

This document is important and requires your immediate attention. If you are in doubt as to how to respond to the offer described in this Notice of Change, you should consult with your investment dealer, stockbroker, lawyer or other professional advisor. Enquiries concerning the information in this document should be directed to Phoenix Advisory Partners, the information agent retained by CANMARC Real Estate Investment Trust, at one of the telephone numbers listed on the back page of this Notice of Change.

CANMARC

CANMARC REAL ESTATE INVESTMENT TRUST NOTICE OF CHANGE TO TRUSTEES' CIRCULAR

RECOMMENDING

ACCEPTANCE

OF THE ENHANCED OFFER BY
COMINAR ACQUISITION GROUP

(consisting of certain wholly-owned subsidiaries of Cominar Real Estate Investment Trust, namely 8012075 Canada Inc., 8012083 Canada Inc., 8012091 Canada Inc., 8012105 Canada Inc., 8012113 Canada Inc., 8012121 Canada Inc., 8012130 Canada Inc., 8012148 Canada Inc., 8012156 Canada Inc. and 8012164 Canada Inc.)

TO PURCHASE ALL OF THE ISSUED AND OUTSTANDING TRUST UNITS
(together with associated rights under the unitholder rights plans)

OF

CANMARC REAL ESTATE INVESTMENT TRUST

THE BOARD OF TRUSTEES UNANIMOUSLY RECOMMENDS
THAT UNITHOLDERS

ACCEPT

THE ENHANCED OFFER AND TENDER THEIR UNITS

NOTICE TO UNITHOLDERS IN THE UNITED STATES

The offer to which this Notice of Change relates is made for the securities of a Canadian issuer and while the offer is subject to applicable disclosure requirements in Canada, unitholders should be aware that such requirements are different from those in the United States. The enforcement by investors of civil liabilities under the United States federal securities law may be affected adversely by the fact that the issuer is located in a foreign country and that its officers and trustees are residents of a foreign country.

JANUARY 17, 2012

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QUESTIONS AND ANSWERS ABOUT THE OFFER

Why am I receiving this Notice of Change?

On January 15, 2012, CANMARC entered into a support agreement (the “**Support Agreement**”) with the Cominar Acquisition Group and Cominar pursuant to which the Cominar Acquisition Group agreed to enhance its Original Offer as described in this Notice of Change, subject to the terms and conditions set forth in the Support Agreement. As a condition to the Cominar Acquisition Group’s willingness to make the Offer, among other things, CANMARC agreed to prepare this Notice of Change containing the Board of Trustees’ unanimous recommendation that CANMARC Unitholders accept the Offer.

What is the Offer?

Under the terms of the Offer, the Cominar Acquisition Group is offering to purchase all of the CANMARC Units (together with associated rights outstanding under the Unitholder Rights Plans), including all CANMARC Units that may become issued and outstanding after the date of the Offer but before 3:00 p.m. (Toronto time) on January 27, 2012 (unless the Offer is extended or withdrawn by the Cominar Acquisition Group) (the “**Expiry Time**”) upon conversion, exchange or exercise of the Convertible Securities together with URP Rights associated with CANMARC Units, for a consideration per CANMARC Unit, at the election of each CANMARC Unitholder, of either: (i) \$16.50 in cash (the “**Cash Alternative**”), or (ii) 0.7607 trust unit (“**Cominar Units**”) of Cominar (the “**Unit Alternative**”), for each CANMARC Unit. The Unit Alternative is subject to proration and the maximum aggregate number of Cominar Units available for issuance under the Unit Alternative is 16 million Cominar Units, the whole upon the terms and conditions set forth in the Offer. The Cash Alternative is not subject to proration.

The Cash Alternative of the Offer is \$16.50 per CANMARC Unit as compared to \$15.30 per CANMARC Unit under the original Cominar offer made on December 2, 2012 (the “**Original Offer**”), an increase of approximately 7.8%. The Cash Alternative of the Offer represents a premium of approximately 24.2% to the closing price and 24.3% to the 20-day volume-weighted average price of the CANMARC Units on November 25, 2011, the last trading day prior to Cominar’s announcement of its intention to make the Original Offer. Further, the Offer represents a 3.1% premium to the closing price and 3.7% to the 20-day volume-weighted average price of the CANMARC Units on January 13, 2012, the last trading day prior to Cominar’s announcement of its Offer. Prior to the making of the Offer, CANMARC Units had never traded above the Cash Alternative price.

Should I accept the Offer?

Your Board of Trustees unanimously recommends that CANMARC Unitholders ACCEPT the Offer and TENDER their CANMARC Units to the Offer.

How do I accept the Offer?

The Cominar Acquisition Group has indicated that CANMARC Unitholders may accept the Offer by following the procedures for book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depositary at its office in Toronto, Ontario specified in the Letter of Transmittal accompanying the Original Cominar Circular at or prior to the Expiry Time. Unitholders accepting the Offer through book-entry transfer must make sure such documents are received by the Depositary at or prior to the Expiry Time. Unitholders accepting the Offer through a book-entry transfer shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof (in the event they have not otherwise completed a Letter of Transmittal) and therefore such instructions shall be considered a valid tender in accordance with the Offer. See “Manner of Acceptance” in the Original Cominar Circular.

If your CANMARC Units are held with a bank, broker or other financial intermediary, please contact your bank, broker or other intermediary to instruct them to tender your CANMARC Units to the Offer.

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I previously tendered my CANMARC Units. Do I need to do anything to accept the Offer?

No, unless you wish to change your election. Assuming that you properly followed the procedures described under the heading “Manner of Acceptance” in the Original Cominar Circular and properly completed, duly executed and delivered the Letter of Transmittal as required by the instructions set out therein, and did not subsequently withdraw the CANMARC Units you tendered, you do not need to do anything to accept the Offer with respect to the previously tendered CANMARC Units. If you wish to change your election, you may do so by completing and returning the Letter of Transmittal accompanying the Notice of Variation and Extension.

Why does the Board of Trustees believe that the Offer should be accepted?

The Board of Trustees, upon consultation with its financial and legal advisors and on receipt of a recommendation from the Special Committee, has unanimously determined that the consideration to be received by the CANMARC Unitholders pursuant to the Offer is fair, from a financial point of view, to the CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates) and that the Offer is in the best interests of CANMARC and the CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates). In reaching its decision to recommend that CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates) ACCEPT the Offer, the Board of Trustees considered a number of factors, including the following:

- The Offer represents improved value to CANMARC Unitholders relative to the Original Offer and more fully reflects CANMARC’s value.
- The Offer is fair, from a financial point of view.
- The Special Committee and the Board of Trustees considered a variety of strategic alternatives and have determined that the Offer is the most attractive alternative available.
- The form of consideration under the Offer provides certainty, immediate value and liquidity.
- The Offer is less conditional than the Original Offer.
- The Offer has been unanimously accepted by the trustees and officers of CANMARC.
- The Board of Trustees has preserved the ability to respond to unsolicited Superior Proposals.
- The terms of the Support Agreement are reasonable.
- The Offeror is credible.

The reasons for the unanimous recommendation of the Board of Trustees are described in further detail on pages 1 to 3 of this Notice of Change.

Are the trustees and officers of CANMARC planning to tender their CANMARC Units to the Offer?

Yes, all of the trustees and officers of CANMARC have indicated their intention to TENDER their CANMARC Units to the Offer.

How long do I have to decide whether to tender to the Offer?

You have until the Expiry Time of the Offer to tender your CANMARC Units. The Offer is scheduled to expire at 3:00 p.m. (Toronto time) on January 27, 2012, unless it is extended or withdrawn. If your CANMARC Units are held by a bank, broker or other financial intermediary, your intermediary may require that you provide earlier instructions to allow them sufficient time to tender your CANMARC Units in advance of the expiry of the Offer.

If I accept the Offer, when will I receive my cash or my Cominar Units?

The Cominar Acquisition Group has indicated in the Amended Cominar Circular that if all of the conditions of the Offer have been satisfied or waived (at the sole discretion of the Cominar Acquisition Group) at or prior to the Expiry Time, the Cominar Acquisition Group will take up and pay for CANMARC Units validly deposited under the Offer and not properly withdrawn not later than ten days after the Expiry Time. Any CANMARC Units taken up will be paid

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for or Cominar Units will be issued as soon as possible, and in any event not later than three business days after they are taken up. Any CANMARC Units deposited under the Offer after the date on which CANMARC Units are first taken up by the Cominar Acquisition Group under the Offer but prior to the Expiry Time will be taken up and paid for or Cominar Units will be issued not later than ten days after such deposit. See “Take-Up of and Payment for Deposited Units” in the Amended Cominar Circular.

Who do I ask if I have more questions?

Your Board of Trustees recommends that you read the information contained in this Notice of Change. Please contact Phoenix Advisory Partners, the information agent retained by CANMARC, with any questions or requests for assistance that you might have.

TELEPHONE NUMBERS FOR PHOENIX ADVISORY PARTNERS



North American Toll Free Number: 1-800-398-1272
Banks, Brokers and Collect Calls: 1-201-806-2222

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GENERAL INFORMATION

Unless the context otherwise requires, all references hereinafter in this Notice of Change to “**CANMARC**” refer to CANMARC Real Estate Investment Trust and includes Master LP and its other Subsidiaries. Similarly, references to the properties, the portfolio of properties or investments in properties or operations of CANMARC apply to both CANMARC, Master LP and its other Subsidiaries taken as a whole.

In addition, all references to the “**Cominar Acquisition Group**” or the “**Offeror**” refers to 8012075 Canada Inc., 8012083 Canada Inc., 8012091 Canada Inc., 8012105 Canada Inc., 8012113 Canada Inc., 8012121 Canada Inc., 8012130 Canada Inc., 8012148 Canada Inc., 8012156 Canada Inc. and 8012164 Canada Inc. and “**Cominar**” refers to Cominar Real Estate Investment Trust.

All dollar amounts set forth in this Notice of Change are expressed in Canadian dollars, except where otherwise indicated. References to Canadian dollars, CDN\$ or \$ are to the currency of Canada. For an explanation of certain terms and abbreviations used in this Notice of Change and not otherwise defined, please refer to the “**Glossary of Terms**”.

NOTICE REGARDING INFORMATION

Certain information in this Notice of Change has been taken from or is based on documents that are expressly referred to in this Notice of Change. All summaries of, and references to, documents that are specified in this Notice of Change as having been filed, or that are contained in documents specified as having been filed on the system for electronic document analysis and retrieval (“**SEDAR**”) are qualified in their entirety by reference to the complete text of those documents as filed, or contained in documents filed on SEDAR or on www.sedar.com. CANMARC Unitholders are urged to read carefully the full text of those documents, which may also be obtained on request without charge from the secretary of CANMARC at 1 Place Alexis Nihon, Suite 1010, Montréal, Québec, H3Z 3B8 (telephone: 514-931-2591).

Information contained in this Notice of Change concerning the Cominar Acquisition Group, Cominar and the Offer is based solely upon, and the Board of Trustees has relied, without independent verification, exclusively upon, information contained in the Amended Cominar Circular provided to CANMARC by the Offeror or that is otherwise publicly available. While the Board of Trustees has no reason to believe that such information is inaccurate or incomplete, the Board of Trustees does not assume any responsibility for the accuracy or completeness of the Amended Cominar Circular or any such information contained therein or for information that is otherwise publicly available. You are urged to read the Amended Cominar Circular carefully and in its entirety. The Amended Cominar Circular is available on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

The Notice of Change should be read together with the Trustees’ Circular. This Notice of Change, including any discussion of the reasons of the Board of Trustees’ recommendation that CANMARC Unitholders accept the Offer and tender their Units, contains “forward-looking information” within the meaning of applicable securities legislation. Statements other than statements of historical fact contained in this Notice of Change may be forward-looking statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “outlook”, “objective”, “may”, “will”, “expect”, “intent”, “estimate”, “anticipate”, “believe”, “should”, “plans”, or “continue”, or similar expressions suggesting future outcomes or events.

Examples of such forward-looking statements in this Notice of Change include, but are not limited to, statements with respect to expectations, projections or other characterizations of future events or circumstances, and CANMARC’s objectives, goals, strategies, beliefs, intentions, plans, estimates, projections and outlook, including statements relating to the plans and objectives of CANMARC or its management or Board of Trustees, or estimates or predictions of actions of customers, suppliers or competitors. CANMARC has based these forward-looking statements on its current expectations about future events. Some of the specific forward-looking statements in this Notice of Change include, but are not limited to, statements with respect to (i) the intention of CANMARC to pay stable and

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growing distributions; (ii) the ability of CANMARC to execute its growth strategies; (iii) the expected tax treatment of CANMARC's distributions to CANMARC Unitholders; (iv) contemplated future acquisitions described under "Recent Developments"; and (v) the access of CANMARC to the debt markets.

Forward-looking statements do not take into account the effect of transactions or other items announced or occurring after the statements are made. For example, they do not include the effect of dispositions, acquisitions, other business transactions, asset write-downs or other charges announced or occurring after the forward-looking statements are made.

Although CANMARC believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct, and since forward-looking statements inherently involve risks and uncertainties, undue reliance should not be placed on such statements. Such risks and uncertainties include, but are not limited to, the factors discussed under "Risk Factors" in CANMARC's latest annual information form, which is available on SEDAR at www.sedar.com. The estimates and assumptions, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth in this Notice of Change as well as the following: (i) CANMARC will receive financing on favourable terms; (ii) the future level of indebtedness of CANMARC and its future growth potential will remain consistent with CANMARC's current expectations; (iii) there will be no changes to tax laws adversely affecting CANMARC's financing capacity or operations; (iv) the workforce of CANMARC will remain stable and consistent with CANMARC's current expectations; (v) the impact of the current economic climate and the current global financial conditions on CANMARC's operations, including its financing capacity, and asset value, will remain consistent with CANMARC's current expectations; (vi) there will be no material changes to government and environmental regulations adversely affecting CANMARC's operations; (vii) the performance of CANMARC's investments in Canada will proceed on a basis consistent with CANMARC's current expectations; (viii) conditions in the real estate market, including competition for acquisitions, will be consistent with the current climate, and (ix) CANMARC will be able to pursue its acquisition pipeline on a basis consistent with CANMARC's current expectations.

The forward-looking statements contained in this Notice of Change are expressly qualified in their entirety by this cautionary statement. All forward-looking statements in this Notice of Change relate only to events or information as of the date on which the statements are made. CANMARC, except as required by applicable securities laws, does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Additional information about these assumptions and risks and uncertainties is contained in CANMARC's filings with securities regulatory authorities, including its latest annual information form, which are available on SEDAR at www.sedar.com.

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NOTICE OF CHANGE TO THE TRUSTEES' CIRCULAR

This Notice of Change relates to, and amends and supplements certain of the information contained in, the Trustees' Circular issued by the Board of Trustees in response to the Original Offer. This Notice of Change should be read in conjunction with the Trustees' Circular.

By the Cominar Notice of Variation and Extension, the Cominar Acquisition Group amended and increased the Original Offer (as so amended and increased, the "**Offer**") and the Original Cominar Circular (as so revised, the "**Amended Cominar Circular**"). Under the Offer, the Cominar Acquisition Group is now offering to purchase all CANMARC Units (together with associated rights outstanding under the Unitholder Rights Plans), including all CANMARC Units that may become issued and outstanding after the date of the Offer but before the Expiry Time upon conversion, exchange or exercise of the Convertible Securities, for consideration per CANMARC Unit, at the election of each CANMARC Unitholder, of either: (i) \$16.50 in cash (the "**Cash Alternative**"), not subject to proration, or (ii) 0.7607 Cominar Unit (the "**Unit Alternative**"), subject to pro ration to a maximum aggregate number of Cominar Units issuable of 16 million. The Offer is subject to the terms and conditions set forth in the Original Cominar Circular and the accompanying Letter of Transmittal and Notice of Guaranteed Delivery, as varied, amended and supplemented by the Cominar Notice of Variation and Extension. The Offer is currently scheduled to expire at 3:00 p.m. (Toronto time) on January 27, 2012 (the "**Expiry Time**"), unless it is extended or withdrawn.

This Notice of Change reflects changes to the Original Offer including amendments made to the offer terms and the terms of the Support Agreement.

Information herein relating to Cominar, the Cominar Acquisition Group and the Offer has been derived from the Amended Cominar Circular or is otherwise publicly available. While the Board of Trustees has no reason to believe that such information is inaccurate or incomplete, the Board of Trustees does not assume any responsibility for the accuracy or completeness of the Amended Cominar Circular or any such information contained therein or for information that is otherwise publicly available. You are urged to read the Amended Cominar Circular carefully and in its entirety. The Amended Cominar Circular is available on SEDAR at www.sedar.com.

RECOMMENDATION OF THE BOARD OF TRUSTEES

THE BOARD OF TRUSTEES HAS UNANIMOUSLY DETERMINED (MESSRS. JAMES F. MILES AND FRANK W. MATHESON HAVING RECUSED THEMSELVES FROM THE DELIBERATIONS CONCERNING THE CONTEMPLATED TRANSACTIONS), AFTER CONSULTATION WITH ITS FINANCIAL AND LEGAL ADVISORS, THAT THE CONSIDERATION TO BE RECEIVED BY THE CANMARC UNITHOLDERS PURSUANT TO THE OFFER IS FAIR, FROM A FINANCIAL POINT OF VIEW, TO THE CANMARC UNITHOLDERS (OTHER THAN THE COMINAR ACQUISITION GROUP, COMINAR AND THEIR RESPECTIVE AFFILIATES), THAT IT WOULD BE IN THE BEST INTERESTS OF CANMARC TO SUPPORT AND FACILITATE THE OFFER AND ENTER INTO THE SUPPORT AGREEMENT AND RECOMMENDS THAT THE CANMARC UNITHOLDERS DEPOSIT THEIR CANMARC UNITS TO THE OFFER.

REASONS FOR THE RECOMMENDATION

1. The Offer Represents Improved Value to CANMARC Unitholders Relative to the Original Offer and More Fully Reflects CANMARC's Value.

The Cash Alternative of the Offer is \$16.50 per CANMARC Unit as compared to \$15.30 per CANMARC Unit under the Original Offer, an increase of approximately 7.8%.

The Cash Alternative of the Offer represents a premium of approximately 24.2% to the closing price and 24.3% to the 20-day volume-weighted average price of the CANMARC Units on November 25, 2011, the last trading day prior to Cominar's announcement of its intention to make the Original Offer. Further, the Offer represents a 3.1% premium to the closing price and 3.7% to the 20-day volume-weighted average price of the CANMARC Units on January 13, 2012, the last trading day prior to Cominar's announcement of the Offer. Prior to the making of the Offer, CANMARC Units had never traded above the Cash Alternative price.

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The Offer also continues to provide CANMARC Unitholders the ability to elect to receive Cominar Units and thereby participate in the potential upside to be derived from the growth prospects of the combined business.

2. The Offer is Fair, from a Financial Point of View.

The Board of Trustees has received written opinions dated January 13, 2012 from TD Securities and Canaccord Genuity stating that, as at the date of the fairness opinions, the consideration to be received by the CANMARC Unitholders pursuant to the Offer is fair, from a financial point of view, to the CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates). The full text of the fairness opinions, setting out the scope of review, assumptions and limitations in connection with the fairness opinions, are attached as Schedule “A” and “B” to this Notice of Change and should be reviewed and considered in their entirety in conjunction with the review of this Notice of Change. The Board of Trustees has relied upon the opinions of TD Securities and Canaccord Genuity in formulating its recommendation that CANMARC Unitholders accept the Offer.

3. The Special Committee and the Board of Trustees Considered a Variety of Strategic Alternatives and Have Determined that the Offer is the Most Attractive Alternative Available.

Since November 25, 2011, the Special Committee and the Board of Trustees, together with CANMARC’s senior management, and with their financial and legal advisors, have considered a variety of strategic alternatives that may be in the best interests of CANMARC and CANMARC Unitholders. On December 9, 2011, the Special Committee instructed TD Securities to commence a process to contact interested parties, who after execution of an acceptable confidentiality agreement, were provided access to confidential information of CANMARC, so as to provide proposals that might have been in the best interests of CANMARC and CANMARC Unitholders. The Special Committee considered the likelihood of various alternatives comparable to the Offer and the likelihood of any proposals from other interested parties being completed at all or in a timely manner and on financial terms providing value to CANMARC Unitholders exceeding the value of the Offer. After careful consideration of the foregoing, the Board of Trustees and the Special Committee concluded that the Offer represented the best alternative currently available to CANMARC and CANMARC Unitholders.

4. The Form of Consideration Under the Offer Provides Certainty, Immediate Value and Liquidity.

The Cash Alternative of the Offer provides Unitholders with 100% cash consideration for all CANMARC Units held. Under the Cash Alternative, CANMARC Unitholders will be able to immediately realize a fair value for their investment and the payment in cash provides certainty of value for the CANMARC Units.

5. The Offer is Less Conditional than the Original Offer.

The Offer has been modified to eliminate and/or adjust certain conditions to the Original Offer. Consequently, there is an increased likelihood that the conditions of the Offer will be satisfied. Additionally, the terms of the Support Agreement provide CANMARC with further certainty as to the conduct of the Offer and legal recourse in certain circumstances that was unavailable in connection with the Original Offer.

6. The Offer has Been Unanimously Accepted by the Trustees and Officers of CANMARC.

The Board of Trustees has been informed that, as of the date of this Notice of Change, all of the trustees and officers of CANMARC intend to **TENDER** to the Offer.

The trustees and officers of CANMARC own or exercise control or direction over an aggregate of 73,523 CANMARC Units, representing 0.1% of CANMARC’s fully diluted units outstanding.

7. The Board of Trustees has Preserved the Ability to Respond to Unsolicited Superior Proposals.

Under the Support Agreement, the Board of Trustees maintains the ability to consider and respond to, in accordance with its fiduciary duties, any unsolicited *bona fide* written Acquisition Proposal that is, or would reasonably be expected to lead to a Superior Proposal that is more favourable to CANMARC Unitholders, from a financial point

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of view, than the Offer. If the Board of Trustees were to withdraw its recommendation that CANMARC Unitholders accept the Offer and recommend acceptance of an unsolicited superior proposal, a \$30 million termination fee would become payable to the Cominar Acquisition Group.

8. The Terms of the Support Agreement are Reasonable.

The terms and conditions of the Support Agreement, which were reviewed by the Board of Trustees in consultation with its legal and financial advisors, were determined to be fair and reasonable and were the result of arm's-length negotiations between the parties.

9. The Offeror is Credible.

The Offeror is the fifth largest publicly-traded diversified REIT in Canada, based on enterprise value. Cominar owns a real estate portfolio of 269 properties, consisting of 53 office, 55 retail, and 161 industrial and mixed-use buildings that cover a total area of 21.0 million square feet in the Greater Québec City, Montréal and Ottawa-Gatineau areas, as well as in the Atlantic Provinces. In addition to the Offeror's current financial capacity, the Offer is not subject to any financing conditions. According to the Amended Cominar Circular, National Bank of Canada, Bank of Montreal and Caisse Centrale Desjardins have provided Cominar with a commitment to fund the entire consideration, demonstrating on its face that the Offeror has the ability to complete the acquisition of the CANMARC Units under the Offer.

AS A RESULT OF THE FOREGOING REASONS, THE BOARD OF TRUSTEES UNANIMOUSLY RECOMMENDS THAT CANMARC UNITHOLDERS ACCEPT THE OFFER AND TENDER THEIR CANMARC UNITS TO THE OFFER.

INTENTION OF TRUSTEES, OFFICERS AND CERTAIN CANMARC UNITHOLDERS WITH RESPECT TO THE OFFER

Each of the trustees and officers of CANMARC has indicated that he or she intends to tender all of his or her CANMARC Units to the Offer.

BACKGROUND TO THE OFFER

On November 25, 2011, after close of market, Mr. Michel Dallaire, the President and Chief Executive Officer of Cominar, initiated a first contact with the President and Chief Executive Officer of CANMARC, Mr. James W. Beckerleg, by meeting him to express Cominar's interest in proceeding with a negotiated business combination transaction with CANMARC. Mr. Dallaire provided Mr. Beckerleg with an unsolicited written proposal putting forward the terms of the Original Offer.

On November 26, 2011, the Board of Trustees met to discuss the process to be deployed to review and analyse Cominar's proposal. The Board of Trustees formed the Special Committee, composed of Karen A. Prentice (Chair), Gérard A. Limoges and John Levitt to, among other things, consider and review Cominar's proposal and review and pursue any other alternatives that may be in the best interests of CANMARC. The Special Committee retained Fasken Martineau DuMoulin LLP as its legal advisor. CANMARC also retained TD Securities as its financial advisor and Osler, Hoskin & Harcourt LLP continued to act as CANMARC's legal advisor.

On November 27, 2011, the Special Committee met twice to discuss and review Cominar's proposal with its legal and financial advisors. The Special Committee also discussed the scope of the mandate of its financial advisors and the disclosure of Cominar's proposal.

On November 28, 2011, prior to the opening of financial markets, Cominar issued a press release announcing its intention to make an offer to purchase, through wholly-owned subsidiaries, all of the issued and outstanding CANMARC Units not already owned by Cominar and concurrently filed an early-warning report indicating that on November 25, 2011, it had acquired by way of a private agreement, a total of 3,099,300 CANMARC Units, such

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acquisition bringing its interest in CANMARC to approximately 15.1% of the total issued and outstanding CANMARC Units. CANMARC also issued a press release, announcing the creation of the Special Committee in connection to the Original Offer and mentioning that the Board of Trustees and the Special Committee, with the support of their advisors, will assess the situation and consider any offer and communicate CANMARC's views to CANMARC Unitholders.

In the evening of November 28, 2011, the Special Committee met with Hugessen, an independent executive compensation consultancy, to discuss human resources and compensation issues and to explore the possibility of adopting retention measures.

On November 30, 2011, the Special Committee met with its financial and legal advisors to be updated on the market reaction to the Original Offer, to review the takeover bid process and to consider defensive measures as well as a communication strategy in order to allow for a full review of all potential alternatives to the Original Offer.

On December 2, 2011, the Cominar Acquisition Group filed documents with Canadian securities regulators relating to the Original Offer, published an advertisement and announced that it had formally commenced the Original Offer. The Special Committee met later that day with its financial and legal advisors to review the documents filed by Cominar.

On December 6, 2011, subsequent to a meeting of the Special Committee and a meeting of the Board of Trustees, with their respective advisors, CANMARC announced that its Board of Trustees had adopted a new rights plan.

On December 9, 2011, the Special Committee met with its financial and legal advisors to discuss various matters related to the Original Offer and the nature of the discussions to be held with strategic parties. At this meeting, the Special Committee formally authorized TD Securities, its financial advisor, to initiate the strategic review process and to approach third parties to consider a potential value-enhancing alternative transaction.

On the same day, CANMARC's legal advisors provided to the trustees detailed analysis on the duties of the trustees in the context of an unsolicited takeover bid and on permitted actions in response to the Original Offer.

On December 11, 2011, the Special Committee met with its legal advisors to review and comment on the draft trustees' circular.

On December 12, 2011, the Special Committee met on two occasions to: (i) receive and review with the assistance of its legal advisors a preliminary report by Hugessen addressing retention and compensation issues, (ii) receive and review a report by its financial advisors as to the inadequacy of the Original Offer, and (iii) discuss and determine its recommendation to the Board of Trustees.

The Board of Trustees also met later that day to: (i) receive the report of the Special Committee on the recommendation of the Special Committee and the matters considered by it, (ii) discuss and determine its recommendation with respect to the Original Offer, and (iii) approve the Trustees' Circular recommending the rejection of the Original Offer.

On the same date, the Board of Trustees addressed a letter to CANMARC Unitholders in which it affirmed its belief that the Original Offer failed to provide full value for the CANMARC Units and did not adequately reflect the growth opportunities within CANMARC's existing portfolio. The Board of Trustees also stated to CANMARC Unitholders that none of the trustees or senior officers of CANMARC had accepted or intended to accept the Original Offer.

On December 14, 2011, Cominar reacted to the Trustees' Circular issued by CANMARC on December 12, 2011 by issuing a press release justifying and defending the Original Offer.

On December 15, 2011, the Special Committee met with Hugessen and its legal advisors to discuss retention matters and to review the employment agreements of Executive Officers.

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On December 16, 2011, the Special Committee met with its financial and legal advisors for an update on the ongoing strategic process. Later that day and then again on December 19, 2011, the Special Committee and the Compensation Committee jointly met with its legal advisors and Hugessen to examine proposed amendments to the Executive Employment Agreements and to further discuss retention matters.

On December 20, 2011, the Special Committee met to discuss the potential engagement of a special financial advisor to work with TD Securities on the ongoing strategic process.

On the same day, the Special Committee was informed by its legal advisors that a representative of BMO Capital Markets, Cominar's financial advisor, met with an advisor of the Special Committee, to reiterate Cominar's interest, expressed prior to the launch of the Original Offer, in proceeding with an acquisition transaction on a negotiated basis that would have the support of CANMARC's Board.

On December 21, 2011, the Special Committee met with its financial and legal advisors for an update on the ongoing strategic process and on potential alternatives to the Original Offer.

On December 22, 2011, a representative of the Special Committee met with representatives of TD Securities to discuss the ongoing strategic process.

On the same day, representatives of BMO Capital Markets, Cominar's financial advisor, met with representatives of TD Securities, CANMARC's financial advisor, to convey the same message that was previously conveyed by a representative of Cominar to an advisor of the Special Committee on December 20, 2011 regarding Cominar's interest in proceeding with an acquisition transaction on a negotiated basis that would have the support of CANMARC's Board.

Later that day, the Special Committee received a briefing by its legal advisors on the duties of the Special Committee in the situation prevailing. At this meeting, the Special Committee also discussed the possibility of engaging Canaccord Genuity as a special financial advisor to the Special Committee.

On December 23, 2011, the Special Committee met with its financial advisor for an update on the ongoing strategic process. The Special Committee also discussed employment matters.

On December 24, 2011, the Special Committee and the Compensation Committee met jointly with its legal advisors and Hugessen to discuss the 2011 incentive compensation of CANMARC's Executive Officers.

On December 27, 2011, the Special Committee had an update call with its financial advisor on the level of activity in CANMARC's virtual data room, to which a number of parties that had expressed an interest in considering alternative transactions with CANMARC and had executed confidentiality agreements were previously granted access.

On December 30, 2011, the Special Committee met with its financial and legal advisors for an update on the ongoing strategic process. At this meeting, the legal advisors of the Special Committee confirmed that on December 29, 2011 they had received a letter from Cominar's legal advisors requesting that CANMARC's unitholders rights plans be waived, redeemed or otherwise withdrawn by no later than January 11, 2012.

On January 1, 2012, the Special Committee met with its legal advisors and resolved to engage Canaccord Genuity as special financial advisor to the Special Committee and to work in collaboration with TD Securities.

On January 3, 2012, the Special Committee met with its legal advisors and CANMARC's management to discuss the ongoing strategic process.

On the same day, the Special Committee and the Compensation Committee jointly met with its advisors and approved the allocation of special retention bonuses to certain executives and employees of CANMARC.

On January 4, 2012, the Special Committee formally retained Canaccord Genuity to act as special financial advisor to the Special Committee and to work in collaboration with TD Securities.

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On January 6, 2012, the Special Committee met with its financial and legal advisors for an update on the ongoing strategic process.

On the same day, the Board of Trustees, after having received a unanimous recommendation from the Special Committee and the Compensation Committee, with the assistance of its advisors, approved several amendments to the Executive Employment Agreements (see “Agreements between CANMARC and its Trustees and Senior Officers”).

On the same day, it was announced that the *Bureau de décision et de révision* would hold a hearing on January 19, 2012 at which Cominar would seek to have the Unitholder Rights Plans cease traded. It was also announced by Cominar that the Original Offer was to be extended to a date to be determined in order to accommodate such hearing.

Later that day, representatives of BMO Capital Markets and TD Securities, as financial advisors of Cominar and CANMARC, respectively, held a meeting during which representatives of BMO Capital Markets verbally outlined a proposal to TD Securities from Cominar to enhance the Original Offer by increasing the consideration offered per CANMARC Unit under the Original Offer. Cominar’s interest in proceeding with the enhanced offer on a CANMARC Board supported basis under these new terms was reiterated by its representatives.

Later that same day, the Special Committee met with its legal and financial advisors whereby they were debriefed by TD Securities on the terms of the enhanced Cominar offer and the financial advisors of the Special Committee provided it with an update on the various alternatives being considered and on the status of the ongoing strategic process.

On January 8, 2012, the Special Committee met with its financial advisors to further consider the revised Cominar proposal and consider their response.

Later that same day, on the instruction of the Special Committee, representatives of CANMARC’s financial advisors indicated to representatives of BMO Capital Markets, without specificity, that CANMARC would not accept Cominar’s enhanced proposal and requested that Cominar table a new proposal with a higher price and a more fulsome discussion of non-financial considerations, including roles for CANMARC senior management before continuing any further discussions.

On January 9, 2012, representatives of Cominar’s financial advisors contacted representatives of CANMARC’s financial advisors and indicated that Cominar would not modify its proposal without any substantive or meaningful engagement by CANMARC or its advisors in discussions and without any specificity about the required terms for a negotiated CANMARC Board supported transaction. During such discussions, representatives of BMO Capital Markets further expressed, without specificity, that Cominar would consider a higher price than it verbally communicated on January 6, 2012. However, for discussions to continue, Cominar requested that CANMARC table a counterproposal outlining the terms on which CANMARC would provide its support for a Cominar offer.

On January 10, 2012, the Special Committee met with its financial and legal advisors to consider the alternatives being pursued, the ongoing strategic process and the discussions that had been held with Cominar and later that day, the Special Committee held an update call with its legal and financial advisors to decide on CANMARC’s response to Cominar.

On the same day, as instructed by the Special Committee, representatives of CANMARC’s financial advisors verbally communicated to Cominar’s financial advisor a price at which CANMARC would be supportive of an offer that was higher than the price proposed by Cominar on January 6, 2012 and also asked questions regarding roles for senior management in the combined organization.

In the evening of January 10, 2012, the Special Committee held another update call with its financial and legal advisors.

On the morning of January 11, 2012, Mr. Michel Dallaire, the President and Chief Executive Officer of Cominar, met with the President and Chief Executive Officer of CANMARC, Mr. James W. Beckerleg, to better understand CANMARC’s questions regarding CANMARC’s senior management and CANMARC’s interest in negotiating a transaction with Cominar.

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Later that day, the Special Committee was updated by its financial and legal advisors on the discussions that resumed between CANMARC and Cominar's respective financial advisors, pursuant to which a revised, enhanced proposal from Cominar was communicated by Cominar's financial advisor which included a higher price than the price communicated on January 6, 2012.

In the evening of January 11, 2012, the Special Committee held another update call, with its financial and legal advisors, on the earlier discussions Mr. Beckerleg had with Mr. Dallaire.

On January 12, 2012, Cominar announced the extension of its Original Offer, with an expiry time set for 3:00 p.m. on January 27, 2012.

On the same day, discussions between representatives of CANMARC and Cominar and between Mr. Beckerleg and Mr. Dallaire continued and, after the close of markets that same day, Mr. Beckerleg and Mr. Dallaire agreed that they would present an offer price of \$16.50 per CANMARC Unit under the Cash Alternative to their respective boards for approval. Legal and financial advisors to CANMARC and the Special Committee and Cominar then began the preparation of the Support Agreement.

On January 13, 2012, the Special Committee met on several occasions with its financial and legal advisors and CANMARC's management to discuss the negotiation of the Support Agreement with Cominar, pursuant to which the Board of Trustees would support the Offer. In parallel, the legal advisors of CANMARC, the Special Committee and Cominar engaged in the negotiation of the Support Agreement.

On the same day, after the close of markets, the Special Committee met to receive fairness opinions regarding the Offer by CANMARC's financial advisors, TD Securities and Canaccord Genuity. After receiving such fairness opinions and detailed presentations from its financial advisors, the Special Committee resolved to make a unanimous recommendation to the Board of Trustees to enter into the Support Agreement and an exclusivity letter with Cominar in connection with the Offer. Later that day, the Board of Trustees unanimously determined (Messrs. James F. Miles and Frank W. Matheson having recused themselves from the deliberations of the Board of Trustees concerning the contemplated transactions), after consultation with its financial and legal advisors, that the consideration to be received by the CANMARC Unitholders pursuant to the Offer is fair, from a financial point of view, to the CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates), that it would be in the best interests of CANMARC to support and facilitate the Offer and enter into the Support Agreement and recommended that the CANMARC Unitholders deposit their CANMARC Units to the Offer.

During the meetings held on that day, the Special Committee approved the granting of transaction bonuses to Executive Officers and other management employees upon a Change of Control of CANMARC. The Special Committee also approved, jointly with the Compensation Committee, cash entitlements to key employees, other than the Executive Officers, as part of their 2011 incentive compensation. See "Agreements Between CANMARC and its Trustees and Senior Officers".

Subsequently, negotiations of the Support Agreement continued and on January 15, 2012, CANMARC and Cominar entered into the Support Agreement. The entering into of the Support Agreement and the intentions of the parties to proceed with the Offer on a negotiated basis were publicly announced prior to the opening of the markets on January 16, 2012.

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SUPPORT AGREEMENT

Support Agreement

The following summarizes material provisions of the proposed Support Agreement, a copy of which has been filed by CANMARC with the Canadian Securities Regulatory authorities on SEDAR and is available at www.sedar.com. Capitalized terms that are used in the summary below that are not otherwise defined in this Notice of Change shall have the meanings set forth in the Support Agreement. This summary does not purport to be complete and may not contain all of the information about the Offer and the other transactions contemplated under the Support Agreement that is important to a CANMARC Unitholder and is qualified in its entirety by the full text of the Support Agreement. We encourage you to read carefully the Support Agreement in its entirety because the direct rights and obligations of the Cominar Acquisition Group, Cominar and CANMARC and the indirect rights of CANMARC Unitholders are governed by the express terms of the Support Agreement and not by this summary or any other information contained in this Notice of Change or the Amended Cominar Circular.

As a CANMARC Unitholder, you are not a third party beneficiary of the Support Agreement, and therefore you may not directly enforce any of its terms or conditions. The Acquiring Parties and CANMARC's representations, warranties and covenants were made as of specific dates and only for purposes of the Support Agreement and are subject to important exceptions and limitations, including a contractual standard of materiality different from that generally relevant to investors. In addition, the representations and warranties may have been included in the Support Agreement for the purpose of allocating risk between the Acquiring Parties and CANMARC, rather than to establish matters as facts. Certain of the representations, warranties and covenants in the Support Agreement are qualified by the CANMARC Disclosure Letter delivered to the Acquiring Parties at the date of signing the Support Agreement. The CANMARC Disclosure Letter has not been made public because, among other reasons, it includes confidential or proprietary information.

Furthermore, you should not rely on the covenants in the Support Agreement as actual limitations on CANMARC's business, because CANMARC may take certain actions that are either expressly permitted in the CANMARC Disclosure Letter or as otherwise consented to by the Cominar Acquisition Group, Cominar, which may be given without prior notice to the public.

The Offer

On January 15, 2012, the Cominar Acquisition Group, Cominar and CANMARC entered into the Support Agreement pursuant to which, the Cominar Acquisition Group agreed, subject to the satisfaction of certain conditions set out therein, to make the Offer. The Cominar Acquisition Group may, in its sole discretion, under the terms of the Support Agreement, modify or waive any term or condition of the Offer, provided, however, that the Cominar Acquisition Group shall not, without the prior written consent of CANMARC:

- (a) modify or waive the Minimum Tender Condition;
- (b) decrease the consideration per CANMARC Unit;
- (c) change the form of consideration payable under the Offer (other than to add additional consideration);
- (d) decrease the number of CANMARC Units in respect of which the Offer is made; or
- (e) impose additional conditions to the Offer or otherwise vary the Offer (or any terms or conditions thereof) in a manner which is adverse to the Unitholders (it being understood that a waiver, in whole or in part, of any condition of the Offer (other than the Minimum Tender Condition) is not adverse to the Unitholders).

Conditions to Completing the Offer

The Cominar Acquisition Group's obligation to complete the Offer and take-up the deposited CANMARC Units is subject to the following conditions:

- (a) there shall have been validly deposited pursuant to the Offer and not withdrawn at the Expiry Time, such number of CANMARC Units which represents, in each case, on a fully-diluted basis (i) together with the CANMARC Units owned by the Cominar Acquisition Group and Cominar, at least 66 $\frac{2}{3}$ % of the

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outstanding CANMARC Units and (ii) at least a majority of the outstanding CANMARC Units the votes of which would be included in any minority approval of a Subsequent Acquisition Transaction pursuant to MI 61-101 (the “**Minimum Tender Condition**”);

- (b) a Material Adverse Effect shall not have occurred with respect to CANMARC and no fact or circumstance is reasonably likely to result in a Material Adverse Effect with respect to CANMARC;
- (c) the Cominar Acquisition Group shall have determined in its reasonable discretion that, on terms satisfactory to the Cominar Acquisition Group:
 - (i) the Board of Trustees shall have waived the application of the Unitholder Rights Plan of CANMARC dated May 25, 2010 and any other Unitholder Rights Plan subsequently adopted by the Board of Trustees which would provide rights to the Unitholders to purchase any securities of CANMARC as a result of the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction;
 - (ii) a cease trade order shall have been issued by a securities commission having jurisdiction that has the effect of prohibiting or preventing the exercise of URP Rights or the issue of CANMARC Units upon the exercise of the URP Rights in relation to the purchase of CANMARC Units by the Cominar Acquisition Group under the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction;
 - (iii) a court of competent jurisdiction shall have ordered that the URP Rights are illegal or of no force or effect or may not be exercised in relation to the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction; or
 - (iv) the URP Rights and any Unitholder Rights Plan shall otherwise have become or been held unexercisable or unenforceable in relation to the CANMARC Units with respect to the Offer, any Compulsory Acquisition or any Subsequent Acquisition Transaction;
- (d) all government or regulatory consents, authorizations, waivers, permits, reviews, orders, rulings, decisions, approvals or exemptions (including the Competition Act Approval, those of any stock exchange or other securities regulatory authorities) that are necessary:
 - (i) to complete the Offer and the acquisition of CANMARC Units; and
 - (ii) to issue and list on the TSX, the Cominar Units issuable pursuant to the Offer, a Compulsory Acquisition or Subsequent Acquisition Transaction,

shall have been obtained or concluded on terms and conditions satisfactory to the Cominar Acquisition Group, acting reasonably, and all regulatory notice and waiting or suspensory periods in respect of the foregoing shall have expired or been terminated;

- (e) the Cominar Acquisition Group shall have determined in its reasonable discretion that (i) no act, action, suit or proceeding shall have been threatened, taken or commenced by or before, and no judgement or order shall have been issued by, any domestic or foreign elected or appointed public official or private person (including any individual, corporation, firm, group or other entity), any governmental agency or Regulatory Authority or administrative agency or commission in Canada, the United States or elsewhere, any domestic or foreign court, tribunal or other Regulatory Authority or any other person in any case, whether or not having the force of Law, and (ii) no Laws shall have been proposed, enacted, promulgated, amended or applied, in either case, unless same is acceptable to the Cominar Acquisition Group in its reasonable discretion:
 - (i) that would cease trade, enjoin, prohibit or impose material limitations or conditions on the Offer, the purchase by or the sale to the Cominar Acquisition Group of the CANMARC Units, the right of the Cominar Acquisition Group to own or exercise full rights of ownership over the CANMARC Units, or the consummation of any Compulsory Acquisition or Subsequent Acquisition Transaction or which could have any such effect;
 - (ii) which would be reasonably expected to have a Material Adverse Effect with respect to CANMARC;
 - (iii) which would be reasonably expected to prevent the ability of the Cominar Acquisition Group or its affiliates to complete the Offer, a Compulsory Acquisition or Subsequent Acquisition Transaction; or

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- (iv) limiting or adversely affecting the validity, enforceability or right to set up the security interests, pledges, hypothecs or other encumbrances in favour of CANMARC affecting the CANMARC Units held by Homburg Realty Fund (199) Limited Partnership or any consideration received pursuant to the divestiture, transfer, substitution or exchange of any such CANMARC Units affected by such security interests, pledges, hypothecs or other encumbrances in favour of CANMARC;
- (f) there shall not exist any prohibition at Law against the Cominar Acquisition Group making the Offer or taking up and paying for CANMARC Units deposited under the Offer or completing any Compulsory Acquisition or Subsequent Acquisition Transaction;
- (g) there shall not exist any facts or circumstances in respect of Convertible Securities, the CANMARC DRIP, the CANMARC LTIP, the CANMARC Deferred Unit Plan for Trustees or any other incentive or similar plan of CANMARC that adversely impacts the ability of the Cominar Acquisition Group or Cominar to complete a Subsequent Acquisition Transaction, including any issuance of any CANMARC Units, securities of CANMARC or Convertible Securities (including, for greater certainty under the CANMARC DRIP, the CANMARC LTIP, the CANMARC Deferred Unit Plan for Trustees or any other incentive or similar plan of CANMARC);
- (h) Cominar shall not have become aware of any untrue statement of material fact, or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made and at the date it was made (after giving effect to all subsequent filings prior to the date of the Offer in relation to all matters covered in earlier filings), in any document filed by or on behalf of CANMARC with any securities commission or similar securities Regulatory Authority in any of the provinces of Canada, which Cominar shall have determined has or would reasonably be expected to have a Material Adverse Effect on CANMARC;
- (i) CANMARC shall have complied in all material respects with its covenants and obligations under the Support Agreement to be complied with at or prior to the Expiry Time; and;
- (j) (i) all representations and warranties made by CANMARC in the Support Agreement shall be true and correct at and as of the Expiry Time as if made at and as of such time (except for those expressly stated to speak at or as of an earlier time) without giving effect to, applying or taking into consideration any materiality or Material Adverse Effect qualification already contained within such representation and warranty, where such inaccuracies in the representations and warranties, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect in respect of CANMARC and (ii) the representation and warranty of CANMARC in paragraph (a) of Part I of Schedule A (Capitalization) of the Support Agreement shall be true and correct in all respects.

The foregoing conditions are for the exclusive benefit of the Cominar Acquisition Group and may be asserted by the Cominar Acquisition Group regardless of the circumstances giving rise to any such assertion. The Cominar Acquisition Group in its sole discretion may waive any of the foregoing conditions in whole or in part at any time and from time to time without prejudice to any other rights which the Cominar Acquisition Group may have. The failure by the Cominar Acquisition Group at any time to exercise any of the foregoing rights will not be deemed to be a waiver of any such right, the waiver of any such right with respect to particular facts and circumstances will not be deemed a waiver with respect to any other facts and each such right shall be deemed to be an ongoing right which may be asserted at any time and from time to time.

Approval by the Board of Trustees

Pursuant to the Support Agreement, the Board of Trustees has unanimously determined (Messrs. James F. Miles and Frank W. Matheson having recused themselves from any deliberations of the Board of Trustees concerning the Contemplated Transactions), after consultation with its financial and legal advisors, that the consideration to be offered for the CANMARC Units pursuant to the Offer is fair, from a financial point of view, to all CANMARC Unitholders (other than the Acquiring Parties and their respective Affiliates), that it would be in the best interests of CANMARC to support and facilitate the Offer and enter into the Support Agreement and recommends that CANMARC Unitholders deposit their CANMARC Units to the Offer.

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Unitholder Rights Plans

CANMARC has agreed that it will continue to defer separation of the URP Rights with respect to the Offer until no earlier than immediately after the Expiry Time. CANMARC has also agreed that, with effect at the Expiry Time that is immediately prior to the time upon which the Cominar Acquisition Group elects to take up CANMARC Units deposited under the Offer, CANMARC shall irrevocably waive or suspend the operation of or otherwise render the Unitholder Rights Plans inoperative against the Offer, any Compulsory Acquisition and any Subsequent Acquisition Transaction. Subject to the foregoing, unless required by the terms of the Unitholder Rights Plans with respect to a competing take-over bid or a final and non-appealable order of a court having jurisdiction or an order of the *Autorité des marchés financiers*, CANMARC has agreed not to redeem the URP Rights or otherwise waive, amend, suspend the operation of or terminate the Unitholder Rights Plans without the prior written consent of the Cominar Acquisition Group.

Covenants Regarding Non-Solicitation and Right to Match

Pursuant to the terms of the Support Agreement, CANMARC has agreed not to directly or indirectly through any of its trustees, officers, employees, agents, representatives, financial advisors, legal counsel, accountants or other professional firm retained to assist in connection with the Offer and any of its affiliates and subsidiaries and their respective directors, officers, employees, agents and representatives and advisors (the “**Representatives**”) or otherwise: (i) solicit, assist, initiate, encourage or otherwise facilitate (including by way of furnishing information or entering into any form of written or oral agreement, arrangement or understanding) any inquiries, offers or proposals regarding an Acquisition Proposal or otherwise co-operate in any way with, or assist with or participate in any way in any effort or attempt by any person to make an Acquisition Proposal; (ii) enter into or participate in any discussions or negotiations regarding an Acquisition Proposal; (iii) withdraw, modify or qualify (or propose to do so) in a manner adverse to the Cominar Acquisition Group, the approval or recommendation of the Board of Trustees or any committee thereof of the Offer or the Support Agreement; (iv) approve or recommend or propose publicly to approve or recommend any Acquisition Proposal; or (v) accept, recommend, approve or enter into any letter of intent, agreement in principle, agreement, understanding or arrangement in respect of an Acquisition Proposal or providing for the payment of any break, termination or other fees or expenses to any person in the event that CANMARC completes the transactions contemplated in the Support Agreement or any other transaction with the Cominar Acquisition Group or any of its affiliates agreed to prior to any termination of the Support Agreement, whether formal or informal.

For purposes of the Support Agreement, an “**Acquisition Proposal**” means, any offer, proposal, expression of interest, inquiry or announcement from any person (other than the Cominar Acquisition Group, Cominar or their respective Affiliates) made after the date of the Support Agreement (including any modification after the date of the Support Agreement of any offer or proposal made prior to the date of the Support Agreement) relating to: (i) any acquisition, sale or other disposition, direct or indirect, whether in a single transaction or a series of related transactions, of: (a) the assets of CANMARC and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of CANMARC and its subsidiaries; or (b) voting or equity securities (including securities convertible into voting or equity securities), which together with other voting or equity securities beneficially (including securities convertible into voting or equity securities) owned by such person or any persons acting jointly or in concert with such person, would be equal to 15% or more of any voting or equity securities (including securities convertible into voting or equity securities) of CANMARC or any of its subsidiaries whose assets, individually or in the aggregate, constitute 20% or more of the fair market value of the consolidated assets of CANMARC and its subsidiaries; (ii) any take-over bid, issuer bid, deposit offer or exchange offer for any class of voting or equity securities (including securities convertible into voting or equity securities) of CANMARC; (iii) any plan of arrangement, merger, amalgamation, consolidation, unit exchange, share exchange, dual listed structure, business combination, joint venture, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving CANMARC or any of its subsidiaries whose assets, individually or in the aggregate, constitute 10% or more of the fair market value of the consolidated assets of CANMARC and its subsidiaries; (iv) any similar transaction or series of transactions involving CANMARC or any of its subsidiaries; or (v) any inquiry, proposal, offer or public announcement of an intention to do any of the foregoing.

For purposes of the Support Agreement, a “**Superior Proposal**” means, a *bona fide* written Acquisition Proposal that: (i) is made in writing after the date hereof; (ii) did not result from a breach of the non-solicitation covenants under the Support Agreement by CANMARC or its Representatives; (iii) relates to the acquisition of all of the outstanding

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CANMARC Units (other than the CANMARC Units owned by the person making the Acquisition Proposal together with its Affiliates) or to the acquisition of, or a plan of arrangement, merger, business combination, exchange or similar transaction involving, all or substantially all of the consolidated assets of CANMARC and its subsidiaries; (iv) is reasonably likely to be completed without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal; (v) is not subject to any financing condition and which the Board of Trustees has determined in good faith is either fully funded or is subject to adequate arrangements which have been made to ensure that the required funds will be available to effect payment in full for all of the CANMARC Units or assets, as applicable, to be acquired pursuant thereto; (vi) in respect of which the Board of Trustees determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors, that: (a) failure to recommend such Acquisition Proposal to the holders of CANMARC Units would be inconsistent with its fiduciary duties under applicable Law; and (b) having regard to all of its terms and conditions, such Acquisition Proposal, would, if consummated in accordance with its terms, result in a transaction more favourable to the holders of CANMARC Units from a financial point of view than the Offer.

CANMARC also agreed to immediately terminate any existing discussions or negotiations with any person (other than the Cominar Acquisition Group, Cominar or their Representatives) with respect to any proposal that constitutes, or which could reasonably be expected to constitute, an Acquisition Proposal, whether or not initiated by CANMARC. CANMARC also agreed not to amend, modify or waive, but to enforce, any of the confidentiality, standstill or similar provisions of the confidentiality agreements entered into by CANMARC with other persons relating to a potential Acquisition Proposal.

CANMARC also agreed to notify the Cominar Acquisition Group and Cominar as soon as practicable (and in any event within 24 hours), at first orally and then in writing, of any inquiry, proposal or offer (or any amendment thereto) or request relating to or constituting an Acquisition Proposal, any request for discussions or negotiations in respect of an Acquisition Proposal or potential Acquisition Proposal, and/or any request for non-public information relating to CANMARC or for access to properties, books and records or a list of the securityholders of CANMARC or any amendments to the foregoing. Such notice shall include the terms and conditions of, and the identity of the person making, any inquiry, proposal or offer (including any amendment thereto), and shall include, in the case of a written proposal or offer, copies of any such proposal or offer or any amendment to any of the foregoing. CANMARC has agreed to keep the Cominar Acquisition Group and Cominar promptly and fully informed of the status, including any change to the material terms, of any such proposal or offer or any amendment to the foregoing, and will respond promptly to all inquiries by the Cominar Acquisition Group and Cominar with respect thereto.

If after the date of the Support Agreement, CANMARC receives a *bona fide* written Acquisition Proposal (that was not solicited after the date of the Support Agreement in contravention of the provisions of the Support Agreement), it was agreed that CANMARC and its Representatives may (provided that CANMARC notifies the Cominar Acquisition Group and Cominar of such Acquisition Proposal as required and in accordance with the Support Agreement): (i) contact the person making such Acquisition Proposal and its Representatives for the purpose of clarifying the terms and conditions of such Acquisition Proposal and the likelihood of its consummation so as to determine whether such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal; and (ii) if the Board of Trustees determines, after consultation with its outside legal and financial advisors, that such Acquisition Proposal is, or is reasonably be expected to lead to, a Superior Proposal and the failure to take the relevant action would be inconsistent with its fiduciary duties: (a) furnish information with respect to CANMARC to the person making such Acquisition Proposal and its Representatives only if such person has entered into a confidentiality agreement, provided that CANMARC sends a copy of such agreement to the Cominar Acquisition Group and Cominar promptly following its execution and the Cominar Acquisition Group and Cominar are promptly provided with a list of, and access to (at the request of the Cominar Acquisition Group and Cominar and to the extent not previously provided to the Cominar Acquisition Group and Cominar) the information provided to such person; and (b) engage in discussions and negotiations with respect to the Acquisition Proposal with the person making such Acquisition Proposal and its Representatives, provided that no discussions and negotiations may take place during the Match Period.

CANMARC also agreed that it may (i) enter into an agreement (in addition to any confidentiality agreement contemplated by the Support Agreement) with respect to an Acquisition Proposal that is a Superior Proposal and/or (ii) withdraw, modify, or qualify its approval or recommendation of the Offer and accept, recommend or approve an

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Acquisition Proposal that is a Superior Proposal, provided that: (a) CANMARC will have complied with its obligations under the Support Agreement; (b) the Board of Trustees has determined, after consultation with its outside legal and financial advisors, that such Acquisition Proposal is a Superior Proposal and that the failure to take the relevant action would be inconsistent with its fiduciary duties; (c) CANMARC has delivered written notice to the Cominar Acquisition Group and Cominar of the determination of the Board of Trustees that the Acquisition Proposal is a Superior Proposal and of the intention of the Board of Trustees to approve or recommend such Superior Proposal and/or of CANMARC to enter into an agreement with respect to such Superior Proposal, together with a copy of such agreement and an executed copy of the confidentiality agreement contemplated by the Support Agreement and the range of values attributed by the Board of Trustees in good faith to any non-cash consideration included in the Acquisition Proposal after consultation with its financial advisors (the “**Superior Proposal Notice**”); (d) at least five (5) business days have elapsed since the date the Superior Proposal Notice was received by the Cominar Acquisition Group and Cominar, which five-business day period is referred to as the “**Match Period**”; (e) if the Cominar Acquisition Group has offered to amend the terms of the Offer during the Match Period in accordance with the Support Agreement, the Board of Trustees has determined, after consultation with its outside legal and financial advisors, that such Acquisition Proposal continues to be a Superior Proposal compared to the amendment to the terms of the Offer and the Support Agreement offered by the Cominar Acquisition Group at the termination of the Match Period; and (f) CANMARC terminates the Support Agreement by written notice in order to accept a Superior Proposal and pays the Termination Fee to Cominar.

During the Match Period, it was agreed that the Cominar Acquisition Group will have the opportunity, but not the obligation, to offer to amend the terms of the Offer and the Support Agreement. The Board of Trustees will review any such offer by the Cominar Acquisition Group to amend the terms of the Offer and the Support Agreement in order to determine, in good faith in the exercise of its fiduciary duties, whether the Cominar Acquisition Group’s offer to amend the Offer and the Support Agreement, upon its acceptance, would result in the Acquisition Proposal ceasing to be a Superior Proposal compared to the amendment to the terms of the Offer and the Support Agreement offered by the Cominar Acquisition Group. If the Board of Trustees determines that the Acquisition Proposal would cease to be a Superior Proposal, the Cominar Acquisition Group will amend the terms of the Offer and the parties shall enter into an amendment to the Support Agreement reflecting the offer by the Cominar Acquisition Group to amend the terms of the Offer and the Support Agreement.

It was further agreed that the Board of Trustees will promptly reaffirm its recommendation of the Offer by press release after: (i) any Acquisition Proposal is publicly announced or made and the Board of Trustees determines it is not a Superior Proposal; or (ii) the Board of Trustees determines that a proposed amendment to the terms of the Offer would result in the Acquisition Proposal not being a Superior Proposal, and the Cominar Acquisition Group has so amended the terms of the Offer. The Cominar Acquisition Group will be given a reasonable opportunity to review and comment on the form and content of any such press release.

Termination

The Support Agreement may be terminated prior to the Effective Time or such other time as may be expressly stipulated below:

- (a) by mutual written consent of Cominar and CANMARC;
- (b) by:
 - (i) CANMARC, if the Cominar Acquisition Group does not mail the Notice of Variation and Extension by the Latest Mailing Time or if the Offer and the Notice of Variation and Extension does not conform in all material respects with the description thereof in the Support Agreement; or;
 - (ii) Cominar, if CANMARC does not mail the Notice of Change within the time required by applicable Laws or if the Notice of Change does not conform in all material respects with the description thereof in the Support Agreement;
- (c) by Cominar on or after the Latest Mailing Time, if any condition to mailing the Notice of Variation and Extension for the Cominar Acquisition Group and Cominar’s benefit is not satisfied or waived by such date;
- (d) by CANMARC or Cominar, if any court of competent jurisdiction or other Regulatory Authority shall have issued an order, decree or ruling enjoining or otherwise permanently prohibiting or restraining the

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transactions contemplated in the Support Agreement, including the Offer and any Subsequent Acquisition Transaction and such order, decree or ruling has become final and non-appealable, provided that the Party seeking to terminate the Support Agreement shall have used all commercially reasonable efforts to remove such order, decree, ruling or injunction;

- (e) by Cominar, by written notice to CANMARC at any time if CANMARC shall have breached, or failed to comply with, any of its covenants or obligations under the Support Agreement in any material respect (except for non-solicitation covenants which must be complied with in all respects), or if any representation or warranty of CANMARC contained in the Support Agreement shall have become inaccurate in any material respect; provided that: (i) CANMARC shall be provided with prompt written notice of such breach, non-compliance or inaccuracy and shall have ten (10) business days from receipt of such notice to cure such breach, non-compliance or inaccuracy; and (ii) the collective effect of all such breaches, non-compliance and/or inaccuracies shall have a Material Adverse Effect on CANMARC or otherwise prevent the completion of the Offer by the Outside Date, provided that any breach of the non-solicitation covenants shall not be subject to the provisos of (i) and (ii) set forth above;
- (f) by CANMARC, if any of the Cominar Acquisition Group and Cominar shall have breached, or failed to comply with, any of its covenants or obligations under the Support Agreement in any material respect, or if any representation or warranty of any of the Cominar Acquisition Group and Cominar contained in the Support Agreement shall have become inaccurate in any material respect provided that: (i) Cominar Acquisition Group and Cominar shall be provided with prompt written notice of such breach, non-compliance or inaccuracy and shall have ten (10) business days from receipt of such notice to cure such breach, non-compliance or inaccuracy; and (ii) the collective effect of all such breaches, non-compliance and/or inaccuracies would prevent the completion of the Offer by the Outside Date;
- (g) by Cominar if the Board of Trustees or any committee thereof (i) withdraws, amends or modifies in any manner adverse to the Cominar Acquisition Group its recommendation in favour of the Offer, (ii) approves or recommends in favour of any Acquisition Proposal, or (iii) the Board of Trustees fails to publicly recommend or reaffirm its approval of the Offer and recommendation that the CANMARC Unitholders deposit all of their CANMARC Units under the Offer within five (5) business days of (A) the public announcement of any Acquisition Proposal that the Board of Trustees has determined is not a Superior Proposal or (B) the written request by the Cominar Acquisition Group that the Board of Trustees make such a recommendation or reaffirmation;
- (h) by CANMARC in order to accept, approve, recommend or enter into a binding written agreement with respect to a Superior Proposal;
- (i) by either CANMARC or Cominar if the Offer terminates, expires or is withdrawn at the Expiry Time without the Cominar Acquisition Group taking up and paying for any of the CANMARC Units as a result of the failure of any condition to the Offer to be satisfied or waived, unless the failure of such condition shall be due to the failure of the party seeking to terminate the Support Agreement to perform the obligations required to be performed by it under the Support Agreement; or
- (j) by CANMARC, if the Cominar Acquisition Group has not taken up and paid for the CANMARC Units deposited under the Offer by the Outside Date, otherwise than as a result of the breach by the terminating party of any covenant or obligation under the Support Agreement or as a result of any representation or warranty of such party in the Support Agreement being untrue or incorrect.

Termination Fee

The Support Agreement entitles the Cominar Acquisition Group to an amount of \$30 million (the “**Termination Fee**”) if the Support Agreement is terminated under any of the following circumstances (each a “**Termination Fee Event**”):

- (a) the Support Agreement is terminated in the circumstances set out in paragraph (g) under “Termination” above, in which case the Termination Fee shall be paid on the first (1st) business day after the Support Agreement is terminated;

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- (b) CANMARC terminates the Support Agreement in the circumstances set out in paragraph (h) under “Termination” above, in which case CANMARC shall pay the Cominar Acquisition Group the Termination Fee concurrently with the earliest of accepting, recommending or approving or entering into of any definitive agreement relating to, a Superior Proposal; or
- (c) (i) on or after the date of the Support Agreement and prior to the Expiry Time, an Acquisition Proposal is publicly announced or any person has publicly announced an intention to make an Acquisition Proposal, and (A) the Offer is not completed as a result of the Minimum Tender Condition not having been met or (B) the Support Agreement is terminated in the circumstances set out in paragraph (i) under “Termination” above and (ii) an Acquisition Proposal is consummated within twelve (12) months of the termination of the Support Agreement, in which case the Termination Fee shall be paid to the Cominar Acquisition Group concurrently with the consummation of such Acquisition Proposal.

The parties agreed under the Support Agreement that under no circumstances shall CANMARC be obligated to make more than one Termination Fee payment.

Representations and Warranties

The Support Agreement contains limited representations and warranties of CANMARC relating to capitalization, securities laws matters, financial statements, no undisclosed liabilities, consents and non-contravention, absence of certain changes, the CANMARC DRIP and the CANMARC LTIP, transaction fees and expenses and limited representations and warranties of Cominar relating to capitalization, securities laws matters, financial statements, no undisclosed liabilities, consents and non-contravention, absence of certain changes and sufficiency of funds.

Conduct of the Business by CANMARC

CANMARC has agreed in the Support Agreement that, during the period from the date of the Support Agreement until the earlier of the Effective Time and the time that the Support Agreement is terminated in accordance with its terms, unless the Cominar Acquisition Group or Cominar expressly consents in writing, it shall, and shall cause each of its subsidiaries to, among other things, conduct its business in the ordinary course of business consistent with past practice, and use commercially reasonable efforts to maintain and preserve their business organization, assets, employees, goodwill and business relationships.

Board Representation

CANMARC agreed that, promptly upon the purchase by the Cominar Acquisition Group of such number of CANMARC Units as represents at least a majority of the then outstanding CANMARC Units, and from time to time thereafter, the Cominar Acquisition Group shall be entitled to designate a number of trustees of the Board of Trustees, and any members of committees thereof, determined on a pro rata basis based on the proportion of the CANMARC Units on a fully-diluted basis then held or controlled by the Cominar Acquisition Group and its Affiliates, such number of trustees or members of committees rounded down to the nearest whole number. CANMARC agreed not to frustrate the attempts of the Cominar Acquisition Group to do so and covenants to co-operate with the Cominar Acquisition Group, subject to applicable Law, to enable the designees of the Cominar Acquisition Group to be elected or appointed to the Board of Trustees, and any committees thereof and to constitute the applicable percentage of directors or members of committees, including, without limitation, at the request of the Cominar Acquisition Group, by using its reasonable commercial efforts to increase the size of the Board of Trustees and reasonable commercial efforts to secure the resignations of such trustees as the Cominar Acquisition Group may request.

Distributions

The Support Agreement provides that each of CANMARC and Cominar shall fix the record date for distributions on, respectively, the CANMARC Units and the Cominar Units, in respect of the month of January 2012 for January 31, 2012, with a payment date of February 15, 2012.

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Cominar Guarantee

Cominar agreed to cause the Cominar Acquisition Group to perform all of its obligations under the Support Agreement and unconditionally and irrevocably guarantees, covenants and agrees to be jointly and severally liable with the Cominar Acquisition Group for the due and punctual performance of each and every obligation of the Cominar Acquisition Group arising under the Offer.

Trustees and Officers' Insurance and Indemnification

The Cominar Acquisition Group and Cominar covenanted and agreed under the Support Agreement that for the period from the Effective Time until six years after the Effective Time, the Cominar Acquisition Group will cause CANMARC and its subsidiaries (or any successors thereof) to maintain the current trustees', directors' and officers' insurance policies or policies reasonably equivalent thereto for all trustees, directors and officers of CANMARC and its subsidiaries, covering claims made prior to or within six years after the Expiry Time, provided that neither CANMARC nor the Cominar Acquisition Group will be required, in order to maintain such insurance policy, to pay an annual premium in excess of 200% of the annual cost of the existing policies. The Cominar Acquisition Group and Cominar also agreed under the Support Agreement that after the expiration of such six-year period, they will use reasonable efforts to cause such trustees, directors and officers to be covered under these then existing trustees', directors' and officers' insurance policies.

The parties further agreed pursuant to the Support Agreement that from and after the Effective Time, Cominar, the Cominar Acquisition Group and CANMARC shall indemnify and hold harmless, and provide advancement of expenses to, all past and present trustees, directors and officers of CANMARC or any of its subsidiaries (the "**Indemnified Persons**") to the maximum extent permitted by Law, in respect of all liabilities and obligations, costs or expenses (including legal fees), judgments, fines, losses, claims or damages incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative arising out of or related to such Indemnified Person's service as a trustee, director or officer of CANMARC or any of its subsidiaries or services performed by such persons at the request of CANMARC or any of its subsidiaries at or prior to the Effective Time. Cominar and the Cominar Acquisition Group further agreed to honour, or cause CANMARC to honour, all payments made in satisfaction of the Officer Obligations.

FAIRNESS OPINIONS

On January 13, 2012, TD Securities and Canaccord Genuity delivered oral opinions, followed by written opinions (the "**Fairness Opinions**") to the Special Committee which stated that, as of January 13, 2012, subject to the assumptions and qualifications described therein, the consideration to be received by the CANMARC Unitholders pursuant to the Offer is fair, from a financial point of view, to the CANMARC Unitholders, other than the Cominar Acquisition Group, Cominar and their respective Affiliates.

The full text of the Fairness Opinions, setting out the assumptions made, matters considered, and limitations and qualifications on the review undertaken in connection with the Fairness Opinions, are attached hereto as Schedules "A" and "B". TD Securities and Canaccord Genuity provided the Fairness Opinions for the information and assistance of the Special Committee in connection with its consideration of the Offer as of the date of the Fairness Opinions. The Fairness Opinions address only the fairness from a financial point of view of the consideration pursuant to the Offer to the CANMARC Unitholders (other than the Cominar Acquisition Group, Cominar and their respective Affiliates), and are not a recommendation as to whether or not a CANMARC Unitholder should tender his/her CANMARC Units in connection with the Offer. As described above, the Fairness Opinions were one of many factors taken into consideration by the Special Committee in making its recommendation to the Board of Trustees to approve the Offer and recommend that CANMARC Unitholders tender to such offer.

Pursuant to the terms of the engagement letters with CANMARC, TD Securities and Canaccord Genuity are to be paid a fee for their services as financial advisor. CANMARC has also agreed to indemnify TD Securities and Canaccord Genuity against certain liabilities.

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TRUSTEES AND OFFICERS OF CANMARC AND OWNERSHIP OF SECURITIES

The number of securities of CANMARC beneficially owned, directly or indirectly, by each of the trustees and officers of CANMARC, or over which control or direction is exercised by any of them, and, after reasonable inquiry, by each associate or Affiliate of CANMARC, any insider of CANMARC and such insider's associates or Affiliates, and any person or company acting jointly or in concert with CANMARC, has remained the same since the date of the Trustees' Circular.

TRADING IN SECURITIES OF CANMARC

Since the date of the Trustee's Circular, none of CANMARC, its trustees or officers or other insiders of CANMARC nor, to the knowledge of the trustees and officers of CANMARC after reasonable inquiry, any of their respective associates or Affiliates, or any person or company acting jointly or in concert with CANMARC, has traded any security of CANMARC.

ISSUANCES OF SECURITIES OF CANMARC

Since the date of the Trustees' Circular, no securities of CANMARC or other securities convertible into or exchangeable for securities of CANMARC have been issued or granted to the trustees, officers or insiders of CANMARC.

AGREEMENTS BETWEEN CANMARC AND ITS TRUSTEES AND SENIOR OFFICERS

Except as described herein, there are no arrangements or agreements made or proposed to be made between CANMARC and any of the trustees or senior officers of CANMARC pursuant to which a payment or other benefit is to be made or given by way of compensation for loss of office or for remaining in or retiring from office if the Offer is successful.

Executive Employment Agreements

Each of (i) James W. Beckerleg, (ii) Gordon G. Lawlor, (iii) Ashley L. Phillips, and (iv) Guy Charron (collectively, the "**Executive Officers**") is currently employed by CANMARC and has an agreement (an "**Executive Employment Agreement**") with CANMARC in respect of his employment. The Executive Employment Agreements for all the Executive Officers include termination arrangements. More specifically, the agreements stipulate that in the event of a Change of Control, CANMARC may terminate the employment of an Executive Officer, without cause, by providing such Executive Officer with termination pay in lieu of notice.

In the case of the President and Chief Executive Officer, Mr. James W. Beckerleg, such termination pay was originally equal to 18 months' base salary and the annual bonus that would have been paid to him had he continued to work for a period of 18 months. With respect to each of the other Executive Officers, the termination pay was originally equal to the executive's base salary and annual bonus for one month for each completed year of employment, subject to a minimum of 12 months and a maximum of 18 months.

Furthermore, each Executive Officer may, at any time within 18 months following a Change of Control, terminate his employment for "**good reason**" (as further described below), by giving CANMARC at least 10 days written notice, which 10-day notice must set forth in detail the facts and circumstances that such Executive Officer claims to provide a basis for such termination. Upon such event, such Executive Officer will be entitled to the same rights and benefits as would be the case in the event of their termination without cause.

The Executive Officers will have "**good reason**" if CANMARC makes a material adverse change to the terms of employment relating to such Executive Officer without such Executive Officer's express written consent, and shall include one or more of the following: (a) reducing the Executive Officer's base salary by an amount greater than five percent in a fiscal year; (b) failing to maintain the Executive Officer's participation in the annual incentive plan or long-term incentive plan in a manner that is consistent with other similarly-situated executive employees of CANMARC and the past practice of CANMARC; or (c) failing to maintain the Executive Officer's benefits under, or relative level of participation in, CANMARC's group benefit plan in which the Executive Officer participates as of the date of his or her employment at a level consistent with other similarly-situated executive employees of CANMARC.

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The Special Committee has retained the services of Hugessen to provide advice on retention and compensation issues. A preliminary report was delivered to the Special Committee by Hugessen on December 12, 2011 and was carefully considered by the Special Committee.

The Special Committee met on several occasions between December 12, 2011 to early January 2012, including in certain instances with the Chair of the Compensation Committee, to review the Executive Employment Agreements in light of the Offer and of a possible Change of Control with the guidance of its legal advisors and Hugessen.

On January 6, 2012, the Board of Trustees, having received a unanimously favourable recommendation from the Special Committee and the Compensation Committee with the assistance of its advisors and the legal advisors of CANMARC, approved the following amendments to the Executive Employment Agreements:

- a) In the event of a termination without cause made by CANMARC within 18 months following a Change of Control, the Executive Officers will be entitled to receive, in lieu of a notice period, a lump sum payment equivalent to: (i) for James W. Beckerleg, 24 months of his current base salary and a bonus equivalent to 200% of the annual bonus paid the year prior to the Change of Control as well as an amount equivalent to 200% of his annual allowance for perquisite, and (ii) for the other Executive Officers, 18 months of their current base salary and a bonus equivalent to 150% of the annual bonus paid the year prior to the Change of Control as well as an amount equivalent to 150% of their annual allowance for perquisite. The Executive Employment Agreements were also amended to ensure that the Executive Officers will continue to have group health and dental benefit coverage during 24 months for James W. Beckerleg and 18 months for the other Executive Officers following an involuntary termination without cause.
- b) Each of the Executive Officers will be deemed to have achieved his annual objectives in the calendar or fiscal year in which his employment is terminated without cause and each of the Executive Officers will be awarded a prorated portion of an annual LTIP award equivalent to 75% of the base salary in the case of the President and Chief Executive Officer, James W. Beckerleg, and 40% of the base salary in the case of the other Executive Officers, which proration shall be based on the number of days in the fiscal or calendar year that each of the Executive Officers provided services to CANMARC prior to the separation date defined in the LTIP.
- c) In the event of a termination for “**good reason**” by an Executive Officer within 18 months following a Change of Control, the Executive Officers will be entitled to receive the same rights and benefits as would be the case in the event of their termination without cause, as described in subsection a) above.
- d) The definition of “**good reason**” in the Executive Employment Agreements has been amended to include additional examples such as: (i) assigning to an executive officer any duties materially inconsistent with his position, duties and responsibilities with CANMARC immediately prior to such assignment without the consent of such Executive Officer, (ii) any material diminution in an Executive Officer’s duties, responsibilities or authority, (iii) changing the city where an Executive Officer performs his duties, (iv) any reason that would be considered to amount to constructive dismissal by a court of competent jurisdiction.

On January 13, 2012, the Board of Trustees agreed that the severance allowances that James W. Beckerleg is entitled to, in the event of a termination without cause made by CANMARC or a termination for “**good reason**” following a Change of Control in accordance with his Executive Employment Agreement, will be held in escrow until the earliest of the payment of such allowances or their release 18 months following a Change of Control if such termination has not occurred.

Special Retention Bonuses

On January 3, 2012, the Special Committee, with the assistance of its advisors, approved the allocation of a special bonus to certain executives and employees of CANMARC for retention purposes (the “**Bonus**”). The Bonuses paid to Executive Officers are indicated in the table below.

The Bonus of each eligible Executive Officer and other key employees (the “**Eligible Employees**”) will be paid at the earliest of the termination of the Special Committee’s mandate or the date upon which a unitholder acquires control of at least 66⅔% of the votes attached to CANMARC Units.

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Until February 1, 2012, the Eligible Employees will earn a Partial Bonus. If the Special Committee's mandate extends beyond February 1, 2012, and if no person has acquired control of at least 66 $\frac{2}{3}$ % of the votes attached to the CANMARC Units held by February 1, 2012, the Eligible Employees will be eligible to receive a Full Bonus, as indicated in the table below, prorated between February 1, 2012 and April 1, 2012. Eligible Employees will be entitled to receive the whole additional amount of a Full Bonus after April 1, 2012.

Eligible Employees	Partial Bonus	Full Bonus
James W. Beckerleg	30% of base salary	50% of base salary
Gordon G. Lawlor	24% of base salary	40% of base salary
Ashley L. Phillips	12% of base salary	20% of base salary
Guy Charron		

Any Bonus will be paid within 30 days of the earliest of the termination of the Special Committee's mandate or the date upon which a unitholder acquires control of at least 66 $\frac{2}{3}$ % of the votes attached to CANMARC Units. The payment of any Bonus is not conditional upon the completion of a transaction nor upon a Change of Control.

A Bonus shall not be payable by CANMARC if, at any time before the 30th day following the termination of the Special Committee's mandate or of the date upon which a unitholder acquires control of at least 66 $\frac{2}{3}$ % of the votes attached to CANMARC Units, the employment of an Eligible Employee is terminated for just and sufficient cause or if, at any time before the termination of the Special Committee's mandate or the date upon which a unitholder acquires control of at least 66 $\frac{2}{3}$ % of the votes attached to CANMARC Units, such Eligible Employee retires or terminates his employment with CANMARC.

In the event that the employment of an Eligible Employee is terminated, at any time before the 30th day following the termination of the Special Committee's mandate or the date upon which a person acquires control of at least 66 $\frac{2}{3}$ % of the votes attached to CANMARC Units, without just and sufficient cause or as a result of death or permanent disability, the amounts provided in the table hereinabove shall be calculated and paid at the date of the termination. In case such Eligible Employee receives a notice of termination from CANMARC which sets the effective date of his termination after April 1, 2012, such amounts will be calculated and paid within 30 days of the end of the Special Committee's mandate or the date upon which a unitholder acquires control of at least 66 $\frac{2}{3}$ % of the votes attached to CANMARC Units or on April 1, 2012.

On January 13, 2012, the Special Committee agreed that the amounts for the Bonuses payable to the Eligible Employees would be held in escrow until their release by the escrow agent in accordance with the terms described above.

On the same date, the Special Committee decided to grant transaction bonuses to Executive Officers and other key employees in a total amount not exceeding \$200,000 upon Change of Control of CANMARC.

2011 Compensation

The Compensation Committee (John Levitt also participating as member of the Special Committee) met on several occasions between December 16, 2011 and January 3, 2012 to discuss incentive compensation for 2011 and compensation for 2012. On January 6, 2012, the Board of Trustees, having received a unanimous recommendation from its Compensation Committee with the assistance of its advisors, determined incentive compensation for Executive Officers based on criteria that are in accordance with past practices and on the basis of CANMARC's internal financial statements for 2011.

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Indemnity Agreements

On January 11, 2012, CANMARC entered into an indemnity agreement with each of its trustees and Executive Officers. The indemnity agreements provide that CANMARC will indemnify and save harmless each of the trustees and officers of CANMARC or any of its subsidiaries for all losses, liabilities, claims, damages, costs, charges and expenses incurred in respect of any civil, criminal, administrative, investigative or other proceeding which arose in connection with CANMARC or because the indemnified party is a trustee or officer of CANMARC or any of its subsidiaries or a former trustee or officer of CANMARC or any of its subsidiaries.

Long Term Incentive Plan

CANMARC established a long term incentive plan (“**LTIP**”) for trustees, directors, employees and consultants of CANMARC and its affiliates (the “**Participants**”) with the opportunity to acquire Restricted Units and Deferred Units of CANMARC in order to allow them to participate in the long-term success of CANMARC and to promote a greater alignment of their interests with the interests of CANMARC Unitholders. Unless otherwise determined by the Compensation Committee in its sole discretion, upon a Change of Control resulting in the absence of a market price for the CANMARC Units, all unvested Restricted Units and Deferred Units will automatically vest. If, upon a Change of Control where CANMARC Unitholders become the holders of the majority of the equity interests of the resulting issuer, and the CANMARC Units continue to trade publicly, all unvested Restricted Units and Deferred Units will not automatically vest. However, if employment is terminated within 18 months of a Change of Control, all Restricted Units and Deferred Units will automatically vest. Finally, the Compensation Committee may, at any time permit, in its sole discretion, (a) the vesting of any or all Restricted Units and Deferred Units held by a Participant, and (b) the issuance of CANMARC Units in payment of Restricted Units and Deferred Units.

OTHER TRANSACTIONS

Except as set forth under “Agreements Relating to the Offer”, there are no transactions, agreements in principle or signed contracts to which CANMARC is a party in response to the Offer.

Except as set forth under “Agreements Relating to the Offer”, CANMARC is not undertaking or engaged in any negotiations in response to the Offer which related to or would result in: (i) an extraordinary transaction such as a merger or reorganization involving CANMARC or any of its subsidiaries; (ii) the purchase, sale or transfer of a material portion of assets by CANMARC or any of its subsidiaries; (iii) a competing take-over bid; (iv) a bid by CANMARC for its own securities or for those of another issue; or (v) any material change in the present capitalization of CANMARC.

MATERIAL CHANGES

Except as disclosed or referred to in the Trustees’ Circular and this Notice of Change, to the knowledge of the trustees and senior officers of CANMARC after reasonable inquiry, there has been no material change in the affairs or prospects of CANMARC since September 30, 2011, the date of its last published financial statements, being the unaudited interim financial statements of CANMARC for the nine month period ended September 30, 2011, and there is no information contained in such financial statements which is materially misleading because of events subsequent to their publication or any other information which has not been generally disclosed to the public which would reasonably be expected to affect the decision of the CANMARC Unitholders to accept or reject the Offer.

OTHER INFORMATION AND MATTERS

There is no information or matter not disclosed in this Notice of Change but known to the Board of Trustees which would reasonably be expected to affect the decision of the CANMARC Unitholders to accept or reject the Offer.

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STATUTORY RIGHTS

Securities legislation in certain of the provinces and territories of Canada provides security holders of CANMARC with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

TRUSTEES' APPROVAL

The contents of this Notice of Change have been approved and the delivery thereof has been authorized by the Board of Trustees.

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CONSENT OF TD SECURITIES INC.

DATED: January 17, 2012

To the Trustees of CANMARC Real Estate Investment Trust (“**CANMARC**”)

We hereby consent to the references in the Notice of Change of CANMARC dated January 17, 2012 (the “**Notice of Change**”) to our firm name and to our opinion dated January 13, 2012, and to the inclusion of the text of our opinion attached as Schedule A to the Notice of Change. In providing our consent, we do not intend that any person other than the trustees of CANMARC shall rely upon our opinion.

(signed) TD SECURITIES INC.

CONSENT OF CANACCORD GENUITY CORP.

DATED: January 17, 2012

To the Trustees of CANMARC Real Estate Investment Trust (“CANMARC”)

We hereby consent to the references in the Notice of Change of CANMARC dated January 17, 2012 (the “**Notice of Change**”) to our firm name and to our opinion dated January 13, 2012, and to the inclusion of the text of our opinion attached as Schedule B to the Notice of Change. In providing our consent, we do not intend that any person other than the trustees of CANMARC and the Special Committee of CANMARC shall rely upon our opinion.

(signed) CANACCORD GENUITY CORP.

CERTIFICATE

DATED: January 17, 2012

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

On behalf of the Board of Trustees

(signed) Karen A. Prentice
Trustee and Chair of the Board

(signed) James W. Beckerleg
Trustee, President and Chief Executive Officer

GLOSSARY OF TERMS

Unless the context otherwise requires or where otherwise provided, the following words and terms shall have the meanings set forth below when used in this Notice of Change.

“**Acquisition Proposal**” has the meaning given to such term under “Support Agreement – Covenants Regarding Non-Solicitation and Right to Match”.

“**Affiliate**” has the meaning given to such term in Part XX of the *Securities Act* (Ontario) or Multilateral Instrument 62-104-*Take-Over Bids and Issuer Bids*, as amended or replaced from time to time.

“**Amended Cominar Circular**” has the meaning given to such term under “Notice of Change to the Trustees’ Circular”.

“**Board of Trustees**” means the board of trustees of CANMARC.

“**Book-Entry Confirmation**” means confirmation of a book-entry transfer of a CANMARC Unitholder’s CANMARC Units into the Depository’s account at CDS.

“**Canaccord Genuity**” means Canaccord Genuity Corp.

“**CANMARC**” has the meaning given to such term under “General Information”.

“**CANMARC Units**” means trust units of CANMARC.

“**CANMARC Unitholder**” means a holder of one or more CANMARC Units.

“**Cash Alternative**” has the meaning given to such term under “Notice of Change to the Trustees’ Circular”.

“**CDS**” means CDS Clearing and Depository Services Inc. or its nominee, which at the date hereof is CDS & Co.

“**CDSX**” means the CDS on-line tendering system pursuant to which book-entry transfers may be effected.

“**Change of Control**” means the happening of any of the following events:

- (a) any transaction at any time and by whatever means pursuant to which any Person or any group of two or more Persons acting jointly or in concert (other than CANMARC or a wholly-owned subsidiary of CANMARC) hereafter acquires the direct or indirect “beneficial ownership” (as defined in the *Canada Business Corporations Act*) of, or acquires the right to exercise control or direction over, securities of CANMARC representing 50% or more of the then issued and outstanding voting securities of CANMARC in any manner whatsoever, including, without limitation, as a result of a take-over bid, an exchange of securities, an amalgamation of CANMARC with any other entity, an arrangement, a capital reorganization or any other business combination or reorganization;
- (b) the sale, assignment or other transfer of all or substantially all of the assets of CANMARC to a Person other than a wholly-owned subsidiary of CANMARC;
- (c) the dissolution or liquidation of CANMARC, except in connection with the distribution of assets of CANMARC to one or more Persons which were wholly-owned subsidiaries of CANMARC prior to such event; or
- (d) the occurrence of a transaction requiring approval of CANMARC unitholders whereby CANMARC is acquired through consolidation, merger, exchange of securities, purchase of assets, amalgamation, statutory arrangement or otherwise by any other Person (other than a short form amalgamation or exchange of securities with a wholly-owned subsidiary of CANMARC);

provided that notwithstanding (a), (b), (c) or (d) above, a Change of Control shall not be deemed to have occurred unless immediately following the transaction set forth in (a), (b), (c) or (d) above: (A) voting securities of CANMARC

that were outstanding immediately prior to the consummation of such transaction (or, if applicable, securities into or for which such voting securities were converted or exchanged pursuant to such transaction) represent more than 50% of the combined voting power of the then outstanding securities eligible to vote for the election of directors or trustees (“**voting power**”) of (x) the entity resulting from such transaction (the “**Surviving Entity**”), or (y) if applicable, the entity that directly or indirectly has beneficial ownership of 100% of the voting securities eligible to elect directors or trustees of the Surviving Entity (the “**Parent Entity**”) and (B) no Person, or group of two or more Persons acting jointly or in concert, is the beneficial owner, directly or indirectly, of 50% or more of the voting power of the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) (any transaction which satisfies all of the criteria specified in (A) and (B) above shall be deemed to be a “Non-Qualifying Transaction” and, following the Non-Qualifying Transaction, references in this definition of “**Change in Control**” to the “**REIT**” shall mean and refer to the Parent Entity (or, if there is no Parent Entity, the Surviving Entity) and, if such entity is a REIT, references to the “**Board**” shall mean and refer to the board of trustees of such entity).

For purposes of the above definition, “**Person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, fund, organization or other group of organized persons, government, government regulatory authority, governmental department, agency, commission, board, tribunal, dispute settlement panel or body, bureau, court, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative.

“**Cominar**” means Cominar Real Estate Investment Trust.

“**Cominar Acquisition Group**” has the meaning given to such term under “General Information”.

“**Cominar Units**” means trust units of Cominar.

“**Compensation Committee**” means the compensation committee of the Board of Trustees.

“**Convertible Securities**” means any securities of CANMARC that are convertible into or exchangeable or exercisable for, or existing rights to acquire CANMARC Units, other than any rights issued under the Unitholder Rights Plans.

“**Depositary**” means Computershare Investor Services Inc.

“**Executive Employment Agreement**” has the meaning given to such term under “Agreements between CANMARC and its Trustees and Senior Officers – Executive Employment Agreements”.

“**Executive Officers**” has the meaning given to such term under “Agreements between CANMARC and its Trustees and Senior Officers – Executive Employment Agreements”.

“**Expiry Time**” has the meaning given to such term under “Notice of Change to the Trustees’ Circular”.

“**Hugessen**” means Hugessen Consulting Inc.

“**LTIP**” has the meaning given to such term under “Agreements between CANMARC and its Trustees and Senior Officers – Long Term Incentive Plan”.

“**Master LP**” means Homburg Canada REIT Limited Partnership.

“**Notice of Change**” means this notice of change.

“**Notice of Variation and Extension**” means the notice of variation and extension of the Cominar Acquisition Group dated January 16, 2012.

“**Offer**” has the meaning given to such term under “Notice of Change to the Trustees’ Circular”.

“**Offeror**” has the meaning given to such term under “General Information”.

“**Original Cominar Circular**” means the take-over bid circular of the Cominar Acquisition Group dated December 2, 2011.

“**Participants**” has the meaning given to such term under “Agreements between CANMARC and its Trustees and Senior Officers – Long Term Incentive Plan”.

“**Special Committee**” means the committee composed of independent trustees appointed by the Board of Trustees’ in connection with the Offer.

“**Subsidiary**” has the meaning given to that term under the *Securities Act* (Québec).

“**Superior Proposal**” has the meaning given to such term under “Support Agreement – Covenants Regarding Non-Solicitation and Right to Match”.

“**TD Securities**” means TD Securities Inc.

“**Trustees’ Circular**” means the circular of the Board of Trustees dated December 12, 2011.

“**Unit Alternative**” has the meaning given to such term under “Notice of Change to the Trustees’ Circular”.

“**Unitholder Rights Plans**” means, collectively, the unitholder rights plans between CANMARC and CIBC Mellon Trust Company dated May 25, 2010, as modified or amended or superseded from time to time, and the unitholder rights plan between CANMARC and CIBC Mellon Trust Company dated December 6, 2011, as modified or amended or superseded from time to time, and any other unitholder rights plan which may be adopted by CANMARC after the date hereof.

“**URP Rights**” means the Rights issued under the Unitholder Rights Plans.

SCHEDULE A – FAIRNESS OPINION OF TD SECURITIES INC.



TD Securities Inc.
TD Tower
66 Wellington Street West, 9th Floor
Toronto, Ontario M5K 1A2

January 13, 2012

The Special Committee of the Board of Trustees
CANMARC Real Estate Investment Trust
1 Place Alexis Nihon
3400 De Maisonneuve Boulevard West
Suite 1010
Montreal, Quebec H3Z 3B8

To the Special Committee:

TD Securities Inc. (“TD Securities”) understands that CANMARC Real Estate Investment Trust (“CANMARC”) is considering entering into an agreement (the “Support Agreement”) with 8012075 Canada Inc., 8012083 Canada Inc., 8012091 Canada Inc., 8012105 Canada Inc., 8012113 Canada Inc., 8012121 Canada Inc., 8012130 Canada Inc., 8012148 Canada Inc., 8012156 Canada Inc. and 8012164 Canada Inc. (collectively, the “Offeror”), each a wholly-owned subsidiary of Cominar Real Estate Investment Trust (“Cominar”). Pursuant to the Support Agreement, among other things, the Offeror would agree to amend the terms of its offer, dated December 2, 2011, to acquire all of the issued and outstanding trust units (the “CANMARC Units”) of CANMARC which the Offeror, Cominar and their respective affiliates do not already own for consideration, at the option of the holders of CANMARC Units (the “CANMARC Unitholders”), either \$15.30 in cash per CANMARC Unit or 0.7054 trust units (the “Cominar Units”) of Cominar (the “Original Offer”) to, among other things, increase the consideration to, at the option of the CANMARC Unitholders, either \$16.50 in cash per CANMARC Unit (the “Cash Alternative”) or 0.7607 Cominar Units (the “Unit Alternative”) (collectively the “Consideration”). The Unit Alternative is subject to proration and the maximum aggregate number of Cominar Units available for issuance under the Unit Alternative is 16 million Cominar Units. The description above is summary in nature. The specific terms and conditions of the Original Offer, as amended (the “Offer”), will be described in the Offeror’s notice of variation and extension to be dated January 16, 2012 (“Cominar’s Notice of Variation and Extension”). Cominar’s Notice of Variation and Extension should be read in conjunction with the Original Offer and accompanying offer to purchase and take-over bid circular dated December 2, 2011 (the “Original Cominar Circular”).

TD Securities also understands that the Board of Trustees of CANMARC (the “Board of Trustees”) has established a committee (the “Special Committee”), to consider and respond to the Original Offer and the Offer, to review and pursue any other alternatives that may be in the best interests of CANMARC Unitholders and to make recommendations thereon to the Board of Trustees.

As disclosed in the Original Cominar Circular, the Offeror, Cominar and their respective affiliates currently own 8,263,930 CANMARC Units, which in total account for approximately 15.1% of the outstanding CANMARC Units.

ENGAGEMENT OF TD SECURITIES

TD Securities was engaged by CANMARC pursuant to an engagement agreement dated November 25, 2011 (the “Engagement Agreement”) to provide financial advice and assistance to CANMARC and to the Special Committee and, if requested, prepare and deliver to the Special Committee and the Board of Trustees an opinion (the “Opinion”) as to the fairness of the Consideration to be received by the CANMARC Unitholders pursuant to the Offer, from a financial point of view, to the CANMARC Unitholders other than the Offeror, Cominar and their respective affiliates.

Member of TD Bank Group

The terms of the Engagement Agreement provide that TD Securities will receive a fee for its services, a portion of which is payable on delivery of the Original Opinion (as defined below) and the Opinion and a portion of which is contingent on a change of control of CANMARC or certain other events, and is to be reimbursed for its reasonable out-of-pocket expenses. Furthermore, CANMARC has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, suits, proceedings, damages and liabilities which may arise directly or indirectly from services performed by TD Securities in connection with the Engagement Agreement.

Pursuant to the Engagement Agreement, on December 12, 2011, at the request of the Special Committee, TD Securities orally delivered to the Special Committee and the Board of Trustees TD Securities' opinion (the "Original Opinion") that, based upon and subject to the scope of review, assumptions, limitations and qualifications set forth in the Original Opinion, the consideration offered to the CANMARC Unitholders pursuant to the Original Offer was inadequate, from a financial point of view, to the CANMARC Unitholders other than the Offeror, Cominar and their respective affiliates. TD Securities subsequently provided the Original Opinion, in writing, as of December 12, 2011, for inclusion in the trustees' circular of CANMARC regarding the Original Offer (the "Original Trustees' Circular"). On January 13, 2012, at the request of the Special Committee, TD Securities orally delivered the Opinion to the Special Committee and the Board of Trustees based upon and subject to the scope of review, assumptions, limitations and qualifications set out herein. This Opinion provides the same opinion, in writing, as of January 13, 2012. Subject to the terms of the Engagement Agreement, TD Securities consents to the inclusion of the Opinion in the notice of change to the trustees' circular of CANMARC regarding the Offer (the "Notice of Change"), with a summary thereof, in a form acceptable to TD Securities, and to the filing thereof by CANMARC with the applicable Canadian securities regulatory authorities.

CREDENTIALS OF TD SECURITIES

TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing valuations, fairness and adequacy opinions.

The Opinion represents the opinion of TD Securities and its form and content have been approved by a committee of senior investment banking professionals of TD Securities, each of whom is experienced in merger, acquisition, divestiture, valuation, fairness and adequacy opinion matters.

RELATIONSHIP WITH INTERESTED PARTIES

Neither TD Securities nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the Securities Act (Ontario) (the "Securities Act")) of CANMARC or the Offeror or any of their respective associates or affiliates (collectively, the "Interested Parties"). Neither TD Securities nor any of its affiliates is an advisor to any of the Interested Parties with respect to the Original Offer or the Offer other than to CANMARC pursuant to the Engagement Agreement.

TD Securities and its affiliates have not been engaged to provide any financial advisory services involving CANMARC or any other Interested Party, or had a material financial interest in any transaction involving CANMARC or any other Interested Party during the 24-months preceding the date on which TD Securities was first contacted in respect of the Original Opinion, other than as described herein.

During the 24 months preceding the date on which TD Securities was first contacted in respect of the Original Opinion, TD Securities acted as a lead or co-lead underwriter for CANMARC's initial public offering and secondary offering of CANMARC Units on May 25, 2010 and three follow-on CANMARC Unit offerings since that time. The Toronto-Dominion Bank ("TD Bank"), the parent company of TD Securities, acted as administrative agent on CANMARC's \$45 million revolving credit facility, which was put in place at the time of its initial public offering in May 2010 and upsized to \$70 million in June 2011. Following the date on which TD Securities was first contacted in respect of the Original Opinion and preceding the date on which TD Securities was first contacted in respect of the Opinion, TD Bank committed to provide CANMARC with one-year acquisition bridge facilities in an aggregate amount of up to \$204 million, related to CANMARC's pending acquisition of Scotia Centre announced on January 11, 2012 and other potential financing requirements.

TD Securities acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of any Interested Party or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Original Offer, the Offer, CANMARC, or any other Interested Party.

The fees paid to TD Securities in connection with the Engagement Agreement in respect of the conclusions reached in the Original Opinion or the Opinion are not financially material to TD Securities. No understandings or agreements exist between TD Securities and CANMARC or any other Interested Party with respect to future financial advisory or investment banking business. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for CANMARC, or any other Interested Party. TD Bank, through one or more affiliates, is a lender to CANMARC and provides, and may continue to provide in the future, in the ordinary course of their business, banking services to CANMARC, or any other Interested Party.

SCOPE OF REVIEW

In connection with the Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. a draft dated January 13, 2012, of the Support Agreement;
2. the Original Cominar Circular dated December 2, 2011;
3. the Original Trustees' Circular dated December 12, 2011;
4. annual report of CANMARC, including the audited financial statements and management's discussion and analysis contained therein, for the fiscal period ended December 31, 2010;
5. quarterly interim reports of CANMARC including the unaudited financial statements and management's discussion and analysis contained therein, for the 37 day period ended June 30 and the three month period ended September 30, in the year 2010 and for each of the three month periods ended March 31, June 30 and September 30, in the year 2011;
6. annual information form of CANMARC dated March 31, 2011;
7. notice of meeting and management proxy circular for the annual meeting of CANMARC Unitholders dated April 20, 2011;
8. final long form prospectus of CANMARC regarding its initial public offering and secondary offering of CANMARC Units dated May 14, 2010, including the documents incorporated by reference therein;
9. final short form prospectuses for public offerings of CANMARC Units dated October 20, 2010, March 8, 2011 and September 6, 2011;
10. property level net operating income models, debt models and ARGUS cash flow forecast models prepared by management of CANMARC;
11. various other property specific information of CANMARC, including property operating statements, rent rolls, flash reports and lease agreements;
12. independent appraisals for select CANMARC properties;
13. mortgage loan agreements and operating facility agreements entered into by CANMARC;

14. various third party reports, including environmental and property condition reports;
15. various research publications prepared by equity research analysts regarding CANMARC and other selected public entities considered relevant;
16. public information relating to the business, operations, financial performance and trading history of CANMARC and other selected public entities considered relevant;
17. public information with respect to certain other Canadian real estate transactions of a comparable nature considered relevant;
18. discussions with senior management of CANMARC with respect to the information referred to above, long term prospects and other issues deemed relevant;
19. discussions with members of the Special Committee;
20. discussions with legal counsel to the Special Committee and CANMARC, with respect to various legal matters relating to CANMARC and other matters considered relevant; and
21. other financial, legal and operating information and materials assembled by CANMARC management and such other corporate, industry, and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

TD Securities has not, to the best of its knowledge, been denied access by CANMARC to any information requested by TD Securities. TD Securities did not meet with the auditors of CANMARC and has assumed the accuracy and fair presentation of, and relied upon, the consolidated financial statements of CANMARC and the reports of the auditors thereon.

PRIOR VALUATIONS

CANMARC has represented to TD Securities that, among other things, it has no knowledge of any prior valuations or appraisals relating to CANMARC or any affiliate or any of their respective material assets, or liabilities made in the preceding 24 months and in the possession or control of CANMARC other than those which have been provided to TD Securities or, in the case of valuations or appraisals known to CANMARC which it does not have within its possession or control, notice of which has not been given to TD Securities.

ASSUMPTIONS AND LIMITATIONS

With the Special Committee's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy and completeness of all data and information filed by CANMARC with securities regulatory or similar authorities (including on the System for Electronic Document Analysis and Retrieval ("SEDAR")) or provided to it by CANMARC and its personnel, advisors, or otherwise, including the certificate identified below (collectively, the "Information"). The Opinion is conditional upon such accuracy, completeness and fair presentation. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy or completeness of any of the Information.

With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein and on bases reflecting the best currently available estimates and judgements of CANMARC management as to the matters covered thereby and which, in the opinion of CANMARC, are (or were at the time of preparation and continue to be) reasonable in the circumstances. TD Securities expresses no independent view as to the reasonableness of such budgets, forecasts, projections and estimates or the assumptions on which they are based.

Senior officers of CANMARC have represented to TD Securities in a certificate dated January 13, 2012, among other things, that after due inquiry (i) CANMARC has no information or knowledge of any facts public or otherwise not specifically provided to TD Securities relating to CANMARC which could reasonably be expected to affect materially the Opinion to be given by TD Securities; (ii) with the exception of forecasts, projections or estimates referred to in subparagraph (iv) below, the Information as filed under CANMARC's profile on SEDAR and/or provided to TD Securities by or on behalf of CANMARC or its representatives in respect of CANMARC and its affiliates is or, in the case of historical Information was, at the date of preparation, true, complete and accurate and did not and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the Information not misleading in the light of circumstances in which it was presented; (iii) to the extent that any of the Information identified in subparagraph (ii) above is historical, there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information not provided to TD Securities by CANMARC and there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of CANMARC and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion; (iv) any portions of the Information provided to TD Securities (or filed on SEDAR) which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of CANMARC, are (or were at the time of preparation and continue to be) reasonable in the circumstances; (v) there have been no valuations or appraisals relating to CANMARC or any affiliate or any of their respective material assets or liabilities made in the preceding 24 months and in the possession or control of CANMARC other than those which have been provided to TD Securities or, in the case of valuations known to CANMARC which it does not have within its possession or control, notice of which has not been given to TD Securities; (vi) there have been no verbal or written offers or serious negotiations for or transactions involving any material property of CANMARC or any of its affiliates during the preceding 24 months which have not been disclosed to TD Securities; (vii) since the dates on which the Information was provided to TD Securities (or filed on SEDAR), no material transaction has been entered into by CANMARC or any of its affiliates; (viii) other than as disclosed in the Information, neither CANMARC nor any of its affiliates has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Offer, CANMARC or any of its affiliates at law or in equity or before or by any federal, national, provincial, state, municipal or other governmental department, commission, bureau, board, agency or instrumentality which may, in any way, materially adversely affect CANMARC or its affiliates or the Offer; (ix) subject to a change in financial reporting regarding the new application of International Financial Reporting Standards, all financial material, documentation and other data concerning the Offer, CANMARC and its affiliates, including any projections or forecasts provided to TD Securities, were prepared on a basis consistent in all material respects with the accounting policies applied in the most recent audited consolidated financial statements of CANMARC; (x) there are no agreements, undertakings, commitments or understandings (whether written or oral, formal or informal) relating to the Offer, except as have been disclosed in complete detail to TD Securities; (xi) the contents of any and all documents prepared in connection with the Offer for filing with regulatory authorities or delivery or communication to securityholders of CANMARC (collectively, the "Disclosure Documents") have been, are and will be true, complete and correct in all material respects and have not and will not contain any misrepresentation (as defined in the Securities Act (Ontario)) and the Disclosure Documents have complied, comply and will comply with all requirements under applicable laws; (xii) CANMARC has complied in all material respects with the Engagement Agreement, including the terms and conditions of the indemnity attached thereto; and (xiii) to the best of his knowledge, information and belief after due inquiry with the appropriate individuals, there is no plan or proposal for any material change (as defined in the Securities Act (Ontario)) in the affairs of CANMARC which have not been disclosed to TD Securities. For the purposes of subparagraphs (v) and (vi), "material assets", "material liabilities" and "material property" shall include assets, liabilities and property of CANMARC or its affiliates having a gross value in the aggregate greater than or equal to \$10,000,000.

In preparing the Opinion, TD Securities has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to TD Securities, all conditions precedent to be satisfied to complete the Offer can be satisfied, that all approvals, authorizations, consents, permissions, exemptions or orders of relevant regulatory authorities required in respect of or in connection with the Offer will be obtained, without adverse condition or qualification, that all steps or procedures being followed to implement the Offer are valid and effective, that all required documents (including Cominar's Notice of Variation and Extension and the Notice of

Change) will be distributed to the CANMARC Unitholders in accordance with applicable laws, and that the disclosure in such documents will be accurate in all material respects and will comply, in all material respects, with the requirements of all applicable laws. In its analysis in connection with the preparation of the Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of TD Securities or CANMARC.

The Opinion has been provided for the use of the Special Committee and the Board of Trustees and is not intended to be, and does not constitute, a recommendation that CANMARC Unitholders tender or not tender their CANMARC Units to the Offer. The Opinion may not be used by any other person or relied upon by any other person other than the Special Committee and the Board of Trustees without the express prior written consent of TD Securities. The Opinion does not address the relative merits of the Offer as compared to other transactions or business strategies that might be available to CANMARC. In considering fairness, from a financial point of view, TD Securities considered the Offer from the perspective of CANMARC Unitholders generally (other than the Offeror, Cominar and their respective affiliates) and did not consider the specific circumstances of any particular CANMARC Unitholder, including with regard to income tax considerations. TD Securities has assumed that the value of the Cominar Units pursuant to the Unit Alternative is cash equivalent to their market trading price, and has not conducted any independent review or analysis of the Cominar Units for the purposes of this Opinion. The Opinion is rendered as of January 13, 2012, on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of CANMARC and its respective subsidiaries and affiliates as they were reflected in the Information provided to TD Securities. Any changes therein may affect the Opinion and, although TD Securities reserves the right to change or withdraw the Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or update the Opinion after such date. TD Securities has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities of CANMARC or its subsidiaries. TD Securities is not an expert on, and did not render advice to the Special Committee regarding, legal, accounting, regulatory or tax matters.

The preparation of an opinion is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Opinion. Accordingly, the Opinion should be read in its entirety.

CONCLUSION

Based upon and subject to the foregoing and such other matters that TD Securities considered relevant, TD Securities is of the opinion that, as of January 13, 2012, the Consideration to be received by the CANMARC Unitholders pursuant to the Offer is fair, from a financial point of view, to the CANMARC Unitholders other than the Offeror, Cominar and their respective affiliates.

Yours very truly,



TD SECURITIES INC.

SCHEDULE B – FAIRNESS OPINION OF CANACCORD GENUITY CORP.



CANACCORD GENUITY CORP.

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161 Bay Street, Suite 3100
Toronto, ON
Canada M5J 2S1

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www.canaccordgenuity.com

January 13, 2012

The Members of the Special Committee of the Board of Trustees
CANMARC Real Estate Investment Trust
1 Place Alexis Nihon
Suite 1010
Montréal, Québec
H3Z 3B8

To the Members of the Special Committee of the Board of Trustees:

Canaccord Genuity Corp. (“**Canaccord Genuity**”) understands that CANMARC Real Estate Investment Trust (“**CANMARC REIT**”) is considering entering into a support agreement (the “**Support Agreement**”) with Cominar Real Estate Investment Trust (“**Cominar**”), pursuant to which the Offeror (as defined below) has agreed to purchase all of the outstanding trust units in the capital of CANMARC REIT (“**Trust Units**”) by way of a take-over bid (the “**Offer**”) for \$16.50 in cash per Trust Unit or 0.7607 of a Cominar trust unit (“**Cominar Unit**”) per Trust Unit subject to a maximum of 16 million Cominar Units to be issued in aggregate (the “**Consideration**”). The specific terms and conditions of the Offer will be more fully described in a notice of change or variation (the “**Notice**”) to the take-over bid circular filed by Cominar dated December 2, 2011 (the “**Circular**”) which will be mailed to holders of Trust Units (the “**Unitholders**”) in connection with the Offer and subsequent amendments thereto.

Canaccord Genuity was retained by CANMARC REIT to, among other things, provide advice and assistance to the Special Committee of the Board of Trustees (the “**Special Committee**”) of CANMARC REIT in evaluating the Offer, including the preparation and delivery to the Board of Trustees of Canaccord Genuity’s opinion (the “**Fairness Opinion**”) as to the fairness, from a financial point of view, of the Consideration to be received by the Unitholders (other than Cominar Real Estate Investment Trust, 8012075 CANADA INC., 8012083 CANADA INC., 8012091 CANADA INC., 8012105 CANADA INC., 8012113 CANADA INC., 8012121 CANADA INC., 8012130 CANADA INC., 8012148 CANADA INC., 8012156 CANADA INC. and 8012164 CANADA INC. (collectively the “**Offeror**”) and their respective affiliates in connection with the Offer. Canaccord Genuity has not prepared a valuation of CANMARC REIT or any of its securities or assets and the Fairness Opinion should not be construed as such.

Vancouver
San Francisco
Calgary
Houston
Toronto
Montreal
New York
Boston
Edinburgh
London

Offices in Canada are offices of Canaccord Genuity Corp. a member of the Canadian Investor Protection Fund, Investment Industry Regulatory Organization of Canada (IIROC), and the Toronto Stock Exchange (TSX).

Offices in the United States are offices of Canaccord Genuity Inc. Offices in the United Kingdom are offices of Canaccord Genuity Limited.

Canaccord Genuity has, however, conducted such analyses as it considers necessary in the circumstances. In addition, the Fairness Opinion is not, and should not be construed as, advice as to the price at which the Trust Units may trade at any future date. Canaccord Genuity was similarly not engaged to review any legal, tax or accounting aspects of the Offer.

ENGAGEMENT

Canaccord Genuity was first contacted by CANMARC REIT with respect to the Offer on December 16, 2011 and was formally engaged by CANMARC REIT pursuant to an engagement agreement (the “**Engagement Agreement**”) dated January 4, 2012. The Engagement Agreement provides the terms upon which Canaccord Genuity has agreed to act as the Special Committee’s financial advisor in connection with a potential sale transaction involving CANMARC REIT, and if so requested by the Special Committee, the provision of a fairness opinion. The terms of the Engagement Agreement provide that Canaccord Genuity will receive a fee for its services, a portion of which is conditional on CANMARC REIT completing a sale transaction, and is to be reimbursed for its reasonable out-of-pocket expenses. In addition, CANMARC REIT has agreed to indemnify Canaccord Genuity, in certain circumstances, from and against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services.

On January 13, 2012, at the request of the Special Committee, Canaccord Genuity delivered an oral opinion based on the scope of review and subject to the assumptions and limitations set out herein. This Fairness Opinion provides the same opinion, in writing, as of January 13, 2012. Subject to the terms of the Engagement Agreement, Canaccord Genuity consents to the inclusion of the Fairness Opinion in its entirety and a summary thereof (provided such summary is in a form acceptable to Canaccord Genuity) in the Circular and Notice and to the filing thereof, as necessary, by CANMARC REIT with the securities commissions or similar regulatory authorities in each province of Canada.

RELATIONSHIP WITH INTERESTED PARTIES

Neither Canaccord Genuity nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of CANMARC REIT, the Offeror or any of their respective associates or affiliates (collectively, the “**Interested Parties**”). As of the date of this Fairness Opinion, neither Canaccord Genuity nor any of its affiliates is an advisor to any Interested Party with respect to the Offer other than pursuant to the Engagement Agreement.

Neither Canaccord Genuity nor any of its affiliates has been engaged to provide any financial advisory services nor has it participated in any financings involving any Interested Parties within the past two years, other than as described herein. From May 2010 to September 2011, Canaccord Genuity acted as an underwriter in connection with four offerings by CANMARC REIT of Trust Units for gross proceeds to CANMARC REIT of approximately \$461 million. From April 2009 to December 2011, Canaccord Genuity acted as an underwriter in connection with six offerings by Cominar of Cominar Units for gross proceeds to Cominar of approximately \$687 million. There are no understandings, agreements or commitments between Canaccord Genuity and any Interested Party with respect to any future business dealings. Canaccord Genuity may, in the future, in the ordinary course of its business, perform financial advisory or investment banking services for any Interested Party.

In the ordinary course of our business, Canaccord Genuity acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of any Interested Party and, from time to time, may have executed or may execute transactions on behalf of any Interested Party for which it may have received or may receive compensation. As an investment dealer, Canaccord Genuity conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Offer or an Interested Party.

CREDENTIALS OF CANACCORD GENUITY

Canaccord Genuity is an independent investment bank providing a full range of corporate finance, merger and acquisition, financial restructuring, equity underwriting, sales and trading, and equity research services, and is a division of Canaccord Financial. Canaccord Genuity has professionals and offices across Canada, the United States, the United Kingdom and China. The Fairness Opinion expressed herein represents the opinion of Canaccord Genuity and the form and content herein have been approved for release by a committee of its principals, each of whom is experienced in merger, acquisition, divestiture and fairness opinion matters.

SCOPE OF REVIEW

In connection with the Fairness Opinion, Canaccord Genuity reviewed, considered, and relied upon (without attempting to verify independently the completeness or accuracy thereof) or carried out, among other things, the following:

1. the audited financial statements of CANMARC REIT, including related notes to the audited financial statements and managements' discussion and analysis of operating results for the period from May 25, 2010 to December 31, 2010;
2. the unaudited quarterly financial statements of CANMARC REIT, including related notes to the unaudited quarterly financial statements and managements' discussion and analysis of operating results for the three and nine months ended September 30, 2011;
3. the notice of annual meeting and management information circular of CANMARC REIT dated April 20, 2011;
4. the annual information form of CANMARC REIT dated March 31, 2011;
5. the internal management budgets and forecasts of CANMARC REIT, property level net operating income models and cash flow forecast models prepared by management of CANMARC REIT;
6. the Investment Committee Memos of CANMARC REIT regarding the contemplated acquisitions of certain real estate assets dated December 6, 2011 through January 4, 2012;
7. discussions with management of CANMARC REIT, legal and tax counsel to CANMARC REIT and members of the Board of Trustees;
8. third party appraisals on certain of CANMARC REIT's properties;
9. the final long form prospectus of CANMARC REIT dated May 14, 2010 in connection with its Initial Public Offering and Secondary Offering and the final short form prospectuses of CANMARC REIT dated October 20, 2010, March 8, 2011, and September 6, 2011, and the final short form base shelf prospectus of CANMARC REIT dated November 17, 2011;
10. the audited financial statements of Cominar, including related notes to the audited financial statements and management's discussion and analysis of operating results for the fiscal year ended December 31, 2010;
11. the unaudited quarterly financial statements of Cominar, including related notes to the unaudited quarterly financial statements and management discussion and analysis of operating results for the three and nine months ended September 30, 2011;
12. the notice of annual meeting and management information circular for Cominar dated March 30, 2011;
13. the annual information form of Cominar dated March 30, 2011;

14. the final short form prospectuses of Cominar dated October 12, 2011 and December 15, 2011;
15. the take-over bid circular of Cominar dated December 2, 2011;
16. the Trustee's circular of CANMARC REIT dated December 12, 2011;
17. a draft of the Support Agreement dated January 13, 2012;
18. public information relating to the business, operations, financial performance and stock trading history of selected public companies and real estate investment trusts considered by Canaccord Genuity to be relevant;
19. various research publications regarding CANMARC REIT, Cominar, and other selected real estate companies considered relevant, as well as the real estate industry in Canada;
20. public information with respect to comparable transactions considered by Canaccord Genuity to be relevant;
21. certain other corporate, industry and financial market information, investigations and analysis as Canaccord Genuity considered necessary or appropriate in the circumstances;
22. a draft of the Disclosure Statement (as defined in the Support Agreement) dated January 13, 2011 to be delivered by CANMARC REIT to Cominar contemporaneously with the execution and delivery of the Support Agreement;
23. representations contained in a certificate addressed to us, dated as of the date hereof (the "**CANMARC Certificate**"), from senior officers of CANMARC REIT as to, among other things, the completeness and accuracy of CANMARC REIT Information (as defined below);

Canaccord Genuity has not, to its knowledge, been denied access by CANMARC REIT to any information requested by Canaccord Genuity. Canaccord Genuity did not meet with the auditors of CANMARC REIT and has assumed the accuracy and fair presentation of, and has relied upon, the audited consolidated financial statements of CANMARC REIT and the reports of the auditors thereon.

CANMARC REIT has represented to Canaccord Genuity that there have not been any prior valuations (as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators) of CANMARC REIT or its material assets or its securities in the past twenty four month period.

ASSUMPTIONS AND LIMITATIONS

With CANMARC REIT's permission, Canaccord Genuity has relied, without independent verification, upon the completeness, accuracy and fair presentation of all of the financial and other information, data, documents, advice, opinions or representations, whether in written, electronic or oral form, obtained by it from public sources, senior management and trustee's of CANMARC REIT, and their associates, affiliates, consultants and advisors or otherwise (collectively, the "**CANMARC REIT Information**") and we have assumed that the CANMARC REIT Information did not omit to state any material fact or any fact necessary to be stated to make CANMARC REIT Information not misleading. The Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of CANMARC REIT Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy or fair presentation of any of CANMARC REIT Information.

With respect to the budgets, forecasts, projections or estimates provided to Canaccord Genuity and used in the analysis supporting the Fairness Opinion, Canaccord Genuity notes that projecting future results is inherently subject to uncertainty. Canaccord Genuity has assumed, however, that such budgets, forecasts, projections or estimates were prepared using the assumptions identified therein which Canaccord Genuity has assumed are (or were at the time of preparation and continue to be) reasonable in the circumstances. Canaccord Genuity expresses no view as to the reasonableness of such budgets, forecasts, projections or estimates or the assumptions on which they are based.

The Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of CANMARC REIT and its subsidiaries and affiliates, as they were reflected in CANMARC REIT Information and as they have been represented to Canaccord Genuity in discussions with management and the trustees of CANMARC REIT. In its analyses and in preparing the Fairness Opinion, Canaccord Genuity made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Canaccord Genuity or any party involved in the Offer.

In preparing the Fairness Opinion, Canaccord Genuity has made several assumptions, including that all of the conditions required to implement the transactions contemplated in the Support Agreement will be met and that the disclosure provided or incorporated by reference in the Circular and Notice with respect to CANMARC REIT, its subsidiaries and affiliates and the Offer has been and will continue to be accurate in all material respects.

Canaccord Genuity has also assumed that all documents referred to under “Scope of Review” above are accurate reflections, in all material respects, of the final forms of such documents.

The Fairness Opinion has been provided for the use of the Special Committee and may not be used by any other person or relied upon by any person other than the Special Committee without the express prior written consent of Canaccord Genuity. The Fairness Opinion does not address the relative merits of the Offer as compared to other transactions or business strategies that might be available to CANMARC REIT, nor does it address the underlying business decision to support the Offer. In considering fairness, from a financial point of view, Canaccord Genuity considered the Offer from the perspective of Unitholders generally and did not consider the specific circumstances of any particular Unitholder, including with regard to income tax considerations. The Fairness Opinion is given as of the date hereof and Canaccord Genuity disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion that may come or be brought to Canaccord Genuity’s attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, Canaccord Genuity reserves the right to change, modify or withdraw the Fairness Opinion.

Canaccord Genuity believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not reasonably susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any Unitholder as to whether or not to tender such Unitholder’s Trust Units to the Offer.

FAIRNESS CONCLUSION

Based upon and subject to the foregoing, Canaccord Genuity is of the opinion that, as of the date hereof, the Consideration to be received by the Unitholders (other than the Offeror and the affiliates thereof) under the Offer is fair, from a financial point of view, to the Unitholders.

Yours very truly,



CANACCORD GENUITY CORP.

Any questions and requests for assistance may be directed to our Information Agent:



North American Toll Free Phone:

1-800-398-1272

Banks, Brokers and collect calls: 201-806-2222

Toll Free Facsimile: 1-888-509-5907

Email: inquiries@phoenixadvisorypartners.com

**THE BOARD OF TRUSTEES UNANIMOUSLY RECOMMENDS
THAT UNITHOLDERS
ACCEPT
THE ENHANCED OFFER AND TENDER THEIR UNITS.**