

Dream Office REIT

Q2 - Investor Presentation



August 2021

Dream Office REIT

D.UN

Dream Office REIT is a premier office landlord in downtown Toronto with approximately 3.5 million square feet owned and managed. We have carefully curated an investment portfolio of high-quality assets in irreplaceable locations in one of the finest office markets in the world. We intend to enhance these properties to elevate their desirability to tenants and investors and improve the overall community experience.

85.5%

portfolio occupancy
(including committed)⁽¹⁾

5.5 million

square feet of gross
leasable area⁽¹⁾

\$2.9 billion

total assets

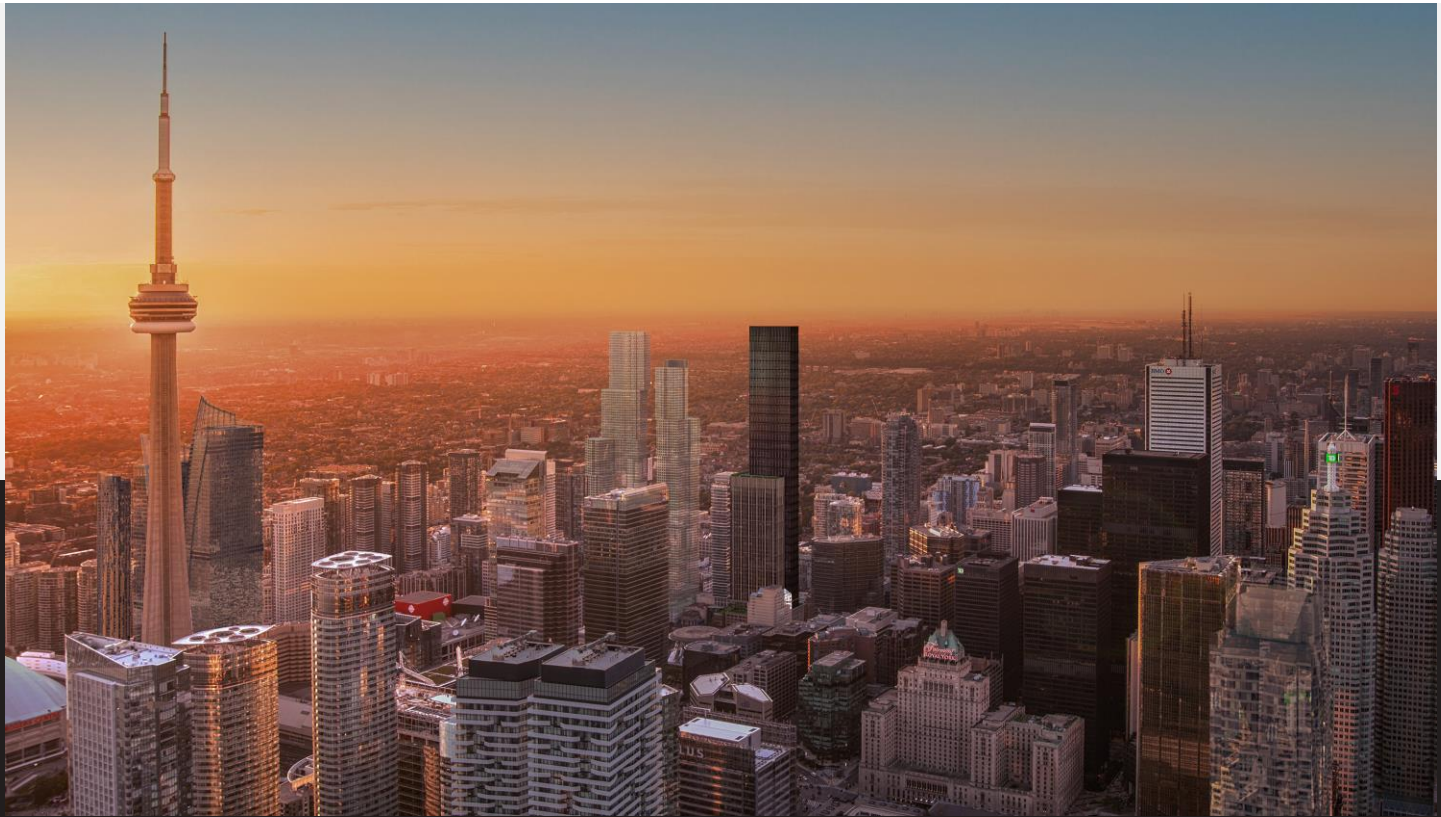
3.5 million

square feet of Toronto
Downtown office space⁽¹⁾

>85%

of our portfolio
is located in the
downtown core
(by fair value)





Top 10

Global Financial
Centre

Home to ~40%

of Canada's Business
Headquarters

2nd Largest

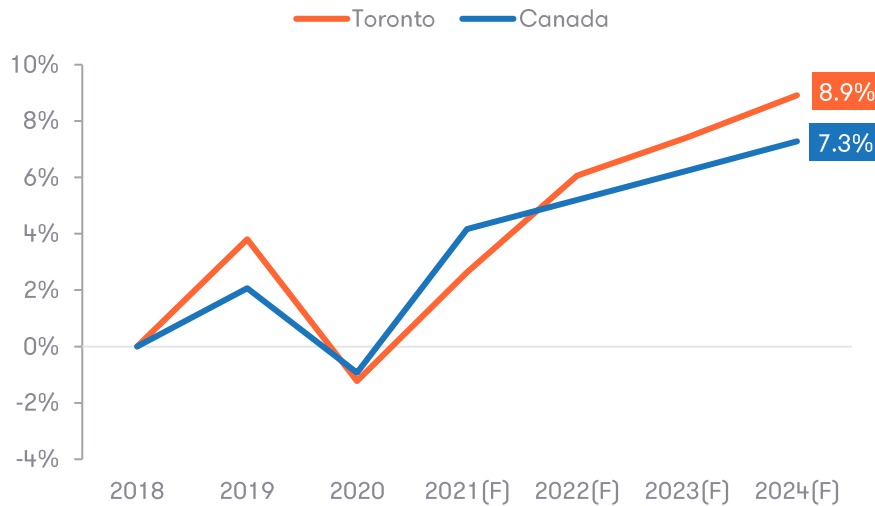
Innovation cluster in
North America

Life & Health

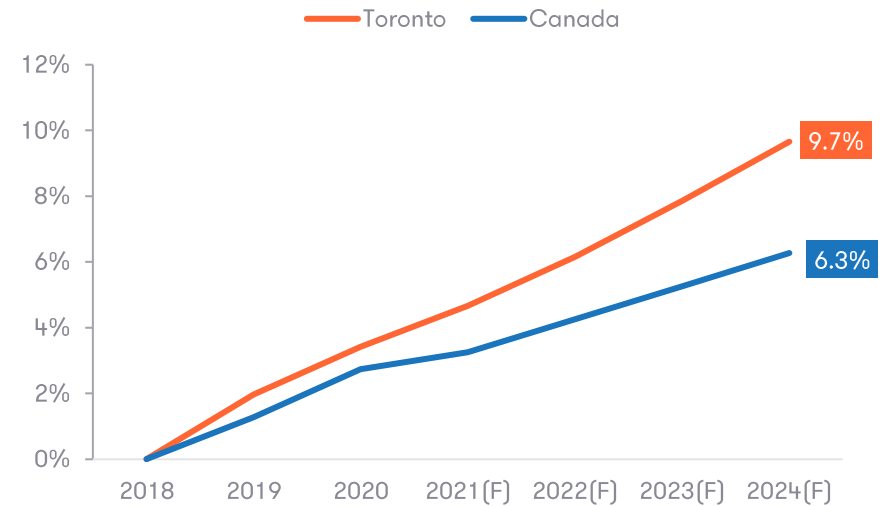
Science attracts \$1+
billion in research



Cumulative Forecasted Employment Growth



Cumulative Forecasted Population Growth



- Conference Board Of Canada
- Statistics Canada

In 2019, ~30% of all international immigrants to Canada came to Toronto

Strong forecasted employment and population growth are expected to continue to contribute to healthy office demand



Dream Office REIT

Come Invest with Dream – Alignment & Expertise

5



~33% investment in Dream Office REIT by Dream and Insiders

In addition, Dream Unlimited manages Dream Office's developments and Dream Office manages Dream Unlimited's properties, enabling each to focus on their core expertise.

dream 



High concentration of well connected assets in Downtown Toronto

4.5 years

weighted average lease
term in Toronto Downtown⁽¹⁾

90.9%

in-place and committed
occupancy in Toronto Downtown⁽¹⁾

\$2.1 B

assets in
Toronto Downtown⁽¹⁾

86%

exposure in Toronto Downtown
Office
[by fair value]⁽¹⁾





We own Core

Toronto – 1 Hour Walking Tour



Sustainability is an integral part of how we strategically approach and manage our business

Highlights of Dream Group of Companies' 2019 report ([link](#))

Women Lead

Recipient of the G&M
“Women Lead Here”
[Dream Unlimited]

\$700,000

Donated to Charitable
and Community
Initiatives

50%

Of Dream Office
board members are
women

Dream Office is targeting to receive our first GRESB Score in 2021



Environmental

2019 Progress

2025 Targets

Energy Consumption

0.7% year-over-year energy consumption reduction from 2018-2019

10% total reduction of energy consumption by 2025 versus 2019 baseline

Greenhouse Gas Emissions (GHGs)

2.9% year-over-year GHG emissions reduction from 2018 to 2019

10% total reduction of emissions by 2025 versus 2019 baseline

Social

2019 Progress

2025 Targets

Workforce Statistics

48% of managers are women

Commitment to diverse workforce

Employee Development

\$230,000 paid to D.UN employees for tuition and professional development fees

Commitment to employee development

Governance

2021 Progress

2025 Targets

Board Gender Balance

50% of D.UN Trustees are women

Maintain long-standing philosophy of having a gender diverse Board of Trustees

Board Independence

75% of D.UN Trustees are independent

Maintain long-standing philosophy of having a high ratio of independent Trustees



Alate Partners

Dream Office REIT, along with Dream Unlimited, entered into a strategic partnership with Relay Ventures to create Alate Partners to invest in technology companies that are rethinking how real estate is designed, built, and managed. In addition to capital, Alate provides entrepreneurs with unique access to real estate expertise, customers, and partners that can help accelerate their growth.

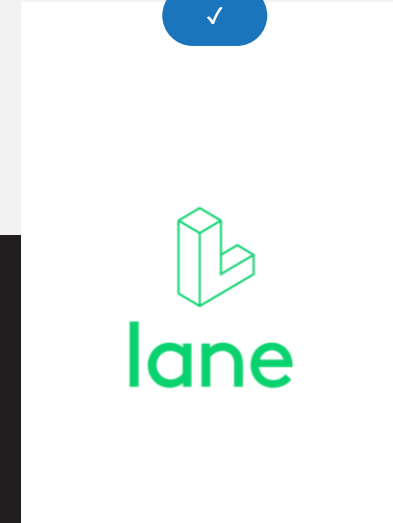
By embracing emerging technologies and new approaches to how we build and manage real estate, we can reduce our environmental impact and improve the quality of life in our communities.



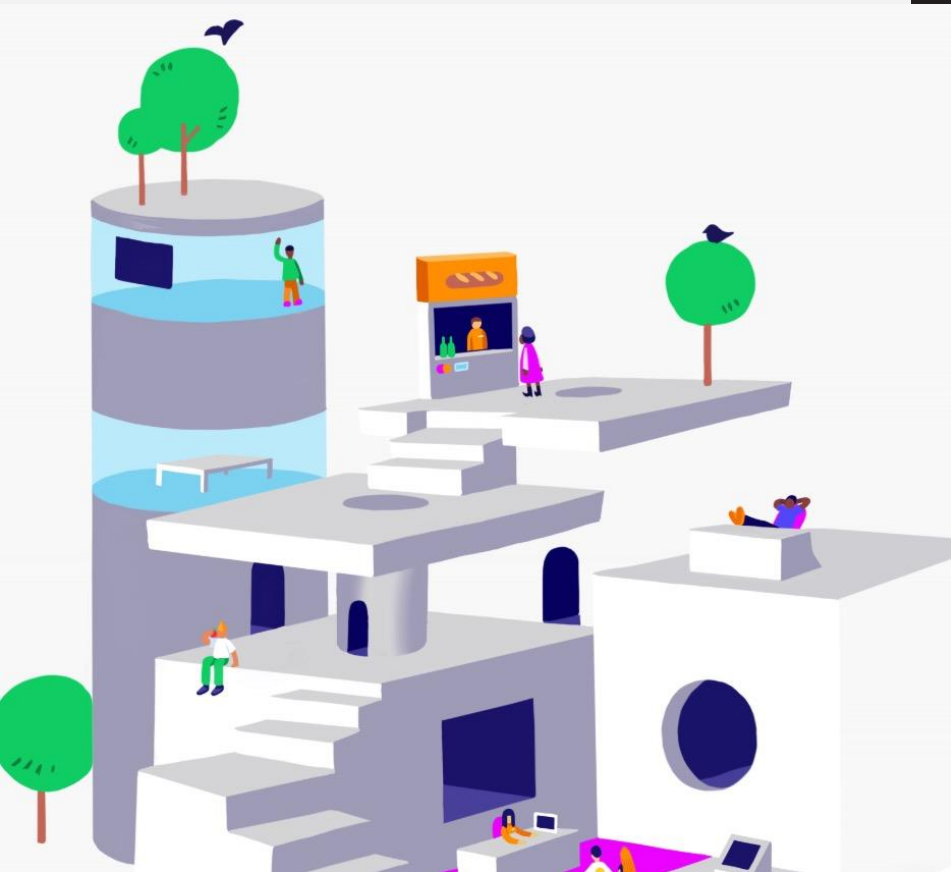
Bird



Branch



Lane



Case study

Enhanced Tenant Experience with Lane

Headquartered in Toronto, Lane helps leading property owners and managers unlock the full value of their assets and deliver a superior experience for everyone at their properties.

The platform allows tenants to centrally access everything they need instantly, including building information, services, emergency notifications, software and amenities information. Lane helps property owners improve the tenant experience in the building – from enabling (virtual) community events and giveaways to running tenant surveys and providing touchless smartphone entry to buildings and amenities.

Since our investment in 2018, Lane has grown from 5 clients in two countries to 35 clients and over 300 workplaces across 8 countries and 22 major cities. In that time, they have grown nearly 10x in buildings powered by Lane's workplace technology platform.



1.

Smaller Floor Plate

Tenants can easily lease the entire floor and do not have to share space or bathrooms with others

2.

Lower Rise Buildings

Our lower-rise office buildings have a smaller number of people and provide occupants with shorter elevator trips, ensuring spaces are shared with people they know and trust

3.

Very Well Located

Our assets are well located in the heart of the downtown core, providing access in all forms including walking, driving, bicycling and public transit



COVID-19 Return to Operations Plans

Since the spring of 2020, Dream has demonstrated its commitment to the health and safety of our stakeholders in the face of an unprecedented global pandemic. Our teams have been quick to develop and implement comprehensive plans and procedures to reduce health risks and prioritize the safety of our employees and tenants.



These plans included measures such as:

- ✓ Lobby maps and instructions for new entrances, exits and walkways
- ✓ Back to work checklists encouraging health screenings
- ✓ Re-arrangement of office amenities to enable physical distancing
- ✓ Guidelines for physical distancing in public spaces and washrooms
- ✓ Implemented new behavioural and directional signage



Post Promise - Dream is participating in The POST Promise. This is a private sector-led initiative, in collaboration with various levels of government, designed to help Canadians confidently and safely take the first steps back into public spaces and the workplace. As a participating business, we have received training and education on how to help prevent the spread of COVID-19, and we voluntarily commit to following these practices.

Green Certification

New target: 100% green building certification (any program) of all Canadian office sites by 2025.

Bi-Weekly Tenant Updates

We keep an open communication with our clients on items that may help them during these times.

[30 Adelaide Back to Work Plan](#) ↗



In Q2 2021 we were recognized as Canada's **LARGEST** office portfolio to be WELL Health-Safety rated by IWBI with 25 properties (>85% of our portfolio) being certified.



The WELL Health-Safety Certification is an evidence-based third-party verified rating for all new and existing building and space types focusing on operational policies, maintenance protocols, stakeholder engagement and emergency plans to address a post-COVID-19 environment now and into the future.

The certification is designed to empower owners and operators to take the necessary steps in order to prioritize the health and safety of their staff, visitors, and other stakeholders.

We believe this certification demonstrates that our buildings are managed with a view towards the safety of our tenants and visitors.



1.

HVAC Operating Plans

Creating building specific HVAC operating plans based on recommendations from Health Canada and CDC



2.

UV Robots

Made-in-Canada robot that uses UV light to kill surface and airborne virus, bacteria, mold and flu spores in a room in 15 minutes



3.

Disinfecting Ultraviolet Lights

Installing disinfecting ultraviolet lights on escalator handrails, elevator ventilation systems and building HVAC systems





250 Dundas St. West



Current: 121,000 sf office building
Future: 503,000 sf¹ mixed-use building

212-220 King St. West



Current: 95,000 sf office buildings
Future: 1.1 million sf mixed-use building
(Dream Office has a 50% interest)

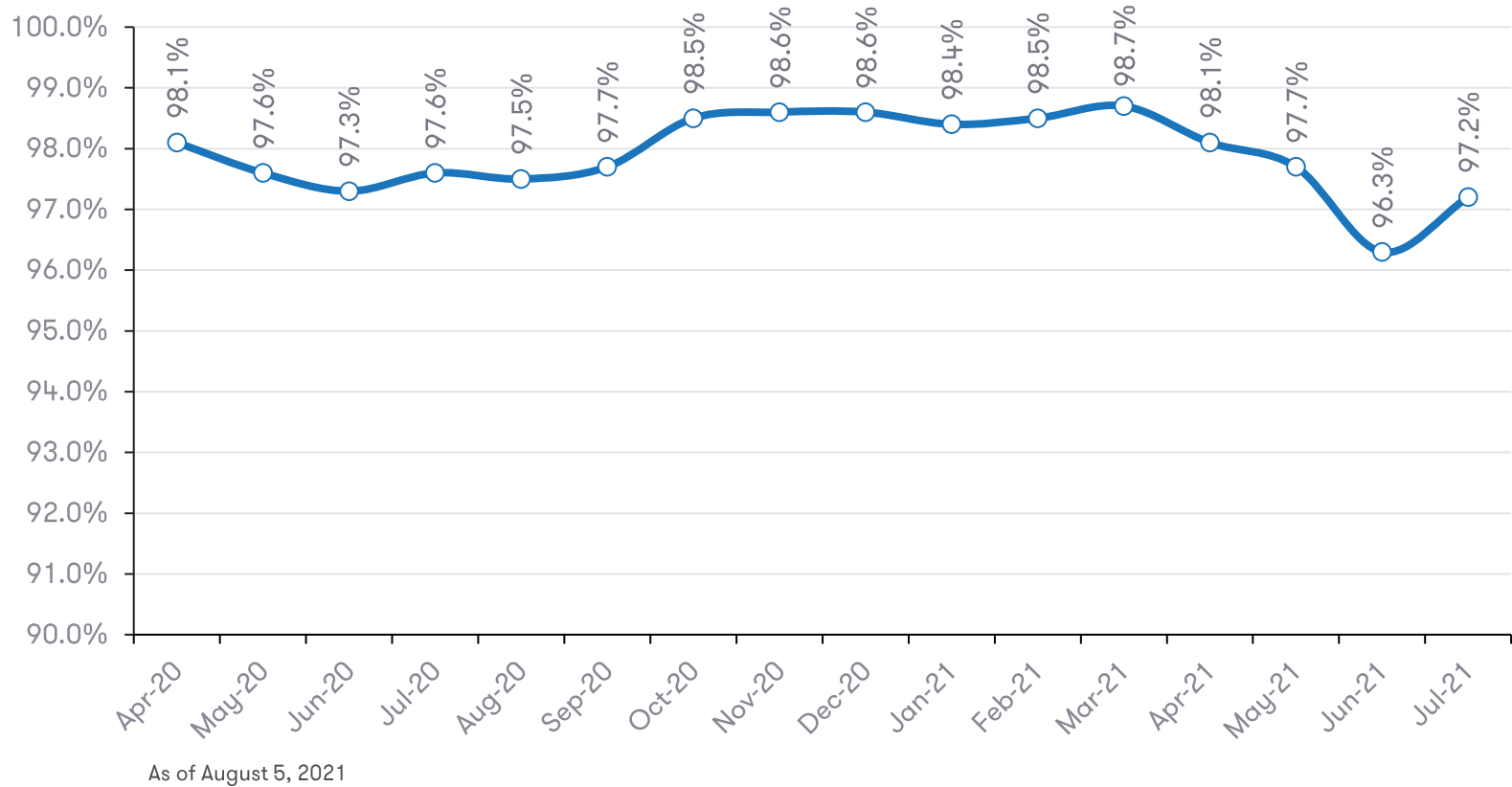
2200 Eglinton Ave. East



Current: 442,000 sf office building
Future: Targeting over 3 million sf residential, retail and office uses



Cash Rent Collection During COVID-19



Our Continued Support for Our Tenants Combined with a Resilient Office Portfolio Resulted in Strong Rent Collection Figures in 2020 and Year-to-Date



\$150 Million
Available Liquidity*

\$319 Million
Unencumbered
Assets*

41.0%
Net Total Debt-to-
Net Total Assets*

Our near-term leasing and debt maturity profiles are very manageable.

- Over 85% (0.8 million sf) of full year 2021 lease expiries have been committed.
- In Q2 2021, we executed leases totalling approximately 147,000 sf across our portfolio. Subsequent to Q2, we signed commitments for an additional 21,000 square feet.
- Since the beginning of the year we have executed leases in Toronto downtown totalling approximately 90,000 square feet at a weighted average net rent of approximately \$33.05 per square foot, 20.3% higher than the weighted average expiring net rent on the same space.
- Since lockdown restrictions were eased in Toronto in June 2021, we have had significant increases in tour volume as prospective tenants are planning their space needs for a return to the office by the end of 2021.

We have an exceptional portfolio, diversified tenant base and strong lender relationships.

- CERS will continue to help our tenants in the near-term; we are also working on mutually beneficial solutions to help them maintain a long-term viable business.

*Net total debt-to-net total assets, available liquidity, and unencumbered assets are non-GAAP measures used by management in evaluating operating and financial performance. Please refer to the cautionary statements under the heading "Non-GAAP Measures" in this presentation.



Dream Office REIT has a **11.6%*** interest in Dream Industrial REIT (\$427M** investment)

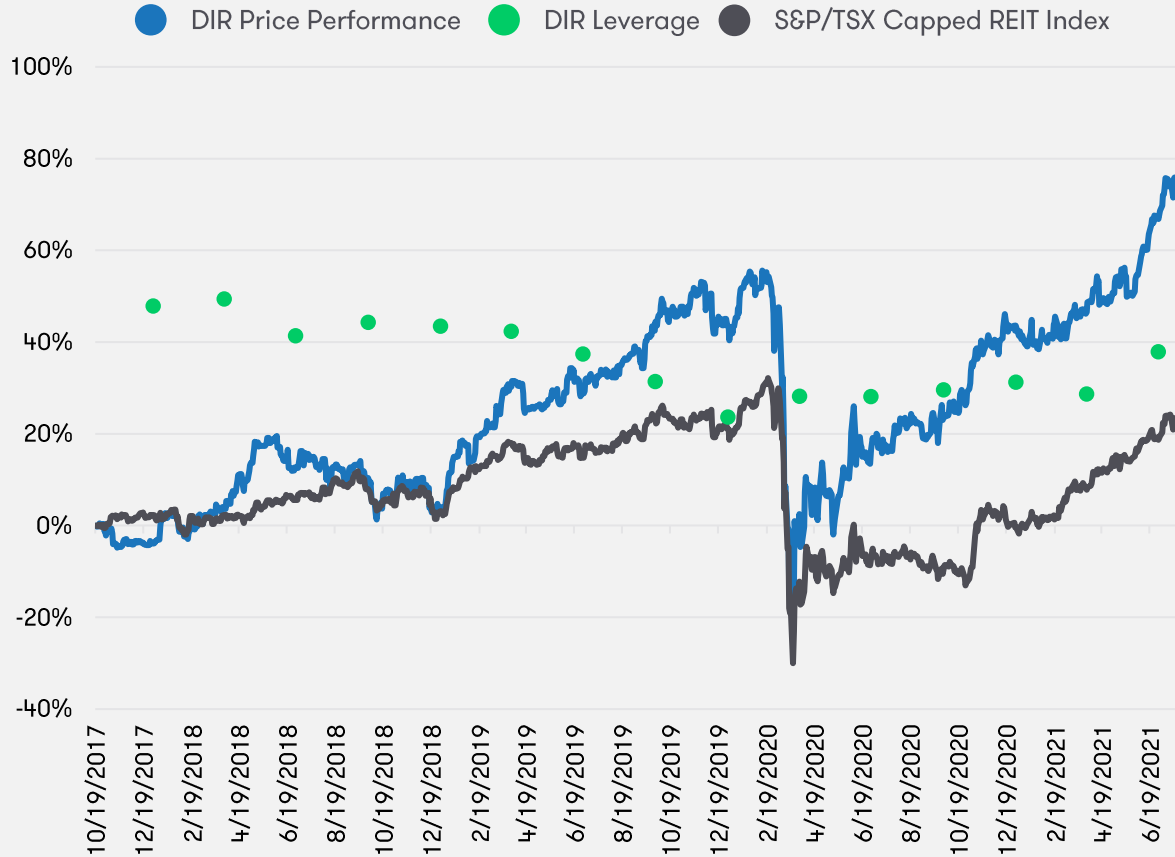
Dream Office retained and expanded its interest in Dream Industrial REIT from its IPO in 2012. Dream Industrial owns and operates a diversified portfolio of high quality industrial space in growing logistics markets in North America and Europe, supported by a management team with a proven track record of long-term value creation.

dream 
industrial REIT

dream 
office REIT

* As at June 30, 2021

** DIR Unit Price as at July 30, 2021



24%*

Total Annual Return

10%*

Reduction in Leverage



Forward looking information

This investor presentation may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding our objectives and strategies to achieve those objectives, the future composition and quality of our portfolio, the outcome of applications for rezoning, opportunities for intensification, redevelopment and value creation, future development plans and costs, our leasing pipeline, renewal and leasing assumptions, the environmental impact of our operations, anticipated timing of our first GRESB score, our sustainability targets (including our ability to achieve a 10% total reduction of energy consumption and a 10% total reduction of emissions by 2025 versus 2019 baseline), our ability to attain 100% green building certification (any program) of all Canadian office sites by 2025, future financing, our capital allocation strategy and target returns, forecasted employment/population growth for Canada and Toronto and their effect on office demand. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Office REIT's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions; the uncertainties around the timing and amount of future financings; uncertainties surrounding the COVID-19 pandemic; the financial condition of tenants; our ability to refinance maturing debt; leasing risks, including those associated with the ability to lease vacant space; rental rates on future leasing; and interest and currency rate fluctuations. Our objectives and forward-looking statements are based on certain assumptions, including that the general economy remains stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. Forward-looking statements generally can be identified by words such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "could", "likely", "plan", "project", "budget" or "continue" or similar expressions suggesting future outcomes or events. All forward-looking information in this investor presentation speaks as of the date of this investor presentation. Dream Office REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in Dream Office REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dream Office REIT's website at www.dreamofficereit.ca.

Non-GAAP Measures

The Trust's consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this investor presentation, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-GAAP financial measures, including NAV, internal rate of return (IRR), available liquidity, leverage (also known as net total debt-to-net total assets), unencumbered assets, as well as other measures discussed elsewhere in this presentation. These non-GAAP measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other income trusts. The Trust has presented such non-GAAP measures as Management believes they are relevant measures of the Trust's underlying operating performance and debt management. Non-GAAP measures should not be considered as alternatives to net income, net rental income, cash flows generated from (utilized in) operating activities, cash and cash equivalents, total assets, non-current debt, total equity, or comparable metrics determined in accordance with IFRS as indicators of the Trust's performance, liquidity, leverage, cash flow, and profitability. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to the "Non-GAAP Measures" in Dream Office REIT's MD&A for the quarter ended June 30, 2021.



Feel free to contact us should you have any questions

Michael J. Cooper
Chairman & CEO
(416) 365-5145
mcooper@dream.ca

Jay Jiang
CFO
(416) 365-6638
jjiang@dream.ca





Michael J. Cooper

Chairman & CEO

Service: 25 Years

Industry Experience: 33 Years

Founded Dream Asset Management, Dream Office REIT,
Dream Industrial REIT, Dream Global REIT, Dream Impact Trust



Jay Jiang

CFO

Service: 7 Years

Industry Experience: 14 Years

Former Experience:

Corporate Development & Strategy - Dream, Equity Research - BMO Capital markets, Manager - Ernst & Young LLP



Gordon Wadley

COO

Service: 10 Years

Industry Experience: 16 Years

Former Experience:

Leasing - Dream Office, CBRE



Detlef Bierbaum

Independent



Donald Charter

Independent



Michael J. Cooper



Jane Gavan



Robert Goodall

Independent



The Hon. Dr. Kellie Leitch

Independent



Karine MacIndoe

Independent



Qi Tang

Independent



Appendix III: Dream Office REIT History

Dream Office REIT

24% IRR** delivered to unitholders since our creation in 2003.

We grew the REIT quickly and in 2007, we saw an opportunity to crystalize a premium value, selling two-thirds of our business and returning more than 100% of our unitholders' investment.

After the global financial crisis, we grew again, becoming the third largest REIT in Canada. In 2016, during the oil crisis, we successfully delivered on an aggressive strategic plan to become a downtown Toronto office REIT with approximately 86% of our assets currently located in this market. Over the last three years, we have created one of the highest quality commercial REITs in Canada.

2020

Approval for 250
Dundas
Redevelopment

2019

>\$100 million
Redevelopment & Dream
Collection Program

2018

\$341M of Unit Repurchases /
\$300M Asset Sales

2017

\$649M of Unit
Repurchases / \$2.3B
Asset Sales

2016

Strategic Plan
Announcement

2012

Scotia Plaza &
Whiterock REIT
Acquisition

2011

Blackstone / Slate
Portfolio Acquisition

2010

Realex Properties
Corp. Acquisition

2007

GE Transaction*

2003 - IPO

* Sale of 2/3 of portfolio to GE and distributions to unitholders

** Total return calculation includes distributions and the latest reported IFRS NAV



~41%

Leverage*

~\$150M

Available Liquidity*

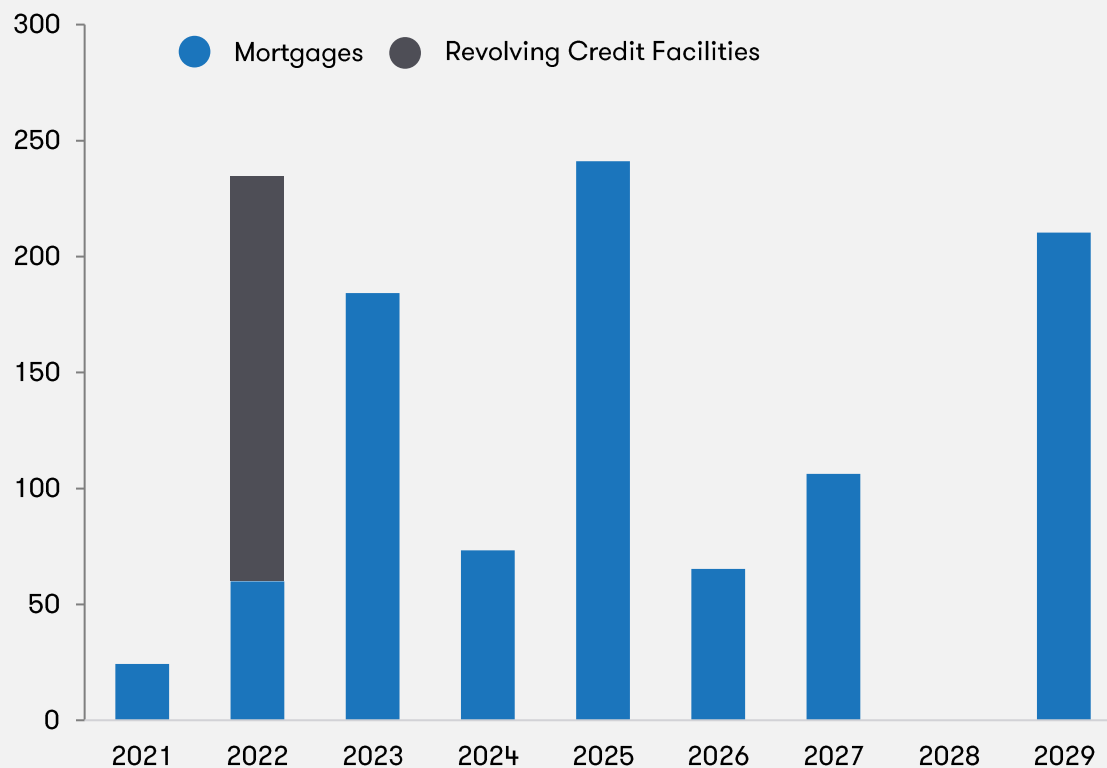
~18%

Variable Debt Exposure

3.41%

Face Rate of Interest

Well staggered debt maturity profile (in millions)













As at Q2 2021

*Leverage (also known as net total debt-to-net total assets) and available liquidity are non-GAAP measures used by management in evaluating financial performance. Please refer to the cautionary statements under the heading "Non-GAAP Measures" in this presentation.



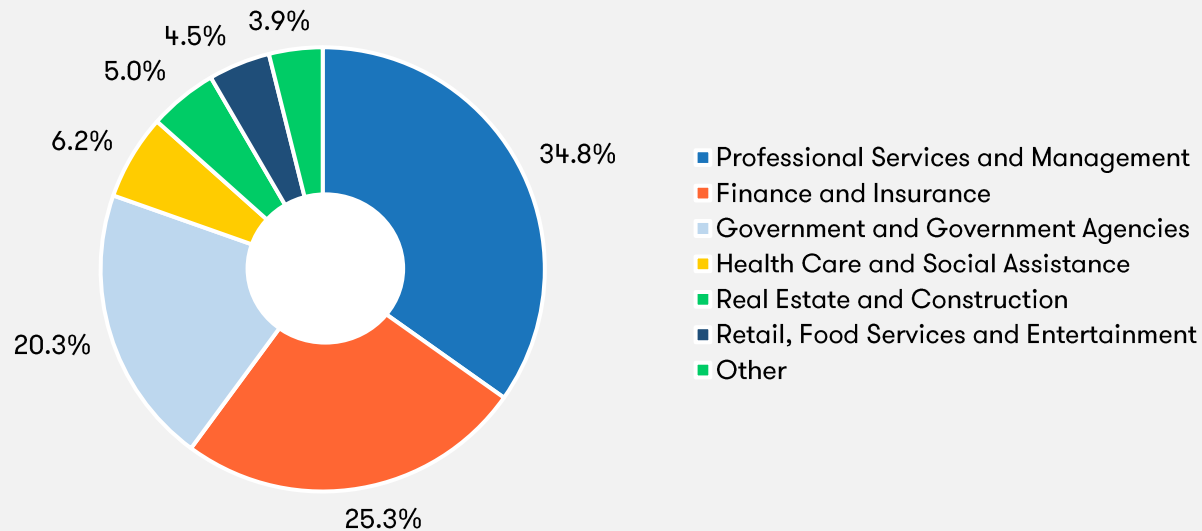
Appendix V: Top 10 Tenants

Rank	Tenant		% of Rent*	Investment Grade
1	 Ontario	Government of Ontario	11.2%	✓
2	 Government of Canada	Government of Canada	8.0%	✓
3	 STATE STREET	State Street Trust Company	5.6%	✓
4	 INTERNATIONAL FINANCIAL DATA SERVICES	International Financial Data Service	3.3%	-
5	 usbank	US Bank National Association	2.4%	✓
6	 MEDCAN	Medcan Health Management Inc.	2.2%	-
7	 wework	WeWork	2.0%	-
8	 CIBC	CIBC	1.7%	✓
9	 DBRS	DBRS	1.2%	-
10	 FIELD LAW	Field Law	1.1%	-

Top 10 tenants make up more than 38% of total gross rent and 50% of our top tenants have credit ratings of A or higher



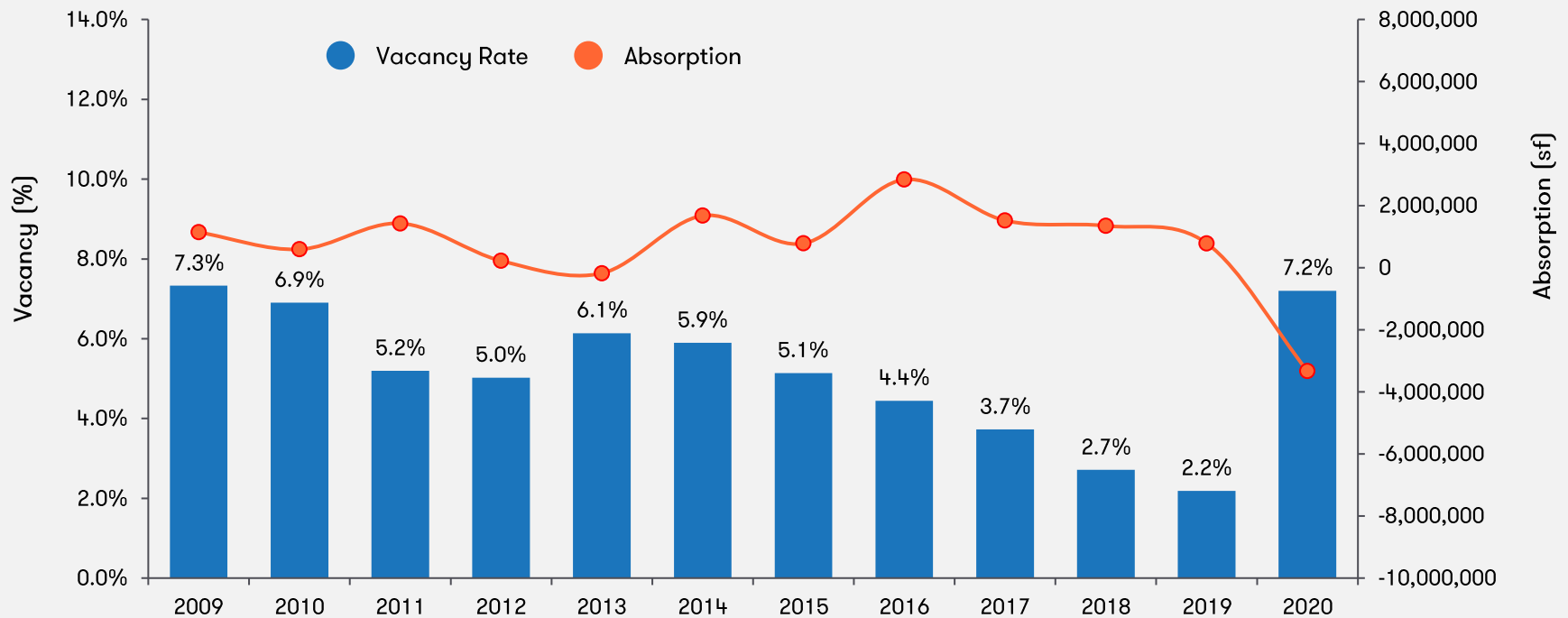
Estimated Annualized Gross Rental Revenue by Tenant Industry



Dream Office has a diversified tenant mix with over 20% of annualized gross rental revenue from governments and government agencies



Historical Vacancy and Absorption*





Historical Class A Vacancy & Rent Growth*

