Press Release

For Immediate Release

Cominar's excellent third-quarter results reflect continued growth and expansion

- **Increases of 21.7% in distributable income and 24.2% in distributions to unitholders**
- **Acquisition of three Montreal properties in the office, industrial and mixed-use sectors, fully leased on a long-term basis — an investment of $50.0 million**

Cominar announces an increase in distributions

In November, distributions grow to $0.10 per unit equivalent to $1.20 per unit on an annualized basis

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Quebec City, November 9, 2004 — Cominar's solid growth continued in the third quarter ended September 30, 2004. **Rental revenues** grew by 12.4% or $3.0 million to $27.1 million, up from $24.1 million for the same period a year earlier. **Net operating income** totalled $17.3 million, an increase of 15.8%. **Distributable income** rose 21.7% to $11.0 million, and **distributable income per unit** stood at $0.345.

Net income was restated in light of the application of the new accounting policies for the depreciation of income properties, acquisition of income properties, revenue recognition, and stock-based compensation and other stock-based payments. **Considering these changes, net income** amounted to $8.0 million or $0.252 per unit. **Without the impact of these changes, net income** totalled $9.9 million or $0.311 per unit.

"These excellent results attest to the merits of our flexible expansion strategy which we carefully adapt to conditions in the real estate market. We continue to grow in a context of high property prices by focusing on development projects, which have much higher capitalization rates than purchases. Nevertheless, we also seize acquisition opportunities matching our growth objectives for the short and long term. Furthermore, we are pleased to underline that total distributions to Cominar's unitholders have increased by 24.2% or $1.8 million, to $9.4 million for the third quarter. Distributions per unit rise to $0.294. Today, we also announce an increase in distributions per unit from $0.098 to $0.10, which will be paid to unitholders on December 15, 2004. With this new increase, distributions come to $1.20 per unit on an annualized basis," indicated Jules Dallaire, Chairman of the Board and Chief Executive Officer.

Funds from operations totalled $12.5 million or $0.392 per unit, up 25.0% over the corresponding quarter of 2003. Excluding the impact of the previously mentioned changes in accounting policies, funds from operations would have stood at $12.1 million, an increase of 21.4% over the third quarter of 2003.

For the first nine months ended September 30, 2004, rental revenues grew by 13.8% or almost $10 million to $82.3 million, compared with $72.4 million for the same period in 2003. **Net operating income** amounted to $49.5 million, an increase of 17.2%. **Distributable income** jumped by 28.5% or $7.1 million to $31.8 million or $1.001 per unit. **Restated net income** rose 31.6% to $28.4 million.

Cominar paid **total distributions** of $27.8 million to unitholders for the first nine months of 2004, up 24.2% over $22.4 million for the corresponding period of 2003. **Distributions per unit** totalled $0.870, compared with $0.847 for the first nine months of 2003.

Cominar had a **property occupancy rate of 95.1%** as at September 30, 2004, comparable to the average obtained since 1998.

Three acquisitions completed in the third quarter increase Cominar's Montreal-area real estate portfolio by about 440,000 square feet — a $50.0 million investment

During the third quarter, while further progressing with the development work under way on several properties, Cominar made three acquisitions covering a total area of 440,000 square feet in the Montreal region. Two of these buildings are in the industrial and mixed-use sector, and the third is an office tower. All three are fully leased on a long-term basis and have an average capitalization rate of 9.3%, which is most satisfactory in the current context. These transactions represent a total investment of $50.0 million and bring Cominar's real estate portfolio in the Montreal region to 3.2 million square feet.

Five development projects under way totalling ten properties — a $71.0 million investment

Cominar has five development projects under way totalling nine properties covering a total leasable area of over 835,000 square feet, including seven construction projects and three expansions. They represent a total investment of $71.0 million and are scheduled to be completed by the summer of 2005. Once these development projects are completed, Cominar's portfolio will consist of 125 properties and cover more than 9.7 million square feet, including over 3.4 million square feet in the Montreal region.

The REIT showed a **debt to gross book value ratio** of 50.7% as at September 30, 2004, whereas a rate of 60% is authorized by its Contract of Trust. To respect its conservative debt management policy, Cominar prefers to keep this ratio below 55%, which corresponded to an acquisition capacity of $70 million as at September 30, 2004.

OUTLOOK

"We are confident about closing the fiscal year with significant growth over 2003. Our recent acquisitions and the development projects under way have excellent occupancy rates and allow us to look forward to attractive growth for the coming months. All the development work in progress is on schedule. As an indication, the 205,000-square-foot office tower at *Place de la Cité*, still under construction, is already 92% leased and should be fully rented by the end of 2004. Our expansion strategy remains adapted to market conditions to optimize our short and long-term growth and the return to Cominar's unitholders," added Jules Dallaire.

PROFILE as at *November 9, 2004*

As one of the largest retail property owners in the Greater Quebec City Area, Cominar Real Estate Investment Trust enjoys a dominant presence and economies of scale. The REIT currently owns a diversified portfolio of **118 properties consisting of 14 office buildings, 25 retail buildings and 79 industrial and mixed-use buildings which cover about 9.1 million square feet of leasable space in the Montreal and Quebec City regions.** As Cominar's asset and property management is fully internalized and fully integrated, the REIT is an entirely self-administered and self-directed real estate investment trust.

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COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Statements of Income

	Quarter		Cumulative	
Period ended September 30 (unaudited, in thousands of dollars except per unit amounts)	**2004** **$**	2003 $	**2004** **$**	2003 $
Operating revenues				
Rental income from income properties	**27,108**	24,119	**82,341**	72,353
Operating expenses				
Property operating costs	**4,964**	5,141	**16,730**	16,239
Realty taxes and services	**4,602**	3,785	**15,249**	12,931
Property management expenses	**264**	270	**864**	954
	9,830	9,196	**32,843**	30,124
Operating income before the undernoted	**17,278**	14,923	**49,498**	42,229
Interest on mortgages payable and bank indebtedness	**4,214**	4,372	**12,258**	12,801
Interest on convertible debentures	**259**	0	**259**	0
Depreciation of income properties	**3,223**	1,081	**8,989**	3,179
Amortization of deferred expenses and other assets	**1,155**	1,131	**3,921**	3,555
	8,851	6,584	**25,427**	19,535
Operating income from real estate assets	**8,427**	8,339	**24,071**	22,694
Trust administrative expenses	**449**	411	**1,423**	1,166
Other income	**56**	23	**995**	78
Net income for the period	**8,034**	7,951	**23,643**	21,606
Basic net income per unit *(note 9)*	**0.252**	0.301	**0.743**	0.821
Diluted net income per unit *(note 9)*	**0.250**	0.299	**0.738**	0.817

See accompanying notes to consolidated financial statements.

COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Balance Sheets

(in thousands of dollars)	**As at September 30, 2004 (unaudited) $**	As at December 31, 2003 (audited) $
Assets		
Income properties *(note 4)*	**624,431**	518,770
Properties under development	**23,830**	21,486
Deferred expenses and other assets *(note 5)*	**26,333**	21,540
Prepaid expenses	**6,118**	1,901
Accounts receivable	**6,631**	5,525
Cash and cash equivalents	**13,212**	33,660
	700,555	602,882
Liabilities and Unitholders' Equity		
Liabilities		
Mortgages payable *(note 6)*	**267,667**	270,715
Convertible debentures *(note 7)*	**100,000**	0
Bank indebtedness *(note 8)*	**0**	0
Accounts payable and accrued liabilities	**10,812**	12,570
Distributions payable to Unitholders	**3,150**	0
	381,629	283,285
Unitholders' Equity		
Unitholders' contributions *(note 9)*	**323,873**	320,604
Cumulative net earnings	**145,244**	121,640
Cumulative distributions	**(150,447)**	(122,647)
Contributed surplus *(note 9)*	**256**	0
	318,926	319,597
	700,555	602,882

Consolidated Statements of Unitholders' Equity

Period ended September 30 (unaudited, in thousands of dollars)	Quarter **2004 $**	Quarter 2003 $	Cumulative **2004 $**	Cumulative 2003 $
Unitholders' contributions				
Balance, beginning of period	**323,190**	251,718	**320,604**	248,874
Issue of units	**683**	1,217	**3,269**	4,061
Balance, end of period	**323,873**	252,935	**323,873**	252,935
Cumulative net earnings				
Balance, beginning of period	**137,210**	140,273	**121,640**	90,618
Change in an accounting policy *(note 3)*	**0**	0	**(39)**	0
Net income	**8,034**	7,951	**23,643**	21,606
Balance, end of period	**145,244**	112,224	**145,244**	112,224
Cumulative distributions				
Balance, beginning of period	**(141,052)**	(106,060)	**(122,647)**	(91,245)
Distributions to Unitholders	**(9,395)**	(7,567)	**(27,800)**	(22,382)
Balance, end of period	**(150,447)**	(113,627)	**(150,447)**	(113,627)
Contributed surplus *(note 9)*				
Change in an accounting policy *(note 3)*	**184**	0	**39**	0
Unit option plan	**72**	0	**145**	0
Balance, end of period	**256**	0	**184**	0
Unitholders' Equity	**318,926**	251,532	**318,926**	251,532

See accompanying notes to consolidated financial statements.

COMINAR REAL ESTATE INVESTMENT TRUST
Consolidated Statements of Cash Flows

	Quarter		Cumulative	
Period ended September 30	**2004**	2003	**2004**	2003
(unaudited, in thousands of dollars)	**$**	$	**$**	$
Operating activities				
Net income for the period	**8,034**	7,951	**23,643**	21,606
Items not affecting cash:				
Depreciation of income properties	**3,223**	1,081	**8,989**	3,179
Amortization of deferred expenses & other assets	**1,155**	1,131	**3,921**	3,555
Amortization of above-market leases	**22**	0	**25**	0
Leasing costs	**0**	(158)	**0**	(810)
Compensation costs – Unit options plan *(note 9)*	**72**	0	**217**	0
Funds from operations	**12,506**	10,005	**36,795**	27,530
Leasing costs	**(2,800)**	(1,814)	**(4,850)**	(5,447)
Change in non-cash operating working capital items	**2,623**	2,366	**(10,023)**	(4,112)
	12,329	10,557	**21,922**	17,971
Financing activities				
Mortgages payable	**0**	0	**0**	52,806
Repayments of mortgages payable	**(15,960)**	(2,121)	**(21,110)**	(9,507)
Net proceeds from issue of convertible debentures *(note 7)*	**96,250**	0	**96,250**	0
Bank indebtedness	**(19,754)**	9,873	**0**	(14,034)
Distributions to Unitholders	**(9,395)**	(7,552)	**(24,650)**	(19,857)
Net proceeds from issue of units *(note 9)*	**682**	1,217	**3,268**	4,061
	51,823	1,417	**53,758**	13,469
Investing activities				
Acquisitions of income properties	**(55,627)**	(8,191)	**(91,659)**	(21,249)
Acquisitions of properties under development	**4,850**	(3,752)	**(4,355)**	(9,914)
Other assets	**(163)**	(31)	**(114)**	(277)
	(50,940)	(11,974)	**(96,128)**	(31,440)
Net change in cash and cash equivalents	**13,212**	0	**(20,448)**	0
Cash and cash equivalents, beginning of period	**0**	0	**33,660**	0
Cash and cash equivalents, end of period	**13,212**	0	**13,212**	0

Change in non-cash operating working capital items				
Prepaid expenses	**2,373**	1,741	**(4,217)**	(4,170)
Accounts receivable	**111**	566	**(1,106)**	(1,299)
Accounts payable and accrued liabilities	**139**	59	**(4,700)**	1,357
	2,623	2,366	**(10,023)**	(4,112)

Additional information				
Interest paid	**7,081**	4,158	**15,055**	12,271
Leasing costs unpaid	**0**	(542)	**0**	168
Acquisitions of income properties by assumption of a mortgages payable	**6,725**	6,143	**18,062**	11,134
Acquisitions of income properties and properties under development unpaid	**(55)**	225	**2,943**	1,243
Properties under development transferred to income properties	**859**	111	**4,143**	949

COMINAR REAL ESTATE INVESTMENT TRUST
Notes to the consolidated financial statements

Period ended September 30, 2004
(unaudited, in thousands of dollars except per unit amounts)

1. Description of the Fund
Cominar Real Estate Investment Trust ("Cominar") is an unincorporated closed-end real estate investment trust created by the Contract of Trust on March 31, 1998, under the law of the Province of Quebec.

2. Accounting policies
Cominar's unaudited interim consolidated financial statements are prepared in conformity with Canadian generally accepted accounting principles (GAAP) and the accounting policies and methods of their application follow the ones used in the annual audited consolidated financial statements as at December 31, 2003, except for the adoption of the new recommendations described below. These financial statements do not include all the information required by GAAP for annual financial statements, and should be read in conjunction with the annual financial statements as at December 31, 2003.

3. Changes in accounting policies

Revenues recognition
On January 1st, 2004, in conformity with Section 1100 of the Canadian Institute of Chartered Accountants (CICA) Handbook, "Generally Accepted Accounting Principles", rentals from leases with contractual rent increases are recognized based on the straight-line method. Previously, rentals from leases were recognized as they became due. The prospective adoption of this accounting policy resulted in an increase in operating income from real estate assets of $1,029 for the period of nine months ended September 30, 2004. We expect the impact of this change in accounting policy to be approximately $1.35 million in 2004, but it will have no effect on distributable income, since the deferred rentals are added back to net income.

Depreciation of income properties
On January 1st, 2004, in conformity with Section 1100 of the CICA Handbook, "Generally Accepted Accounting Principles", income properties are depreciated using the straight-line method in order to fully depreciate their residual value over forty-year term. Previously, income properties were depreciated using the sinking fund basis at the rate of 5%. The prospective adoption of this accounting policy increased depreciation of income properties by $5.4 million for the period of nine months ended September 30, 2004, thereby reducing net income by the same amount. We expect the impact of this change to be approximately $7.3 million in 2004. Meanwhile there will be no impact on distributable income since the depreciation of income properties is added back to net income for the purpose of calculating distributable income.

Stock based compensation costs
On January 1st, 2004, Cominar retroactively applied as at January 1st, 2002, Section 3870 of the CICA Handbook, "Stock-based Compensation and other Stock-based Payments". CICA requires an expense to be recognized for all forms of employee stock-based compensation using a fair value based method. The fair value of the options granted to Cominar employees and trustees on November 14, 2003, amounts to $607 and the stock-based compensation costs related are amortized using the graded vesting method. Accordingly, the opening balance of the cumulative net income was adjusted by $39 without restatement of prior financial statements. The impact of this change in the accounting policy also had the effect of increasing the Trust administrative expenses by $217 for the period of nine months ended September 30, 2004, and will be $290 for 2004. Net income will be reduced by the same amount; however there will be no impact on the Unitholders' Equity.

Income properties acquisitions

Since September 12, 2003, Cominar prospectively applied EIC-140 of the CICA Handbook, "Accounting for operating leases acquired in either an asset acquisition or a business combination". In accordance with this Abstract, the CICA now requires that a portion of the purchase price of an income property be allocated to in-place operating leases, based on their fair value and to the value of customer relationships, if any. This allocation is based on management assumptions and estimates. These intangible assets are included in income properties and are amortized on a straight-line basis over the terms of the related leases. Previously, no value was allocated to these intangible assets. The prospective adoption of this Abstract will accelerate the depreciation of income properties, but will have no impact on distributable income.

This accounting policy has been applied to three acquisitions during the period of three months ended September 30, 2004. Of the total acquisition cost of $50 million, Cominar allocated $4.8 million to the estimated fair value of the acquired intangible assets.

4. Income properties

	As at September 30, 2004			As at December 31, 2003
	Cost $	Accumulated depreciation/ amortization $	Net book value $	Net book value $
Land	87,532	0	87,532	78,611
Buildings	554,432	24,838	529,594	440,159
	641,964	24,838	617,126	518,770
Intangible assets	7,448	143	7,305	0
	649,412	24,981	624,431	518,770

5. Deferred expenses and other assets

	As at September 30, 2004			As at December 31, 2003
	Cost $	Accumulated depreciation/ amortization $	Net book value $	Net book value $
Leasing costs	41,635	15,975	25,660	20,765
Other assets	1,422	749	673	775
	43,057	16,724	26,333	21,540

6. Mortgages payable

Mortgages payable are secured by income properties, bear interest at rates varying from 4,00% to 11.00% per annum (varying from 4.50% to 11.00% as at December 31, 2003) representing a weighted average rate of 6.31% (6.31% as at December 31, 2003) and are renewable at various date between May 2005 and January 2019.

7. Convertible debentures

On September 17, 2004, Cominar completed a public offering of 100,000 convertible unsecured subordinated debentures, bearing interest at the annual rate of 6.30%, for a total gross proceeds of $100,000. The debentures mature on June 30, 2014 and interest is paid semi-annually on June 30 and December 31. Each debenture is convertible into Units of Cominar at the holder’s option at any time prior to the earlier of the maturity date and the last business day immediately preceding the date specified by Cominar for redemption at a conversion price of $17.40 per Unit. The debentures are not redeemable before June 30, 2008. On or after June 30, 2008 and prior to June 30, 2010, the debentures may be redeemed in whole or in part at Cominar’s option at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, provided that the volume-weighted average trading price of the Units on the Toronto Stock Exchange (TSX) for the 20 consecutive days is given exceeds 125% of the Conversion Price. Subsequent to June 30, 2010 and prior to the maturity date, the debentures may be redeemed in whole or in part at the Cominar’s option at a price

Cominar may satisfy its obligation to repay principal of the debentures by delivering Units of Cominar. In the event, Cominar elects to satisfy its obligation to repay principal with Units of the Trust, it must deliver of Units equal to 95% of the volume-weighted average trading price of the Units on the TSX for the 20 consecutive trading days ending on the fifth trading day preceding the date fixed for redemption or the maturing date.

In accordance with the Standards of Section 3860 of the CICA Handbook, the convertible debentures have been recorded as debt on the balance sheet and accrued interest has been charged to interest expense. Issue costs related to the offering are amortized to interest expense over 10 years. As the valuation of the equity component of the conversation option did not have a material impact on the Cominar's consolidated results, the debentures has been recorded in whole as debt.

8. Bank indebtedness

Cominar has a number of operating and acquisition credit facilities of up to $65,865. These credit facilities, subject to annual renewal, bear interest at prime rate plus 0.50%. As at September 30, 2004, the prime rate was 4.00%.

9. Issued and outstanding units

The ownership interests in Cominar are represented by a single class of units. The aggregate number of units which Cominar may issue is unlimited. Units represent a Unitholder's proportionate undivided ownership interest in Cominar. Each unit confers the right to one vote at any meeting of Unitholders and to participate equally and ratably in any distributions by Cominar.

During the period of three months, Cominar issued 70,207 units for net proceeds received of 839$.

	Period of three months ended Sept. 30, 2004	Period of nine months ended Sept. 30, 2004
Units issued and outstanding, beginning of period	31,897,064	31,668,291
Issued from options exercised	51,166	181,666
Issued under distribution reinvestment plan	19,041	117,314
Units issued and outstanding, end of period	31,967,271	31,967,271

Unit option plan

Under a unit option plan, Cominar granted options to purchase units to the trustees and employees of Cominar. The maximum number of units reserved for issuance pursuant to the unit option plan is 3,160,000 units. The options are exercisable on a cumulative basis of 20% of the options after each of the five first anniversary dates of the grant (33 1/3% of the options after each three first anniversary dates of the grant for options granted before November 14, 2003). The exercise price of options equals the market price of the Cominar's units on the date of the grant and the options' maximum term is seven years.

	Options	Weighted-average exercise price $
Outstanding - beginning of period	3,042,166	13.58
Exercised	181,666	9.70
Outstanding - end of period	2,860,500	13.83

			As at September 30, 2004	
Date of grant	Maturity date	Exercise price	Outstanding options	Options exercisable
January 14, 2000	January 14, 2005	8.55	11,000	11,000
March 27, 2001	March 27, 2006	10.20	10,000	10,000
August 9, 2001	August 9,2008	11.00	129,500	129,500
November 14, 2003	November 14, 2010	14.00	2,710,000	0
			2,860,500	150,500

Compensation costs – Unit option plan
Stock-based compensation costs related to options granted on November 14,2003 were calculated using the Black-Scholes option pricing model, assuming volatility of 11.7% on the underlying units, a fixed exercise price of $14.00, a weighted average distribution yield of approximately 8.74% and a weighted average risk free interest rate of approximately 4.21%.

The Black-Scholes option pricing model was developed for use in estimating the fair value of traded options and awards which have no restrictions. In addition, option and award pricing models require the input of highly subjective assumptions, including the expected stock price volatility. Because the unit options of Cominar's trustees and employees have characteristics significantly different from those of traded options, and because changes in subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of the unit options of its trustees and employees.

Distribution reinvestment plan
Cominar adopted a distribution reinvestment plan pursuant to which Unitholders may elect to have all cash distributions of Cominar automatically reinvested in additional units. During the period, 117,314 units were issued at a weighted average price of $14.80 pursuant to the distribution reinvestment plan.

10. Per-unit results
The following table provides a reconciliation of the weighted average number of units outstanding used to calculate basic and diluted net income per unit.

Period of three months ended September 30,	**2004**	2003
Weighted average number of units outstanding – basic	**31,907,224**	26,438,851
Effect of dilutive unit options	**233,250**	110,715
Weighted average number of units outstanding – diluted	**32,140,474**	26,549,566

Period of nine months ended September 30,	**2004**	2003
Weighted average number of units outstanding – basic	**31,805,283**	26,320,751
Effect of dilutive unit options	**233,250**	110,715
Weighted average number of units outstanding – diluted	**32,038,533**	26,431,466

The possible issuance of units under the convertible debentures has an anti-dilutive effect on the calculation of the diluted net income per unit.

11. Distributable income per unit
Cominar is governed by a Contact of Trust that requires it to distribute to Unitholders 85% or more of its distributable income. The distributable income generally means net income determined in accordance with Canadian generally accepted accounting principles including adding back depreciation, amortization and unit option plan costs and excluding the defferred rental income recognized with the application of the straight-line method of accounting for contractual rental income.

	Quarter		Cumulative	
Period ended September 30	**2004**	2003	**2004**	2003
	$	$	**$**	$
Net income for the period	**8,034**	7,951	**23,643**	21,606
Add (deduct)				
Depreciation of income properties	**3,223**	1,081	**8,989**	3,179
Amortization of above-market leases	**22**	0	**25**	0
Compensation costs related to options	**72**	0	**217**	0
Deferred rentals	**(360)**	0	**(1,029)**	0
Distributable income for the period	**10,991**	9,032	**31,845**	24,785
Retention of the distributable income	**(1,596)**	(1,465)	**(4,045)**	(2,403)
Distributions to Unitholders	**9,395**	7,567	**27,800**	22,382
Distributable income per unit	**0.345**	0.342	**1.001**	0.942

12. Related party transactions

During the period, Cominar entered into transactions with companies controlled by unitholders who are also members of the Trust's management. These transactions were in the normal course of the business and have been measured at the exchange amounts. They have been reflected in the financial statements as follows:

	Quarter		Cumulative	
Period ended September 30	**2004**	2003	**2004**	2003
	$	$	**$**	$
Rental income	**312**	310	**970**	868
Other income	**123**	99	**365**	345
Income properties and properties under development	**4,828**	2,500	**20,701**	12,498
Deferred expenses and other assets	**1,489**	1,738	**3,775**	5,317
Balance as at September 30				
Accounts receivable			**374**	646
Accounts payable and accrued liabilities			**2,273**	561

13. Subsequent events

During November 2004, Cominar announced an increase in distributions per unit. Monthly distributions grow to $0.10 per unit and total annual distributions to $1.20 per unit.

14. Segment disclosures

Cominar's operations located entirely in the Province of Quebec, comprise three real estate classes. The following tables show the financial information related to these property classes:

Period of three months ended September 30, 2004

	Office properties	Retail properties	Industrial and mixed-use properties	Total
	$	$	$	$
Rental income	9,385	9,398	8,325	27,108
Interest on mortgages payable and bank indebtedness	1,830	1,182	1,202	4,214
Depreciation of income properties	1,187	1,078	958	3,223
Net operating income (1)	5,713	5,775	5,790	17,278

Period of three months ended September 30, 2003

	Office properties	Retail properties	Industrial and mixed-use properties	Total
	$	$	$	$
Rental income	7,872	8,946	7,301	24,119
Interest on mortgages payable and bank indebtedness	1,760	1,339	1,273	4,372
Depreciation of income properties	368	422	291	1,081
Net operating income (1)	4,729	5,276	4,918	14,923

Period of nine months ended September 30, 2004

	Office properties $	Retail properties $	Industrial and mixed-use properties $	Total $
Rental income	27,349	28,584	26,350	82,283
Interest on mortgages payable and bank indebtedness	5,076	3,544	3,638	12,258
Depreciation of income properties	3,214	3,165	2,610	8,989
Net operating income (1)	16,690	16,389	16,419	49,498
Income properties	236,234	202,759	185,438	624,431

Period of nine months ended September 30, 2003

	Office properties $	Retail properties $	Industrial and mixed-use properties $	Total $
Rental income	22,969	26,468	22,916	72,353
Interest on mortgages payable and bank indebtedness	5,122	3,843	3,836	12,801
Depreciation of income properties	1,103	1,206	870	3,179
Net operating income (1)	13,396	14,738	14,095	42,229
Income properties	162,082	202,185	150,988	515,255

(1) Net operating income is the operating income before interest, depreciation and amortization.