Cominar

**Press release**

For immediate release

# COMINAR ANNOUNCES 2020 RESULTS AND COVID-19 UPDATE

**Québec City, Quebec, March 3, 2021 - Cominar Real Estate Investment Trust** ("Cominar" or the "REIT") (**TSX: CUF.UN**) announces its results for the fourth quarter and year ended December 31, 2020.

## 2020 FOURTH QUARTER AND FULL YEAR – HIGHLIGHTS

- The formal strategic review process to identify, review and evaluate a broad range of potential strategic alternatives with a view to continuing to enhance unitholder value announced on September 15, 2020 is ongoing
- **FFO**[1] per unit of $0.28 for the quarter and $0.96 for 2020, materially impacted by COVID-19 when compared to $0.27 and $1.07 for the same periods in 2019
- **AFFO payout ratio** is 37.5% for the quarter and 80.3% for 2020
- **Same property NOI** decrease of 0.8% for the quarter and 5.1% for 2020, including a fourth quarter increase of 8.5% for the office segment, a decrease of 14.7% for the retail segment and an increase of 4.9% for the industrial and flex segment
- **Rent collection** of 95.8% for the quarter ended December 31, 2020 and 97.2% for 2020
- **Expected credit losses** of $5.6 million or 3.4% of operating revenues for the quarter and $33.6 million or 5.1% of operating revenues for 2020, down from $8.0 million or 4.9% of operating revenues for the quarter ended September 30, 2020
- Investment properties negative **change in fair value** of $151.6 million for the quarter and $481.0 million for 2020 on a proportionate basis[1]
- **In-place occupancy rate** remained stable at 91.7%
- 7.4% **growth in the average net rent** of renewed leases during 2020 driven by a 18.0% increase in the industrial segment, a 7.6% increase in the office segment and a 4.3% decrease in the retail segment
- As at December 31, 2020, Cominar had $13.6 million of cash on hand, $325.8 million of availability on its $400 million unsecured renewable credit facility, resulting in total liquidity of $339.4 million

*"Despite the challenges brought by the pandemic on the real estate industry, Cominar's operating and financial results demonstrate the resilience of our portfolio in these exceptional circumstances, driven by the strong performance of our industrial and office segments which enjoyed same property NOI growth during 2020 of 3.3% and 4.6% respectively"* said Sylvain Cossette, President and Chief Executive Officer of Cominar. Mr. Cossette added *"Our strategic review is ongoing and further updates will be provided when necessary or appropriate."*

*"Operating results improved significantly with expected credit losses for the quarter reduced to 3.4% of operating revenues, compared to 4.9% and 11.3% in the third and second quarters respectively. Rent collection improved to 95.8% for the quarter and totaled 97.2% for 2020"* stated Antoine Tronquoy, Executive Vice-President and Chief Financial Officer. *"Despite the headwind, our committed occupancy rate improved slightly during the quarter from 93.8% to 94.0% and we recorded a 7.4% growth on the average net rent of renewed leases for the year, driven by the industrial and office segments. Last, our liquidity stood at $339 million."*

1 *Refer to section "Non-IFRS financial measures" in this press release.*

## FINANCIAL AND OPERATING HIGHLIGHTS

- **Net loss** for year ended December 31, 2020 amounted to $329.3 million compared to net income of $462.5 million for 2019. This mainly reflects a decrease of $31.1 million in NOI mainly due to the COVID-19 impact, decreases of $746.2 million in change in fair value of investment properties (negative change of $469.8 million for the year ended December 31, 2020, compared to a positive change of $276.5 million for the previous year) and of $12.3 million in the share of joint venture's net income (loss), and an increase of $15.7 million in goodwill impairment, partially offset by a decrease of $7.4 million in finance charges and a decrease of $4.8 million in restructuring costs.
- For the year ended December 31, 2020, **expected credit losses** of $33.6 million were recorded, mainly due to COVID-19, of which $3.9 million is for office, $25.9 million is for retail and $3.9 million is for industrial and flex. Cominar's expected credit losses for 2020 include $4.8 million for the landlord portion to be forgiven under the CECRA program and the Quebec government program which represents 12.5% of the eligible tenant's rent, $12.3 million of rent reductions provided to tenants related to rents already recognized as a receivable when the tenant made a request for financial assistance, and $16.6 million for all other receivables for which the recoverability is uncertain. Expected credit losses are presented in operating costs within operating expenses.
- **Adjusted net income**[1] for the 2020 was $181.6 million compared to $202.3 million for last year. The decrease is mainly due to the decrease in NOI mainly due to COVID-19 and from properties sold in 2019 and 2020.
- **Same property NOI**[1] for the quarter ended December 31, 2020 was $90.3 million compared to $91.0 million for the corresponding quarter of 2019, resulting in a 0.8% year-over-year decrease driven by 8.5% growth in the office portfolio and a 4.9% growth in the industrial and flex portfolio combined with 14.7 % decline in the retail portfolio. For 2020, same property NOI[1] was $335.4 million compared to $353.2 million for 2019, resulting in a 5.1% year-over-year decrease driven by 4.6% growth in the office portfolio and a 3.3% growth in the industrial and flex portfolio combined with 21.5% decline in the retail portfolio. This decrease is mainly attributable to the financial impact of COVID-19, partially offset by an increase in the average in-place occupancy rate, the growth in the average net rent of renewed leases, and decreases in operating costs and realty taxes.
- **FFO**[1] per unit was $0.96 for 2020, compared to $1.07 per unit for 2019. The decrease is due mainly to the decrease in NOI.
- **AFFO**[1] per unit was $0.71 for 2020, compared to $0.77 per unit for 2019, due to the decrease in FFO.
- **AFFO payout ratio**[1] for 2020 was 80.3%, down from 93.5% in year 2019, as a consequence of the decrease in AFFO combined with the decrease in distribution effective since August 2020. AFFO payout ratio for the quarter ended December 31, 2020 was 37.5% compared to 90.0% for the same period in 2019.
- The **growth in the average net rent on renewed leases** was 7.4% in 2020, compared to 2.8% for the previous year. Renewal rent growth was driven by a strong 18.0% increase in the industrial and flex portfolio, a 7.6% increase in the office portfolio partially offset by a 4.3% decrease in the retail portfolio.
- The **retention rate** on expiring leases was 76.3% in 2020 versus 77.3% in 2019. During 2020, we renewed 4.5 million square feet and signed 1.9 million square feet of new leases.
- **Committed occupancy rate** decreased to 94.0% as at December 31, 2020 from 95.1% at December 31, 2019. **In-place occupancy rate** remained stable at 91.7%.
- Our weighting to industrial and flex properties as a percentage of same property NOI for the quarter ended December 31, 2020 is 27.3%, which has increased compared to 25.9% for the quarter ended December 31, 2019. The contribution of our office portfolio increased to 41.8% from 38.1% and our retail weighting decreased to 30.9% from 36.0% for the same periods.
- 1.6% year-over-year decrease in **trust administrative expenses**, down to $17.0 million for 2020 from $17.3 million in 2019, mainly due to the impact of $1.3 million on salaries and benefits of the Canada Emergency Wage Subsidy ("CEWS") program, partially offset by the strategic alternatives consulting fees.

## BALANCE SHEET AND LIQUIDITY HIGHLIGHTS

- During 2020, management revalued the entire real estate portfolio and determined that a net decrease of $469.8 million was necessary to adjust the carrying amount of investment properties to fair value, including a decrease of $182.7 million for the office segment, a decrease of $410.2 million for the retail segment, partially compensated by an increase of $123.2 million for the industrial and flex segment. On a proportionate basis, negative change in fair value was $481.0 million for 2020.
- The **debt ratio** was 55.3% as at December 31, 2020, up from 51.4% as at December 31, 2019, which reflects a decrease in the fair value of investment properties of $469.8 million.
- **Debt to EBITDA**[1] as at December 31, 2020 was 11.3x compared to 10.6x as at December 31, 2019.
- As at December 31, 2020, the **unencumbered asset to unsecured debt ratio** was 1.76:1, down from 1.82:1 as at December 31, 2019. Our pool of unencumbered properties totaled $2.0 billion as at December 31, 2020.
- **Secured debt to gross book value** was 37.5% as at December 31. 2020, up from 33.3% as at December 31, 2019.
- As at December 31, 2020, Cominar had $13.6 million of cash on hand, $325.8 million of availability on its $400 million unsecured renewable credit facility, resulting in total liquidity of $339.4 million.



1 *Refer to section "Non-IFRS financial measures" in this press release.*

## INVESTMENT HIGHLIGHTS

- For the year ended December 31, 2020, investments in income properties including capital expenditures, leasing costs and leasehold improvements totaled $128.7 million, down 3.9% from $134.0 million for last year. Including investments in development activities, 2020 capital expenditures totaled $153.7 million, down 7.1% from $165.4 million in 2019.
- Investment properties held for sale as at December 31, 2020 totaled $21.0 million, an increase from $11.7 million at December 31, 2019.

## COVID-19 PANDEMIC UPDATE

**Rent collection**

**Rent Collection Summary[1]**

| | Quarter ended December 31, 2020 | | | | Year ended December 31, 2020 | | | |
|---|---|---|---|---|---|---|---|---|
| | **Office** | **Retail** | **Industrial** | **Total** | **Office** | **Retail** | **Industrial** | **Total** |
| **Collected and negotiated** | **97.3 %** | **95.5 %** | **96.7 %** | **96.6 %** | **98.3 %** | **97.4 %** | **98.5 %** | **98.1 %** |
| o/w received | **97.3 %** | **93.4 %** | **96.4 %** | **95.8 %** | **98.3 %** | **94.9 %** | **98.3 %** | **97.2 %** |
| o/w to be received (agreements) | **— %** | **2.1 %** | **0.3 %** | **0.8 %** | **— %** | **2.5 %** | **0.2 %** | **0.9 %** |
| **To be received (others)** | **2.7 %** | **4.5 %** | **3.3 %** | **3.4 %** | **1.7 %** | **2.6 %** | **1.5 %** | **1.9 %** |
| **Total** | **100.0 %** | **100.0 %** | **100.0 %** | **100.0 %** | **100.0 %** | **100.0 %** | **100.0 %** | **100.0 %** |

*1 As at March 2, 2021. As percentage of invoiced rent.*

The following table presents expected credit losses by property type for the 2020:

| Year Ended December 31, 2020 | Office | Retail | Industrial and flex | Total |
|---|---|---|---|---|
| Expected credit losses on trade receivables | 2,435 | 11,651 | 2,487 | 16,573 |
| Expected credit losses - forgiven portion of the CECRA programs | 456 | 3,781 | 550 | 4,787 |
| Expected credit losses - rent reduction | 964 | 10,464 | 824 | 12,252 |
| Total expected credit losses | 3,855 | 25,896 | 3,861 | 33,612 |
| Percentage of operating revenues | 1.5 % | 10.9 % | 2.5 % | 5.1 % |

Cominar's expected credit losses as of December 31, 2020 includes the landlord portion to be forgiven under CECRA and the Quebec government program which represents 12.5% of the eligible tenant's rent, rent reductions provided to tenants related to rents already recognized as a receivable when the tenant made a request for financial assistance and a provision for short-term rent deferrals and all other receivables for which the recoverability is uncertain.

**Operating results**

COVID-19 has impacted Cominar's 2020 financial results, particularly the capacity of our clients to pay their rent in full or in part. The CECRA program required landlords to absorb 25% of gross rent for the months of April to September 2020 of clients eligible for the federal program. Quebec government made up 50% of this loss. Cominar has also granted several relief measures ranging from rent reductions to deferred rent payments up to 12 months to clients ineligible for government programs. All of these initiatives contributed to a significant increase in trade receivables and expected credit losses for the year 2020. Management estimates the portion of expected credit losses attributable to COVID-19 at $30.7 million ($4.8 million for the portion forgiven under the CECRA programs (12.5%), $12.3 million for rent reductions and $13.6 million for uncertainty of recoverability of all other receivables).

In addition, our revenues were also affected by lower revenues from percentage leases and by decreases in temporary rentals and parking revenues. Recoverable operating revenues also declined significantly due to reductions in our operating expenses following the impacts of COVID-19 and other decreases in line with our strategic plan. Management estimated that revenues for 2020 decreased $23.5 million due to COVID-19, while operating expenses (excluding expected credit losses) decreased $18.5 million, including $9.4 million in property repair and maintenance costs and $6.1 million in cost of energy. The decrease in operating expenses includes $3.4 million of CEWS funding due by the federal government, of which an estimated $1.2 million will be returned to tenants.
Including expected credit losses, the negative impact of COVID-19 on NOI is estimated at $35.8 million.

**Capital expenditures and cost management**

To minimize the impact on free cash flows of the pressure on revenues resulting from the pandemic, Cominar worked to reduce operating expenses and capital expenditures. Various initiatives aimed at reducing or deferring operating expenses and capital expenditures were implemented, including reduction of tenant incentives where feasible, of capital investments related to maintenance of rental income generating capacity and of development projects, deferral of property tax and hydro payments, temporary layoffs and reduction of operating costs, including energy and cleaning and maintenance services costs. These initiatives related to operations have reduced 2020 property operating expenses (excluding expected credit losses and property taxes and services) by $28.7 million when compared to budgeted expenses. Capital expenditures were also reduced by $69.6 million when compared to budgeted investments.

## STRATEGIC REVIEW PROCESS

On September 15, 2020, we announced the initiation of a formal strategic review process to identify, review and evaluate a broad range of potential strategic alternatives with a view to continuing to enhance unitholder value. The strategic review process is overseen by a special committee of independent trustees designated by the Board, comprised of Luc Bachand, who acts as Chair of the committee, Mitchell Cohen, Karen Laflamme and René Tremblay. Zachary George and Paul Campbell were initially designated to be members of the committee. They however recused themselves respectively on September 23, 2020 and January 14, 2021 in light of the potential for actual or perceived conflicts of interest. René Tremblay was appointed member of the committee on December 7, 2020 to fill the vacancy created by Mr. George's departure. The REIT has not established a definitive timeline to complete the strategic review process and no decisions have been reached at this time. There can be no assurance that this strategic review process will result in any transaction or, if a transaction is undertaken, as to the terms or timing of such a transaction. The REIT does not currently intend to disclose further developments with respect to this process, unless and until it is determined that disclosure is necessary or appropriate

## NON-IFRS FINANCIAL MEASURES

*Cominar's consolidated financial statements are prepared in accordance with IFRS. Management uses a number of measures, which are not standardized under IFRS and should not be construed as an alternative to financial measures calculated in accordance with IFRS. Cominar uses those measures to better assess its performance. Cominar's proportionate share, same property net operating income, funds from operations (FFO), adjusted funds from operations (AFFO), debt ratio and debt to EBITDA are not measures recognized by International Financial Reporting Standards (IFRS) and do not have standardized meanings prescribed by IFRS. Such measures may differ from similar computations as reported by similar entities and, accordingly, may not be comparable to similar measures reported by such other entities. These non-IFRS financial measures are more fully defined and discussed in Cominar's management's discussion and analysis for the fourth quarter and year ended December 31, 2020, available at Cominar.com and on Sedar.com.*

## RESULTS OF OPERATIONS

| | Quarter | | Year | |
|---|---|---|---|---|
| Periods ended December 31 | 2020 [1] | 2019 [1] | 2020 [2] | 2019 [2] |
| | $ | $ | $ | $ |
| Operating revenues | **166,156** | 173,931 | **661,320** | 704,041 |
| Operating expenses | **(78,200)** | (82,715) | **(334,133)** | (345,719) |
| **Net operating income** | **87,956** | 91,216 | **327,187** | 358,322 |
| Finance charges | **(33,901)** | (40,416) | **(143,640)** | (151,051) |
| Trust administrative expenses | **(4,212)** | (4,145) | **(16,973)** | (17,254) |
| Change in fair value of investment properties | **(150,295)** | 270,964 | **(469,763)** | 276,475 |
| Share of joint ventures' net income (loss) | **252** | 2,822 | **(5,058)** | 7,200 |
| Transaction costs | **(77)** | (1,225) | **(5,375)** | (6,463) |
| Restructuring costs | **—** | — | **—** | (4,774) |
| Impairment of goodwill | **—** | — | **(15,721)** | — |
| **Net income (loss) before income taxes** | **(100,277)** | 319,216 | **(329,343)** | 462,455 |
| | | | | |
| Current income taxes | **—** | — | **66** | — |
| Deferred | **—** | 49 | **—** | 49 |
| **Net income (loss) and comprehensive income** | **(100,277)** | 319,265 | **(329,277)** | 462,504 |
| | | | | |
| Office Portfolio | **(113,128)** | 78,758 | **(84,865)** | 153,747 |
| Retail Portfolio | **(143,027)** | (105,832) | **(351,989)** | (35,306) |
| Industrial and Flex Portfolio | **177,674** | 370,894 | **184,791** | 434,930 |
| Corporate | **(21,796)** | (24,555) | **(77,214)** | (90,867) |
| **Net income (loss) and comprehensive income** | **(100,277)** | 319,265 | **(329,277)** | 462,504 |

1 *Quarter ended December 31, 2020 includes the estimated financial impact of COVID-19 and $1.4 million in strategic alternatives consulting fees (quarter ended December 31, 2019 includes $5.2 million of penalties on mortgage repayments before maturity)..*

2 *Year ended December 31, 2020, includes the estimated financial impact of COVID-19, $1.7 million strategic alternatives consulting fees, $2.5 million in yield maintenance fees paid in connection with the debenture Series 4 redemption and $4.6 million of penalties paid on mortgage repayments before maturity (year ended December 31, 2019 includes $1.0 million from the settlement approved by the court between Target Canada and its creditors, $5.2 million of penalties paid on mortgages repayments before maturity, $1.1 million of debenture redemption costs, $4.8 million of restructuring costs and $1.0 million in severance allowance paid following the departure of an executive officer).*

For 2020, Cominar reported a net loss of $329.3 million compared to a net income of $462.5 million for 2019. This mainly reflects a decrease of $31.1 million in NOI mainly due to the COVID-19 impact, decreases of $746.2 million in change in fair value of investment properties and of $12.3 million in share of joint ventures' net income (loss), and an increase of $15.7 million in goodwill impairment, partially offset by a decrease of $7.4 million in finance charges, and of $4.8 million in restructuring costs.

## SAME PROPERTY NET OPERATING INCOME

Same property NOI is a non-IFRS measure used by Cominar to provide an indication of the period-over-period operating profitability of the same property portfolio, that is, Cominar's ability to increase revenues, manage costs, and generate organic growth. The same property NOI includes the results of properties owned by Cominar as at December 31 2018, with the exception of results from the properties sold, acquired and under development in 2019 and 2020, as well as the rental income arising from the recognition of leases on a straight-line basis that is a non-cash item and which, by excluding it, will allow this measure to present the impact of actual rents collected by Cominar.

| Periods ended December 31 | Quarter | | | Year | | |
|---|---|---|---|---|---|---|
| | 2020 [2] | 2019 | | 2020 [2] | 2019 | |
| | $ | $ | % △ | $ | $ | % △ |
| **Property type** | | | | | | |
| Office | **37,675** | 34,710 | 8.5 | **142,228** | 135,972 | 4.6 |
| Retail | **27,957** | 32,767 | (14.7) | **98,956** | 126,038 | (21.5) |
| Industrial and flex | **24,704** | 23,550 | 4.9 | **94,182** | 91,215 | 3.3 |
| **Same property NOI — Cominar's proportionate share [1]** | **90,336** | 91,027 | (0.8) | **335,366** | 353,225 | (5.1) |
| Properties sold, acquired and under development in 2019 and 2020 | **77** | 2,668 | (97.1) | **1,850** | 14,930 | (87.6) |
| **NOI — Cominar's proportionate share [1]** | **90,413** | 93,695 | (3.5) | **337,216** | 368,155 | (8.4) |
| **NOI — Financial statements** | **87,956** | 91,216 | (3.6) | **327,187** | 358,322 | (8.7) |
| **NOI — Joint ventures** | **2,457** | 2,479 | (0.9) | **10,029** | 9,833 | 2.0 |

*1 Refer to section "Non-IFRS financial measures" in this press release.*
*2 Quarter and year ended December 31, 2020 include the estimated financial impact of COVID-19.*

The decrease in NOI according to the consolidated financial statements and on a proportionate basis in 2020 compared with 2019 resulted mainly from the financial impact of COVID-19 which impacted Cominar for the months of April to December 2020 and from the properties sold in 2019 and 2020, partially offset by a positive net impact of a portion of the CEWS program, an increase in the average in-place occupancy rate, the growth in the average net rent of renewed leases, and decreases in operating costs and realty taxes and services.

## FUNDS FROM OPERATIONS (FFO) AND ADJUSTED FUNDS FROM OPERATIONS (AFFO)

FFO is a non-IFRS measure which represents a standard real estate benchmark used to measure an entity's performance, and is calculated by Cominar as defined by REALpac as net income (calculated in accordance with IFRS) adjusted for, among other things, changes in the fair value of investment properties, deferred taxes and income taxes related to a disposition of properties, derecognition and impairment of goodwill, initial and re-leasing salary costs, adjustments relating to the accounting of joint ventures and transaction costs incurred upon a business combination or a disposition of properties. Management believes FFO to be a useful earnings measure as it adjusts net income for items that are not related to the trend in occupancy levels, rental rates and property operating costs.

AFFO is a non-IFRS measure which, by excluding from the calculation of FFO the rental income arising from the recognition of leases on a straight-line basis, the investments needed to maintain the property portfolio's capacity to generate rental income and a provision for leasing costs is calculated as defined by REALpac. Management believes AFFO provides a meaningful measure of Cominar's capacity to generate steady profits.

The following table presents a reconciliation of net income, as determined in accordance with IFRS, and funds from operations and adjusted funds from operations:

| | Quarter | | Year | |
|---|---|---|---|---|
| Periods ended December 31 | 2020 [1] | 2019 | 2020 [1] | 2019 |
| | $ | $ | $ | $ |
| **Net income (loss)** | **(100,277)** | 319,265 | **(329,277)** | 462,504 |
| Initial and re-leasing salary costs | **(603)** | 866 | **2,233** | 3,347 |
| Change in fair value of investment properties [2] | **151,554** | (272,303) | **481,025** | (277,814) |
| Capitalizable interest on properties under development — joint ventures | **192** | 161 | **561** | 676 |
| Transaction costs | **77** | 1,225 | **5,375** | 6,463 |
| Impairment of goodwill | **—** | — | **15,721** | — |
| **FFO [2, 3]** | **50,943** | 49,165 | **175,638** | 195,127 |
| Provision for leasing costs | **(7,750)** | (7,658) | **(30,236)** | (32,182) |
| Recognition of leases on a straight-line basis [2] | **1,125** | (390) | **1,522** | (262) |
| Capital expenditures — maintenance of rental income generating capacity | **(50)** | (5,495) | **(17,000)** | (21,723) |
| **AFFO [2, 3]** | **44,268** | 35,622 | **129,924** | 140,960 |
| Payout ratio of AFFO [3, 4] | **37.5 %** | 90.0 % | **80.3 %** | 93.5 % |
| | | | | |
| FFO - Office portfolio[1] | **29,239** | 30,638 | **108,723** | 110,461 |
| FFO - Retail portfolio[1] | **20,860** | 25,551 | **65,774** | 99,762 |
| FFO - Industrial and flex portfolio[1] | **21,189** | 17,370 | **77,793** | 75,134 |
| FFO - Corporate[1] | **(20,345)** | (24,394) | **(76,652)** | (90,230) |
| **FFO** | **50,943** | 49,165 | **175,638** | 195,127 |
| | | | | |
| AFFO - Office portfolio[1] | **26,272** | 23,558 | **85,095** | 82,861 |
| AFFO - Retail portfolio[1] | **18,469** | 21,594 | **52,595** | 83,157 |
| AFFO - Industrial and flex portfolio[1] | **19,873** | 14,838 | **68,885** | 65,146 |
| AFFO - Corporate[1] | **(20,346)** | (24,368) | **(76,651)** | (90,204) |
| **AFFO** | **44,268** | 35,622 | **129,924** | 140,960 |

1 *Quarter and year ended December 31, 2020 include the estimated financial impact of COVID-19.*
2 *Including Cominar's proportionate share in joint ventures.*
3 *Refer to section "Non-IFRS financial measures" in this press release.*
4 *Fully diluted.*

FFO and AFFO for 2020 include, among others, $1.7 million in strategic alternatives consulting fees and the estimated COVID-19 financial impact. Excluding strategic alternatives consulting fees, penalties on mortgage repayments before maturity, debenture redemption costs and restructuring fees, FFO would have been $184.4 million or $1.01 per unit in 2020 compared to $206.2 million or $1.13 per unit in 2019. AFFO would have been $138.7 million or $0.76 per unit in 2020 compared to $152.1 million or $0.83 per unit in 2019 and consequently, AFFO adjusted payout ratio would have been 75.0% in 2020.

## OCCUPANCY RATES

| As at | Montreal | | Québec City | | Ottawa | | Total | |
|---|---|---|---|---|---|---|---|---|
| December 31, 2020 | Committed | In-Place | Committed | In-Place | Committed | In-Place | Committed | In-Place |
| **Property type** | | | | | | | | |
| Office | 91.7 % | 90.1 % | 97.7 % | 97.2 % | 92.1 % | 88.6 % | 93.1 % | 91.4 % |
| Retail | 91.3 % | 87.8 % | 90.3 % | 86.0 % | 87.5 % | 65.2 % | 90.8 % | 86.3 % |
| Industrial and flex | 96.6 % | 95.2 % | 96.9 % | 95.7 % | N/A | N/A | 96.7 % | 95.3 % |
| **Portfolio total** | **94.1 %** | **92.1 %** | **94.5 %** | **92.2 %** | **91.5 %** | **85.1 %** | **94.0 %** | **91.7 %** |

## SUBSEQUENT EVENT

On February 15, 2021, Cominar completed the sale of an office property held for sale located in Montreal for a total amount of $3,0 million.

## ADDITIONAL FINANCIAL INFORMATION

Cominar's consolidated financial statements and management's discussion and analysis for 2020 are filed with SEDAR at sedar.com and are available on Cominar's website at cominar.com.

## CONFERENCE CALL ON MARCH 3, 2021

On **Wednesday, March 3, 2021 at 11 a.m.** (ET), Cominar's management will hold a conference call to present the results for 2020. In order to participate please dial **1 888 390-0546**. A presentation will be available before the conference call on the REIT's website at cominar.com, under the Conference Call header. In addition, a replay of the conference call will be available from Wednesday, March 3, 2021 at 2 p.m. to Wednesday, March 10, 2021 at 11:59 p.m., by dialing **1 888 390-0541** and entering passcode: **477201 #.**

## PROFILE AS AT MARCH 3, 2021

Cominar is one of the largest diversified real estate investment trusts in Canada and is the largest commercial property owner in the Province of Québec. Our portfolio consists of 313 high-quality office, retail and industrial properties, totaling 35.8 million square feet located in the Montreal, Québec City and Ottawa areas. Cominar's primary objective is to maximize total return to unitholders by way of tax-efficient distributions and maximizing the unit value through the proactive management of our portfolio.

## FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and financial position. These statements generally can be identified by the use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intend", "believe" or "continue" or the negative thereof or similar variations and the use of conditional and future tenses. The actual results and performance of Cominar discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Some important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulation and the factors described under "Risk Factors" in Cominar's Annual Information Form. The cautionary statements qualify all forward-looking statements attributable to Cominar and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release. Cominar does not assume any obligation to update the aforementioned forward-looking statements, except as required by applicable laws.

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