



## PRESS RELEASE

For Immediate Release

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# Cominar Updates its Unsecured Debenture Refinancing Plan

Québec, August 4, 2017 – Cominar Real Estate Investment Trust (“Cominar” or the “REIT”) (TSX: CUF.UN) announces credit rating determination made earlier today by DBRS Limited (“DBRS”) and updates its unsecured debenture refinancing plan.

### Credit Rating

Earlier today, DBRS announced that it had downgraded the rating of the REIT’s senior unsecured debentures to BB (high) with a stable trend from BBB (low) with a negative trend.

“Our unencumbered property portfolio stands at \$3.6 billion, which represents an unencumbered assets to unsecured debt ratio of 1.52:1, keeping with our commitment of 1.3:1 and giving us all the flexibility required to replace our unsecured debentures, as they mature over the next six years”, said Mr. Michel Dallaire, Chief Executive Officer of Cominar.

“We have \$1.7 billion in unsecured debentures outstanding bearing interest at an average rate of 4.29%, approximately 100 basis points higher than the current 5-year mortgage rate with important interest savings potential in the future”, added Mr. Dallaire.

### Unsecured Debenture Refinancing Plan

The downward changes to our credit rating will have a negative impact on our ability to finance in the unsecured debt marketplace, with no impact on the performance of our portfolio and our operations. The terms and conditions of the outstanding debentures remain unaffected by the rating change.

With more than \$3.6 billion of unencumbered properties, the REIT plans to refinance its outstanding unsecured debentures with secured debt in the form of mortgages over the next 6 years as the REIT’s unsecured debentures mature.

The REIT has no unsecured debenture maturities prior to June 2019.

This refinancing plan will enable the REIT to generate important interest savings as mortgage rates are more favourable to the REIT when compared to the REIT’s cost for unsecured debentures. The refinancing plan will not affect the REIT’s long-term debt ratio.

The following table provides summary information on the REIT's outstanding unsecured debentures:

	Par value as at June 30, 2017 \$	Maturity date	Effective Interest Rate %
Series 2	300,000	December 2019	4.37
Series 3	100,000	November 2020	4.24
Series 4	300,000	July 2020	4.81
Series 7	300,000	June 2019	3.70
Series 8	200,000	December 2021	4.34
Series 9	300,000	June 2022	4.25
Series 10	225,000	May 2023	4.34
<b>Total</b>	<b>1,725,000</b>		<b>4.29</b>

### PROFILE AS AT AUGUST 4, 2017

Cominar is the third largest diversified real estate investment trust in Canada and currently remains the largest commercial property owner in the Province of Quebec. The REIT owns a real estate portfolio of 525 properties in three different market segments, that is, office properties, retail properties and industrial and mixed-use properties. Cominar's portfolio totals 44.1 million square feet spread out across Quebec, Ontario, the Atlantic Provinces and Western Canada. Cominar's objectives are to pay growing cash distributions to unitholders and to maximize unitholder value through proactive management and the expansion of its portfolio.

### FORWARD-LOOKING STATEMENTS

*This press release may contain forward-looking statements with respect to Cominar and its operations, strategy, financial performance and financial condition. 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. 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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