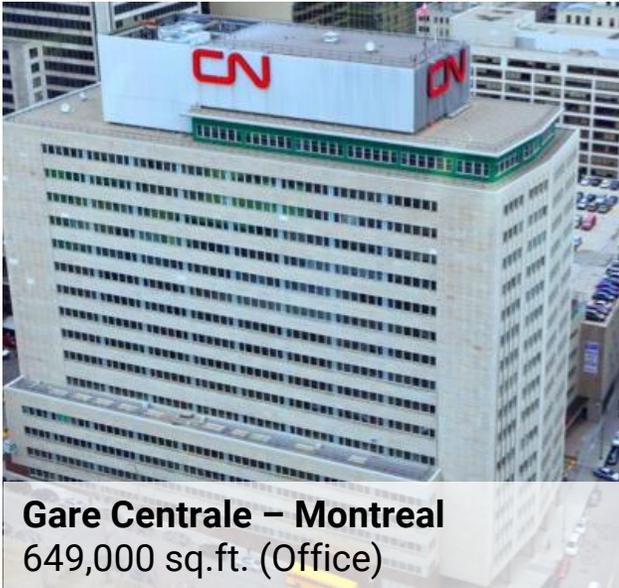
19%
Suburban
Campus
Clusters

7%
Other



Top 10 Tenants by Rent	GLA (000'S sq.ft.)	DBRS Credit Rating
Société Québécoise des Infrastructures	1,694	A (high)
Public Works Canada	1,300	AAA
Canadian National Railway Company	600	A
McGill University	181	AA
HSBC Bank	80	AA-
City of Montreal	130	A+
Ford Motor Company	100	BBB
Desjardins	110	A
Entrust Datacard	100	–
Société de Transport de Montréal	74	A (high)

Top 10 tenants account for 38% of office revenues



Gare Centrale – Montreal
649,000 sq.ft. (Office)



Alexis Nihon – Montreal
609,000 sq.ft. (Office)



2001 McGill College – Montreal
512,000 sq.ft.



1080 Beaver Hall – Montreal
306,000 sq.ft.



**Complexe Jules-Dallaire –
Québec City - 402,000 sq.ft. (75%)**



Place de la Cité – Québec City
718,000 sq.ft. (Office)



INDUSTRIAL PORTFOLIO

193 properties • 15.5M sq.ft. • \$92M NOI • \$1.4B Value

Montreal

76%

129 properties \$65M NOI

12M sq.ft. \$1,059M

\$88 / sq.ft.

Québec City

24%

64 properties \$27M NOI

3.5M sq.ft. \$375M

\$108 / sq.ft.



Top 10 Tenants by Rent	GLA (000'S sq.ft.)
InfraMTL (REM)	995
Société Québécoise des Infrastructures	177
Desjardins	124
LDC Logistics	527
Colabor Group	212
Wolseley Canada	208
Nortek Air Solutions Québec	199
GTI Storage & Handling	177
Englobe	67
Remco Group	144

Top 10 tenants account for 19% of industrial revenues



2000 Halpern – Montreal
527,000 sq.ft.



9100 du Parcours – Montreal
199,000 sq.ft.



505 du Parc-Technologique – Québec City
100,000 sq.ft.



40 chemin du Tremblay – Boucherville
143,000 sq.ft.

The Strategic Plan



Sylvain Cossette

Chief Executive Officer

Heather C. Kirk

Executive Vice President
and Chief Financial Officer

The Strategic Plan



Grow NOI

- › Refocus our resources on cost reductions and revenue growth
- › Explore opportunities to drive additional revenue streams
- › NOI growth strategies tailored to each property type

Optimize the Portfolio

- › Shift to asset management mindset
- › Capitalize on strength in Montreal and industrial portfolio
- › Defend retail portfolio value
- › Structured plan to crystallize value in selected properties

Strengthen the Balance Sheet

- › Improve credit metrics
- › Increase financial flexibility
- › Create a free cash flow focused culture

Transform How we Work

- › Create organizational alignment
- › Shift to a culture of excellence
- › Lever technology

**Our target is to generate
15% NAV growth and 15% FFO growth
primarily from**

1.

SPNOI growth

The target of 2% to
3%

2.

**Unlocking
Unrealized Intrinsic
Value**

3.

**Strategic
Refinancing**

4.

Unit Repurchases

Refocus resources on cost reductions and revenue growth to drive higher NOI and FFO

Operating Cost Reductions + **Payroll Reductions** + **New Sources of Revenues** + **G&A Expense Reductions**

Cost Savings



- › Payroll
- › Maintenance
- › Security
- › Cleaning services
- › Snow removal

New Revenues



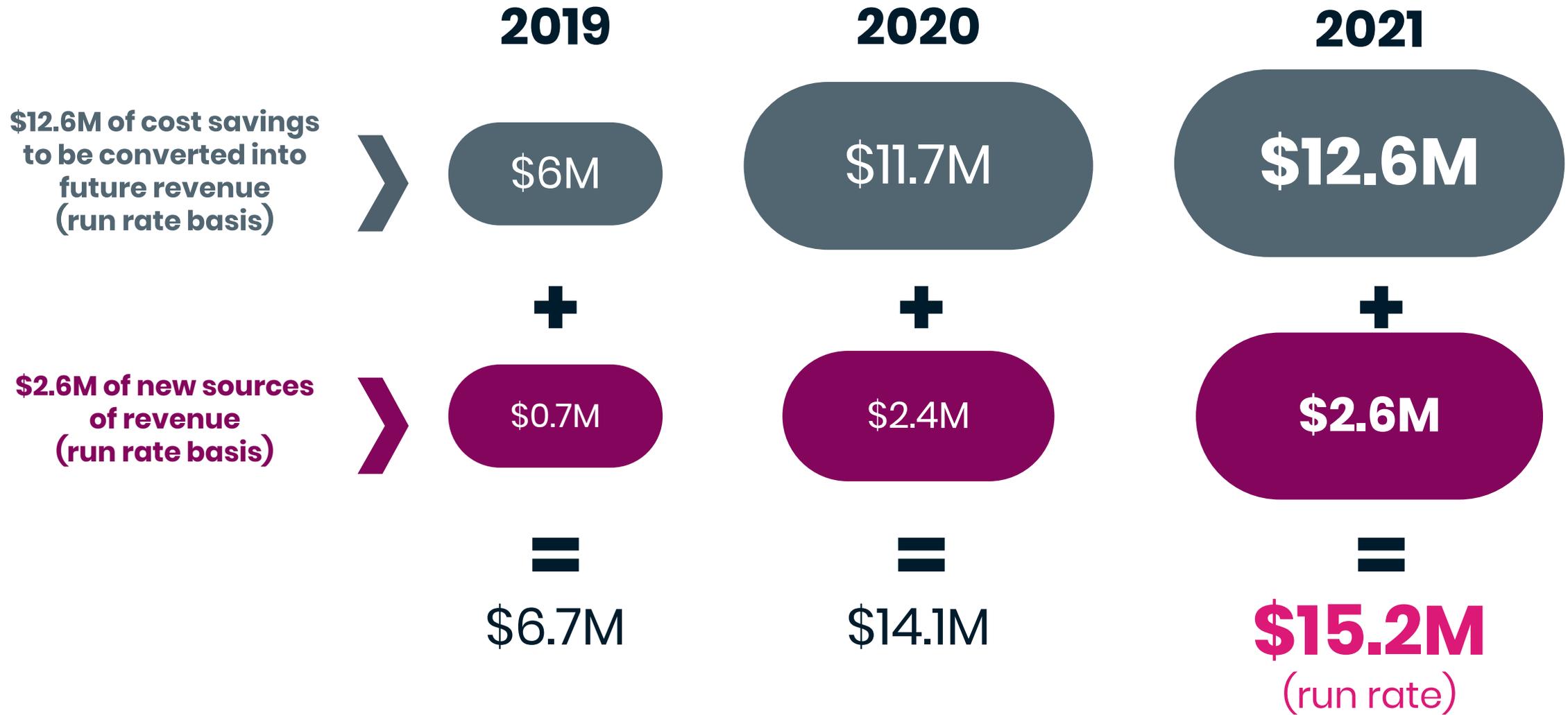
- › Charging management fees on construction
- › Higher amortization rate on incentives
- › Increased parking revenues
- › Fees to review plans
- › Billing for legal work

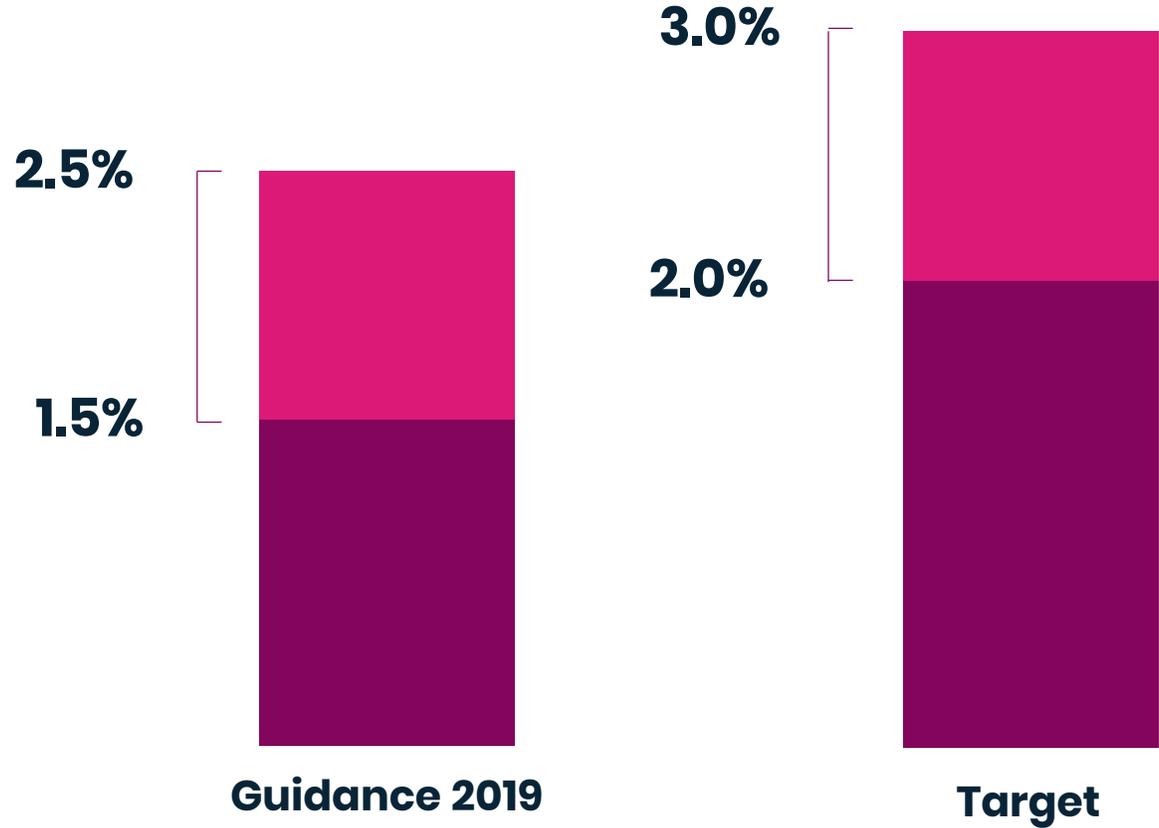
**\$4.6M investment
to deliver on our
initiatives**



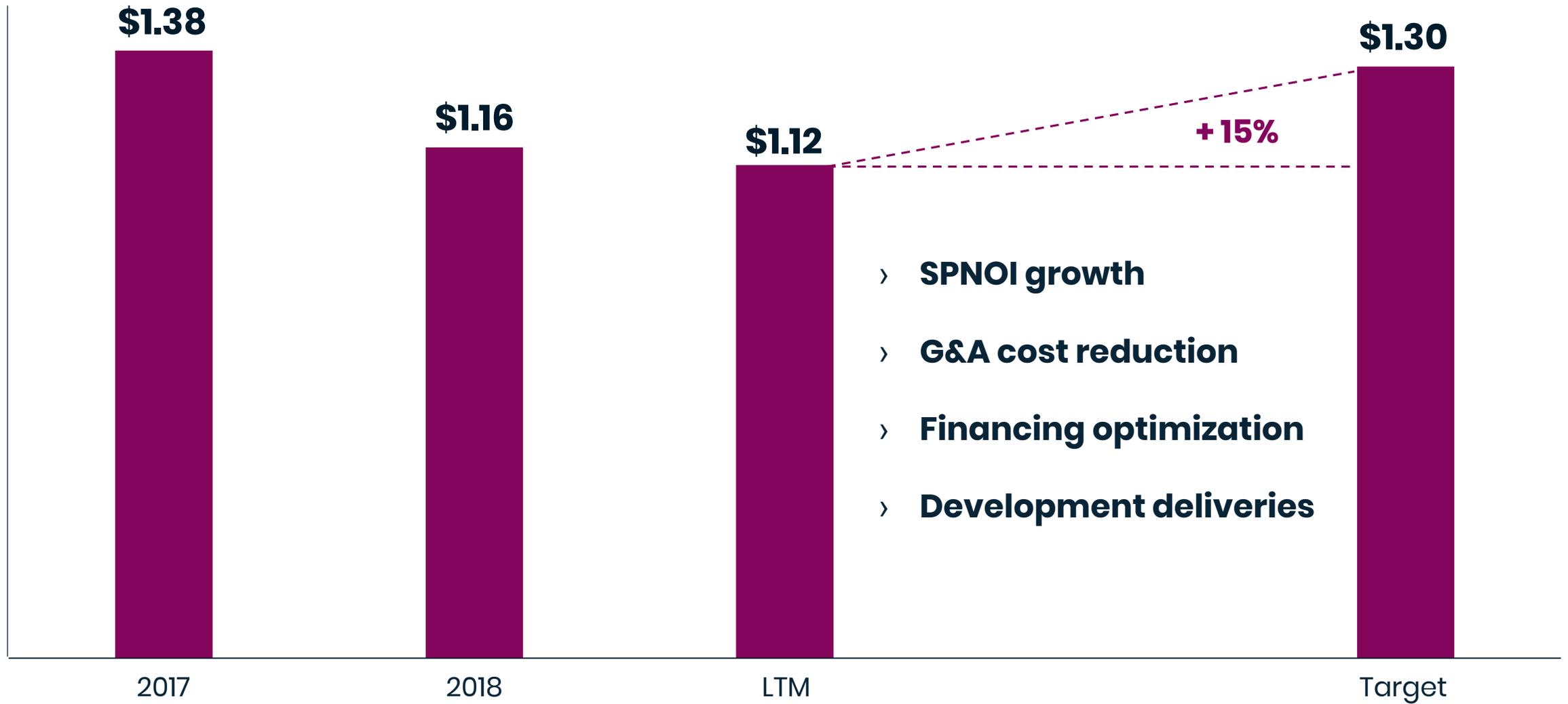
\$15.2M
of run rate
savings and new
revenues

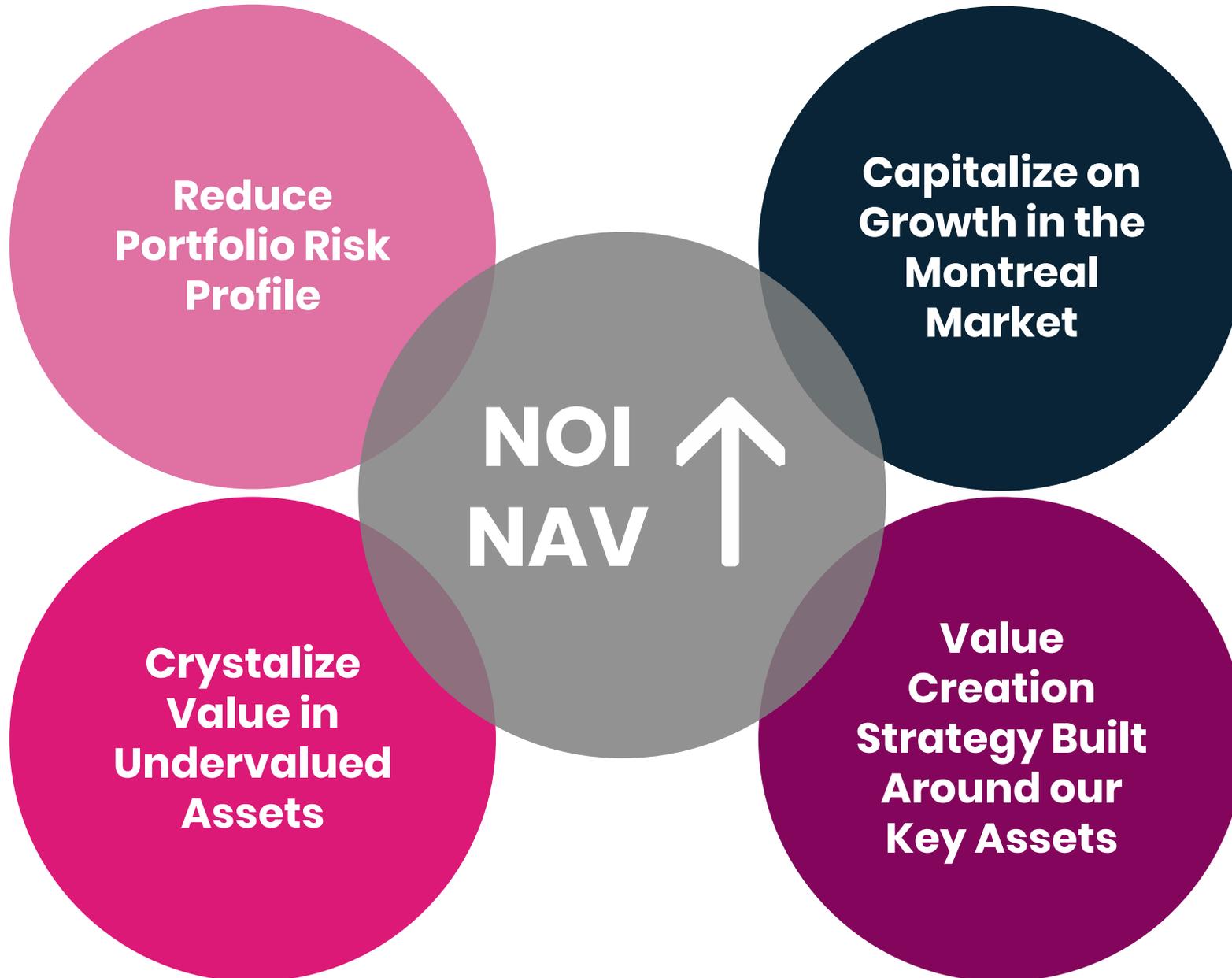
\$15.2M of Targeted Cost Reductions and New Revenue Streams





Targeted range of 2.0% to 3.0%





2018

Exit Markets Outside Quebec

- › Recentered operations on Province of Quebec through \$1.1B sale of properties in Ontario, Maritimes and Western Canada

Completed

2019–2020

Non-Core Dispositions

- › Reduce exposure to lower quality non-core assets
- › \$210M of YTD dispositions at an average stabilized cap rate of 6.5%
- › Stabilize and dispose of non-core properties

Work in progress

2020 +

Unlock Trapped Equity

- › Targeted dispositions at lower cap rates to provide price discovery and unlock trapped equity value
- › Targeted sales of fully valued liquid assets at historically low cap rates
- › Explore JV's to capitalize on interest in Quebec market

Initiated

Capital Structure and Financing Strategy



Heather C. Kirk

Executive Vice President
and Chief Financial Officer

Capital Structure and Financing Strategy

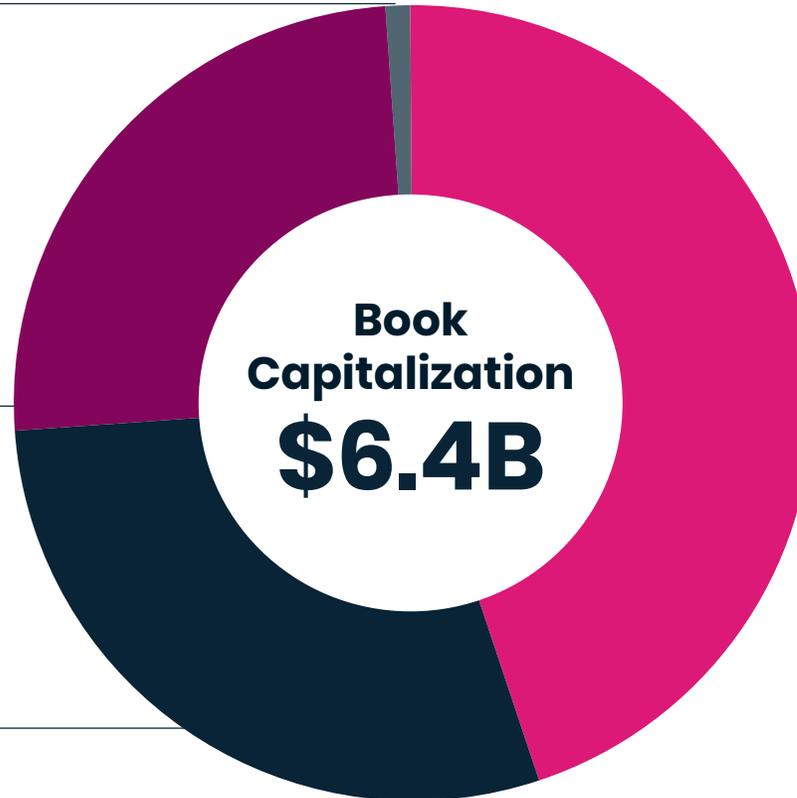




1%
Bank Borrowings

25%
Unsecured Debentures

29%
Mortgages



45%
Unitholder's Equity

Past 2017–2018

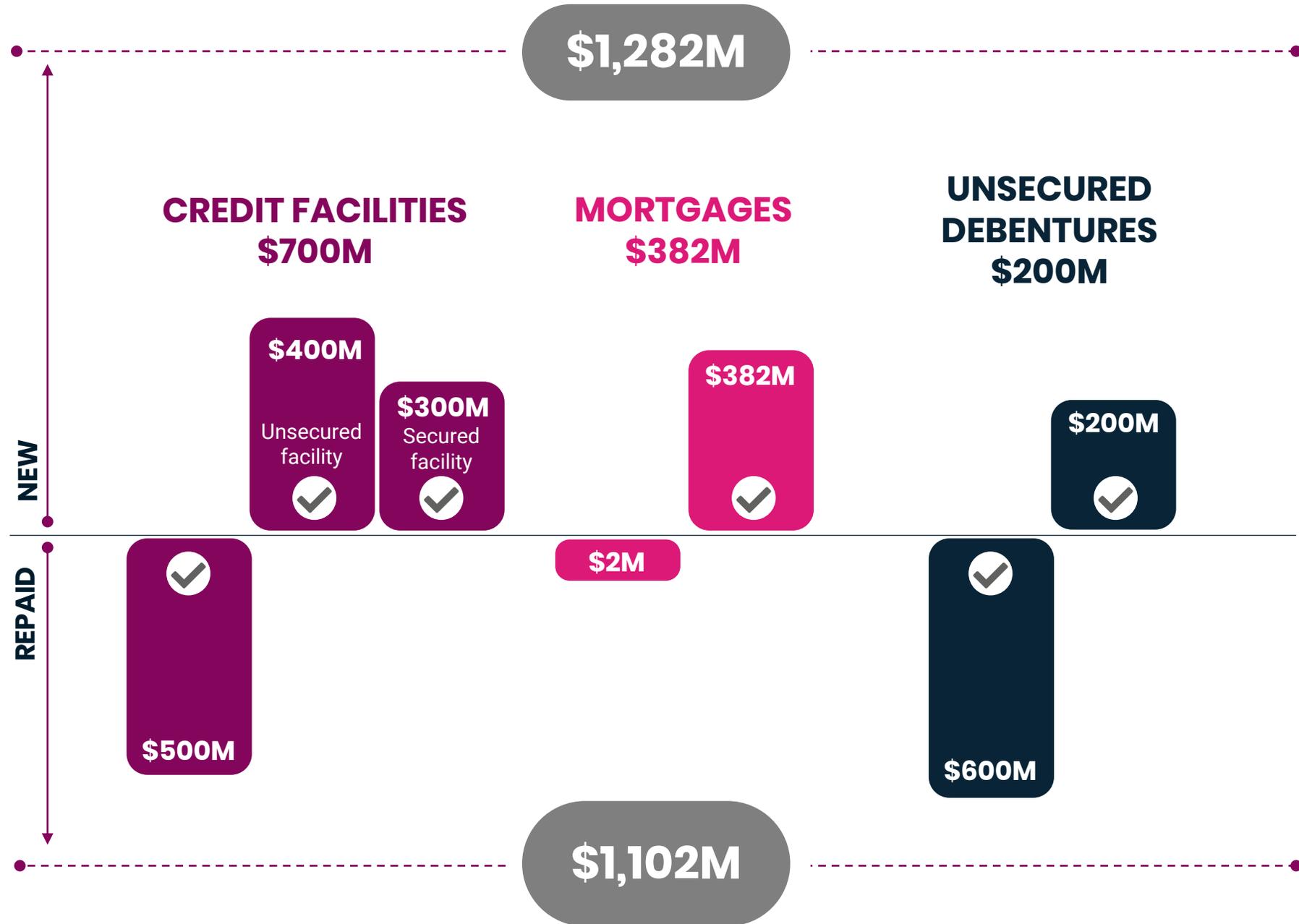
- › Reactive approach to refinancing
- › Pressure to dispose of assets to repay maturing debt
- › Credit rating downgrade to BB (high)

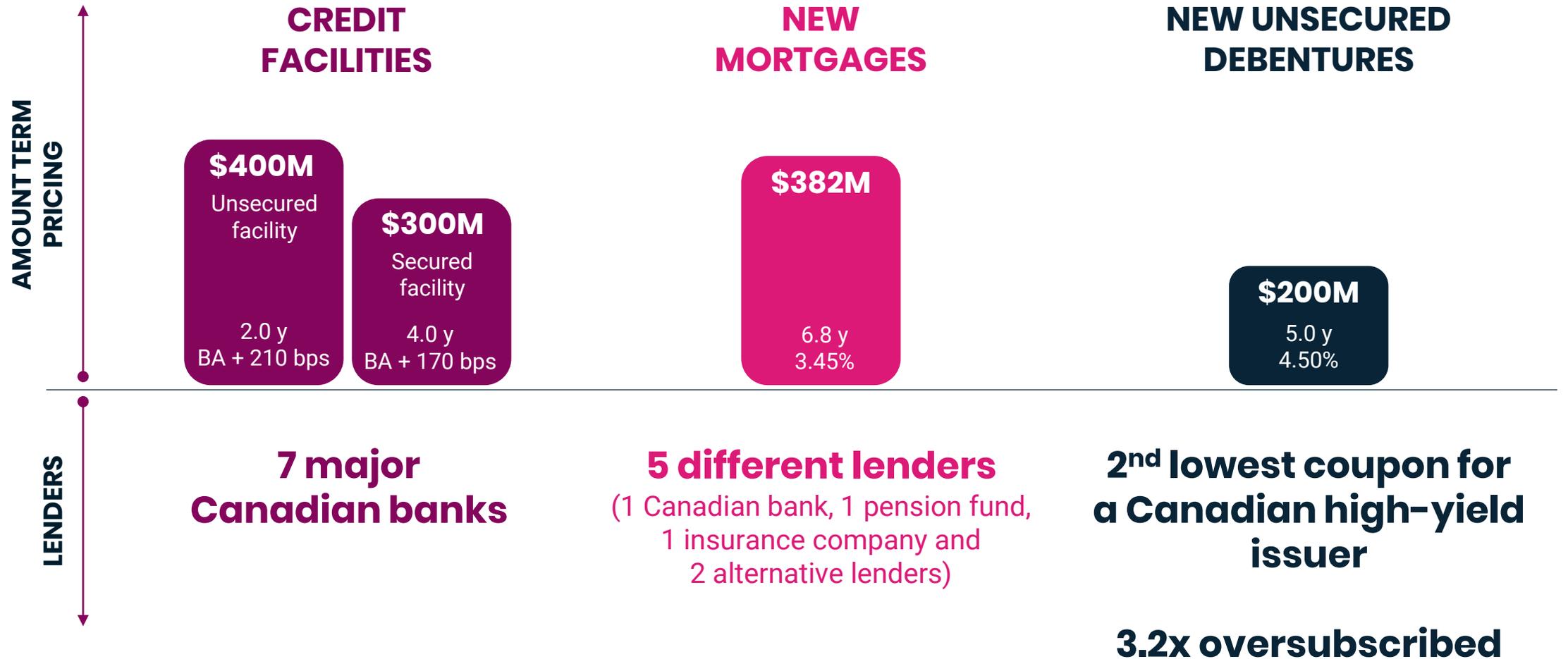
Stabilization 2018–2019

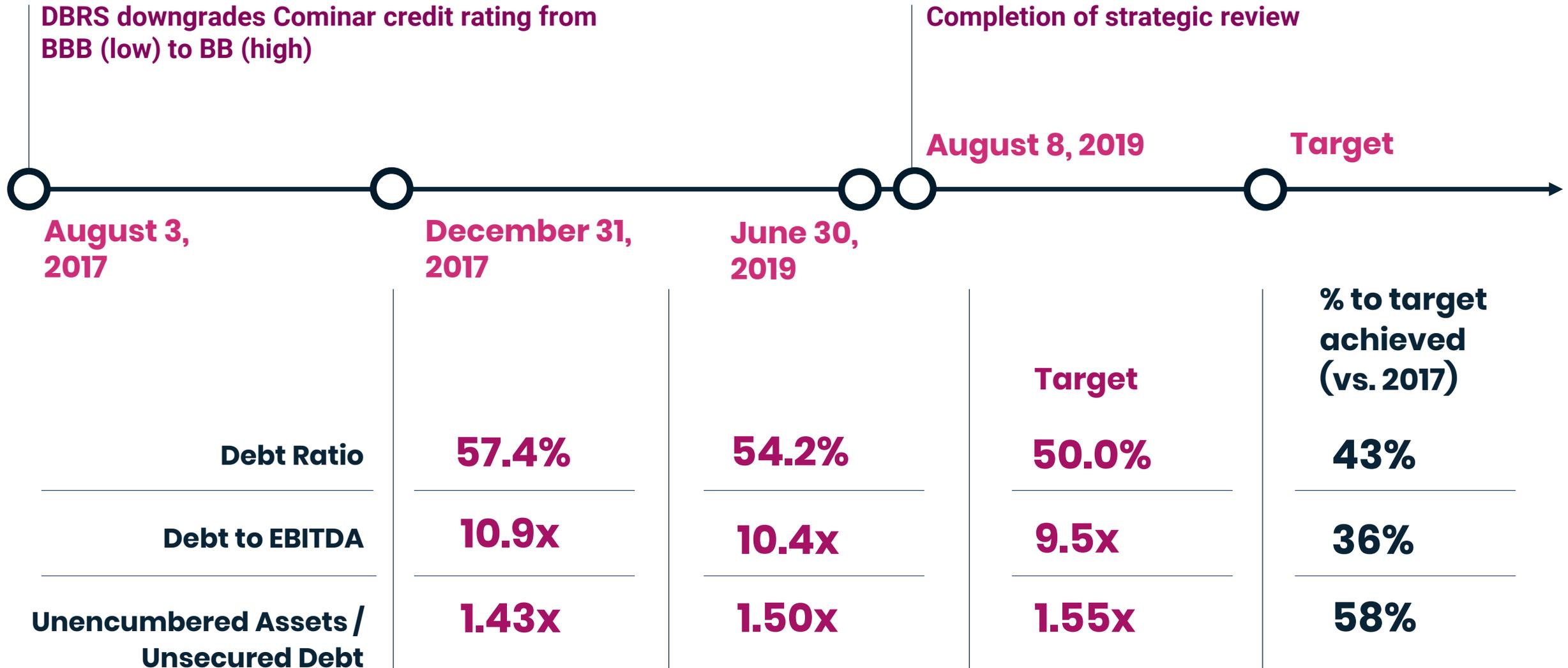
- › Financing initiatives in support of new strategic objectives
- › Initiate 5-year financing strategy
- › Unsecured credit facility refinancing and new secured credit facility
- › Re-established access to public debt markets
- › \$1.3B of debt originated in 2019 to date
- › Significantly enhanced financial flexibility

Optimization 2020 and Beyond

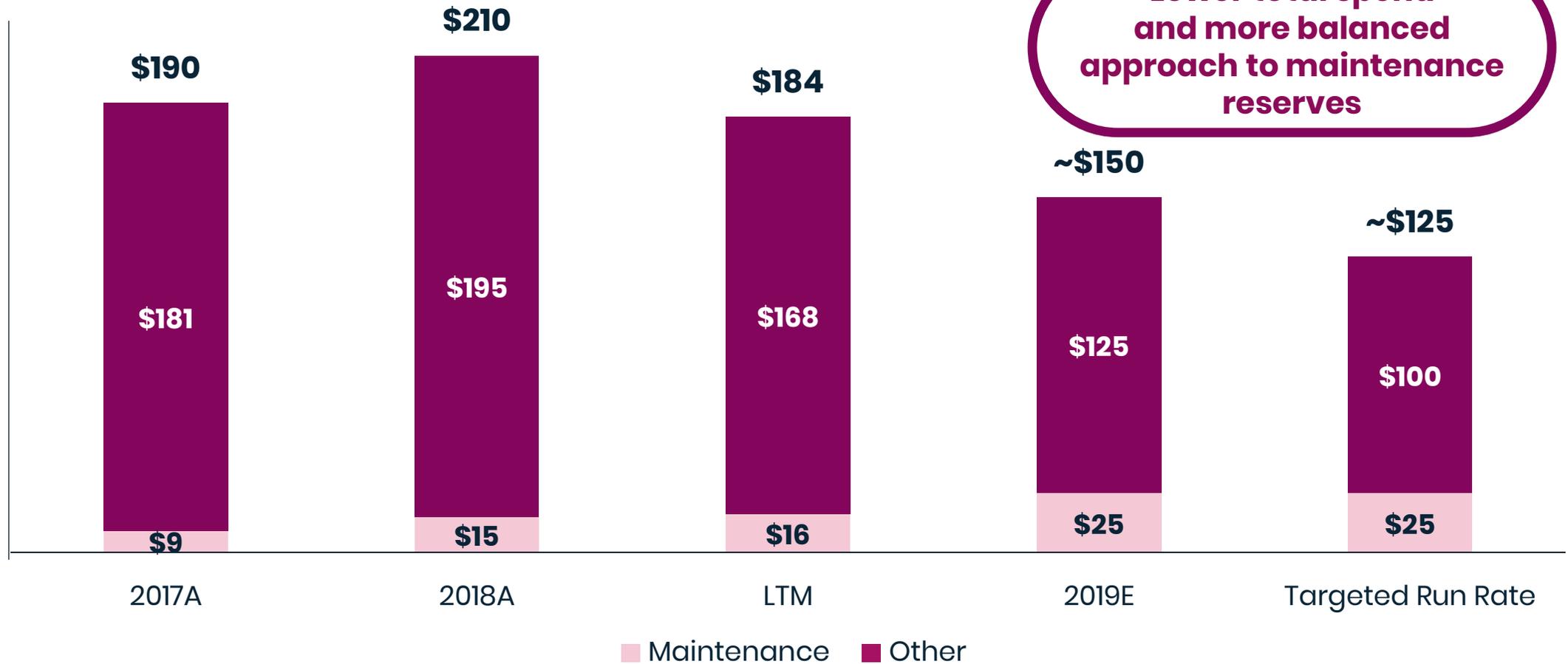
- › Strategic refinancing and multi-year planning
- › Repay low LTV and high interest rate mortgages to improve credit metrics and drive FFO
- › Position the REIT to achieve investment grade credit metrics
- › Evaluate hedging opportunities







Historical and Forward Looking CapEx (\$M)



Disciplined capital allocation strategy to reduce expenditures and create value

Significant Transit Coming to Our Markets



Jean Laramée

Executive Vice President
Development

Significant Transit Coming to our Markets



Montreal REM 2021



REM (CDPQ + Government)
\$6.3B

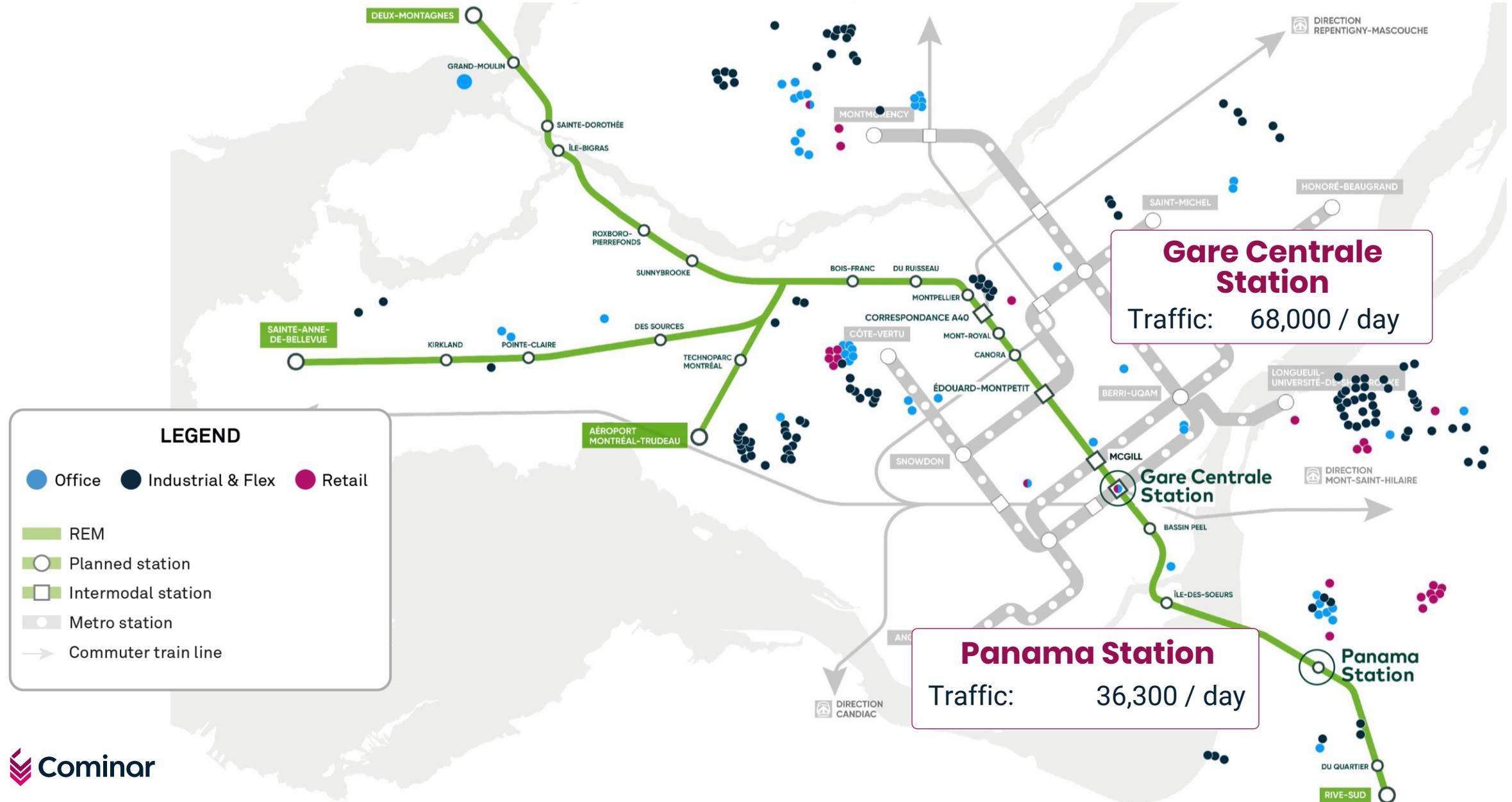
Tramway (City + Governments)
\$3.3B

Québec City Tramway and Trambus 2026

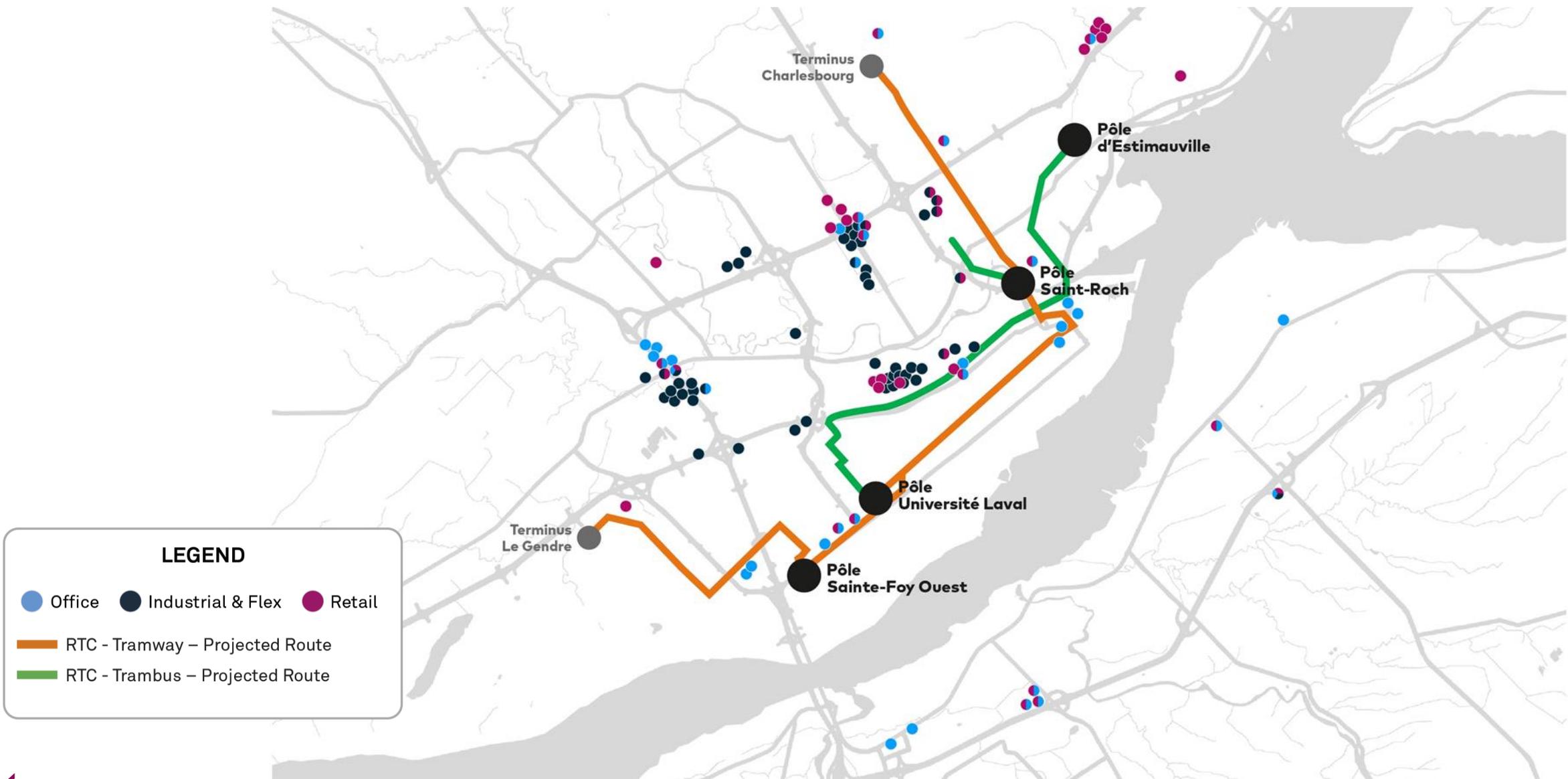


- › 32% of asset value (or \$2B) is close to these future stations
- › Several of those properties offer intensification opportunities
- › Preliminary work and discussions with municipalities and partners are underway

Properties in Proximity to Mass Transit Projects	# of Properties	GLA (M sq.ft.)	NOI	IFRS Value
Montreal	24	6.1	\$68M	\$1,283M
Québec City	29	3.1	\$43M	\$777M
Total	53	9.3	\$111M	\$2,060M
% of Cominar portfolio	16%	25%	30%	33%



Québec City Portfolio Strategically Located Near Future Network (Tramway / Trambus)



Break



Our Retail Strategy and Outlook



Marie-Andrée Boutin

Executive Vice President
Retail and Development

Our Retail Strategy and Outlook



Transformation = Opportunities

- 1.** Increase in online business
- 2.** Shift in consumers wants and needs
- 3.** Significant focus on experience and convenience
- 4.** Material increase in demand for value oriented retailers
- 5.** Material changes in business model of certain types of retailers



RETAIL PORTFOLIO

58 properties • 9.9M sq.ft. • \$124M NOI • \$2.4B Value

Regional Malls
61%

Urban
41%

Secondary
20%

6 properties
3.6M sq.ft.
\$45M NOI
\$1.0B Value

7 properties
2.3M sq.ft.
\$28M NOI
\$0.5B Value

Mixed-Use
23%

5 properties
1.6M sq.ft.
\$28M NOI
\$0.5B Value

Community
7%

5 properties
1.2M sq.ft.
\$10M NOI
\$0.2B Value

**Strips/
Freestanding**
5%

33 properties
0.8M sq.ft.
\$6M NOI
\$0.1B Value

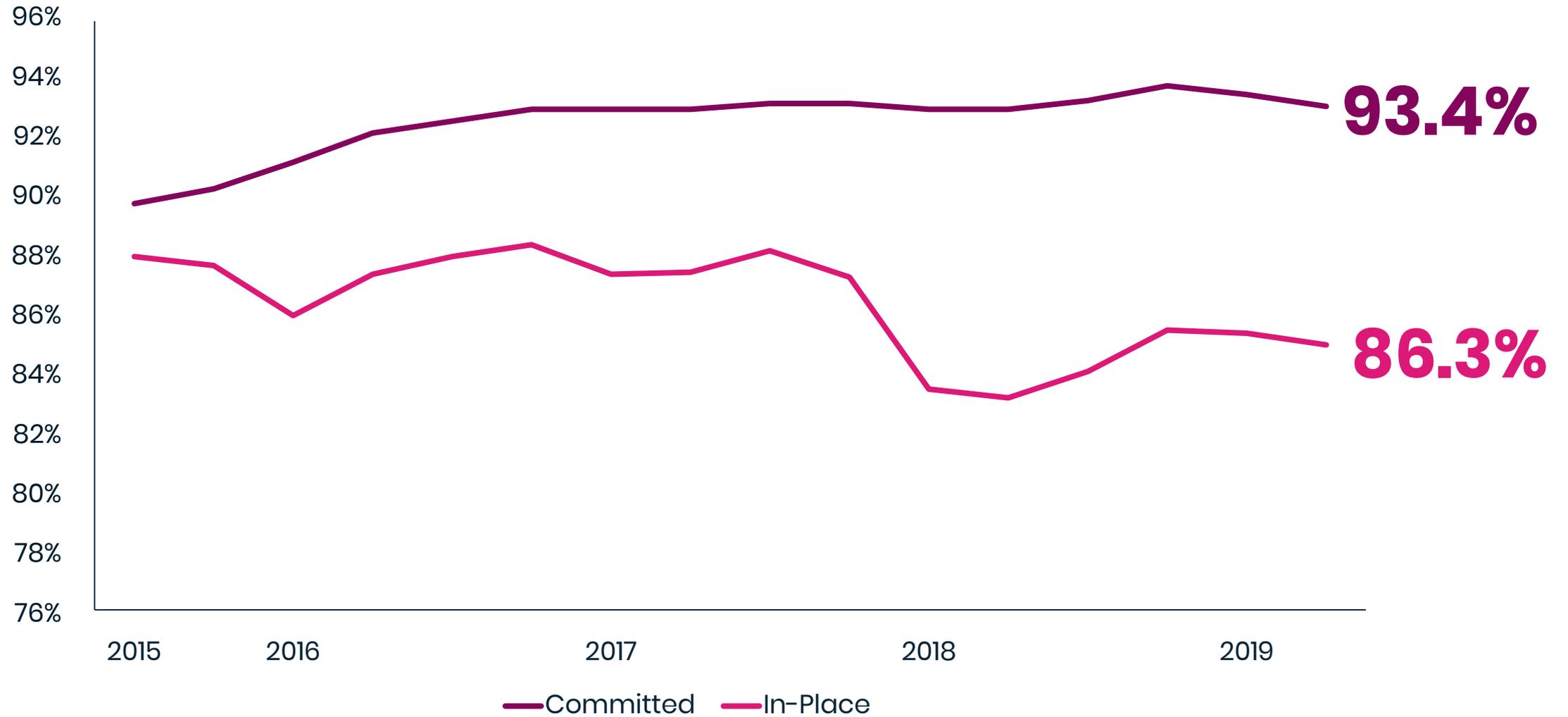
Power Centre
4%

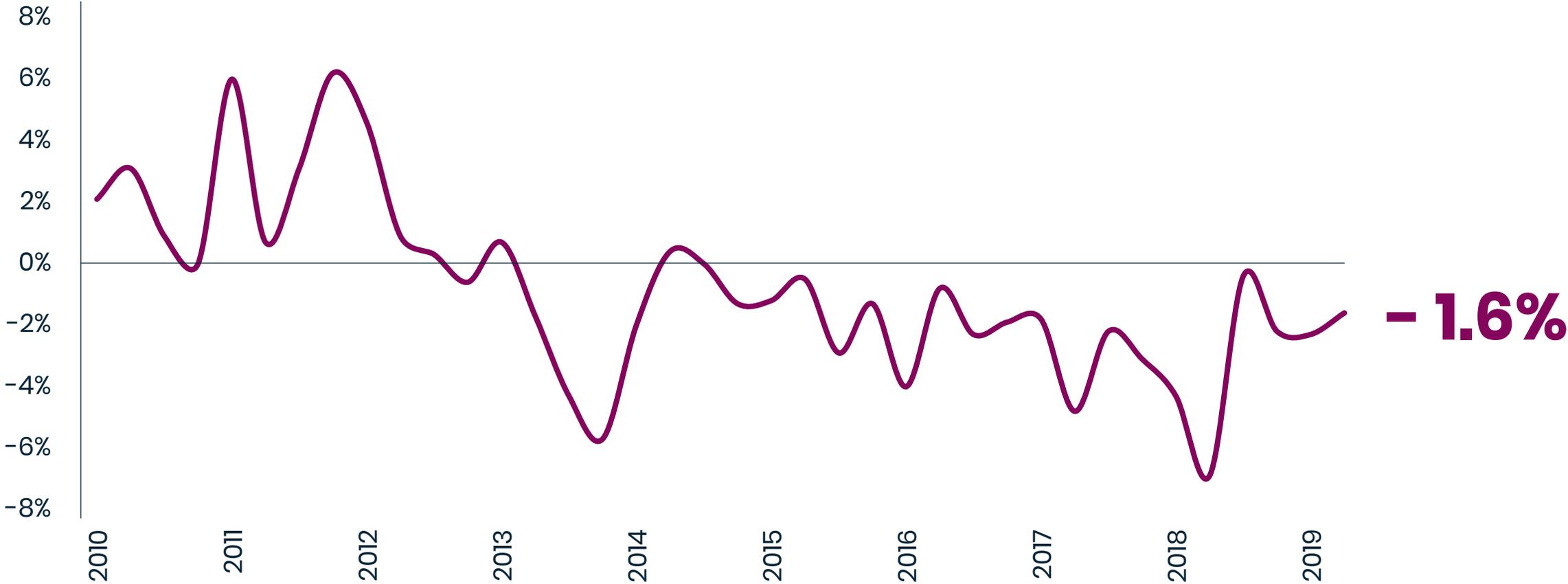
2 properties
0.4M sq.ft.
\$5M NOI
\$0.1B Value

Canadian brick-and-mortar retail has fundamental advantages compared to the US

	Quebec	Canada	US	Δ
Retail sq.ft. per capita	11.1	16.8	23.7	-53%
Share of online sales to total retail assets	NA	3-4%	8-9%	NA
Mall median 5-mile population	265,887	262,638	160,709	+65%
Mall median 10-mile population	800,293	711,000	226,649	+253%
Mall trade area income vs. National Income	NA	+23%	-11%	NA

- The majority of our retail assets are dominant in their respective markets
- Sears redevelopment offers the opportunity to increase NOI and NAV, and enhance our retail tenant mix
- Meaningful opportunity to enhance food offering which only accounts for 5.9% of our total retail leasable area. In 11 properties, food GLA is below 5.9%
- Large part of the retail portfolio offers of intensification opportunities with residential units and, in some cases, office space
- Several assets are very well located along the future REM network in Montreal or the Québec City Tramway / Trambus







First and foremost: Understand the specific needs of our consumers

1.

Bring retailers that generate recurring traffic to our malls

2.

Improve and increase our food and entertainment offering within the majority of our malls

3.

Decrease our exposure to certain categories particularly in the mid to low fashion sector

4.

Increase the offering of value retailers

5.

Specialty leasing: focus on pop ups, start-ups, lucrative events, branding and advertising revenue

6.

Shorten our leasing cycle

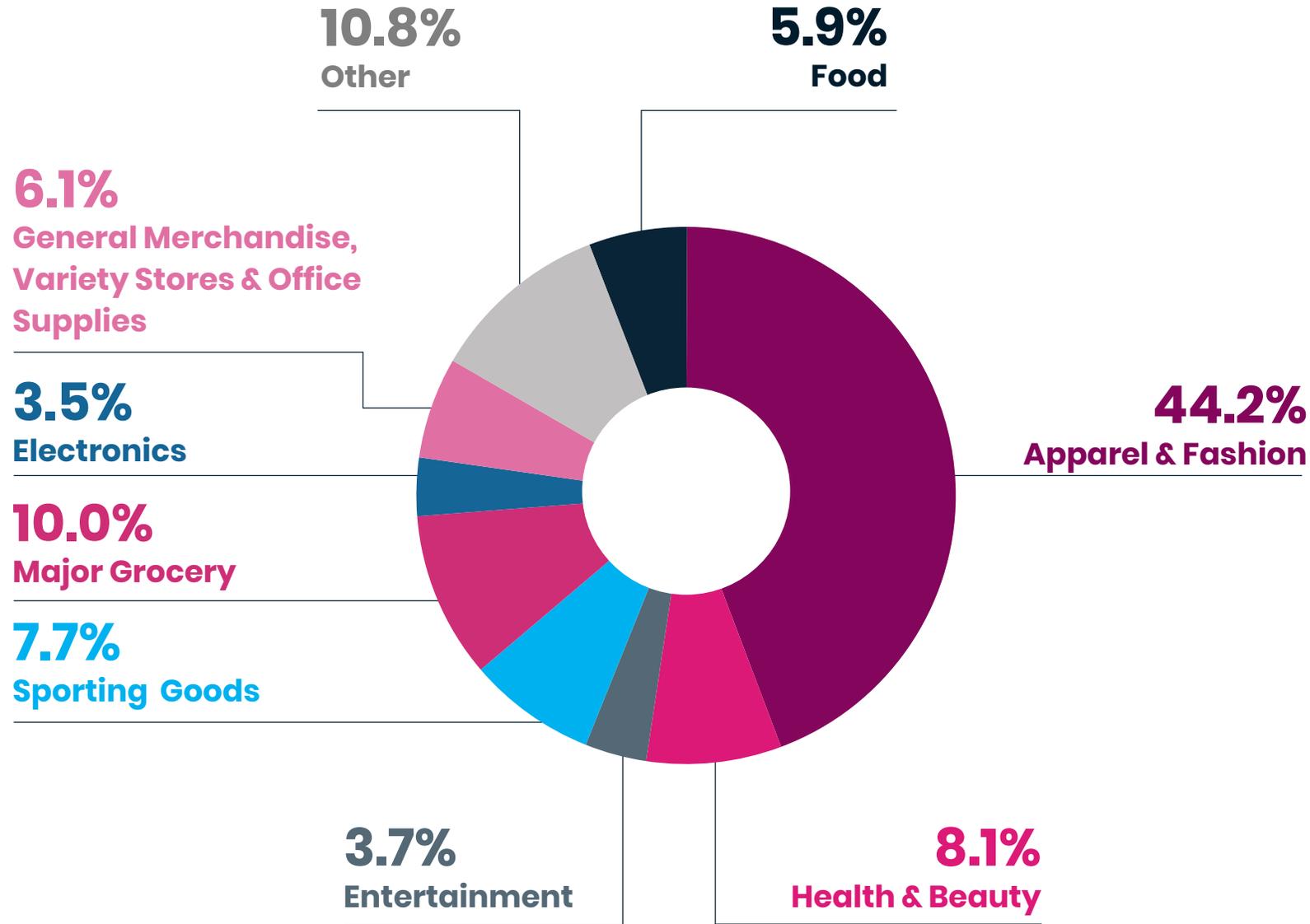
7.

Monitor retailer health. Are they in line with positive trends?

8.

When necessary, structure deals that have large upside for % rent

Property	Food (000's sq.ft.)	Food / Total GLA (%)
Place de la Cité	22	17.3
Alexis Nihon	21	8.5
Centre Laval	19	5.4
Les Rivières	14	4.5
Mail Champlain	11	4.0
Galleries de Hull	32	35.4
Carrefour Charlesbourg	16	15.3
Place Longueuil	16	7.6
Galleries Rive Nord	9	3.6
Promenades Beauport	15	4.7
Centre commercial Rivière-du-Loup	11	5.0
Rockland	10	3.2
Mail Montenach	9	4.6
Carrefour Saint-Georges	6	2.4
Carrefour Rimouski	6	3.2
La Plaza de la Mauricie	3	1.5
Carrefour Frontenac	1	1.3
TOTAL	221	5.9

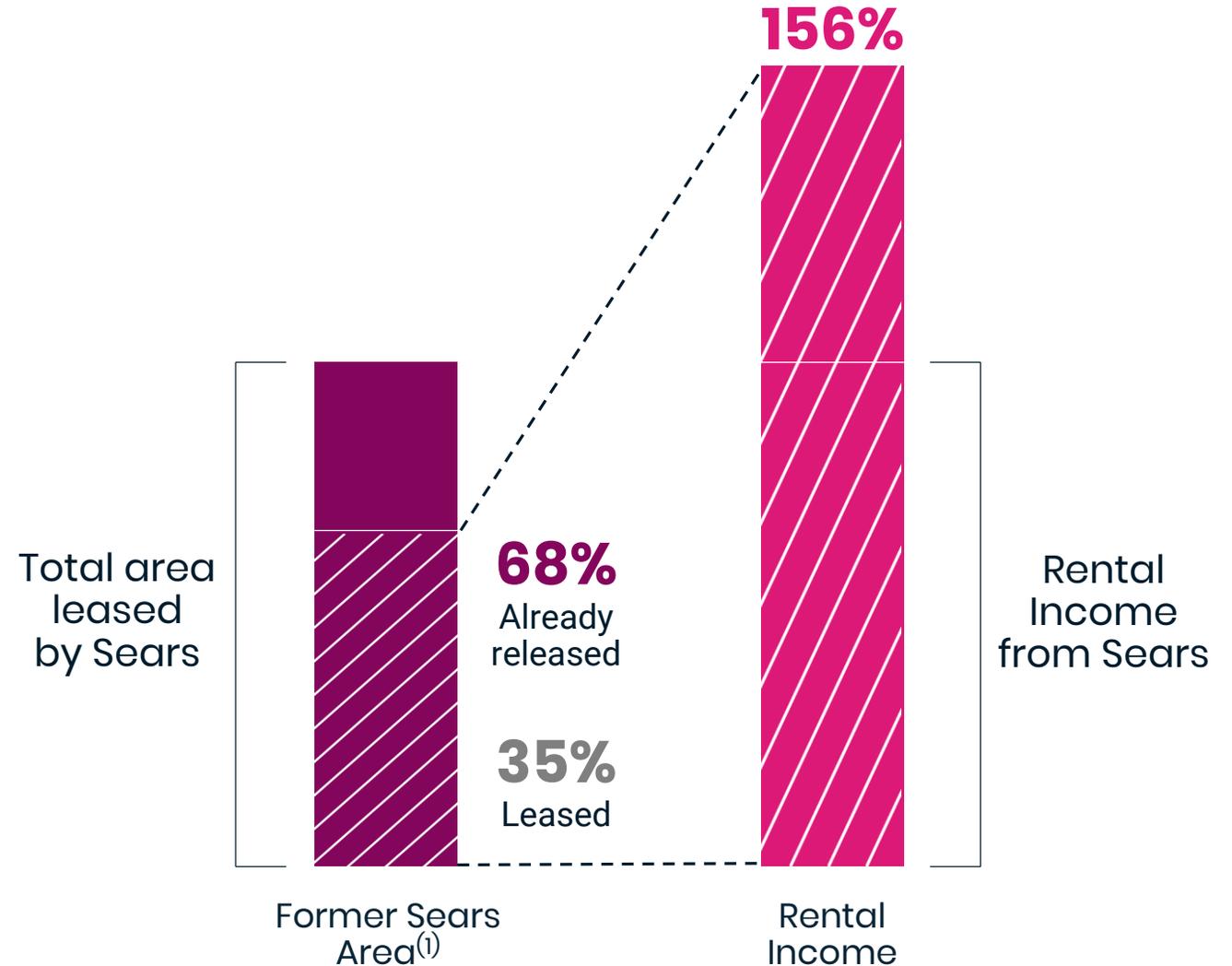


Categories	
Food Electronics Entertainment Grocery	↗
Fashion	↘

The Sears bankruptcy brings opportunities and enables acceleration of our leasing strategy

68% of Sears space has been leased and will generate **56%** higher rental income

Leased & advanced discussions



⁽¹⁾Common area represent 16%

1.

Standardize the management of our shopping centers and drive cost savings

2.

Empower Property Managers to be more proactive in identifying and addressing initiatives and problems

3.

Lease audit

4.

Closely monitor retail operations in order to ensure customer's satisfaction

Intensification of our retail shopping malls will:

- Increase sales in our malls
- Decrease exposure to pure retail
- 10 of our retail properties offer intensification opportunities for a total of ±9,550 residential units (Mail Champlain: 1,100 doors) (subject to upzoning)
- Intensification effort must be a win-win for our existing retail tenants translating into increased sales and the addition of new tenants
- Intensification efforts must be a win-win for residents creating a sense of community, connectivity, belonging and focusing on "Live, Work and Play"

YTD 29 retail properties have been sold for \$114M, in line with our IFRS values

1. Identify non-core assets that are candidates for disposition based on size, market, and growth outlook
2. Intensification may lead to a reduction of our equity interest in certain retail assets

1.

Digitalize our consumer experience, especially click and collect

2.

Deliver new digital channels (apps, improve our customer service with digital channels, etc.)

3.

Implement new technologies to capture data in our malls (digital traffic counters, digital directories, etc.)

4.

Create more events that contribute to the experience and enrich our shopping environments, while increasing traffic



We support Social Responsibility

1.

Social community engagement

2.

Compost and recycle (WM)

3.

Waste and energy consumption

We seek to be environmentally friendly

- GLA: 304,000 sq.ft.
- Sales / sq.ft.: \$814 representing an increase of +29% since 2014, +8% in 2018

2014 | IGA: expansion and renovation

2015 | End of revitalization of the shopping center including the storefront (2013-2015)
Opening of the food court – Metro level

2016 | Canadian Tire opening (108k sq.ft. new urban concept – ex.: Target space)

2018 | Opening of Marshalls (27k sq.ft.)
Renovation and expansion of Sports Experts (+10k sq.ft.)
Advertising campaign – primary and secondary marketing including South West, Griffintown and Verdun

- Traffic: 16.2M / year representing an increase of over 20% since 2014
- Committed occupancy rate: 98.1%
- In-place occupancy rate: 94.4%
- Proximity to residential development projects:

Retail is in transformation and has a future

- Our NOI and NAV is showing signs of improvement
- Renewed retail, operations and development team is now in place

Intensification Opportunities



Jean Laramée

Executive Vice President
Development

Intensification Opportunities



- 10 properties offer intensification opportunities with a potential of close to 10, 000 residential units
 - › **Gare Centrale** (Montreal – 1,800 doors)
 - › **Mail Champlain** (Greater Montreal – 1,100 doors)*
 - › **Place du Commerce** (Greater Montreal – 1,200 doors)*
 - › Place Longueuil (Greater Montreal – 500 doors)*
 - › Mail Montenach (Greater Montreal – 500 doors)*
 - › **Centropolis** (Greater Montreal – 500 doors)
 - › Quartier Laval (Greater Montreal – 2,500 doors)
 - › Galeries de Hull (Gatineau – 300 doors)
 - › Carrefour Charlesbourg (Québec City – 150 doors)*
 - › Îlot Mendel (Québec City - 1,000 doors)*
- Ongoing discussions with urban planners, architects and municipalities
- Deep dive analysis of optimal strategy on a case by case basis between sale of air rights, standalone development or partnership is underway
- Exploring development projects on 9.6M sq.ft. of vacant land
- Upzoning required in some cases

6 distinct segments, of which 4 are generating NOI:

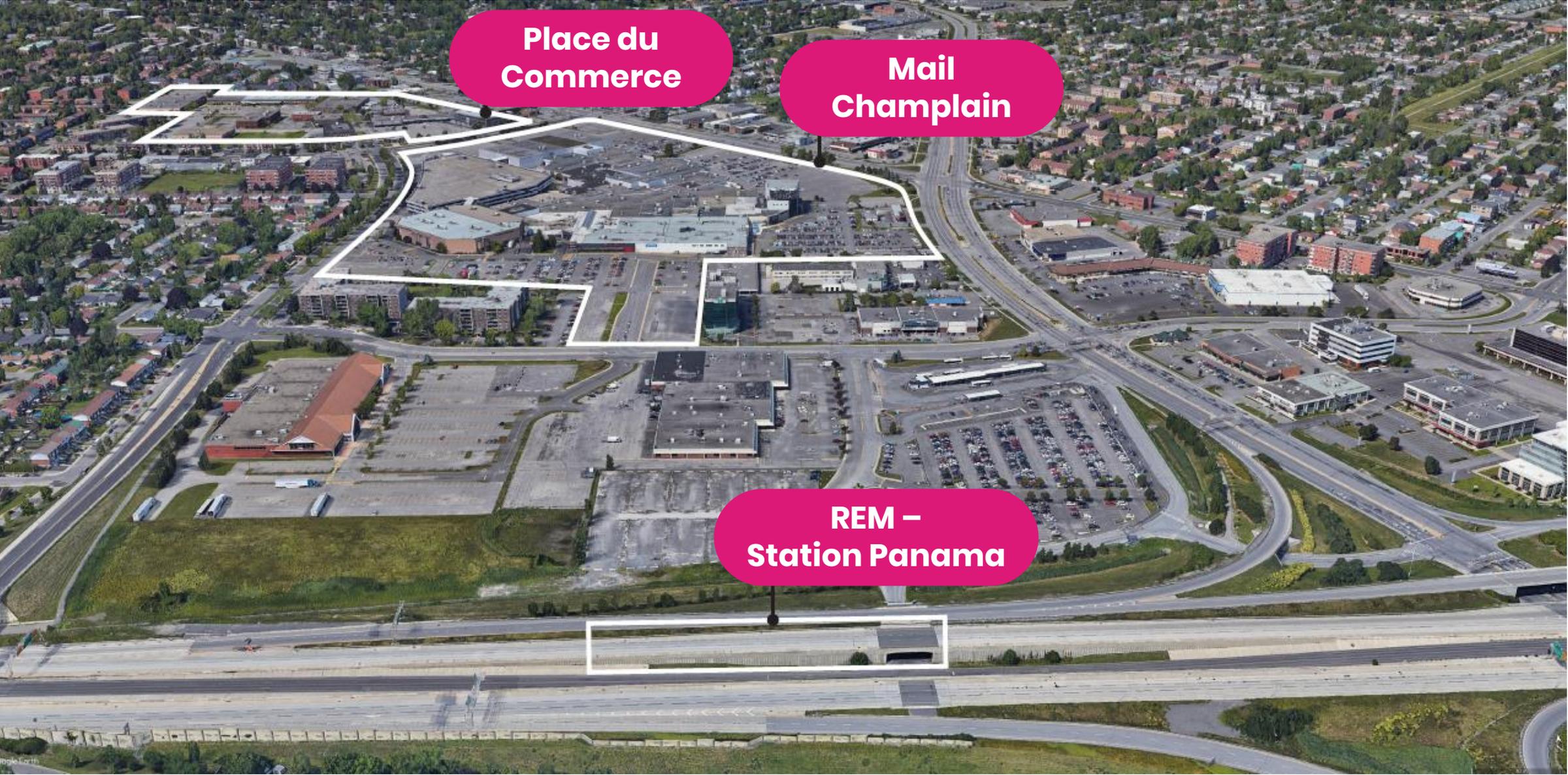
1. CN Tower (office)
2. Railway lease
3. Parking
4. Retail gallery
5. Air rights
6. Branding & Advertising

Gare Centrale in figures:

- › 1.7M sq.ft.
- › 6.1% of total NOI
- › Estimated annual traffic of 50M







Place du Commerce

Mail Champlain

REM - Station Panama





Retail Digital Strategy



Mélanie Vallée

Vice President
Data and Technology

Retail Digital Strategy



Digital Apps

- Cominar App
- Parking App
- Concierge App
- Wayfinding
- Click and Collect Fulfillment

Advanced Tech Solutions

- Beacons
- People Counters
- Digital Screens
- Parking Systems
- Content Management

Foundational Tech

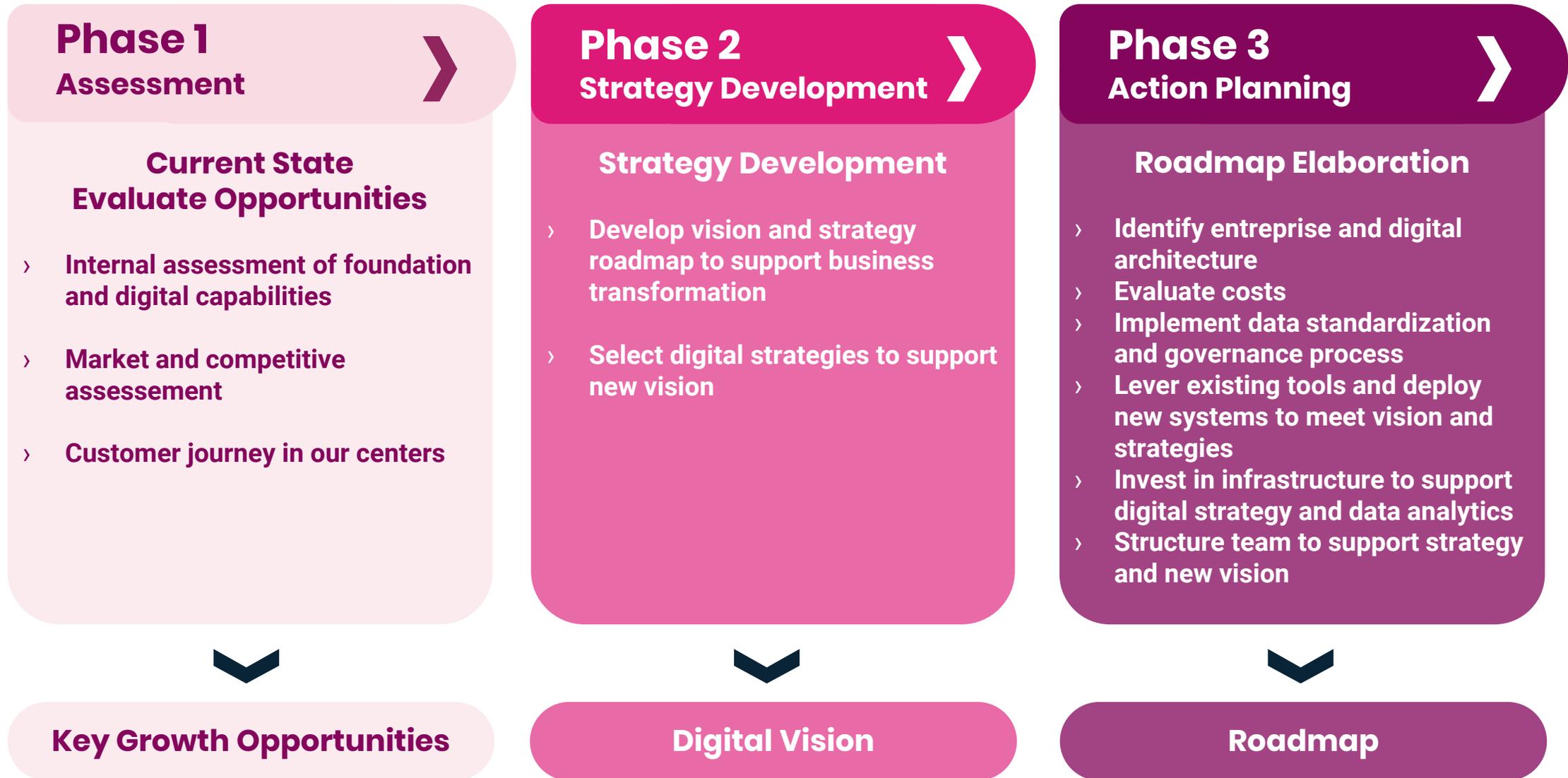
- CCTV-Access Control
- Music Systems
- Guest Services
- Facility Mgmt
- BMS

Tech Core

- Network and HD Wifi Infrastructure
- Data Storage
- Security Platform

Base Build

- Emergency
- Cellular
- Facility Radio
- Low Voltage and Comm Rooms



Our Office Strategy and Outlook



Michael Racine

Executive Vice President
Leasing - Office and Industrial

Our Office Strategy and Outlook





Geography
(% of value)

60%
Montreal

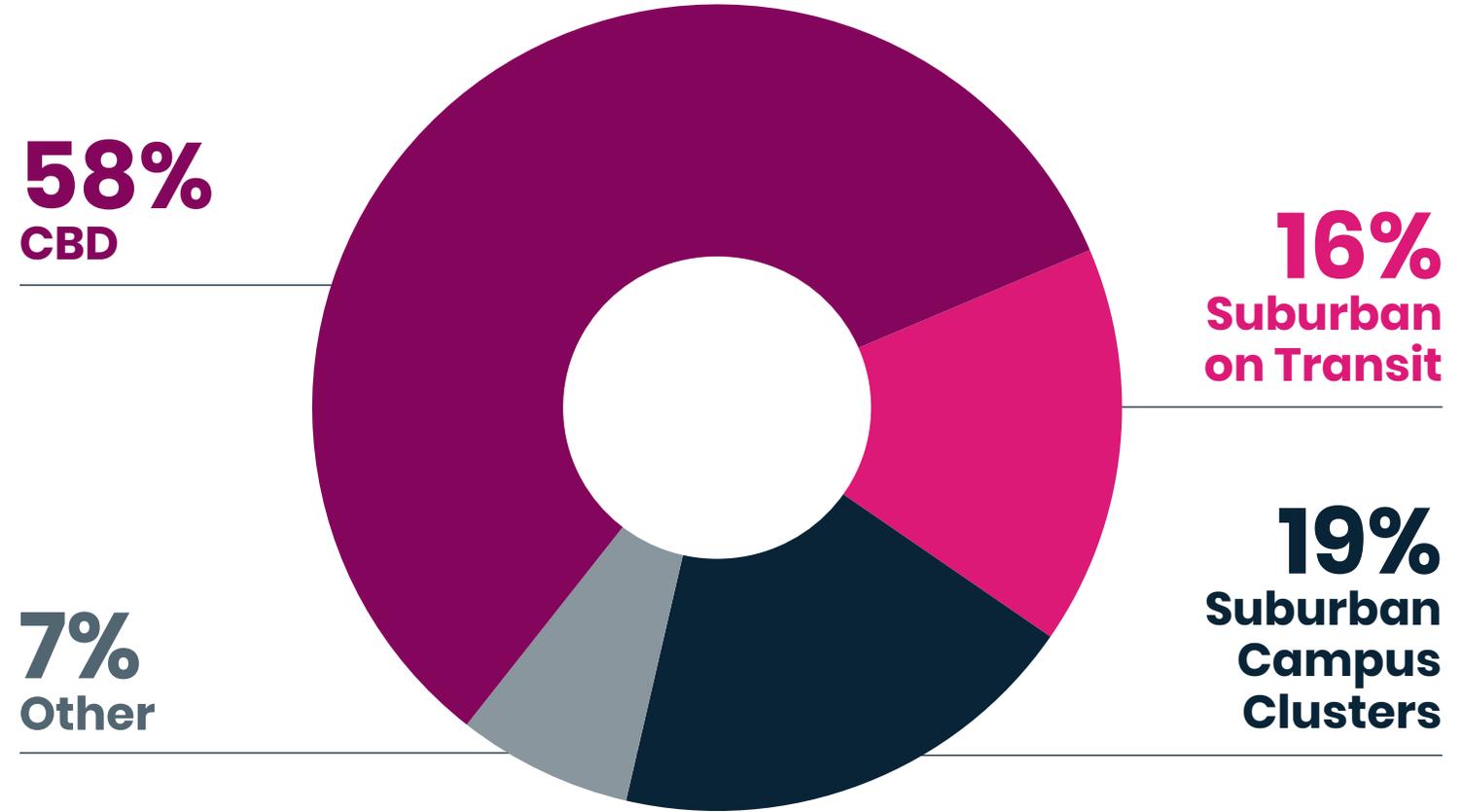


24%
Québec City

16%
Ottawa

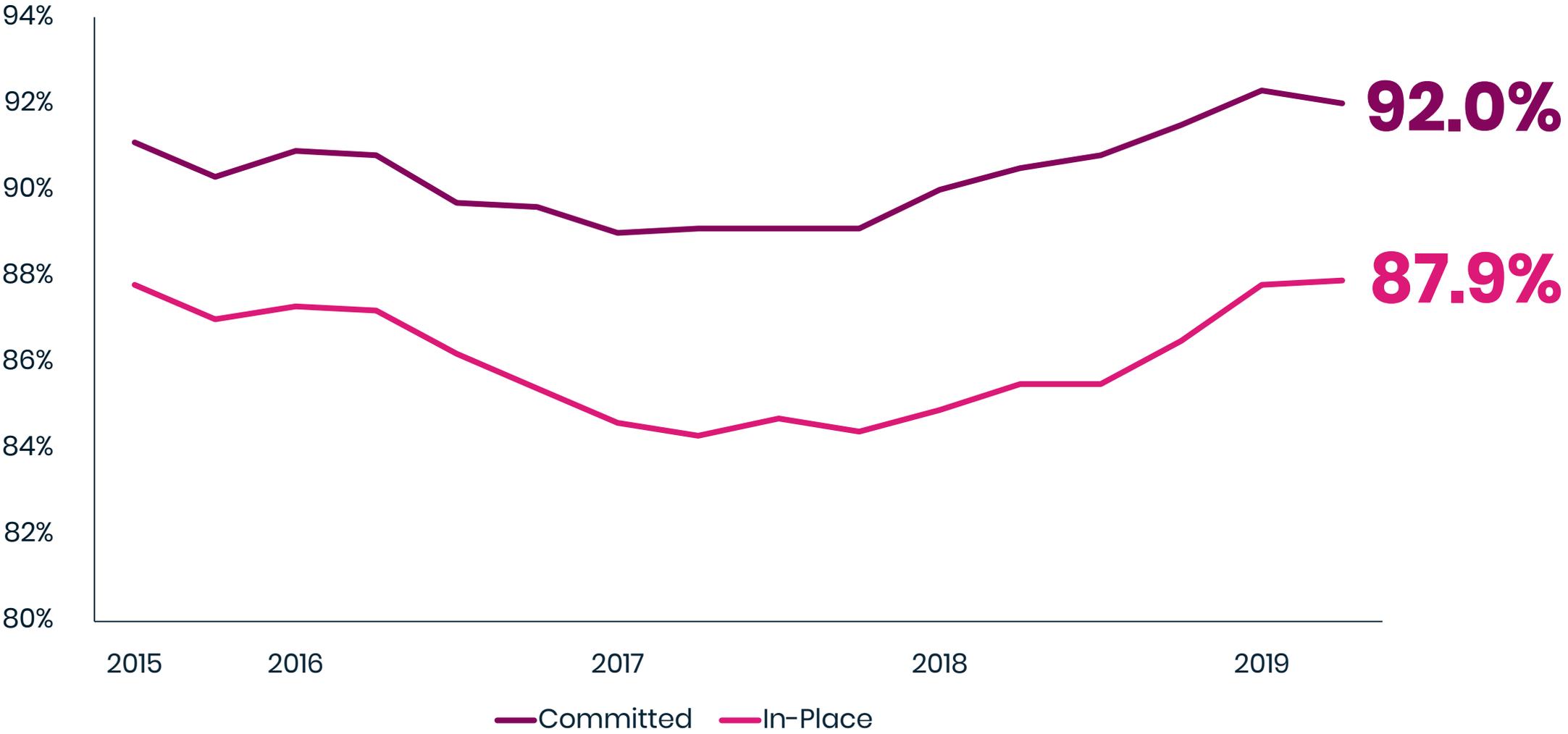


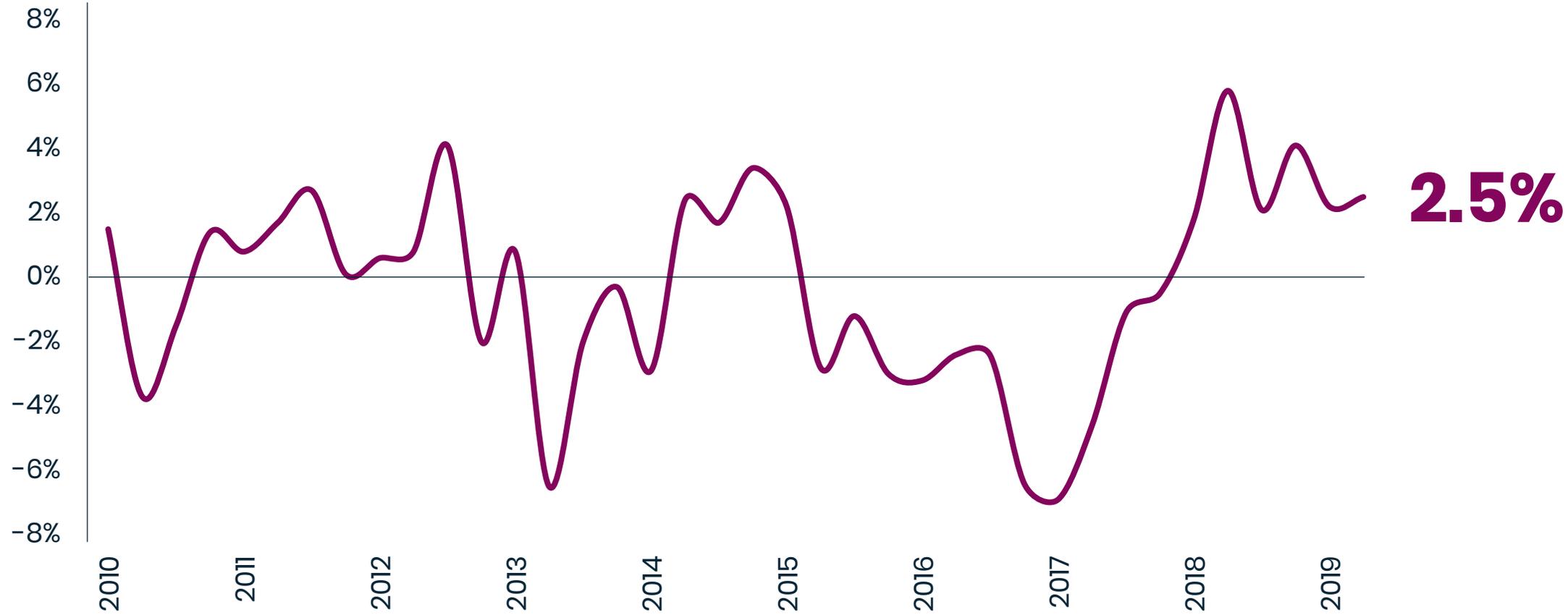
Asset Type
(% of value)



74% of properties (value) located within 1 km of current or future transit infrastructure









OFFICE PORTFOLIO

83 properties • 11.2M sq.ft. • \$148M NOI • \$2.5B Value

Montreal

60%

50 properties \$86M NOI
6.6M sq.ft. \$1.5B

\$230 / sq.ft.

54% CBD

16% Suburban on Transit

25% Suburban Campus Clusters

5% Other

Québec City

24%

16 properties \$39M NOI
2.5M sq.ft. \$0.6B

\$234 / sq.ft.

81% CBD

10% Suburban on Transit

1% Suburban Campus Clusters

8% Other

Ottawa

16%

17 properties \$24M NOI
2.1M sq.ft. \$0.4B

\$180 / sq.ft.

33% CBD

26% Suburban on Transit

24% Suburban Campus Clusters

17% Other

Location and Tenant Diversification



1.
Enhance our amenity offering in suburban portfolio



2.
Implement value enhancement in properties in proximity to transit



3.
Proactively target tenants in emerging industries



4.
Maintain weighting to stability of government leases

1.

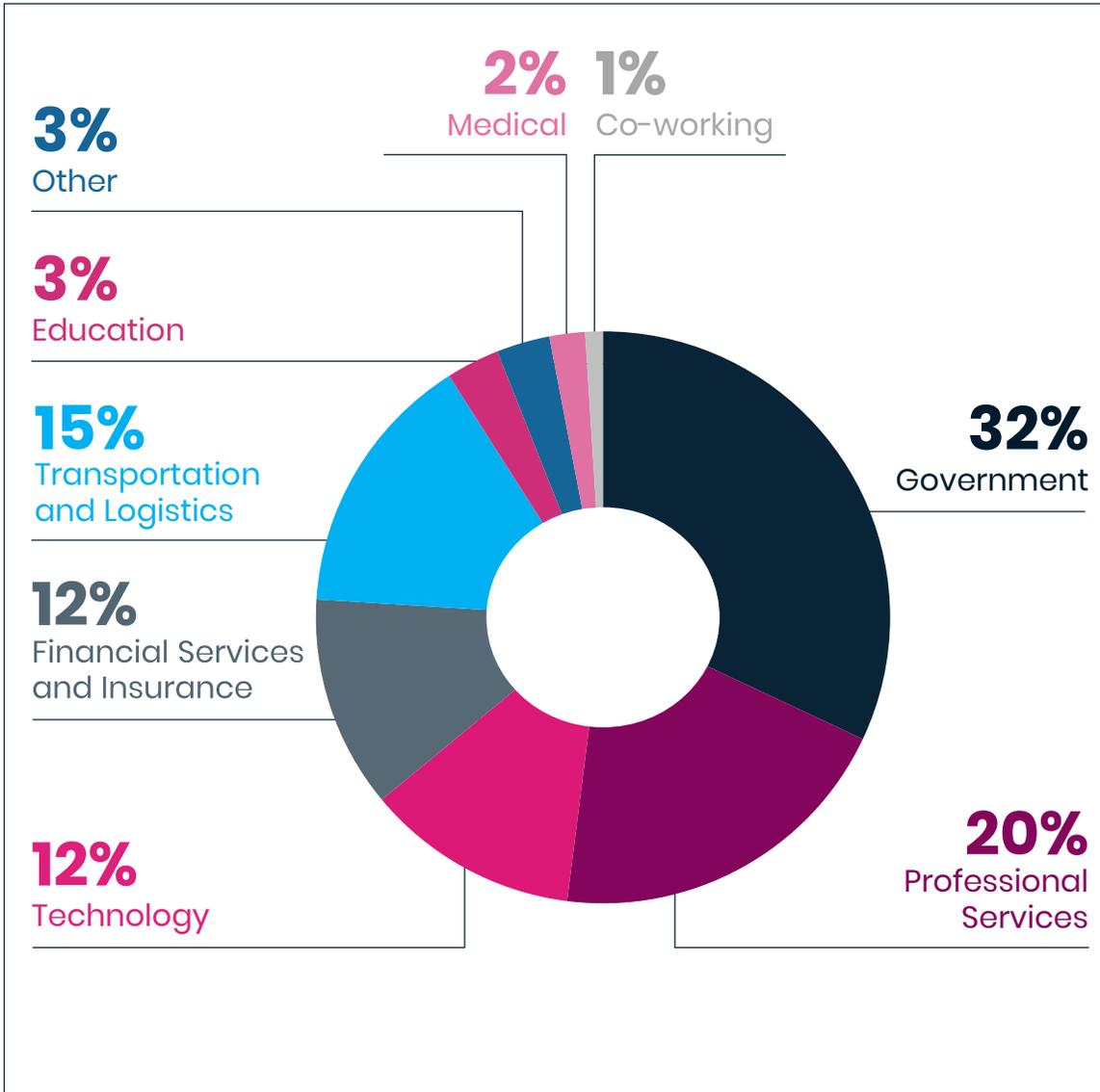
Enhance our amenity offering in suburban portfolio

- Innovate and adopt campus style settings
- Offer enhanced services

2.

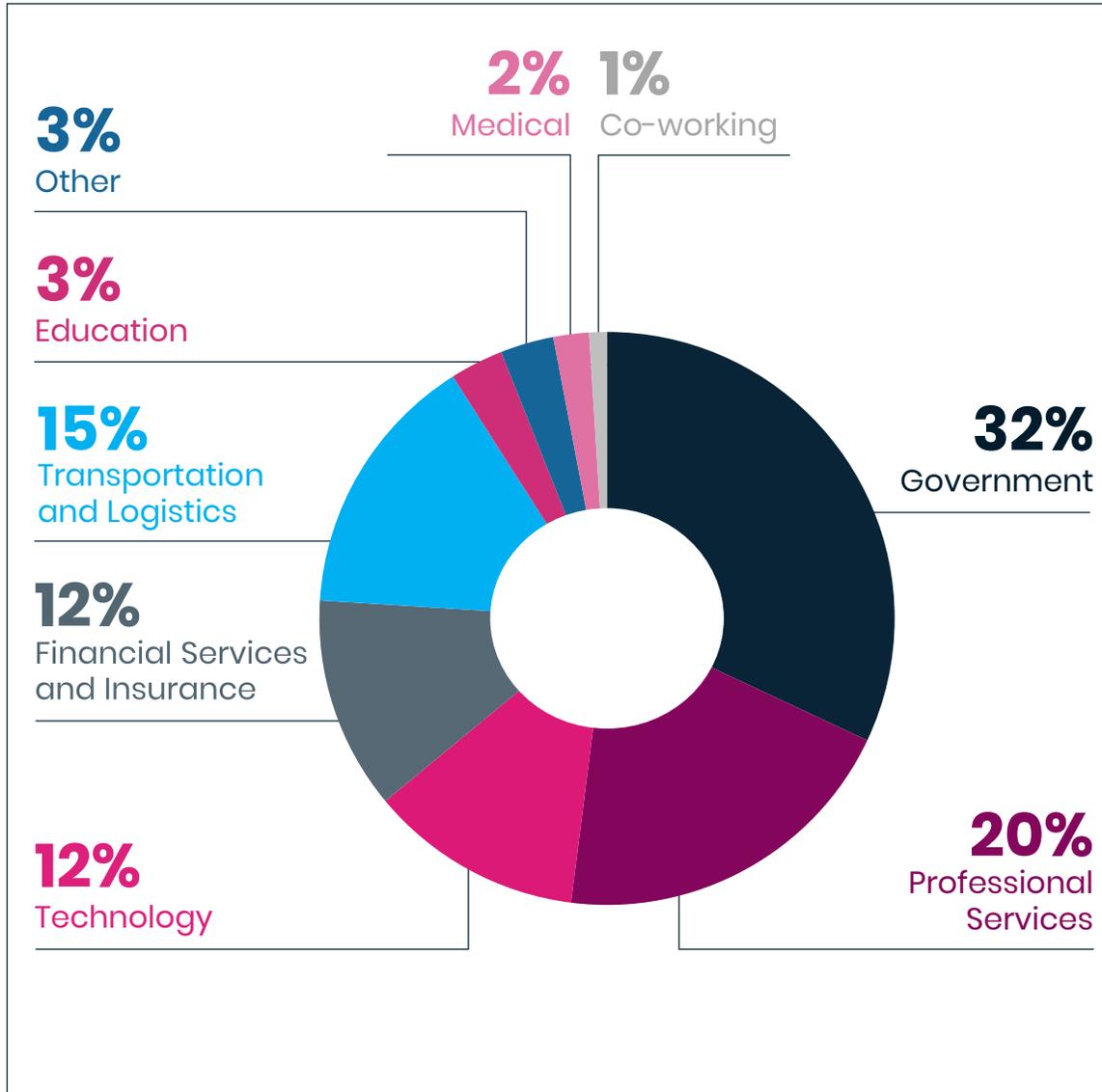
Implement value enhancement in properties in proximity to transit

- Align lease expiries to better permit repositioning of our properties in proximity to public transit
- Pursue attractive development or redevelopment opportunities



3.
Proactively target tenants in emerging industries

Target	Exposure to
Emerging ↗	Technologies, Medical, Biotech
Stable ↔	Government, Education
Legacy ↘	Professional Services, Financial & Insurance Services



4.
 Maintain weighting to stability of government leases

Target	Exposure to
Emerging ↗	Technologies, Medical, Biotech
Stable ↔	Government, Education
Legacy ↘	Professional Services, Financial & Insurance Services



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50 properties \$86M NOI
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\$230 / sq.ft.

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16% Suburban on Transit

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16 properties \$39M NOI
2.5M sq.ft. \$0.6B

\$234 / sq.ft.

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8% Other



OFFICE PORTFOLIO

83 properties • 11.2M sq.ft. • \$148M NOI • \$2.5B Value

Montreal 60%

50 properties \$86M NOI
6.6M sq.ft. \$1.5B

\$230 / sq.ft.

54% CBD

16% Suburban on Transit

25% Suburban Campus Clusters

5% Other

Québec City 24%

16 properties \$39M NOI
2.5M sq.ft. \$0.6B

\$234 / sq.ft.

81% CBD

10% Suburban on Transit

1% Suburban Campus Clusters

8% Other

Ottawa 16%

17 properties \$24M NOI
2.1M sq.ft. \$0.4B

\$180 / sq.ft.

33% CBD

26% Suburban on Transit

24% Suburban Campus Clusters

17% Other

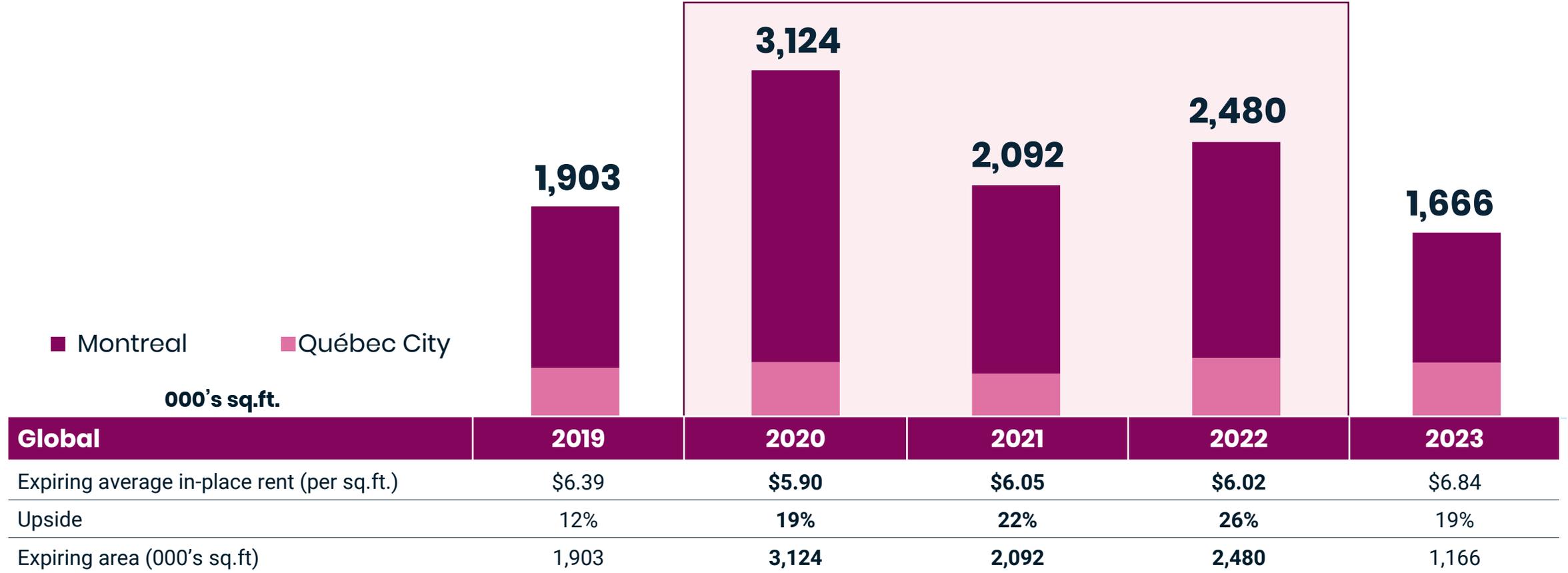
Campus style settings combined with major transit infrastructure are strong levers to reduce vacancy



Business Plan Industrial & Outlook



49% of leases expiring between 2020-2022



52% of leases expiring between 2020–2022

2020–2022
NOI upside
potential
\$11.4M

■ Montreal

000's sq.ft.

1,449

2,619

1,689

1,937

1,166

Montreal	2019	2020	2021	2022	2023
Expiring average in-place rent (per sq.ft.)	\$6.09	\$5.72	\$5.77	\$5.67	\$6.11
Upside	15%	25%	31%	41%	35%
Expiring area (000's sq.ft)	1,449	2,619	1,689	1,937	1,166



INDUSTRIAL PORTFOLIO

193 properties • 15.5M sq.ft. • \$92M NOI • \$1.4B Value

Montreal

76%

129 properties \$65M NOI

12M sq.ft. \$1,059M

\$88 / sq.ft.

Québec City

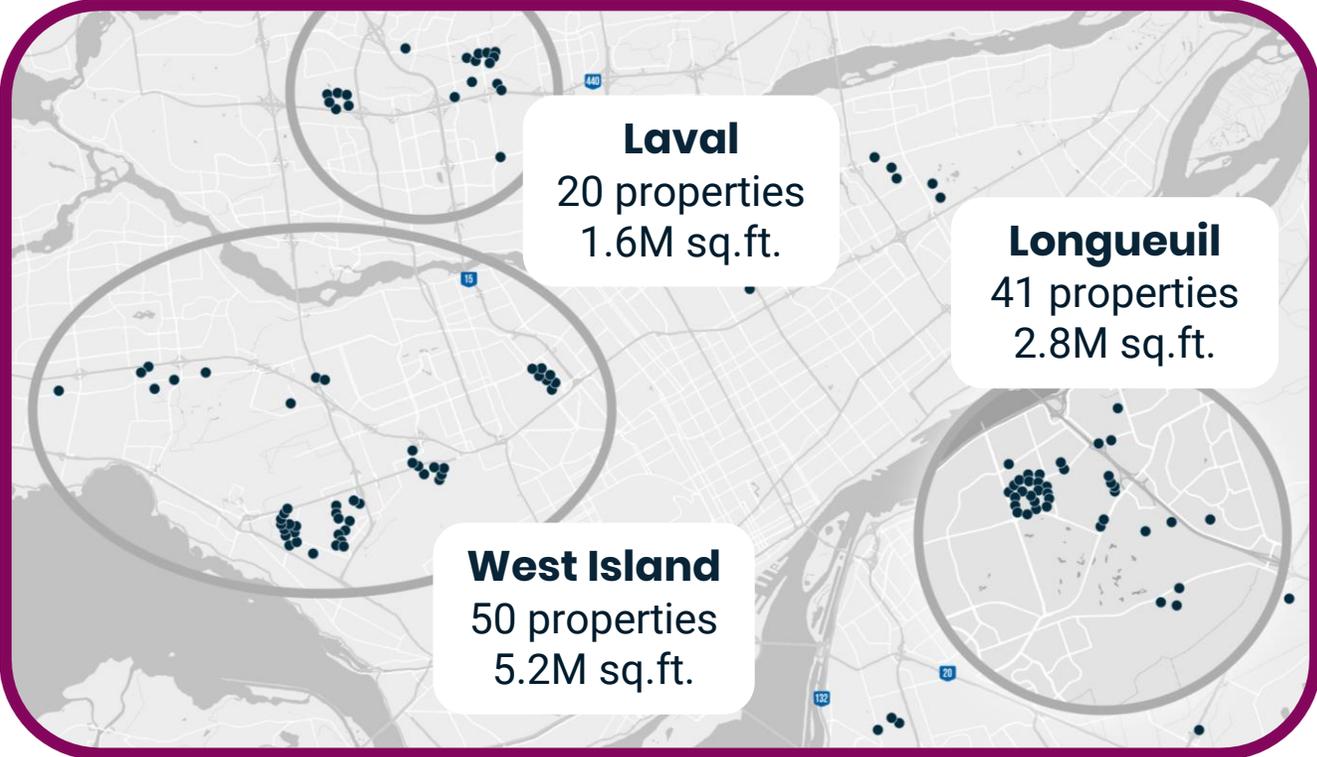
24%

64 properties \$27M NOI

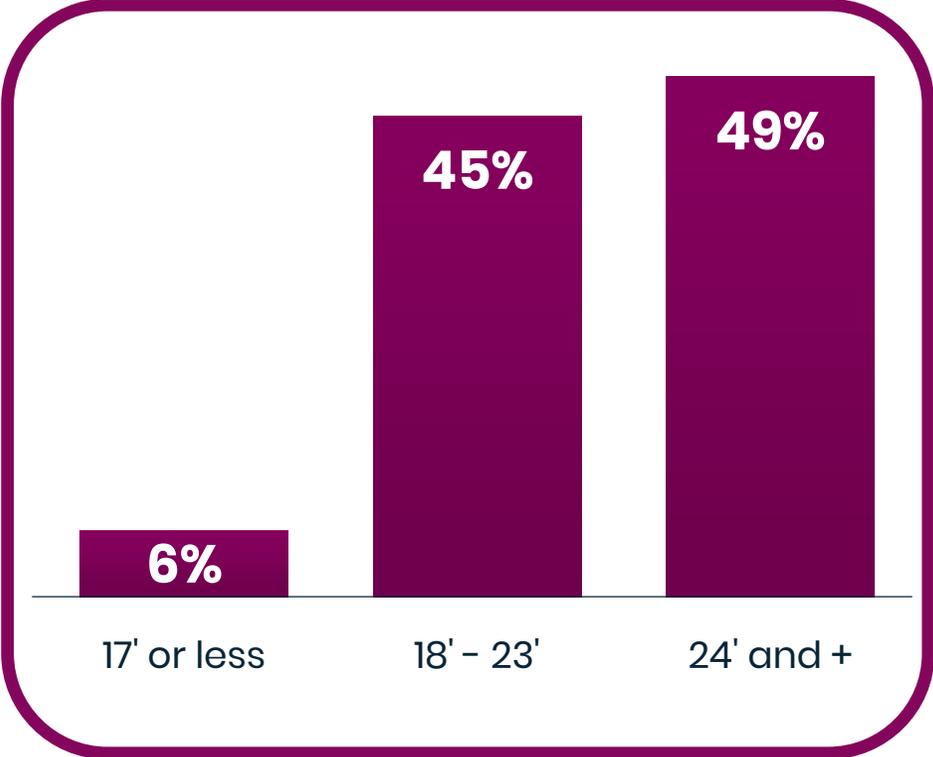
3.5M sq.ft. \$375M

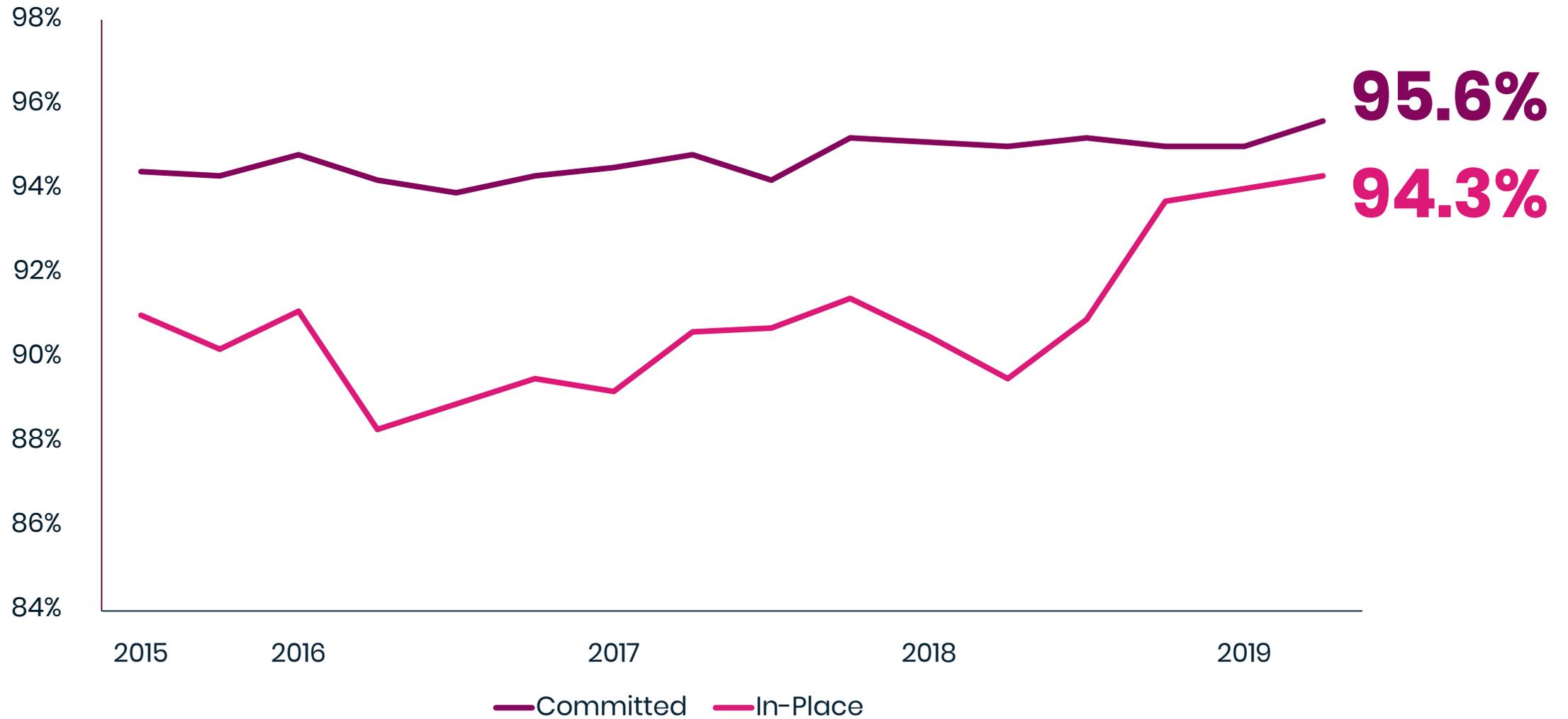
\$108 / sq.ft.

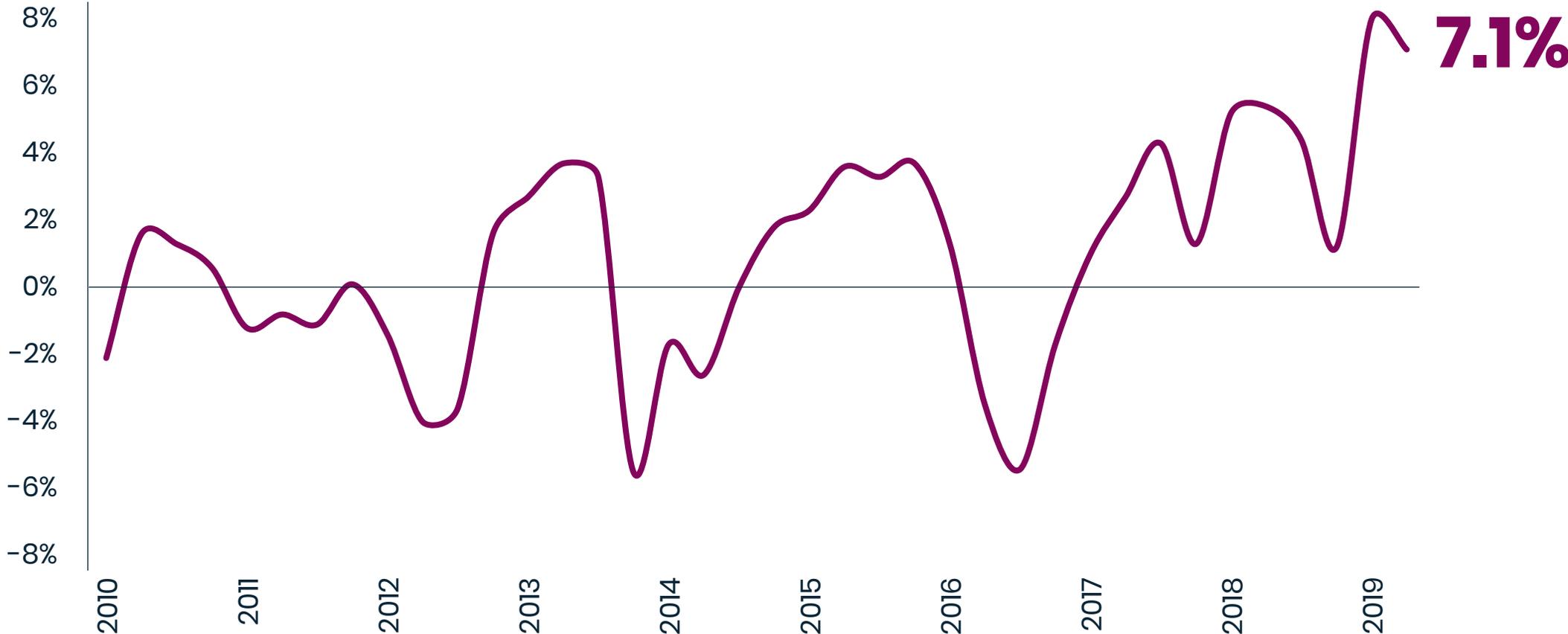
Strategically Located Clusters



Clear Heights







From Focused on Occupancy to Focused on Value Creation

Drive NOI

- › Aggressive rent increases in a strong market
- › Minimize incentives
- › Real time upwards adjustment of rental rates in evolving market
- › Be willing to let tenants leave to drive higher rents

Investments

- › Recycle capital into growing our industrial portfolio

Selective Development

- › Greenfield
- › Redevelopment
- › Spec
- › Build to suit

A Unique Opportunity to Drive Strong NOI Growth

Aggressive Rent Growth

- › Dominant market position allows us to set market pricing
- › 7.7M sq.ft. expiring by 2022 (49% of total square footage) provide significant upside opportunity

Contractual Rent Increases

- › Use strength of the market to negotiate attractive rent upticks through lease term to ensure consistent future NOI growth

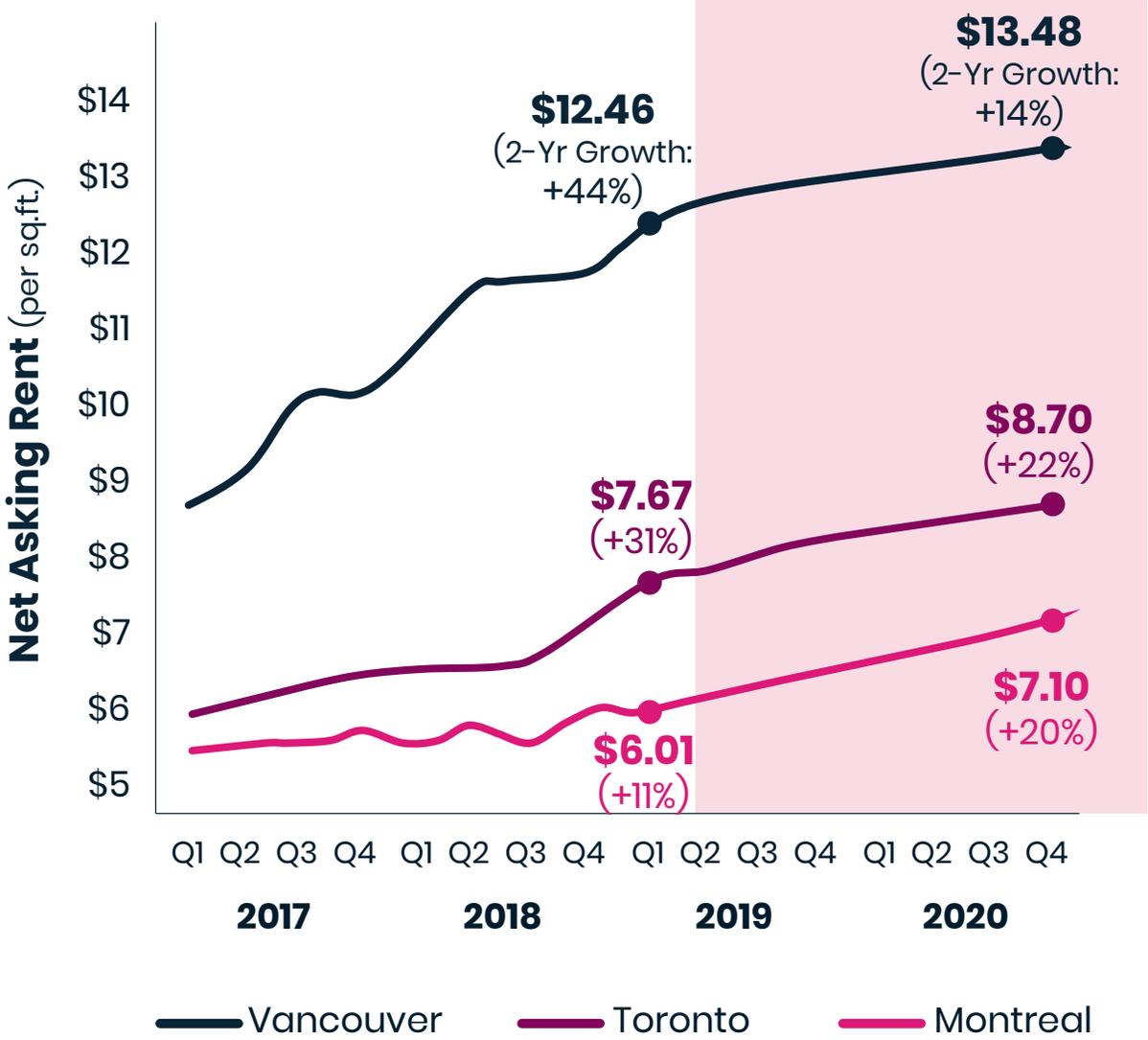
Optimize Occupancy

- › Maintain high occupancy but not at the expense of rent growth
- › Yield management approach to maximise NOI rather than occupancy
- › Retaining tenants where renewals rents are in line with market

Strategic Renewals

- › Renewal strategy focused on leveraging high tenant turnover in a rising rental rate market
- › Reduced focus on early renewals

Our industrial portfolio is extremely well positioned to capture potential rental rate upside



Low site coverage ratio

Proximity to major thoroughfares

Low office ratio

Proximity to public transit

High clear heights

Strong tenant covenants

Aligned with logistics and supply chain

Proximity to power grids and fiber connectivity

Lack of New Supply Provides Development Opportunities

Greenfield Development

- › Very well located land inventory of 2.6M sq.ft. with capability to develop up to 1.0M sq.ft.
- › Optimal site planning geared to seize built-to-suit & design build opportunities offering
- › Willing to pursue spec development due to strong market demand and lack of new supply

Asset Redevelopment /Infill

- › Opportunity to redevelop less functional contiguous properties into state-of-the art logistic facilities
- › Rent levels currently support full redevelopments

A sizeable and comparable \$250M portfolio was transacted in September 2019 at a cap rate of 3.95%

("HOOPP Portfolio" acquired by PIRET, sponsored by Blackstone & Ivanhoe Cambridge)

Portfolios	Comparable Cominar Sub-portfolio	HOOPP
Total Area (000' sq.ft.)	3,228	1,534
Average Building Size (000' sq.ft.)	179	139
Average Clear Height	27'	30'
Net Rent per sq.ft.	\$5.68	\$6.42
WALT	4.3	4.2
Lease Expirations 2020-2022	54%	65%
Value / sq.ft.	\$91 (IFRS)	\$163 (Transacted)



Note: For accurate comparison, single or two-tenant buildings only

Asset Management Function



Alexandra Faciu

Executive Director
Asset Management

Portfolio and Asset Management



Mission

Create the strategies and the framework to enhance the performance and quality of Cominar's portfolio

“Think like investors”

One of our core priorities is to optimize the portfolio and to create a strong asset management function, which translates to a mandate focused on three main objectives:

- › **Build a portfolio and asset management team and practice**, including creating strategic plans for each of our assets and implement clear value creation processes for the portfolio
- › **Establish policies and methodologies** for underwriting Cominar's investments
- › **Monitor markets and real estate sectors** in order to identify trends, opportunities and risks

Corporate Strategy & Governance

Investment

Portfolio Management

Investment Strategy

Transactions (acquisitions, dispositions)

Asset Management

Operations

Property Management

Leasing

Development

Project & Construction Management

Corporate Services

Corporate Strategy & Governance

Investment

Portfolio Management

Investment Strategy

Transactions (acquisitions, dispositions)

Asset Management

Operations

Property Management

Leasing

Development

Project & Construction Management

Corporate Services

Portfolio Management

**Portfolio
Management**

**Investment
Strategy**

Asset Management

**Asset Planning
Management
& Value Creation**

**Asset Oversight
& Support**

**Asset Value
Management**

Value Creation

Identify early on signs of change in the market or asset, as well as disruption trends in order to work with the business units on ways to take full advantage of opportunities and proactively mitigate any potential risks

- › Constantly monitor trends and events impacting the portfolio at macro and asset level
- › HOLD/SELL/RECAPITALIZE process (including alternative investment opportunity analysis) to pin point the right action at the right moment
- › Thorough capital allocation process
- › Support of business units in developing specific strategies by asset class and/or geography
- › Consistent and rigorous approach
- › Expertize in asset management, market research, risk management, portfolio construction and financial analysis

Major Trends

- › Abundance of Capital for Real Estate
- › Demographic Changes
- › Technologies
- › Intensification
- › Sustainable Development

Risks

- › Macro-Economic
- › Market and Sector
- › Property Specific
- › Operational

Land and Excess Density

- › Development
- › Redevelopment
- › Intensification

Non-stabilized Assets

- › Tenant Mix & Quality
- › Rent Upside
- › Optimize Expenses & Costs

Stabilized Assets

Once returns have stabilized, there are 2 scenarios:

- › Hold to maintain portfolio & NOI stability
- › Sell and redeploy capital

Stabilizing Total Expected Returns 

Opportunistic

Value-Add

Core/Core+

Portfolio Review

Create NAV

Sell interests (up to 100%) in targeted properties at prices above IFRS values, and excess land

Crystallize NAV

Dispose of fully valued assets and rationalize our operations

Protect NAV

Disciplined sales of assets with potential future downside risk

Structured and rigorous process to optimize the portfolio

- 1.** Capture opportunities in the industrial market
- 2.** Enhance the performance and quality of the existing portfolio (all asset classes)
- 3.** Prepare the portfolio for the next recession
- 4.** Ensure our execution is in line with our strategic priorities (including disciplined selling and intensification initiatives)

Transform the Way We Work



Sandra Lécuyer

Vice President
Talent and Organization

Transform the Way We Work



Our values evolve but our DNA remains

- **We act like OWNERS**
We are willing to think big and we hold ourselves accountable to deliver value and investment returns
- **We COMMUNICATE to CONNECT**
We build partnerships, not silos; ONE TEAM comes first
- **We are the CHANGE**
We act with relentless curiosity and constantly evolve to learn and innovate
- **We are PROACTIVELY shaping the future**
We engage with our clients to wow in meeting their requirements

We are driving a culture of excellence



**Investor and
value creation
mindset**

**A disciplined and
data-based
decision process**

**Management
practices fueling
empowerment
at all levels**

Be the best, not the biggest!

Becoming a high performing organization requires a transformation

1.
**Create
organizational
alignment**

2.
**Stimulate
leadership
development**

3.
**Lever
technology**

Change management office

- Structure that promotes accountability and input across the organization
- Clear objectives and timelines to achieve our goals
- Transparent and consistent communication
- Explicit accountability through a board oversight

**Global engagement
rate**

68%

+ 24% Neutral

**Participation
rate**

85%

Conclusions and areas of focus

Strengths



- › Enthusiasm for work and transformation
- › Employees feel respected and trusted
- › Great potential to improve engagement through those who are currently “neutral”

Opportunities



- › Communicate regularly and through various channels with employees
- › Improve proximity between management and employees

Closing Remarks



Q & A

