



PRESS RELEASE

For Immediate Release

COMINAR ANNOUNCES SALE OF ALL NON-CORE PROPERTIES TO SLATE ACQUISITIONS INC. FOR PROCEEDS OF \$1.14 BILLION

Québec City, Québec, December 18, 2017 – Cominar Real Estate Investment Trust (“Cominar” or the “REIT”) (TSX: CUF.UN) announced on August 22, 2017 its debt reduction plan and its intention to focus on its core markets in the Province of Québec and Ottawa (the “2017 Plan”). In the pursuit of the 2017 Plan, Cominar is pleased to announce that it has entered into a definitive agreement with Slate Acquisitions Inc. (“Slate”) for the sale of its entire non-core market property portfolio for total gross proceeds of \$1.14 billion. The non-core market portfolio is composed of 97 properties totalling 6.2 million square feet located in the Greater Toronto Area, the Atlantic Provinces and in Western Canada (the “Non-Core Market Portfolio”).

“We are very pleased with the successful execution of the disposition plan and the sale of our entire non-core market portfolio in one transaction. This transaction will enable Cominar to capitalize on its core markets while also strengthening its balance sheet” said Michel Dallaire, Chairman of the Board of Trustees and Chief Executive Officer of Cominar.

Overview of Non-Core Market Portfolio

Cominar has entered into a definitive agreement to sell the entirety of its properties located outside of the Province of Québec and Ottawa:

BY GEOGRAPHIC MARKET

| Market | GLA | # of Properties |
|----------------------|------------------|-----------------|
| Greater Toronto Area | 2,466,000 | 24 |
| Atlantic Provinces | 2,647,000 | 59 |
| Western Canada | 1,108,000 | 14 |
| Total | 6,221,000 | 97 |

BY OPERATING SEGMENT

| Asset Class | GLA | # of Properties |
|--------------------------|------------------|-----------------|
| Office | 2,967,000 | 37 |
| Industrial and mixed-use | 1,716,000 | 37 |
| Retail | 1,538,000 | 23 |
| Total | 6,221,000 | 97 |

The Non-Core Market Portfolio to be sold includes a combination of income-producing properties (approximately 90% of the Non-Core Market Portfolio) and land and properties under development (approximately 10% of the Non-Core Market Portfolio).

The overall capitalization rate of the income-producing properties to be sold is estimated at 6.2%, including 5.3% for the Greater Toronto Area.

The aggregate gross sales price of the Greater Toronto Area and the Atlantic Provinces income-producing properties is in line with their aggregate book value. In addition, Cominar has decided to sell the entirety of its Western Canada portfolio given the continued challenges in the Calgary market, primarily the downtown Calgary office sector, allowing it to better focus on the opportunities available in its core markets. Cominar will thus be recognizing a fair value write down of approximately \$275 million related to the Western Canada assets and non income-producing properties.

Slate will be assuming approximately \$107.1 million of mortgage debt and Cominar will be repaying \$164.5 million of mortgage debt.

Closing of the transaction remains subject to customary closing conditions including regulatory approvals, and is expected by the end of March 2018. There can be no assurance that the closing conditions will be satisfied, or will be satisfied by such time.

Following the transaction, Cominar will not own any properties in Western Canada, the Greater Toronto Area or the Atlantic Provinces.

Use of Proceeds

As contemplated in the 2017 Plan, the net proceeds from the sale of the Non-Core Market Portfolio will be used to reduce indebtedness by approximately \$875 million, thereby paying down the entire amount currently outstanding on its credit facility.

Given the acceleration of the execution of the 2017 Plan, the Board of Trustees of Cominar has authorized an increase in its normal course issuer bid program up to a maximum of 17.6 million outstanding units of the REIT, up from the 9.0 million units originally approved by the TSX. This increase in the normal course issuer bid is

subject to the approval of the Toronto Stock Exchange. Cominar believes that these initiatives will contribute to narrowing the trading discount to its net asset value.

Continuation of Value Creation Initiatives

In the context of Cominar's continuous review of its portfolio and of initiatives to create value, the REIT has identified key assets in its main markets within its core portfolio on which it intends to focus going forward. As part of the sale process of its Non-Core Market Portfolio, Cominar has been able to leverage a solid Canadian real estate market and believes that there is meaningful interest for a number of properties in its core markets. As part of its value creation initiatives, Cominar intends to sell a further \$1.0 to \$1.5 billion of properties. Cominar expects to finalize this review by mid Q1 2018 and to crystalize the value in these properties to be sold by the end of 2018.

Cominar expects to use the proceeds from these additional asset sales to further reduce indebtedness and repurchase units.

"This value enhancing initiative will allow us to capitalize on our leadership position in our core markets. With this greater focussed portfolio, Cominar will be better positioned to maximize the value of its assets" said Sylvain Cossette, President and Chief Operating Officer of Cominar.

PROFILE AS AT DECEMBER 18th, 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 524 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.

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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