



Dream Office REIT

Investor Presentation



August 2022

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.

85.0%

portfolio occupancy
(including committed)⁽¹⁾

5.5 million

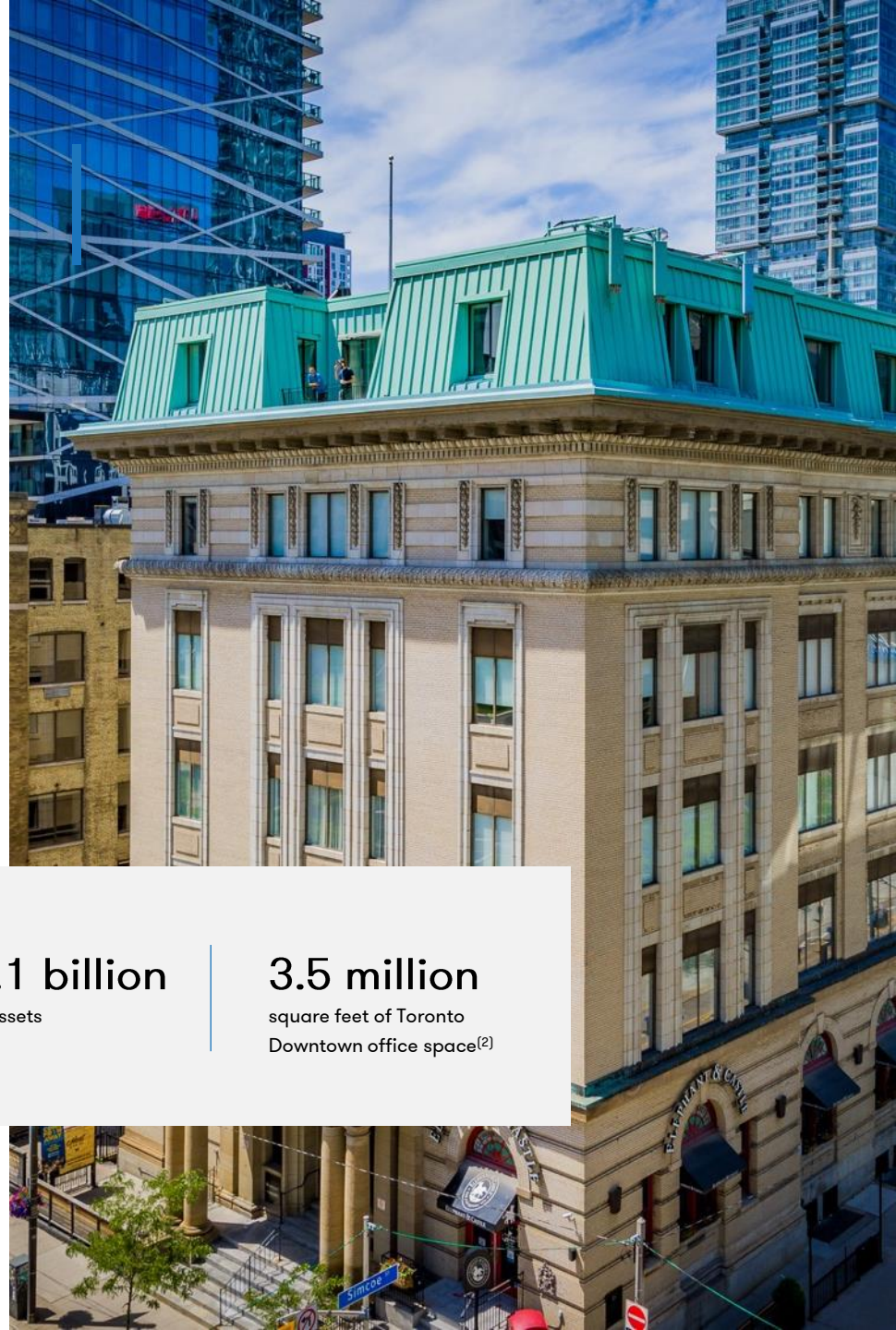
square feet of gross
leasable area⁽²⁾

\$3.1 billion

Total assets

3.5 million

square feet of Toronto
Downtown office space⁽²⁾



Updated as at Q2 2022.

Note 1 – Excluding properties under development and investments in joint ventures.

Note 2 – Excluding investments in joint ventures; includes properties under development.



3rd

Largest Financial Services Centre in North America

- HQ of Canada's Largest Stock Exchange
- Home to Five of Canada's Six Largest Banks

~20%

of Canada's GDP

#1

Fastest Growing City in Tech Employment in North America

95.4

Global Liveability Index score

~75%

of new immigrants in Ontario settle in Toronto



High concentration of well connected assets in
Downtown Toronto

4.9 years

weighted average lease
term in Toronto
Downtown ⁽¹⁾

\$2.1 B

assets in
Toronto Downtown ⁽¹⁾

88.8%

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

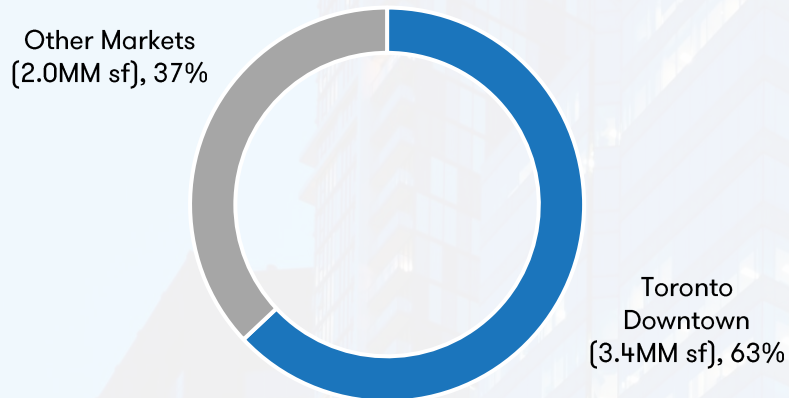
82%

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

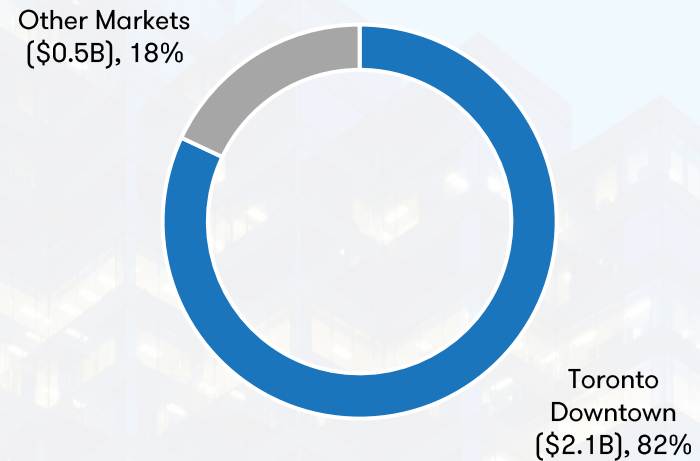
Note 1 – Excluding properties under development and joint ventures that are equity accounted as at June 30, 2022.

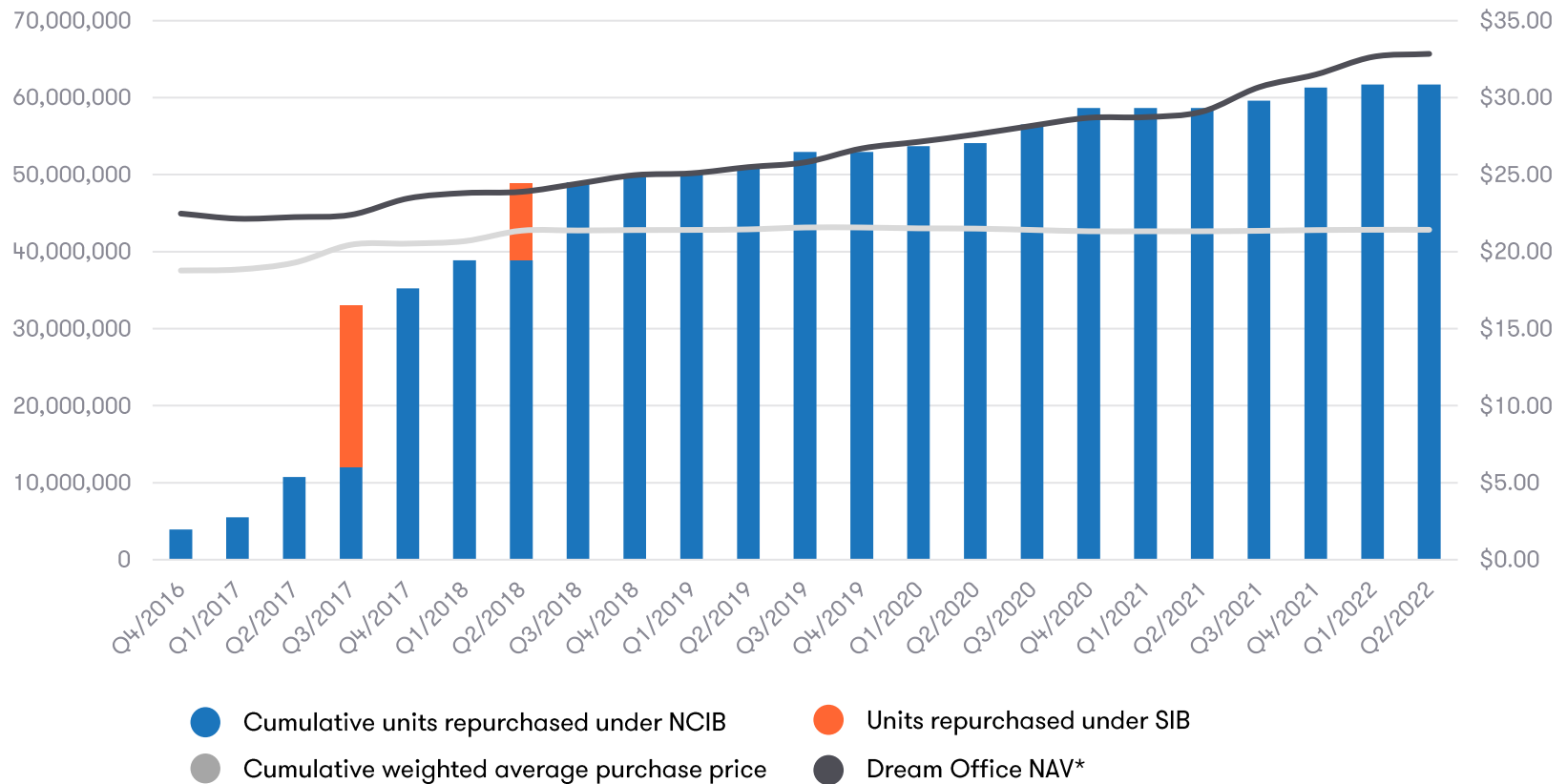


GLA by Region



Fair Value by Region





Since Q4/16, Dream Office repurchased and cancelled **nearly 62 million units** at prices well below NAV, creating significant shareholder value

* NAV (also known as net asset value) is a non-GAAP financial measure used by management in evaluating operating and financial performance of the Trust. The measure is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Please refer to the cautionary statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this presentation.



~37.5%* investment in
Dream Office REIT by
Dream and Insiders

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

dream



42.3%

Leverage*

\$258M

Available Liquidity*

\$137M

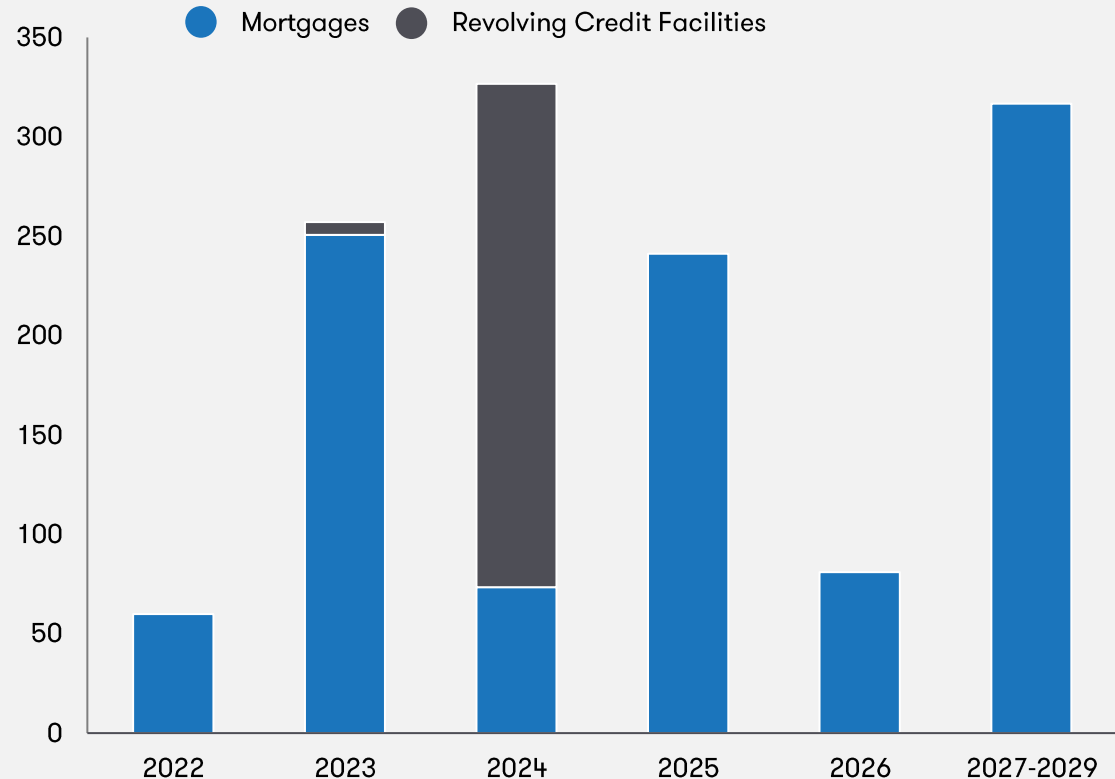
Unencumbered Assets*

27.7%

Variable Debt Exposure

3.66%

W.A. Face Rate of Interest



As at Q2 2022. *Leverage (also known as net total debt-to-net total assets), unencumbered assets and available liquidity are non-GAAP financial measures, ratios and supplementary financial measures used by management in evaluating operating and financial performance of the Trust. These measures are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Please refer to the cautionary statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this presentation.



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

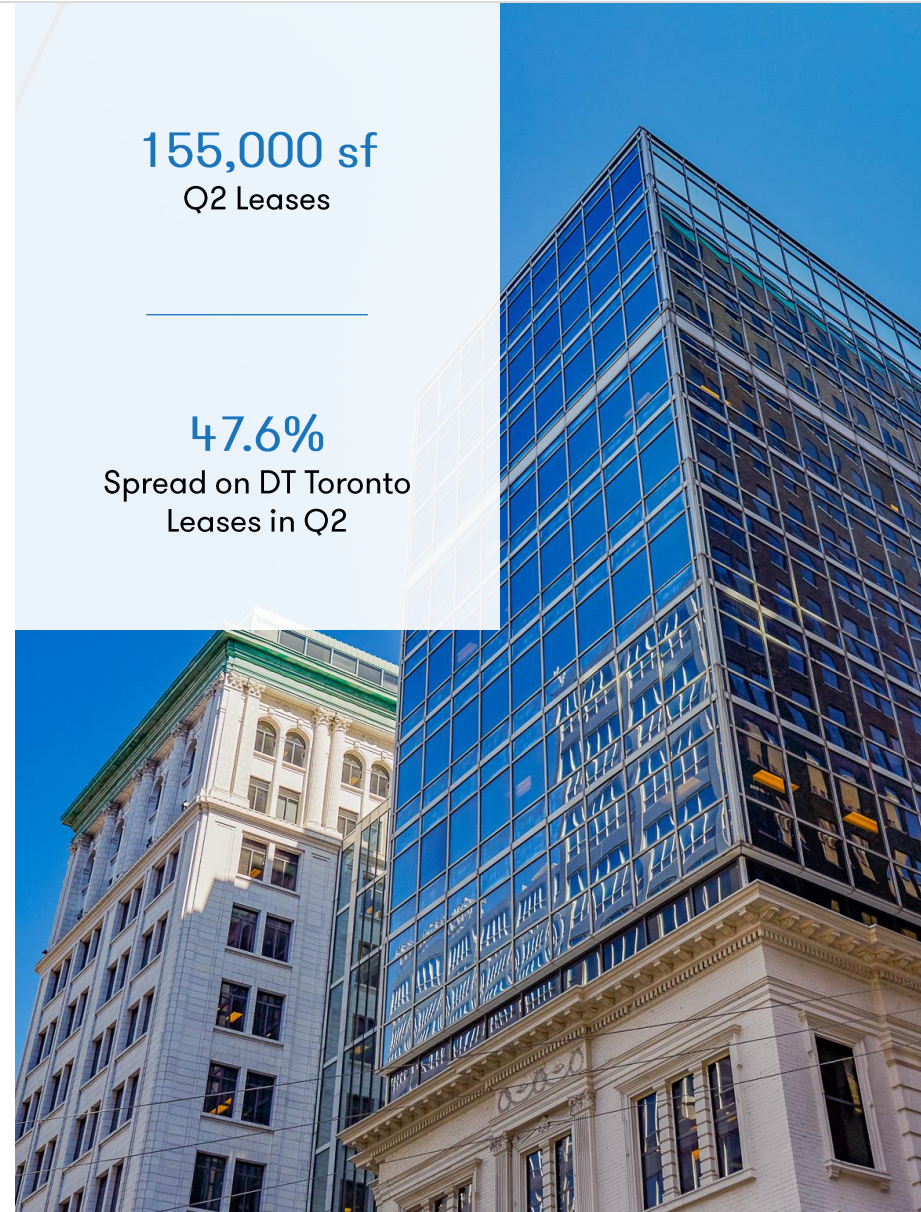
- In Q2 2022, we executed leases totaling approximately 155,000 sf across our portfolio. 136,000 square feet of leases in Toronto downtown were executed at rents 47.6% higher than the weighted average prior net rent on the same space.
- To date, the Trust has secured commitments for approximately 724,000 square feet, or 90%, of 2022 full-year portfolio natural lease expiries, consistent with pre-COVID leasing trends.

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

155,000 sf
Q2 Leases

47.6%
Spread on DT Toronto
Leases in Q2

* Excludes 54,000 sf of flexible workspace lease with percentage rents.

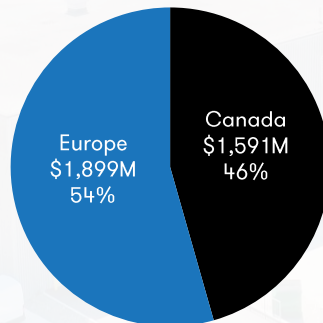




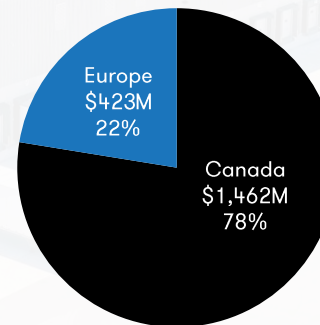
Dream Office REIT has a 9.7% interest in Dream Industrial REIT (\$337M** investment)

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

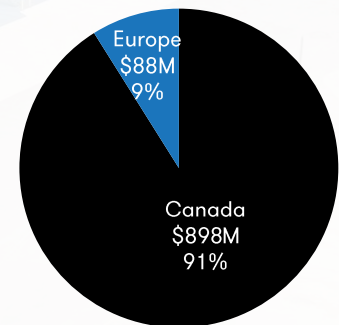
Distribution 55% of IP Value



Urban Logistics 30% of IP Value

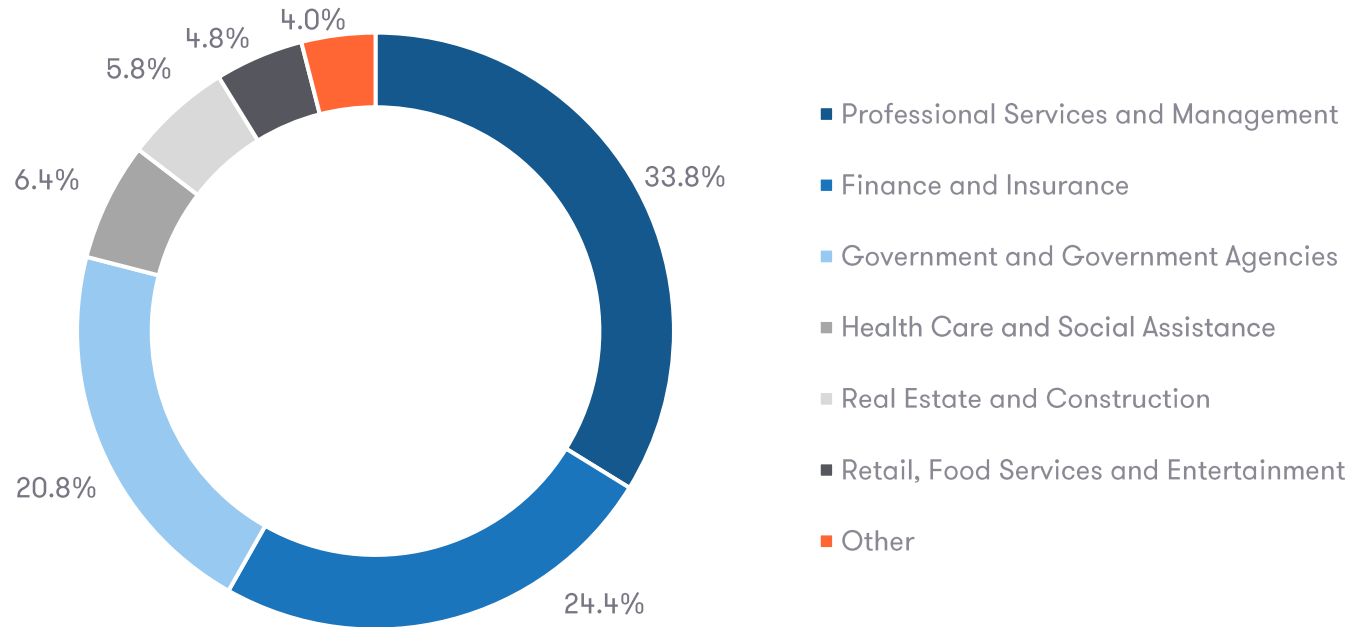


Light Industrial 15% IP Value





Estimated Annualized Gross Rental Revenue by Tenant Industry



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



Dream Office REIT Top 10 Tenants

12

Rank	Tenant	% of Rent*	Investment Grade
1	 Ontario Government of Ontario	11.1%	✓
2	 Government of Canada Government of Canada	8.3%	✓
3	 INTERNATIONAL FINANCIAL DATA SERVICES International Financial Data Service	3.4%	-
4	 STATE STREET State Street Trust Company	3.3%	✓
5	 usbank U.S. Bank National Association	2.5%	✓
6	 co-operators Co-operators Life Insurance	2.4%	✓
7	 MEDCAN Medcan Health Management Inc.	2.2%	-
8	 wework WeWork	2.1%	-
9	 ve va Veeva Software Solutions	1.5%	-
10	 lac International Language Academy of Canada	1.2%	-

Top 10 tenants make up approximately **38%** of total annualized gross rent and **50%** of our top tenants have credit ratings of **A-** or higher

* % of Annualized Gross Rental Revenue as at Q2 2022



250 Dundas St. West



Rezoned

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



Bay Street Collection

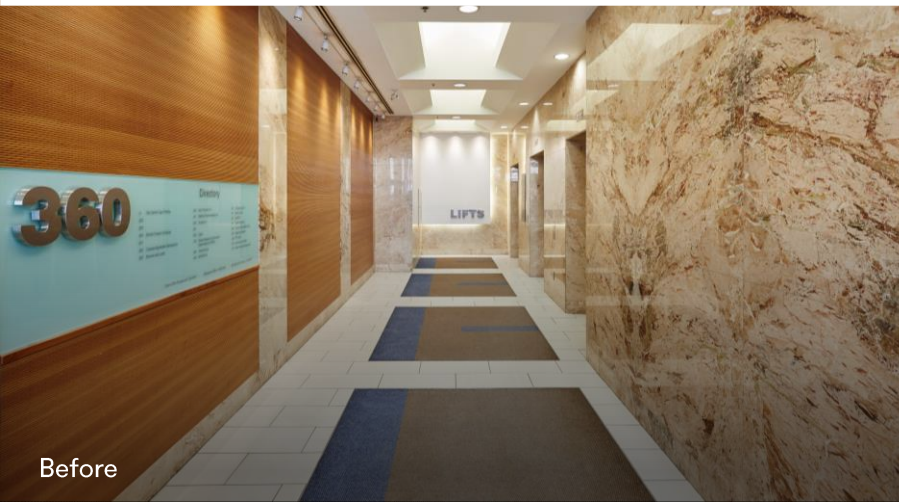
Revitalizing our Bay Street collection adds significant value to our core Downtown Toronto assets.



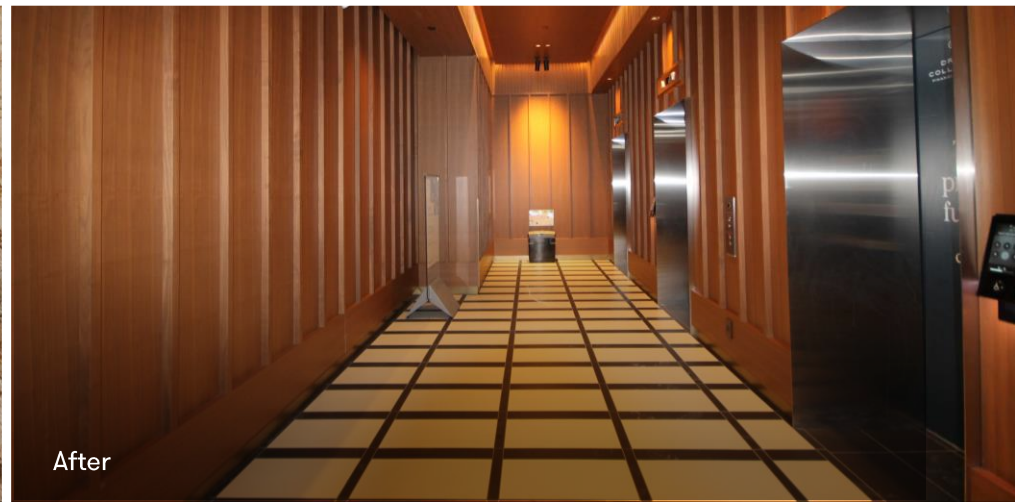
Before



After



Before



After

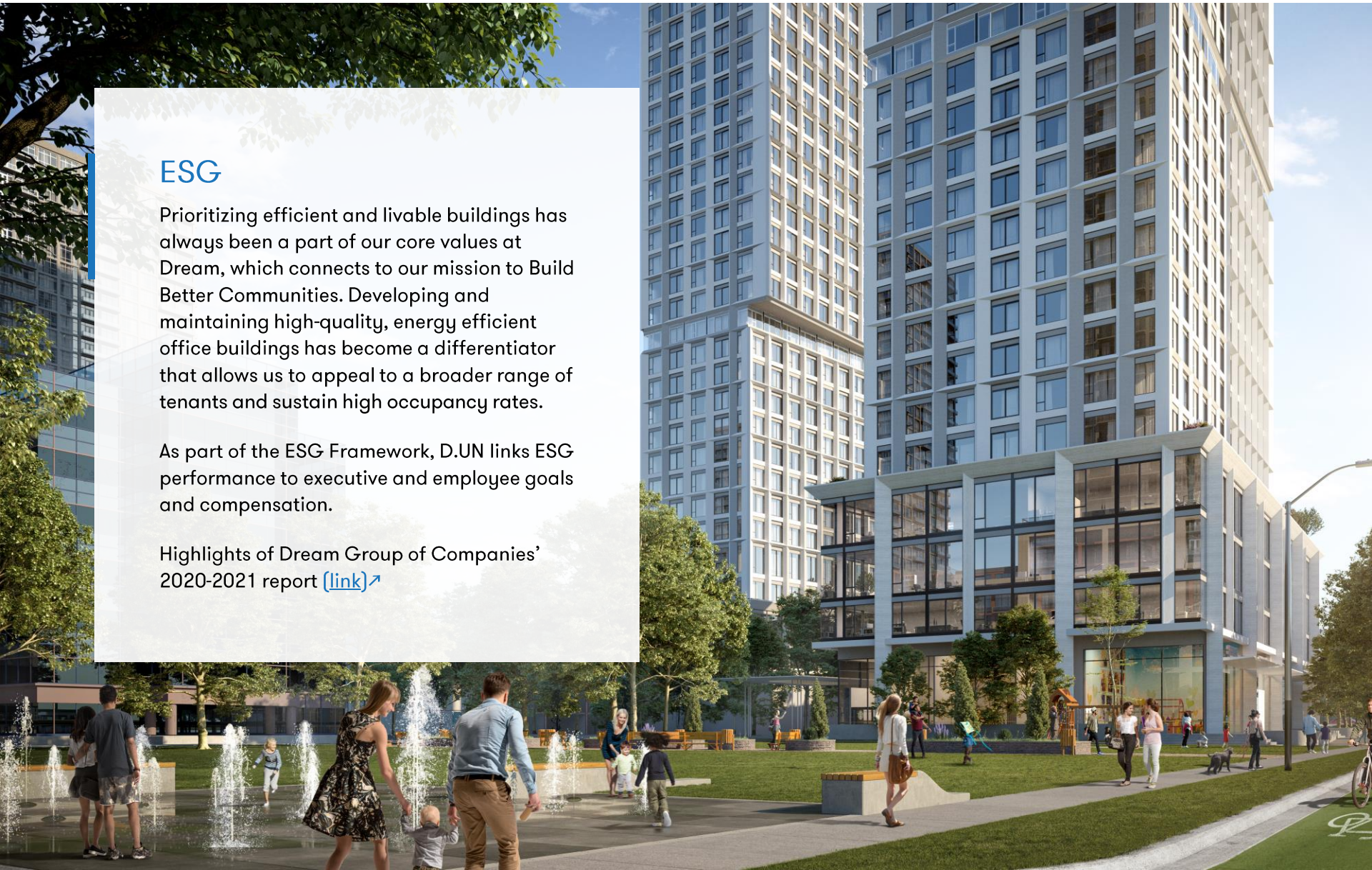


ESG

Prioritizing efficient and livable buildings has always been a part of our core values at Dream, which connects to our mission to Build Better Communities. Developing and maintaining high-quality, energy efficient office buildings has become a differentiator that allows us to appeal to a broader range of tenants and sustain high occupancy rates.

As part of the ESG Framework, D.UN links ESG performance to executive and employee goals and compensation.

Highlights of Dream Group of Companies' 2020-2021 report ([link](#))





United Nations Principles for Responsible Investment

The United Nations Principles for Responsible Investment (UN PRI) is the world's leading responsible investor collaboration. DRM, with support from D.UN, became a signatory to the UN PRI in 2021 and will report on our responsible investment activities starting in 2023.



Taskforce on Climate-related Financial Disclosures

The Taskforce on Climate-related Financial Disclosures (TCFD) recommendations are structured around four core reporting areas: governance, strategy, risk management and metrics and targets. DRM, with support from D.UN, became an official supporter in 2021.

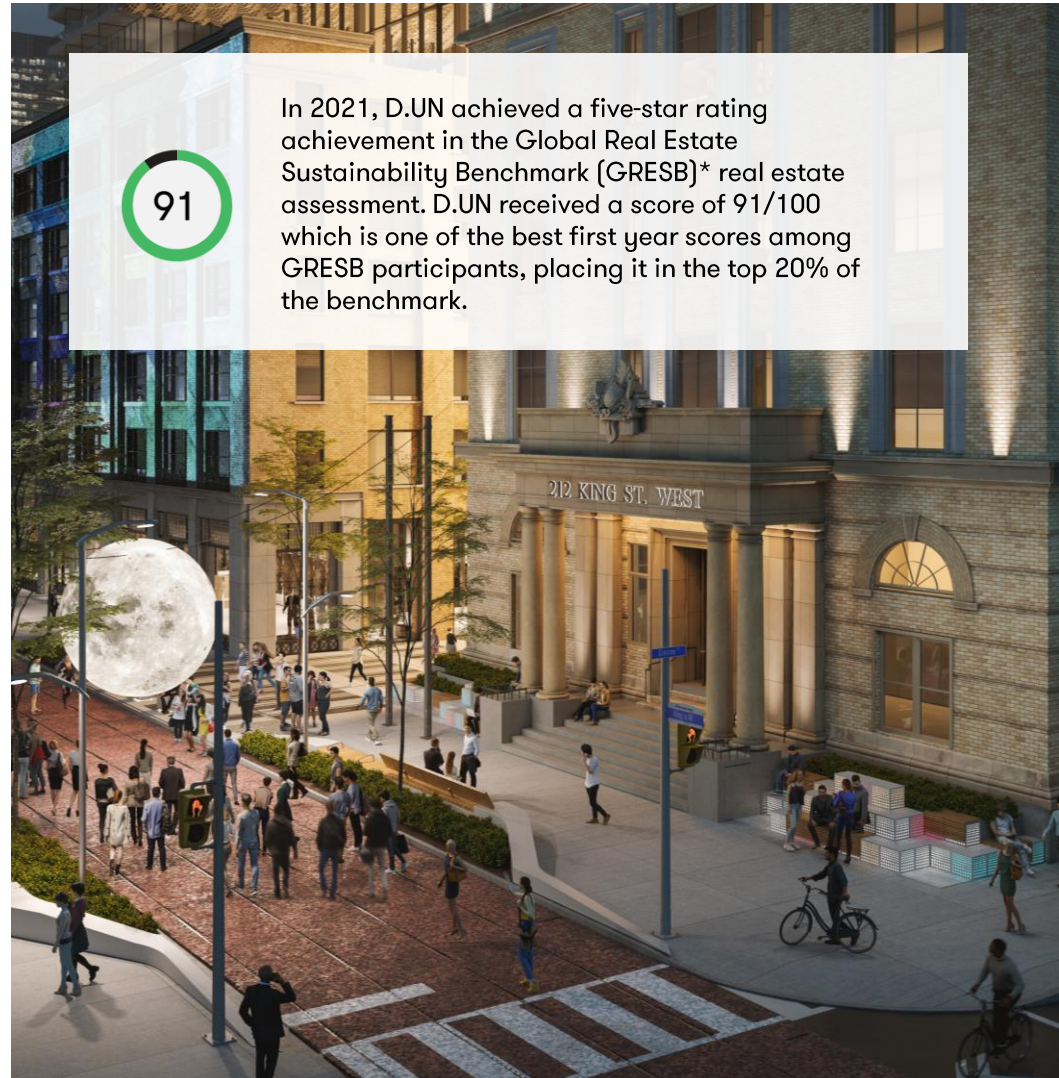
NET ZERO ASSET MANAGERS INITIATIVE

Net Zero Asset Managers (NZAM)

The Net Zero Asset Managers (NZAM) initiative is an alliance of global asset managers committing to supporting the goal of net zero greenhouse gas emissions by 2050 or sooner, in line with the global efforts to limit warming to 1.5 degrees Celsius. The initiative covers 273 signatories and U.S.\$61.3 trillion in assets under management of which Dream Unlimited, with the support of Dream Office, was one of the first Canadian companies to join.



In 2021, D.UN achieved a five-star rating achievement in the Global Real Estate Sustainability Benchmark (GRESB)* real estate assessment. D.UN received a score of 91/100 which is one of the best first year scores among GRESB participants, placing it in the top 20% of the benchmark.



*Established in 2009, GRESB is the leading ESG benchmark for real estate and infrastructure investments across the world, used by 140 institutional and financial investors to inform decision-making and covering \$5.7 trillion of AUM and nearly 117,000 individual assets.




CANADA INFRASTRUCTURE BANK

Supporting Dream's target to achieve net zero greenhouse gas (GHG) emissions by 2035 or sooner for all its operations and new developments, the Canada Infrastructure Bank (CIB) is committing up to \$112.9 million under its Commercial Building Retrofits Initiative.

The non-revolving credit facility is available until the earlier of March 31, 2027 or the completion of all funded projects, during which the accumulated drawings bear interest at an annual fixed rate of 2.147%.

The loan will finance 19 building retrofits across Dream's portfolios in Ontario and Saskatchewan, built from 1875 to 1992.

Full press release [\(link\)](#) 





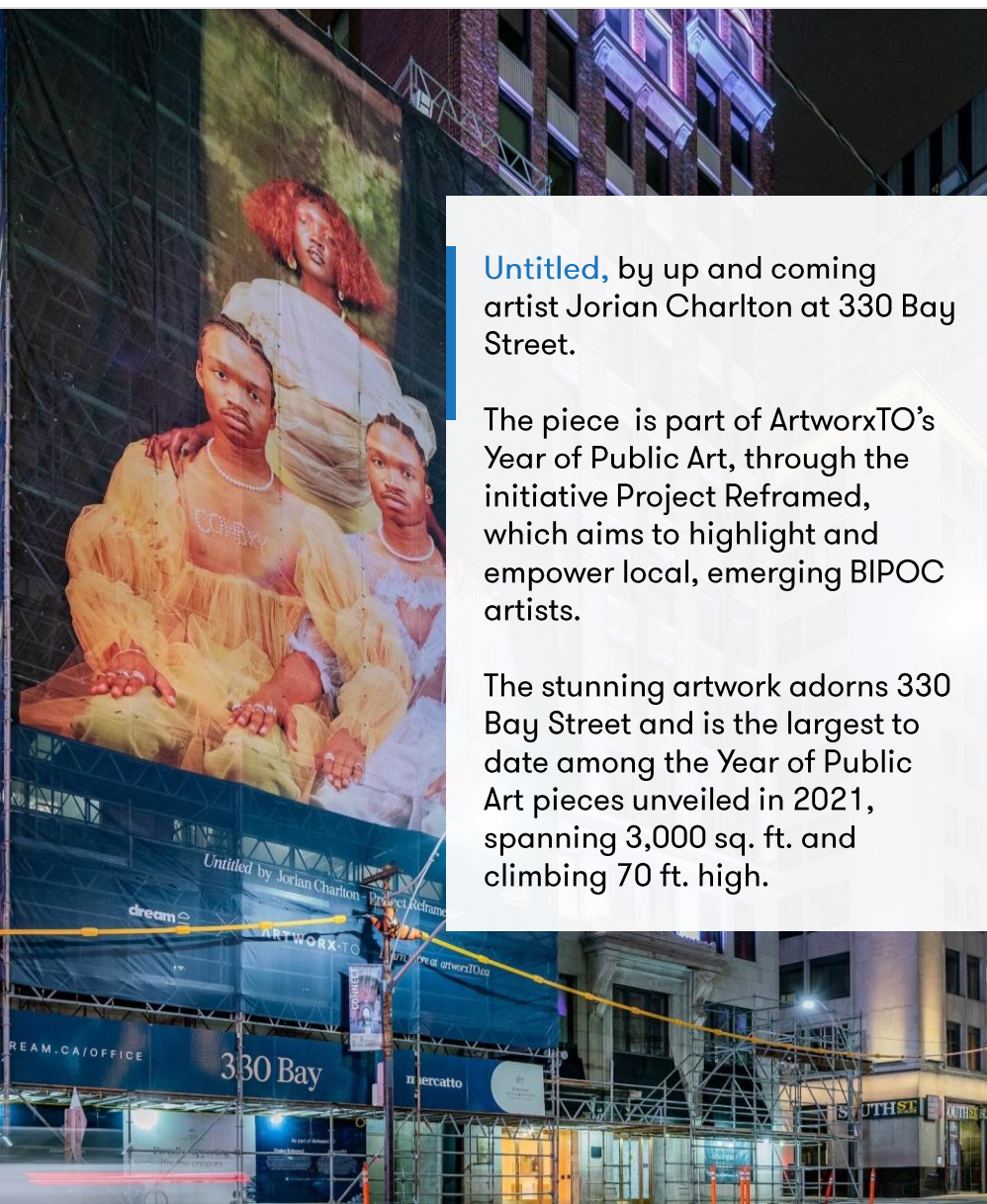
Indicator	Target	2019	2020	Y/Y change
Energy consumption (ekWh)	10% reduction of energy consumption by 2025 (v. 2019 base)	170,417,623	141,298,958	-17%
Total GHG emissions (tCO ₂ e)	20% reduction of emissions by 2025, 50% reduction by 2030, 100% reduction by 2035 (within investment and emissions boundaries ⁽¹⁾ ; v. 2019 baseline)	25,994	21,283	-18%
Water consumption (m ²)	10% reduction of water consumption by 2025 (v. 2019 base)	405,633	274,097	-32%
Waste diversion	75% waste diversion target by 2025	44%	57%	30%
Percentage of portfolio with a green building certification	100% certification (any program) of all Canadian office sites by 2025	96%	93%	-

Dream Office has set out to achieve net zero greenhouse gas emissions by 2035

We exceeded our 2025 targets in 2020 (adjusting for COVID-impact) and are advancing towards our goals in the Net Zero initiative.

Note 1 – See Net Zero by 2035 Action Plan report published April 28th, 2022 for further details ([link](#)).

*Detailed ESG progress and targets can be found in our 2020-2021 ESG Report ([link](#)).



Untitled, by up and coming artist Jorian Charlton at 330 Bay Street.

The piece is part of ArtworxTO's Year of Public Art, through the initiative Project Reframed, which aims to highlight and empower local, emerging BIPOC artists.

The stunning artwork adorns 330 Bay Street and is the largest to date among the Year of Public Art pieces unveiled in 2021, spanning 3,000 sq. ft. and climbing 70 ft. high.

Gender Balance

- D.UN's strength as an organization comes from our strong and diverse workforce.
- **57%** of D.UN Trustees are women.
- **45%** of managers are women.
- The firm is committed to ensuring a diverse workforce at executive and board levels

Employee development

- D.UN's strength as an organization comes from our strong and diverse workforce, and Dream is committed to the development of its employees.

Governance

- **71%** of D.UN Trustees are independent.
- Dream is committed to having a high ratio of independent trustees on the board overseeing key company strategies and goals.

*Detailed ESG progress and targets can be found in our 2020-2021 ESG Report ([link](#)).

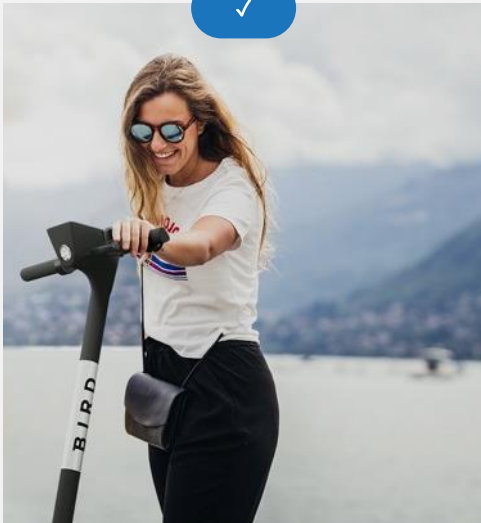


Investment in Alate - Using Technology to Rethink Real Estate

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.

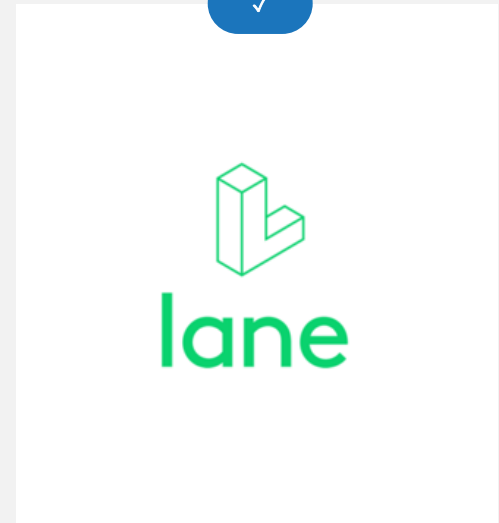
We invested in Alate and the ventures in 2018 and have since established a successful track record. In Q4 2021, a new Alate PropTech fund was formed around the vehicle's existing investments and outside investors were secured. The Trust maintains a 25% interest in the managing GP and is entitled to fees for managing the fund.



Bird



Branch



Lane



1

Smaller Floor Plate

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

2

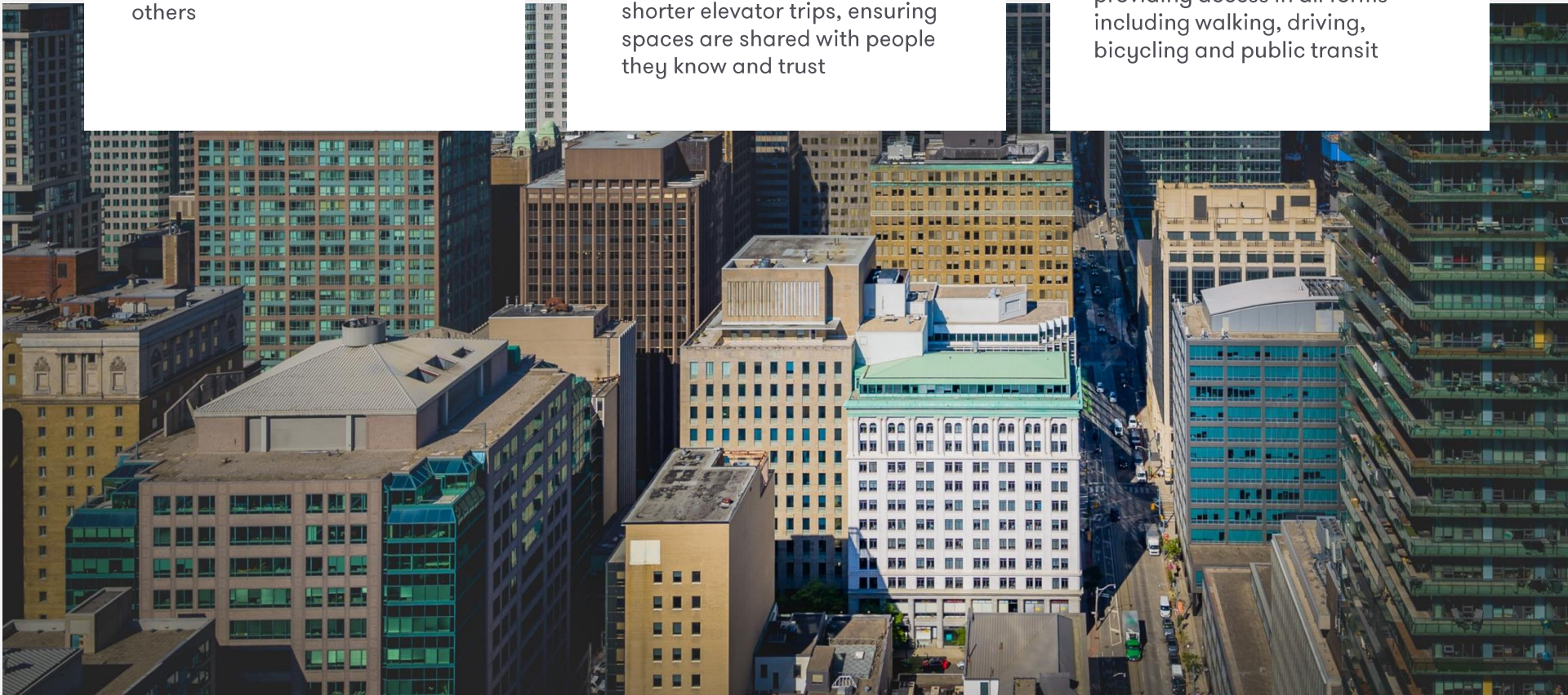
Lower Rise Buildings

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





Forward looking information

This investor presentation may contain forward-looking information within the meaning of applicable securities legislation, including but not limited to statements regarding our objectives and strategies to achieve those objectives; our ability to increase the desirability, occupancy and liquidity of our buildings; the effect of building improvements on tenant experience and building quality and performance; opportunities for intensification, redevelopment and value creation; future development plans and costs; renewal and leasing assumptions; our sustainability targets, including achieving net zero greenhouse gas emissions by 2035 and making our buildings more sustainable; our goal of reporting on responsible investment activities starting in 2023; our commitments and engagement with third party sustainability initiatives; our diversity targets and governance commitments; our ability to achieve building certifications; debt maturity and future financing; our expectations regarding a new Alate fund; our capital allocation strategy and target returns; and our overall financial performance, profitability and liquidity for future periods and years. 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. 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; inflation; 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, relatively low inflation, that government restrictions due to COVID-19 on the ability of us and our tenants to operate their businesses at our properties will continue to ease and will not be re-imposed in any material respects, competition for acquisitions remains consistent with the current climate, and that the capital markets continue to provide ready access to equity and/or debt. 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 Financial Measures, Ratios and Supplementary Financial 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 and ratios including NAV per unit, available liquidity, leverage (also known as net total debt-to-net total assets), and unencumbered assets, as well as other measures discussed elsewhere in this presentation. These non-GAAP financial measures and ratios are not standardized financial measures under IFRS and might not be comparable with similar measures disclosed by other issuers. The Trust has presented such non-GAAP measures and non-GAAP ratios as Management believes they are relevant measures of the Trust’s underlying operating performance and debt management. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this presentation have been incorporated by reference from the management’s discussion and analysis of the financial condition and results from operations of the REIT for the three months ended March 31, 2022, dated May 5, 2022 (the “MD&A for the first quarter of 2022”) and can be found under the section “Non-GAAP Financial Measures and Ratios” and respective sub-headings labelled “Level of debt (net total debt-to-net total assets)”, “Available Liquidity” and “Net asset value (“NAV”) per Unit”. The composition of supplementary financial measures included in this presentation have been incorporated by reference from the MD&A for the first quarter of 2022 and can be found under the section “Supplementary financial measures and ratios and other disclosures”. The MD&A for the first quarter of 2022 is available on SEDAR at www.sedar.com under the Trust’s profile and on the Trust’s website at www.dreamofficereit.ca under the Investors section. 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.



Feel free to contact us should you have any questions

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Michael J. Cooper

Chairman & CEO

Service: 26 Years

Industry Experience: 34 Years



Jay Jiang

CFO

Service: 8 Years

Industry Experience: 15 Years



Gordon Wadley

COO

Service: 11 Years

Industry Experience: 17 Years



Amar Bhalla

Independent



Donald Charter

Independent



Michael J. Cooper



Jane Gavan



The Hon. Dr. Kellie Leitch

Independent



Karine MacIndoe

Independent



Qi Tang

Independent



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

We grew Dream Office 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 82% of our assets currently located in this market. Over the last five years, we have created one of the highest quality commercial REITs in Canada.

2021

Received inaugural GRESB rating (91/100), obtained the WELL Health-Safety Certification from the WIBI, and committed to Net Zero Asset Managers alongside Dream Group of companies.

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*

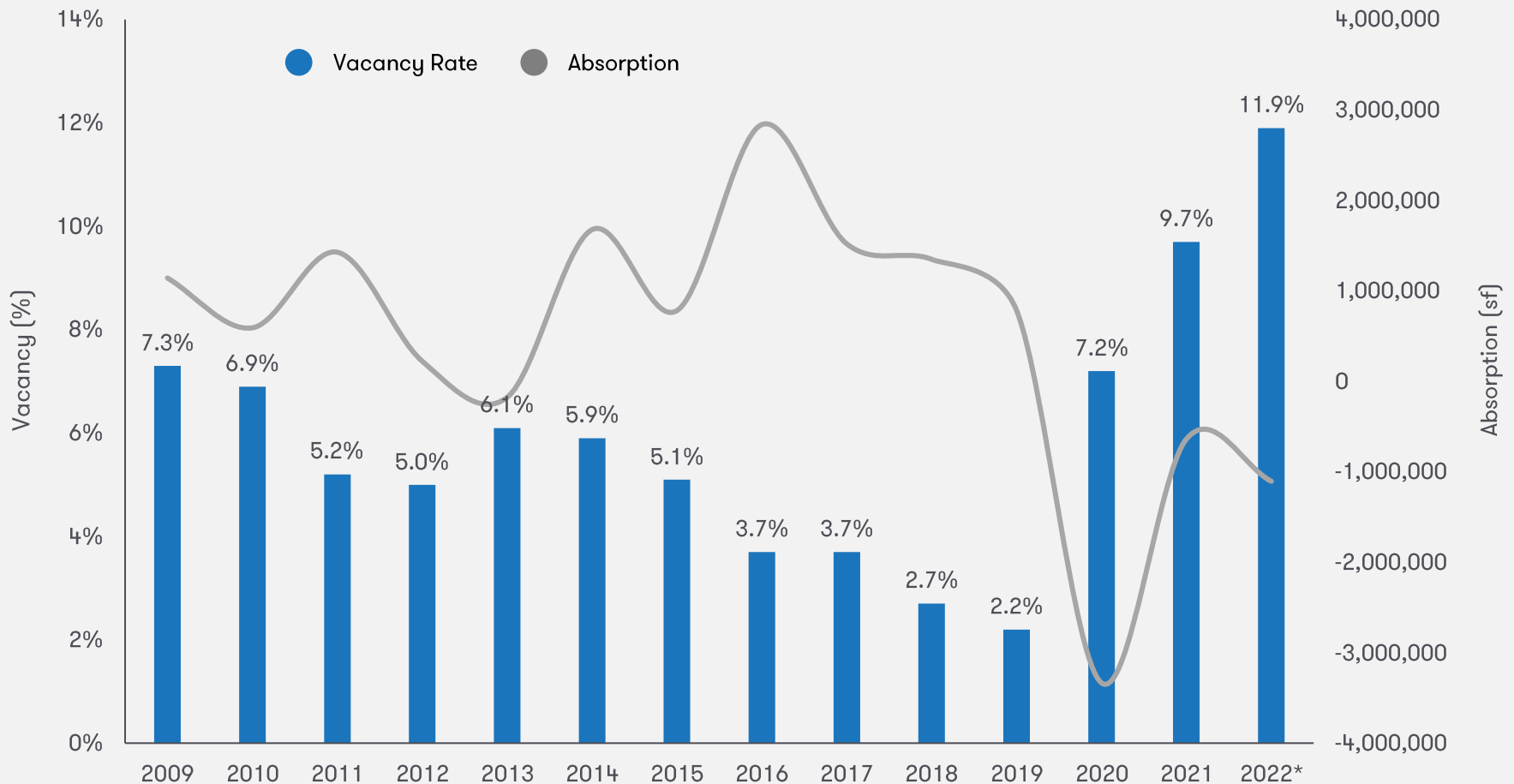
2003 - IPO

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

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



Historical Vacancy and Absorption

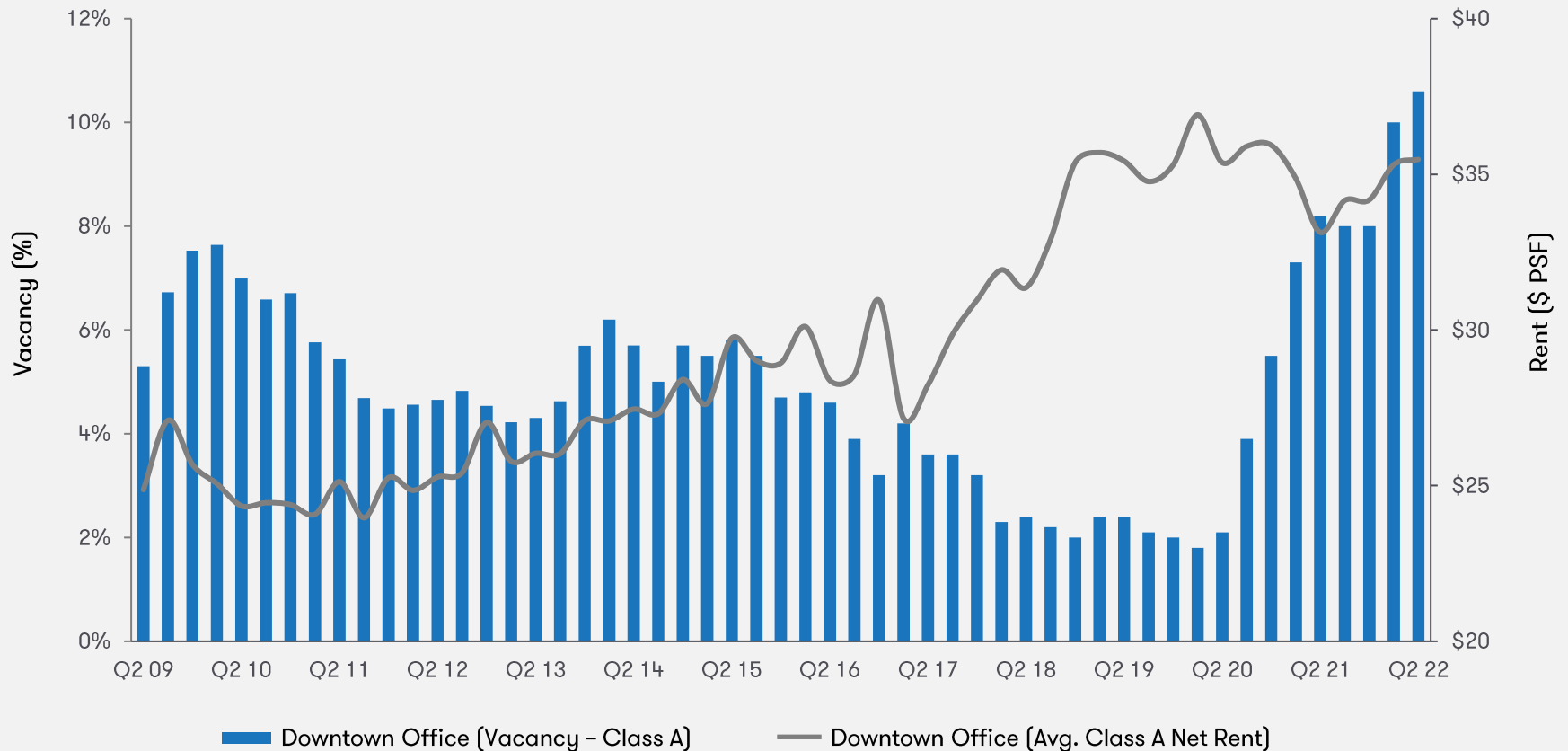


*Vacancy figures representative of vacancy % as at Q2 2022, Absorption figures are YTD 2022

Source: CBRE



Historical Class A Vacancy & Rent Growth*





Appendix VI: Toronto is the Fastest Growing City for Tech Employment



Between 2016 and 2021, **Toronto had the most tech talent growth (+88,900 jobs)**, followed by Seattle and Vancouver.