

COMINAR REAL ESTATE INVESTMENT TRUST

Second Quarter 2006

Supplementary Information Package



COMINAR

August 9, 2006

This Supplementary Information Package must be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2005 and with the unaudited interim consolidated financial statements for the three-month period ended June 30, 2006. For more details, please refer to the REIT's SEDAR filings. All amounts contained herein are expressed in Canadian dollars.

TABLE OF CONTENTS

Investor Information	3
Selected Quarterly Information	4
Portfolio Summary	5
Acquisitions and Developments	7
Segmented Rental Revenues, Net Operating Income and Book Value, by Sector and Region, and Leasable Area by Region	9
Debt Summary – Maturities and Financing Activities	11
Leasing Activities	12
Units and Options Outstanding	14
Trading Statistics	15

COMINAR REAL ESTATE INVESTMENT TRUST

Investor Information

Quebec City (Head Office)
455 rue du Marais
Quebec, Quebec
G1M 3A2

Tel.: (418) COM-INAR
Fax: (418) 681-2946

Montreal (Branch)
255 Cremazie Blvd. E. Suite 120
Montreal, Quebec
H2M 1M2

Tel.: (514) 337-8151
Fax.: (514) 904-5000

Email: info@cominar.com
Website: <http://www.cominar.com>

Stock Exchange: Toronto Stock Exchange (TSX)
Trading Symbols: Units: CUF.UN
Debentures: CUF.DB

CONTACTS

Michel Dallaire, P.Eng.

President and Chief Executive Officer
mdallaire@cominar.com

Michel Berthelot, CA

Executive Vice-President and Chief Financial Officer
mberthelot@cominar.com

RESEARCH COVERAGE

National Bank Financial
RBC Securities
Desjardins Securities

Genuity Capital Markets
CIBC World Markets

Canaccord Capital
Scotia Capital
Raymond James
BMO Nesbitt Burns

Michael Smith, CFA (416) 869-8022
Neil Downey, CA, CFA (416) 842-7835
Frank Mayer (416) 867-3764
Jeff Roberts (416) 867-2048
Mark Rothschild (416) 687-5428
Rossa O'Reilly, CFA (416) 594-7296
Lin Yuo, CPA, CA (416) 956-3291
Shant Polodian (416) 869-6595
Hymalaya Jain, CFA (416) 863-7218
Gail Mifsud (416) 777-7084
Karine MacIndoe (416) 359-4269

COMINAR REAL ESTATE INVESTMENT TRUST

Selected Quarterly Information

(unaudited, \$MM except as indicated and for per unit amounts)

June 30
2006

March 31
2006

Dec. 31
2005

Sept. 30
2005

June 30
2005

Selected Operating Data

Operating Revenues	33.2	32.7	31.2	29.8	30.7
Net Operating Income ⁽¹⁾	20.1	18.5	19.9	19.0	18.4
Net Operating Income Margin	60.6%	56.4%	63.5%	63.8%	60.2%
Net Income	8.4	6.2	9.0	8.3	8.0
Recurring Net Income ⁽²⁾	8.4	6.7	9.0	8.3	7.8
Net Income per unit	0.250	0.187	0.272	0.255	0.247
Distributable Income ⁽³⁾	12.0	9.7	12.3	11.8	11.2
Recurring Distributable Income ^{(2) (3)}	12.0	10.3	12.3	11.8	11.2
Distributable Income per unit ⁽³⁾	0.359	0.295	0.375	0.362	0.344
Recurring Distributable Income per unit ^{(2) (3)}	0.359	0.311	0.375	0.362	0.344

Distributions to Unitholders

Distributions	10.3	10.0	10.2	9.8	9.8
Distributions per unit	0.306	0.302	0.310	0.300	0.300
Payout ratio (12 month basis)	87.6%	88.0%	88.1%	89.7%	90.4%

Selected Balance Sheet Data

Income Properties	670.1	668.6	658.9	639.2	635.4
Properties Under Development and Land Held for Future Development	22.4	21.3	22.0	31.2	29.0
Mortgages	295.9	249.1	253.6	256.0	258.5
Convertible Debentures	78.9	95.7	97.5	98.5	99.8
Bank Indebtedness	7.9	48.7	25.8	19.9	16.9
Unitholders' Equity	341.5	325.0	323.1	320.9	320.5

Ratio Analysis

Debt to total capitalization ⁽⁶⁾	36.5%	36.9%	37.3%	37.1%	37.9%
Debt to gross book value ^{(4) (6)}	48.0%	50.0%	49.0%	49.6%	50.4%
Interest coverage ratio (12 month basis) ^{(5) (6)}	3.58	3.55	3.51	3.41	3.40

Statistics-Units Outstanding (000)

Weighted-average number of units	33,506	32,997	32,770	32,632	32,576
Units issued and outstanding-end of period	34,382	33,318	32,941	32,708	32,597

(1) "Net operating income" is not a measure defined by generally accepted accounting principles ("GAAP"). It is, however, a term frequently used by real estate professionals to measure the intrinsic return of a real estate portfolio. Cominar defines this measure as operating income, as determined in accordance with GAAP, before interest on borrowings, depreciation, amortization, Trust administrative expenses, other income and unusual item.

(2) "Recurring net income" excludes, for the quarter ended March 31, 2006, \$554 in non-recurring expenses in connection with a transaction which was not concluded.

(3) Distributable income means net income determined in accordance with Canadian GAAP excluding depreciation of income properties, amortization of above-market leases, compensation costs related to unit options, deferred rentals and gains or losses on sale of income properties. The distributions paid annually to unitholders must represent at least 85% of distributable income and partly determine the return obtained by unitholders.

(4) The debt to gross book value ratio is equal to the total of long-term debt and bank indebtedness, divided by gross book value (total asset value plus accumulated depreciation).

(5) The interest coverage ratio is equal to net operating income, divided by interest on borrowings.

(6) These ratios are not defined by GAAP and may differ from those of other entities.

COMINAR REAL ESTATE INVESTMENT TRUST
Portfolio Summary

	June 30 2006	March 31 2006	Dec. 31 2005	Sept. 30 2005	June 30 2005
Number of Properties					
Office	14	14	14	14	14
Retail	29	28	28	27	27
Industrial and mixed-use	<u>89</u>	<u>87</u>	<u>86</u>	<u>84</u>	<u>83</u>
Total	132	129	128	125	124

Leasable Area (000 square feet)

Office	2,212	2,212	2,212	2,220	2,220
Retail	2,343	2,339	2,339	2,330	2,330
Industrial and mixed-use	<u>5,342</u>	<u>5,190</u>	<u>4,973</u>	<u>4,917</u>	<u>4,881</u>
Total	9,897	9,741	9,524	9,467	9,431

Changes in Number of Properties

	Number of Properties		%	
	Vs Q1/06	Vs Q2/05	Vs Q1/06	Vs Q2/05
Office	0	0	0.00%	0.00%
Retail	1	2	3.57%	7.41%
Industrial and mixed-use	<u>2</u>	<u>6</u>	<u>2.30%</u>	<u>7.23%</u>
Total	3	8	2.33%	6.45%

Changes in Leasable Area

	Square feet (000)		%	
	Vs Q1/06	Vs Q2/05	Vs Q1/06	Vs Q2/05
Office	0	-8	0.00%	-0.36%
Retail	4	13	0.17%	0.56%
Industrial and mixed-use	<u>152</u>	<u>461</u>	<u>2.93%</u>	<u>9.44%</u>
Total	156	466	1.60%	4.94%

COMINAR REAL ESTATE INVESTMENT TRUST
Portfolio Summary

Portfolio as at June 30, 2006

	Square feet (000)	Number of Properties
Office ⁽¹⁾	2,212	14
Retail ⁽²⁾	2,343	29
Industrial and mixed-use	<u>5,342</u>	<u>89</u>
Total	9,897	132

(1) The office sector includes 668 044 square feet of office space at Place de la Cité.

(2) The retail sector includes 371 769 square feet of retail space and a health and recreational centre at Place de la Cité. Place de la Cité has been included in the Retail Properties category.

COMINAR REAL ESTATE INVESTMENT TRUST
Acquisitions and Developments

2006 Acquisitions of Income Properties (as at June 30, 2006)

Date	Location	Sector⁽¹⁾	Leasable Area (square feet)	Amount \$	Assumed Mortgages	Cap Rate %
Jan.-06	11000, Parkway, Anjou	I	217,000	7,000,000	0	9.4
June-06	20, Boul Hymus, Pointe-Claire	I	50,413	2,875,000	0	9.4

(1) I : Industrial and mixed-use

(2) After the development

COMINAR REAL ESTATE INVESTMENT TRUST
Acquisitions and Developments

Development Projects

	Sector ⁽¹⁾	Leasable Area (square feet)	Investment	Estimated ⁽²⁾ Cap Rate (%)	Expected Completion	Leasing Rate (%)
<u>Completed Project</u>						
Henri-IV Project, Quebec City 3000 av. St-Jean-Baptiste	I	<u>45,000</u>	<u>2,800,000</u>	10.5		
		45,000	2,800,000			
<u>Ongoing Projects</u>						
Henri-IV Project, Quebec City 2800 av. Saint-Jean-Baptiste	I	105,000	6,500,000	10.5	Summer 2006	90
Highway 440 Project, Laval 4451 Autoroute Laval West	I	117,000	7,100,000	10.1	Summer 2006	80
2900 J.-A.- Bombardier, Laval	I	106,500	6,200,000	10.1	Winter 2007	47
275, St-Sacrement, Quebec City	I	66,479	2,200,000	9.6	Winter 2007	29
1050, R-Lévesque, Drummondville	R	28,906	300,000	9.5	Summer 06	76
40, du Tremblay, Longueuil	I	37,600	1,700,000	10.8	Fall 2006	100
940 rue Bergar, Laval	I	22,800	400,000	11.8	Summer 2006	100
Project – St-Augustin	I	33,000	4,000,000	9.5	Fall 2006	100
Project – Beauport	R	<u>4,200</u>	<u>400,000</u>	9,9	Fall 2006	100
		521,485	28,800,000			
<u>Upcoming Projects</u>						
					Start Date	
Project - rue Godin, Quebec City	I	30,000	1,600,000	9.4	Summer 2006	n/a
Project - Laval	I	80,000	5,300,000	9.9	Summer 2006	n/a
Project – St-Bruno	R	105,000	12,600,000	9.8	Summer 2006	n/a
Project – 20 Boul Hymus, Pointe-Claire	I	<u>25,000</u>	<u>1,300,000</u>	9,4	Summer 2006	n/a
		240,000	20,800,000			

(1) R : Retail and I : Industrial and mixed-use

(2) After the development

COMINAR REAL ESTATE INVESTMENT TRUST

Segmented Rental Revenues, Net Operating Income and Book Value, by Sector and Region, and Leasable Area by Region

Segmented Rental Revenues

(in thousands of dollars)	Q2/06 \$	Q2/05 \$	Change
Rental Revenues			
Office	11,210	11,074	136
Retail	10,581	9,712	869
Industrial	<u>11,392</u>	<u>9,868</u>	<u>1,524</u>
Total	33,183	30,654	2,529
Net Operating Income ⁽¹⁾			
Office	6,711	6,740	(29)
Retail	6,083	5,609	474
Industrial	<u>7,301</u>	<u>6,093</u>	<u>1,208</u>
Total	20,095	18,442	1,653

Book Value

(in thousands of dollars)	Q2/06 \$	Q2/05 \$	Change
Gross Book Value by Segment			
Office	262,629	262,350	279
Retail	228,683	212,377	16,306
Industrial	<u>230,220</u>	<u>196,499</u>	<u>33,721</u>
	721,532	671,226	50,306
Properties under Development and land held for future development	<u>22,371</u>	<u>28,953</u>	<u>(6,582)</u>
Total	743,903	700,179	43,724
Net book Value by Segment			
Office	241,843	247,838	(5,995)
Retail	212,374	200,723	11,651
Industrial	<u>215,913</u>	<u>186,801</u>	<u>29,112</u>
	670,130	635,362	34,768
Properties under Development and land held for future development	<u>22,371</u>	<u>28,953</u>	<u>(6,582)</u>
Total	692,501	664,315	28,186

(1) See Note 1 on page 4

COMINAR REAL ESTATE INVESTMENT TRUST

Segmented Rental Revenues, Net Operating Income and Book Value, by sector and region, and leasable area by region

Net Book Value By Region – Income properties

(in thousands of dollars)	Q2/06	Q1/06	Q2/05	Change Vs Q1/06	Change Vs Q2/05
Quebec City	419,247	419,821	399,206	(574)	20,041
Montreal	<u>250,883</u>	<u>248,774</u>	<u>236,156</u>	<u>2,109</u>	<u>14,727</u>
Total	670,130	668,595	635,362	1,535	34,768

Leasable Space by Region

(square feet)	Q2/06	Q1/06	Q2/05	Change Vs Q1/06	Change VS Q2/05
Quebec City	6,214,606	6,152,302	6,059,593	62,304	155,013
Montreal	<u>3,682,469</u>	<u>3,588,830</u>	<u>3,371,830</u>	<u>93,639</u>	<u>310,639</u>
Total	9,897,075	9,741,132	9,431,423	155,943	465,652

Number of Properties by Region

	June 30 2006	March 31 2006	Dec. 31 2005	Sept. 30 2005	June 30 2005
Quebec City	90	88	88	86	85
Montréal	<u>42</u>	<u>41</u>	<u>40</u>	<u>39</u>	<u>39</u>
Total	132	129	128	125	124

COMINAR REAL ESTATE INVESTMENT TRUST
Debt Summary – Maturities and Financing Activities

Debt Maturity Schedule

Year	Amount (in thousands \$)	% of Total Debt outstanding	Average Annual Rate
2006	30,888	8.25%	6.23%
2007	45,057	12.02%	6.58%
2008	122,499	32.68%	6.06%
2009	—	—	—
2010	—	—	—
2011 and thereafter ⁽¹⁾	<u>176,344</u>	<u>47.05%</u>	<u>6.35%</u>
	374,788	100.00%	6.27%

⁽¹⁾ Including Convertible Debentures maturing in 2014

Weighted Average Interest Rate

6.27%

Weighted Average Term – Including Convertible Debentures

5.72 years

Financing Capacity

As of June 30, 2006, the debt to gross book value ratio was 48.0%

At 60% of Gross Book Value: \$ 240,000,000 of additional borrowing capacity

At 55% of Gross Book Value: \$ 124,500,000 of additional borrowing capacity

COMINAR REAL ESTATE INVESTMENT TRUST
Leasing Activities

Occupancy Rates

	Q2/06	Q1/06	Q2/05	Change Vs Q1/06	Change Vs Q2/05
Office	94.4%	95.1%	94.7%	-0.70%	-0.30%
Retail	93.5%	94.0%	95.2%	-0.50%	-1.70%
Industrial and mixed-use	<u>97.1%</u>	<u>95.7%</u>	<u>95.3%</u>	<u>1.40%</u>	<u>1.80%</u>
Total	95.6%	95.1%	95.1%	0.50%	0.50%

Lease Expiries and Renewals by Segments

	Office	Retail	Industrial and mixed-use	Total
Expiring Leases/2006				
Number of Tenants	81	105	101	287
Area (Sq.ft.)	200,838	200,514	570,551	971,903
Average Net Rent/Sq.ft.	\$7.93	\$10.01	\$5.27	\$6.80
Renewed Leases				
Number of tenants	35	40	52	127
Area (Sq.ft)	124,241	99,125	429,863	653,229
Average Net Rent/Sq.ft	\$8.56	\$10.34	\$5.41	\$6.75
New Leases				
Number of Tenants	16	15	65	96
Area (Sq.ft.)	40,383	48,985	316,713	406,081
Average Net Rent/Sq.ft.	\$9.72	\$8.51	\$6.21	\$6.84

COMINAR REAL ESTATE INVESTMENT TRUST
Leasing Activities

Lease Maturities

	Office	Retail	Industrial and mixed-use	Total
Number of Leases				
2007	76	106	117	299
2008	67	92	100	259
2009	25	64	73	162
2010	45	98	64	207
2011	27	57	59	143
Leasable Area (Square Feet)				
2007	256,660	263,927	956,253	1,476,840
2008	226,354	252,726	684,127	1,163,207
2009	55,732	183,822	477,519	717,073
2010	183,629	210,740	402,143	796,512
2011	156,666	243,824	701,176	1,101,666
Weighted Average Net Rent (per Square Foot)				
2007	\$9.25	\$9.68	\$5.54	\$6.92
2008	\$8.84	\$8.72	\$5.36	\$6.77
2009	\$9.69	\$11.66	\$6.17	\$7.85
2010	\$9.84	\$11.99	\$6.08	\$8.51
2011	\$9.63	\$9.97	\$5.58	\$7.12

COMINAR REAL ESTATE INVESTMENT TRUST
 Units and Options Outstanding

Units Outstanding

Units outstanding - opening Balance December 31, 2005	32,940,735
Units issued under Distribution Reinvestment Plan	34,313
Units issued from Conversion of Convertible Debentures	1,071,485
Units issued from Options exercised	<u>335,550</u>
Units outstanding – closing balance June 30, 2006	34,382,083

Options Activity

	Options	Weighted-average exercise price per unit (\$)
Options outstanding – opening balance December 31, 2005	2,354,050	14.29
Exercised	(335,550)	14.26
Granted	670,000	18.90
Cancelled	(304,000)	14.81
Options outstanding – closing balance June 30, 2006	2,384,500	15.52
Options exercisable, end of period	155,500	13.94

COMINAR REAL ESTATE INVESTMENT TRUST
Trading Statistics

CUF.UN Trading Statistics - Toronto Stock Exchange

	Q2/06	Q1/06	Q4/05	Q3/05	Q2/05
High	\$20.34	\$20.28	\$19.80	\$19.70	\$19.00
Low	\$18.90	\$18.90	\$17.45	\$18.40	\$17.55
Close	\$19.36	\$20.19	\$19.27	\$19.41	\$18.87
Volume (000)	3025	3 035	2699	2824	2 275
Distributions per Unit	\$0,306	\$0,302	\$0,310	\$0,300	\$0,300

CUF.DB Trading Statistics - Toronto Stock Exchange

	Q2/06	Q1/06	Q4/05	Q3/05	Q2/05
High	\$116.00	\$115.99	\$113.00	\$113.00	\$109.99
Low	\$108.00	\$107.06	\$103.50	\$104.07	\$101.91
Close	\$110.26	\$115.99	\$111.00	\$112.73	\$109.50
Volume (000)	5 030	4 567	9 429	8180	8 113

Source: Toronto Stock Exchange

Transfert Agent and Registrar :

Computershare Trust Company of Canada
1100 rue University
Suite 900
Montreal, Quebec

Tel : (514) 871-7171
Toll free : 1 800 341-1419
Fax : (514) 871-7442
Email : clientele@tbn.bnc.ca