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# COMINAR REAL ESTATE INVESTMENT TRUST

Three-Month Period ended September 30, 2005

Supplementary Information Package

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November 9, 2005

This Supplementary Information Package should be read in conjunction with the audited consolidated financial statements for the fiscal year ended December 31, 2004 and with the unaudited interim consolidated financial statements for the period ended September 30, 2005. For more details, please refer to the REIT's SEDAR filings, including its most recent Annual Report. All amounts contained herein are expressed in Canadian dollars.

# COMINAR REAL ESTATE INVESTMENT TRUST

Supplementary Information Package for the Three Months ended

September 30, 2005

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# COMINAR REAL ESTATE INVESTMENT TRUST

## Investor Information

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Stock Exchange:

Toronto Stock Exchange (TSX)

Trading Symbols:

Units: CUF.UN  
Debentures: CUF.DB

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# COMINAR REAL ESTATE INVESTMENT TRUST

## Selected Quarterly Information

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

	Sept 30 2005	June 30 2005	March 31 2005	Dec 31 2004	Sept 30 2004
<b>Selected Operating Data</b>					
Operating Revenues	29.8	30.7	30.5	28.7	27.1
Net Operating Income <sup>(1)</sup>	19.0	18.4	16.8	18.7	17.3
Net Operating Income Margin	63.8%	60.2%	55.1%	65.1%	63.7%
Net Income	8.3	8.0	6.0	7.9	8.0
Adjusted Net Income <sup>(2)</sup>	8.3	7.8	6.0	7.9	8.0
Net Income per unit	0.255	0.247	0.187	0.246	0.252
Distributable Income <sup>(3)</sup>	11.8	11.2	9.4	11.2	11.0
Distributable Income per unit <sup>(3)</sup>	0.362	0.344	0.291	0.350	0.345

### Distributions to Unitholders

Distributions	9.8	9.8	9.7	9.9	9.4
Distributions per unit	0.300	0.300	0.300	0.308	0.294
Payout ratio (12 month basis)	89.7%	90.4%	88.5%	87.3%	86.5%

### Selected Balance Sheet Data

Income Properties	639.2	635.4	639.2	640.9	624.4
Properties Under Development	31.2	29.0	23.4	21.0	23.8
Mortgages	256.0	258.5	260.9	262.2	267.7
Convertible Debentures	98.5	99.8	99.8	100.0	100.0
Bank Indebtedness	19.9	16.9	3.0	-	-
Unitholders' Equity	320.9	320.5	321.5	321.5	318.9

### Ratio Analysis

Debt to total capitalization <sup>(4) (7)</sup>	37.1%	37.9%	39.0%	39.1%	42.1%
Debt to gross book value <sup>(5) (7)</sup>	49.6%	50.4%	49.5%	49.3%	50.7%
Interest coverage ratio (12 month basis) <sup>(6) (7)</sup>	3.41	3.40	3.56	3.73	4.00

### Statistics-Units Outstanding (000)

Weighted-average number of units	32,632	32,576	32,388	32,058	31,907
Units issued and outstanding-end of period	32,708	32,597	32,554	32,284	31,967

(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 of income properties, and amortization of deferred expenses and other assets.

(2) "Adjusted net income" excludes, for the quarter ended June 30, 2005, a non recurring gain of \$248,000 as a result of the sale of an income property.

(3) Distributable income generally 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) As at September 30, 2005.

(5) 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).

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

(7) There ratios are not defined by GAAP and may differ from that of other entities.

COMINAR REAL ESTATE INVESTMENT TRUST  
Portfolio Summary

Sept 30 2005    June 30 2005    March 31 2005    Dec 31 2004    Sept 30 2004

**Number of Properties**

Office	14	14	14	14	14
Retail	27	27	27	25	25
Industrial and mixed-use	<u>84</u>	<u>83</u>	<u>84</u>	<u>83</u>	<u>79</u>
Total	125	124	125	122	118

**Leasable Area (000 square feet)**

Office	2,220	2,220	2,220	2,220	2,215
Retail	2,431	2,431	2,431	2,378	2,277
Industrial and mixed-use	<u>4,816</u>	<u>4,780</u>	<u>4,826</u>	<u>4,815</u>	<u>4,570</u>
Total	9,467	9,431	9,477	9,413	9,062

**Changes in Number of Properties**

Number of Properties  
Vs Q2/05    Vs Q3/04    Vs Q2/05    % Vs Q3/04

Office	0	0	0.00%	0.00%
Retail	0	2	0.00%	8.00%
Industrial and mixed-use	<u>1</u>	<u>5</u>	<u>1.20%</u>	<u>6.33%</u>
Total	1	7	0.81%	5.93%

**Changes in Leasable Area**

Square feet (000)  
Vs Q2/05    Vs Q3/04    Vs Q2/05    % Vs Q3/04

Office	0	5	0.00%	0.23%
Retail	0	154	0.00%	6.76%
Industrial and mixed-use	<u>36</u>	<u>246</u>	<u>0.75%</u>	<u>5.38%</u>
Total	36	405	0.38%	4.47%

# COMINAR REAL ESTATE INVESTMENT TRUST

## Portfolio Summary

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### Portfolio as at September 30, 2005

	Square feet	Number of Properties
Office <sup>(1)</sup>	2,220,000	14
Retail <sup>(2)</sup>	2,430,666	27
Industrial and mixed-use	<u>4,816,506</u>	<u>84</u>
Total	9,467,172	125

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(1) The office sector includes 674,842 square feet of office space at Place de la Cité.

(2) The retail sector includes 368,163 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, Developments and Sales

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**2005 Acquisitions**

Date	Location	Sector <sup>(1)</sup>	Leasable Area (square feet)	Amount \$	Assumed Mortgages	Cap Rate %
March - 05	1050 René-Lévesque blvd. Drummondville	R	28,906	1,950,000	1,026,872	9.5
April - 05	940 rue Bergar, Laval	I	14,800	617,350	0	9.7
July - 05	275 St-Sacrement, Quebec	I	35,749	1,200,000	0	9.6
July - 05	Land on Godin street, Quebec	I	-	320,000	0	

**2005 Sale**

Date	Location	Sector <sup>(1)</sup>	Leasable Area (square feet)	Amount \$	Balance of Sale
June - 05	9055 Impasse-de-l'Invention, Anjou	I	45,671	2,700,000	2,025,000

# COMINAR REAL ESTATE INVESTMENT TRUST

## Acquisitions, Developments and Sales

### Development Projects

	Sector <sup>(1)</sup>	Leasable Area (square feet)	Investment	Estimated <sup>(2)</sup> Cap Rate (%)	Expected Completion	Leasing Rate (%)
<b>Completed Projects</b>						
Autoroute 440 Project, Laval						
4500 Louis B. Mayer, Laval	I	46,740	3,300,000	10.1		100
1455 32ième Av., Lachine	I	32,500	800,000	10.2		100
		<b>79,240</b>	<b>4,100,000</b>			
<b>Ongoing Projects</b>						
Les Promenades Beauport, Quebec	R	123,400	7,800,000	10.9	Q4 - 2005	92
Carrefour Charlesbourg, Quebec	R	76,000	9,800,000	10.9	Q4 - 2005	97
Henri-IV Project, Quebec City			10,800,000	10.5		
2600 av. St-Jean-Baptiste	I	35,000			Q4 - 2005	95
2800 av. Saint-Jean-Baptiste	I	105,000			Winter 05-06	62
3000 av. Saint-Jean-Baptiste	I	45,000			Winter 05-06	78
Autoroute 440 Project, Laval			13,090,000	10.1		
4451 Autoroute Laval West	I	117,000			Winter 05-06	73
2900 J.-A.- Bombardier, Laval	I	106,500			Spring 2006	14
Place Lévis, Quebec	R	8,500	630,000	10.5	Q4 - 2005	100
<b>Upcoming Projects</b>						
					<b>Expected start date</b>	
275 St-Sacrement, Québec	I	66,479	1,700,000	9.6	Fall 2005	n/a
940 rue Bergar, Laval	I	22,800	350,000	11.8	Fall 2005	n/a
1050 René-Lévesque, Drummondville	R	28,906	300,000	9.5	Fall 2005	n/a
40 du Tremblay, Longueuil	I	37,600	1,700,000	10.8	Fall 2005	n/a
Projet - rue Godin, Quebec	I	30,000	1,600,000	9.4	Fall 2005	n/a
Clémenceau, Beauport	O	36,000	2,600,000	10.7	Fall 2005	n/a
		<b>838,185</b>	<b>50,370,000</b>			

(1) R : Retail, O : Office 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)	Q3/05 \$	Q3/04 \$	Change Vs Q3/04
<b>Rental Revenues</b>			
Office	10,857	9,385	1,472
Retail	9,884	9,398	486
Industrial	<u>9,071</u>	<u>8,325</u>	<u>746</u>
Total	29,812	27,108	2,704
<b>Net Operating Income <sup>(1)</sup></b>			
Office	6,515	5,713	802
Retail	6,140	5,775	365
Industrial	<u>6,379</u>	<u>5,790</u>	<u>589</u>
Total	19,034	17,278	1,756

**Book Value**

(in thousands of dollars)	Q3/05 \$	Q2/05 \$	Q3/04 \$	Change Vs Q2/05	Change Vs Q3/04
<b>Gross Book Value by Segment</b>					
Office	262,982	262,350	245,335	632	17,647
Retail	216,954	212,377	212,118	4,577	4,836
Industrial	<u>198,897</u>	<u>196,499</u>	<u>191,959</u>	<u>2,398</u>	<u>6,938</u>
	678,833	671,226	649,412	7,607	29,421
Properties under Development	<u>31,241</u>	<u>28,953</u>	<u>23,830</u>	<u>2,288</u>	<u>7,411</u>
Total	710,074	700,179	673,242	9,895	36,832
<b>Net book Value by Segment</b>					
Office	246,863	247,839	236,234	-976	10,629
Retail	204,203	200,723	202,759	3,480	1,444
Industrial	<u>188,126</u>	<u>186,800</u>	<u>185,438</u>	<u>1,326</u>	<u>2,688</u>
	639,192	635,362	624,431	3,830	14,761
Properties under Development	<u>31,241</u>	<u>28,953</u>	<u>23,830</u>	<u>2,288</u>	<u>7,411</u>
Total	670,433	664,315	648,261	6,118	22,172

(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**

(in thousands of dollars)	Q3/05	Q2/05	Q3/04	Change Vs Q2/05	Change Vs Q3/04
Quebec City	401,816	399,206	384,032	2,610	17,784
Montreal	<u>237,376</u>	<u>236,156</u>	<u>240,399</u>	<u>1,220</u>	<u>-3,023</u>
Total	639,192	635,362	624,431	3,830	14,761

**Leasable Space by Region**

(square feet)	Q3/05	Q2/05	Q3/04	Change Vs Q2/05	Change VS Q3/04
Quebec City	6,203,415	6,166,294	5,923,353	37,121	280,062
Montreal	<u>3,263,757</u>	<u>3,265,129</u>	<u>3,138,647</u>	<u>(1,372)</u>	<u>125,110</u>
Total	9,467,172	9,431,423	9,062,000	35,749	405,172

**Number of Properties by Region**

	Sept. 30 2005	June 30 2005	March, 31 2005	Dec. 31 2004	Sept. 30 2004
Québec City	86	85	85	83	81
Montréal	<u>39</u>	<u>39</u>	<u>40</u>	<u>39</u>	<u>37</u>
Total	125	124	125	122	118

# COMINAR REAL ESTATE INVESTMENT TRUST

## Debt Summary – Maturities and Financing Activities

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### Debt Maturity Schedule

Year	Amount (in thousands \$)	% of Total Debt outstanding	Average Annual Rate
2005	10,169	2.87%	4.50%
2006	33,813	9.54%	6.29%
2007	47,293	13.34%	5.96%
2008	125,592	35.43%	6.06%
2009 and thereafter <sup>(1)</sup>	<u>137,651</u>	<u>38.83%</u>	<u>6.58%</u>
	354,518	100.00%	6.23%

(1) Including Convertible Debentures maturing in 2014

### Weighted Average Interest Rate

6.23 %

### Weighted Average Term

4.69 years

### Financing Capacity

As of September 30, 2005, the debt to gross book value ratio was 49.6%

At 60% of Gross Book Value: \$ 195,000,000 of additional borrowing capacity

At 55% of Gross Book Value: \$ 90,000,000 of additional borrowing capacity

COMINAR REAL ESTATE INVESTMENT TRUST  
Leasing Activities

**Occupancy Rates**

	Q3/05	Q2/05	Q3/04	Change Vs Q2/05	Change Vs Q3/04
<b>Occupancy</b>					
Office	95.10%	94.72%	95.06%	0.38%	0.04%
Retail	95.10%	95.24%	95.10%	-0.14%	0.00%
Industrial and mixed-use	<u>95.50%</u>	<u>95.31%</u>	<u>95.10%</u>	<u>0.19%</u>	<u>0.40%</u>
Total	95.30%	95.14%	95.10%	0.16%	0.20%

**Lease Expiries and Renewals by Segments**

	Office	Retail	Industrial and mixed-use	Total
<b>Expiring Leases/2005</b>				
Number of Tenants	96	110	118	324
Area (Sq.ft.)	397,961	203,274	469,364	1,070,599
Average Net Rent/Sq.ft.	\$7.69	\$8.92	\$4.89	\$6.70
<b>Renewed Leases</b>				
Number of tenants	54	63	73	190
Area (Sq.ft.)	264,493	180,350	338,069	782,912
Average Net Rent/Sq.ft.	\$8.44	\$9.56	\$5.27	\$7.33
<b>New Leases</b>				
Number of Tenants	29	63	43	135
Area (Sq.ft.)	109,639	166,892	251,349	527,880
Average Net Rent/Sq.ft.	\$9.62	\$8.90	\$5.73	\$7.54

COMINAR REAL ESTATE INVESTMENT TRUST  
Leasing Activities

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**Lease Maturities**

	Office	Retail	Industrial and mixed-use	Total
<b>Number of Leases</b>				
2006	65	105	87	257
2007	52	95	89	236
2008	62	89	88	239
2009	18	63	58	139
2010	41	93	51	185
<b>Leasable Area (Square Feet)</b>				
2006	183,108	189,069	553,607	925,784
2007	174,975	250,904	716,185	1,142,064
2008	238,304	237,081	619,692	1,095,077
2009	44,437	186,613	459,184	690,234
2010	180,158	223,729	376,243	780,130
<b>Weighted Average Net Rent (per Square Foot)</b>				
2006	\$7.99	\$10.51	\$5.18	\$6.82
2007	\$9.20	\$9.93	\$5.64	\$7.13
2008	\$8.98	\$8.66	\$5.05	\$6.68
2009	\$9.63	\$11.76	\$6.12	\$7.87
2010	\$9.40	\$10.87	\$5.80	\$8.08

COMINAR REAL ESTATE INVESTMENT TRUST  
Units and Options Outstanding

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**Units Outstanding**

Units outstanding - opening Balance December 31, 2004	32,284,409
Units issued under Distributions Reinvestment Plan	47,288
Units issued from Conversion of Convertible Debentures	88,790
Units issued from Options exercised	<u>288,000</u>
Units outstanding – closing balance September 30, 2005	<u>32,708,487</u>

**Options Activity**

	Options	Weighted-average exercise price per unit (\$)
Options outstanding – opening balance December 31, 2004	2,563,000	13.86
Exercised	(288,000)	13.21
Granted	244,000	17.12
Options outstanding – closing balance September 30, 2005	2,519,000	14.25

# COMINAR REAL ESTATE INVESTMENT TRUST

## Trading Statistics

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### CUF.UN Trading Statistics - Toronto Stock Exchange

	Q3/05	Q2/05	Q1/05	Q4/04	Q3/04
High	\$19,70	\$19,00	\$19,40	\$17,89	\$16,12
Low	\$18,40	\$17,55	\$16,97	\$15,78	\$14,52
<b>Close</b>	<b>\$19,41</b>	<b>\$18,87</b>	<b>\$17,47</b>	<b>\$17,20</b>	<b>\$15,84</b>
Volume ( 000 )	2 824	2 275	5 578	3 029	3 618
<b>Distributions per Unit</b>	<b>\$0,300</b>	<b>\$0,300</b>	<b>\$0,300</b>	<b>\$0,308</b>	<b>\$0,294</b>

### CUF.DB Trading Statistics - Toronto Stock Exchange

	Q3/05	Q2/05	Q1/05	Q4/04	Q3/04
High	\$113,00	\$109,99	\$111,00	\$104,98	\$99,95
Low	\$104,07	\$101,91	\$100,00	\$99,60	\$97,00
<b>Close</b>	<b>\$112,73</b>	<b>\$109,50</b>	<b>\$103,00</b>	<b>\$102,61</b>	<b>\$99,95</b>
Volume ( 000 )	8 180	8 113	12 296	18 230	6 812

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Source: Toronto Stock Exchange

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