



PRESS RELEASE

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COMINAR ANNOUNCES REDEMPTION OF SERIES B DEBENTURES

Québec City, Québec, August 20, 2012 – Cominar Real Estate Investment Trust (“**Cominar**”) (TSX: CUF.UN) has exercised today its right to redeem its Series B 5.70% convertible unsecured subordinated debentures maturing on June 30, 2014 (the “**Series B Debentures**”) in accordance with the terms of the trust indenture dated September 14, 2004 governing the Series B Debentures, as supplemented by a supplemental indenture dated as of the 8th day of May, 2007. The redemption of the Series B Debentures will be effective on September 19, 2012 (the “**Redemption Date**”). Upon redemption, Cominar will pay to the holders of Series B Debentures a redemption price (the “**Redemption Price**”) equal to the outstanding principal amount of the Series B Debentures to be redeemed, together with all accrued and unpaid interest thereon up to but excluding the Redemption Date, for a total of \$1,012.65 per \$1,000 principal amount of Series B Debentures, less any taxes required to be withheld or deducted. The aggregate principal amount of Series B Debentures currently outstanding is \$80,500,000. Cominar intends to draw funds to pay the Redemption Price from its credit facility.

The Series B Debentures are listed for trading on the Toronto Stock Exchange (the “**TSX**”) under the trading symbol “CUF.DB.B” and may be converted in accordance with their terms into units of Cominar (the “**Units**”) until September 18, 2012. The Series B Debentures are convertible at a conversion price of \$27.50 for each Unit, so that approximately 36.36 Units will be issued for each \$1,000 principal amount of Series B Debentures converted.

As it is currently contemplated that all Series B Debentures will be redeemed, Cominar intends to have same be delisted from the TSX at the close of business on the Redemption Date.

Profile as at August 20, 2012

Cominar is the third largest diversified real estate investment trust in Canada and currently remains the largest commercial property owner in the Province of Québec. Cominar owns a real estate portfolio of 415 high-quality properties, consisting of 82 office, 158 retail and 175 industrial and mixed-use buildings that cover a total area of

30.7 million square feet in Québec, Ontario, the Atlantic Provinces and Western Canada. Cominar's objectives are to pay growing cash distributions to unitholders and to maximise unitholder value by way of 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 the Annual Information Form of Cominar. 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.

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