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DREAM OFFICE REIT REPORTS Q4 2024 RESULTS

This press release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release. All dollar amounts in our tables are presented in thousands of Canadian dollars, except for rental rates and per unit amounts, unless otherwise stated.

TORONTO, FEBRUARY 20, 2025, DREAM OFFICE REAL ESTATE INVESTMENT TRUST (D.UN-TSX) ("Dream Office REIT", the "Trust" or "we") today announced its financial results for the three months ended December 31, 2024. Management will host a conference call to discuss the financial results on Monday, February 24, 2025, at 10:00 a.m. (ET).

OPERATIONAL HIGHLIGHTS AND UPDATE

(unaudited)

	As at		
	December 31, 2024	September 30, 2024	December 31, 2023
Total properties[1]			
Number of active properties	**24**	26	26
Number of properties under development	**2**	1	2
Gross leasable area (in millions of square feet)	**4.8**	5.1	5.1
Investment properties value	**$ 2,175,015**	$ 2,303,308	$ 2,342,374
Total portfolio[2]			
Occupancy rate – including committed (period-end)	**81.1%**	84.5%	84.4%
Occupancy rate – in-place (period-end)	**77.5%**	80.9%	82.0%
Average in-place and committed net rent per square foot (period-end)	**$ 27.20**	$ 26.37	$ 26.35
Weighted average lease term (years)	**5.5**	5.2	5.2
Occupancy rate – including committed – Toronto (period-end)	**83.8%**	88.0%	89.0%
Occupancy rate – in-place – Toronto (period-end)	**80.2%**	84.5%	85.4%

See footnotes at end.

	Three months ended	
	December 31, 2024	December 31, 2023
Operating results		
Funds from operations ("FFO")[3]	**$ 14,104**	**$** 14,588
Comparative properties net operating income ("NOI")[4]	**24,742**	24,756
Net rental income	**27,286**	25,760
Net loss	**(19,101)**	(42,424)
Per unit amounts		
Diluted FFO per unit[5][6]	**$ 0.72**	$ 0.75
Distribution rate per Unit[6]	**0.25**	0.50

See footnotes at end.

"We continue to manage our business in a very uncertain environment with a focus on reducing risk, improving liquidity and increasing our occupancy," said Michael Cooper, Chief Executive Officer of Dream Office REIT. *"The announced sale of 438 University is an attractive transaction for the Trust that will immediately reduce debt and increase liquidity. Our proposed plan to convert 606-4th Ave in Calgary from an office building to a new residential rental building will mitigate future office leasing risk in a very challenging market, diversify the Trust's source of income and improve the average quality of our portfolio. We will be very focused on leasing 74 Victoria and other vacancies in our portfolio to improve occupancy in 2025."*

In the midst of significant macro-economic uncertainties and continuing challenges in the Canadian office real estate sector, the Trust remains focused on delivering stable operational and financial performance in 2025 and beyond.

We believe our portfolio is well-located, difficult to replace and uniquely positioned to outperform over the long term. Through our plan to invest capital in our best buildings over the past six years, the renovations across our best assets are substantially complete and we have created a uniquely competitive portfolio that is well positioned to attract high-quality tenants.

Relative to Q3 2024, our in-place occupancy decreased from 80.9% to 77.5% and our in-place and committed occupancy rate decreased from 84.5% to 81.1%. The quarter-over-quarter decrease of 3.4% of total portfolio in-place occupancy was attributable to the reclassification of 438 University Avenue to properties held for sale (-1.2%), 23,000 square feet of negative absorption in Other markets (-0.5%) which was partially offset by the reclassification of 606-4th Building & Barclay Parkade to properties under development (+0.5%), and 142,000 square feet of net negative absorption at 74 Victoria Street for a previously known and announced lease expiry during Q4 2024 (-3.1%). Despite this lease expiry, occupancy in Toronto downtown only decreased by 98,000 square feet as the Trust had positive absorption totalling 43,000 square feet over the remainder of the region quarter-over-quarter (+0.9%). Subsequent to the quarter, the Trust signed a conditional lease for approximately 54,000 square feet at 74 Victoria Street for a term of 5 years at approximately $28.50 net rent per square foot to increase the committed occupancy at 74 Victoria from 46% to 67%. The Trust is also in negotiations with prospective tenants for up to an additional 50,000 square feet. As part of the leasing strategy at 74 Victoria, the Trust is undergoing a renovation program to modernize the lobby and is constructing built-out space on certain floors to help attract future potential tenants.

Year-over-year, total portfolio in-place occupancy decreased from 82.0% in Q4 2023 to 77.5% in Q4 2024 and our in-place and committed occupancy declined from 84.4% in Q4 2023 to 81.1% in Q4 2024. In-place occupancy declined year-over-year due to negative absorption in both regions due to the reasons previously mentioned above. Excluding the effect of the lease expiry at 74 Victoria, Toronto downtown experienced overall net positive absorption of 0.9% in the remainder of its properties in the region compared to the prior year.

The Trust has 164,000 square feet of vacancy committed for future occupancy. In Toronto downtown, 95,000 square feet, or 3.3% of the region's total gross leasable area, is scheduled to commence in 2025 at net rents 1.6% above prior net rents on the same space with a weighted average lease term of 8.2 years and 9,000 square feet in 2026 at 15.4% higher net rents than prior net rents on the same space with a weighted average lease term of 15.0 years.

In the Other markets region, 60,000 square feet, or 3.5% of the region's total gross leasable area, is scheduled to commence in 2025 at 21.1% below prior net rents on the same space with a weighted average lease term of 12.6 years.

During Q4 2024, the Trust executed leases totalling approximately 122,000 square feet across its portfolio. In Toronto downtown, the Trust executed 43,000 square feet of leases at a weighted average initial net rent of $33.45 per square foot, or 5.5% higher compared to the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 5.0 years. In the Other markets region, comprising the Trust's properties located in Calgary, Saskatoon, Regina, Mississauga, Scarborough and the United States ("U.S."), the Trust executed leases totalling 79,000 square feet at a weighted average initial net rent of $16.99 per square foot, or 16.4% lower than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 7.8 years. Subsequent to December 31, 2024, the Trust executed a further 76,000 square feet of leases in Toronto downtown at a weighted average initial net rent of $29.42 per square foot.

Since the beginning of the year to today's date, the Trust has executed leases totalling approximately 710,000 square feet across its portfolio. In Toronto downtown, the Trust has executed 411,000 square feet of leases at a weighted average initial net rent of $33.84 per square foot, or 8.1% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 5.8 years. In the Other markets region, the Trust has executed leases totalling 299,000 square feet at a weighted average initial net rent per square foot of $16.49, or 3.0% lower than the weighted average prior net rents on the same space, with a weighted average lease term of 7.3 years.

2025 REVOLVING CREDIT FACILITY AND MORTGAGE REFINANCING UPDATE

Subsequent to the quarter, the Trust obtained conditional credit approval for an extension of its $375 million credit facility from its existing syndicate of lenders. Prior to the Trust's refinancing efforts during the year, the Trust's 2025 debt maturities, including commitments, totalled $741 million, or 53.0% of its total debt stack. Since the beginning of 2024 to today's date, the Trust has refinanced or received credit approval for a total of $711 million of maturing 2025 debt without paydown and at terms attractive to the Trust, which has eliminated all the Trust's near-term refinancing risk.

The Trust is in advanced negotiations for its remaining $30 million mortgage maturity and anticipates the refinancing will be complete by Q2 2025.

The Trust's 2026 debt maturities total $165.5 million across six mortgages. The Trust anticipates that it will be able to successfully address all of its 2026 debt expiries at or before maturity.

DISPOSITION OF 438 UNIVERSITY AVENUE

On January 24, 2025, subsequent to the quarter, the Trust announced that it entered into a binding agreement to sell 438 University Avenue in Toronto, Ontario, for gross proceeds before transaction costs of approximately $105.6 million or approximately $327 per square foot.

As part of the transaction, the Trust secured the benefit of relocating approximately 17,000 square feet of tenants from 438 University Avenue to other downtown Toronto buildings within the Trust's portfolio which will increase net operating income in those buildings by over $1 million on an annual basis. In addition, the Trust also received a relocation right to move one of the last tenants at 250 Dundas St. W. so that the building is fully unencumbered which would reduce costs significantly in the development, thereby improving the profit and value of our purpose-built rental development site.

The Trust and the purchaser have also entered into a property management agreement at market terms for the Trust to continue to manage the property for the purchaser for a period of three years.

We believe the transaction is attractive to the Trust as we estimate that these combined incremental benefits represent a value of over $20 million or $62 per square foot to the Trust. The Trust intends to use the proceeds to repay the $68.9 million property mortgage outstanding and use the balance of the proceeds to pay down its corporate credit facility to reduce leverage and improve liquidity. The transaction is expected to close in the first quarter of 2025, subject to customary closing conditions.

As at December 31, 2024, the Trust classified 438 University Avenue as an asset held for sale totalling $105.6 million, or approximately $327 per square foot and associated liabilities totalling $68.9 million.

REDEVELOPMENT OF 606-4th BUILDING & BARCLAY PARKADE

Since the end of 2014, the Trust has sold 64 buildings spanning 7.1 million of owned square feet in western Canada for $1.3 billion or approximately $177 per square foot which the Trust believes is attractive pricing relative to private market valuations in today's market.

The Calgary Office market has remained very challenging with vacancy elevated at 27%(7) over the trailing ten-year average. The Trust's remaining three assets in the city, spanning approximately 464,000 square feet, are well located and in good condition with a weighted average occupancy of 84.9%, well above Downtown Calgary's office occupancy of approximately 70%(8) as at Q4 2024. The Trust continually explores strategies to reduce risk and improve the value of individual assets within the portfolio.

Over the past year, the Trust has been working on the design, approvals and strategic partnerships to create a financially viable redevelopment model. The redevelopment opportunity will convert the existing 126,000 square foot office building into a brand new 166-unit, purpose-built rental residential apartment. Concurrently, the Trust is working to relocate the office tenants within

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606-4th Building to the adjacent 444-7th Building. At a 4.6%[9] apartment market vacancy and 30%[8] office vacancy in Calgary, this pivot in strategy derisks the portfolio while unlocking value. In addition, this strategy will allow the Trust to improve the occupancy of 444-7th while creating a new residential rental building in downtown Calgary, thereby reducing the operational and financial risk of both buildings.

The Trust is in advanced stages of negotiations for a grant of up to $11 million from the City of Calgary for residential conversion at 606-4th Building & Barclay Parkade as part of the City's Calgary Downtown Development Strategy Incentive Program. The Trust is also in the process of securing government financing for a ten-year loan at an interest rate lower than that of conventional development and mortgage loans. The Trust is currently in the process of finalizing a construction management contract following a market bid process and is also in discussions to potentially bring in a joint venture partner on the project to further reduce construction and balance sheet risk.

With considerations of the above milestones that were achieved on the project during the quarter, the Trust has reclassified 606-4th Building & Barclay Parkade to properties under development.

67 RICHMOND STREET WEST – REDEVELOPMENT PROJECTS UPDATE

The development project at 67 Richmond Street West comprises full modernizations of the property, including technical systems, interior lighting and elevators, along with enhanced common areas and larger floorplates.

To date, we have spent $9.6 million on the project at 67 Richmond Street West, $6.3 million of which has been funded by the CIB Facility. As a result of the redevelopment, the Trust attracted Daphne restaurant, which has been awarded Best Upscale Restaurant by Hospitality Design, for the entire ground floor retail space for a term of ten years. Including a 6,500 square foot office lease signed during the quarter at net rents of $21.05 per square foot, the Trust has leased 18,600 square feet of the 51,000 square foot building and is currently in active discussions with prospective tenants for the remainder of the space in the building. During the quarter, the scope of the project at 67 Richmond Street West was expanded to include building out model suites for the remainder of the vacant space at the property to meet the current market demand for move-in ready space and reduce lease-up time.

During the year, the Trust implemented a model suite program investing capital in identified spaces across our portfolio to create move-in ready spaces. The program was implemented for nine suites, representing 56,000 square feet across four of its buildings and has since executed deals on all of the four completed suite spaces. The Trust anticipates replicating this strategy at 67 Richmond Street West will attract high-quality tenants to this building. With the expansion in project scope, 67 Richmond Street West is expected to be completed at the end of Q2 2025.

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FINANCING AND LIQUIDITY UPDATE

KEY FINANCIAL PERFORMANCE METRICS (unaudited)		As at
	December 31, 2024	December 31, 2023
Financing		
Weighted average face rate of interest on debt (period-end)(10)	**4.75%**	4.53%
Interest coverage ratio (times)(11)	**1.8**	2.0
Net total debt-to-normalized adjusted EBITDAFV ratio (years)(12)	**12.1**	11.5
Level of debt (net total debt-to-net total assets)(13)	**52.9%**	50.0%
Average term to maturity on debt (years)	**3.4**	3.3
Undrawn credit facilities, available liquidity and unencumbered assets		
Undrawn credit facilities (in millions)	**$ 119.7**	$ 174.0
Available liquidity (in millions)(14)	**138.0**	187.2
Unencumbered assets (in millions)(15)	**2.3**	17.1
Capital (period-end)		
Total number of REIT A and LP B units (in millions)(6)(16)	**19.0**	18.9
Net asset value ("NAV") per unit(6)(17)	**$ 59.47**	$ 66.31

See footnotes at end.

As at December 31, 2024, the Trust had $2.6 billion of total assets, including $2.2 billion of investment properties, $1.3 billion of total debt and $1.1 billion of equity.

During the quarter, the Trust closed on its $225.0 million maturity mortgage loan at Adelaide Place with a syndicate of global and Canadian financial institutions for a term of five years at a floating interest rate based on the daily Canadian Overnight Repo Rate Average ("CORRA") plus 2.40%. In connection with the refinancing, the Trust entered into a fixed-for-variable swap to fix the interest rate on the mortgage at 5.479%.

On December 17, 2024, the Trust negotiated a one-year extension to December 7, 2026 for a $66.5 million interest-only mortgage secured by a property in Scarborough, Ontario, bearing interest at daily CORRA plus 2.245%. The Trust has previously entered into a fixed-for-variable interest rate swap relating to this mortgage, fixing the interest rate at approximately 6.44%.

As at December 31, 2024, the Trust had approximately $138.0 million of available liquidity(13), comprising $18.3 million of cash, undrawn revolving credit facilities totalling $38.2 million, undrawn amounts on our non-revolving term loan facility pertaining to the 15-year lease at 366 Bay Street totalling $0.4 million and undrawn amounts on our CIB Facility of $81.0 million, which provides low-cost, fixed-rate financing solely for the purpose of commercial property retrofits to achieve certain energy efficiency savings and greenhouse gas emission reductions. Subsequent to the quarter, the Trust announced the sale of 438 University Avenue which is expected to close in Q1 of 2025. The Trust intends to use the proceeds to repay the property mortgage outstanding and use the balance of the proceeds to pay down its corporate credit facility to reduce leverage and improve liquidity.

During Q4 2024, the Trust drew $3.5 million against the CIB Facility. In total, we have drawn $31.8 million against the CIB Facility since 2022. These draws represent 80% of the costs to date for capital retrofits at 13 properties in Toronto downtown for projects to reduce the operational carbon emissions in these buildings by an estimated 3,241 tonnes of carbon dioxide, or 57.5%, per year on project completion. Of the $31.8 million drawn on the CIB facility, $8.8 million was used to fund the full building retrofit of 366 Bay Street to secure a full building lease for a term of 15 years. A further $6.3 million has been used for the redevelopment of 67 Richmond Street West.

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SUMMARY OF KEY PERFORMANCE INDICATORS

- **Net loss for the quarter:** For the three months ended December 31, 2024, the Trust generated a net loss of $19.1 million. Included in net loss for the three months ended December 31, 2024 are negative fair value adjustments to investment properties totalling $38.9 million across the portfolio, interest expense on debt of $17.3 million, impairment of vendor takeback mortgage ("VTB mortgage") receivables totalling $4.3 million, partially offset by net rental income totalling $27.3 million, fair value adjustments to financial instruments totalling $12.3 million primarily due to remeasurement of the carrying value of subsidiary redeemable units as a result of a decrease in the Trust's unit price over the quarter net of fair value losses on rate swap contracts due to declining market yield curves, net income from our investment in Dream Industrial REIT of $3.4 million and a net deferred tax recovery of $2.2 million relating to our sole investment property in the U.S.

- **Diluted FFO per unit[5][6] for the quarter:** For the three months ended December 31, 2024, diluted FFO per unit decreased by $0.03 per unit to $0.72 per unit relative to $0.75 per unit in Q4 2023, driven by higher interest expense (-$0.07) and lower NOI from 438 University Avenue due to lower occupancy (-$0.02), partially offset by lower tenant provisions (+$0.03), higher income relating to properties sold in prior periods for post-closing adjustments (+$0.02) and higher FFO from Dream Industrial REIT (+$0.01). Included in FFO for the three months ended December 31, 2024, are year-end cash adjustments that are included in other income and income arising from properties sold in prior periods totalling $0.07 per unit, the amounts of which could vary from period to period. Excluding these items, diluted FFO per unit for the three months ended December 31, 2024 would have been $0.65 per unit.

- **Net rental income for the quarter:** For the three months ended December 31, 2024, net rental income increased by 5.9%, or $1.5 million, over the prior year comparative quarter, due to an overall reduction in provisions, income from sold properties for post-closing adjustments relating to properties sold in prior periods and other income comprising a write-off of provisions which are no longer required and year-end billing adjustments.

- **Comparative properties NOI[4] for the quarter:** For the three months ended December 31, 2024, comparative properties NOI decreased slightly by 0.1%, or $14 thousand, over the prior year comparative quarter, as higher in-place rents in Toronto downtown and Other markets from rent step-ups, higher rates on new leases and renewals and free rent expiries were offset by lower weighted average occupancy in both regions.

  For the three months ended December 31, 2024, comparative properties NOI in Toronto downtown increased by 2.1%, or $0.4 million, over the prior year comparative quarter, primarily due to higher in-place rents from rent step-ups, higher rates on renewals and new leases and free rent periods rolling off, partially offset by lower weighted average occupancy in the region primarily driven by the 206,000 square foot lease expiry at 74 Victoria in October 2024.

- **In-place occupancy**: Total portfolio in-place occupancy on a quarter-over-quarter basis decreased by 3.4% relative to Q3 2024. In Toronto downtown, in-place occupancy decreased by 4.3% relative to Q3 2024 as 356,000 square feet of expiries were partially offset by 209,000 square feet of renewals and 49,000 square feet of new lease commencements. The major driver of the decrease in in-place occupancy in Toronto downtown was 142,000 square feet of net negative absorption at 74 Victoria (-4.9%) for a previously known and announced lease expiry during Q4 2024. Despite this lease expiry, occupancy in Toronto downtown only decreased by 98,000 square feet as the Trust had positive absorption totalling 43,000 square feet over the remainder of the region (+1.5%). The reclassification of 438 University Avenue to assets held for sale also led to a slight decrease in in-place occupancy in the region (-0.9%). Subsequent to the quarter, the Trust entered into a binding agreement to sell 438 University Avenue and as part of the transaction, the Trust secured the benefit of relocating approximately 17,000 square feet from the sold property to other Toronto downtown buildings within its portfolio, representing approximately 0.6% of the region's total gross leasable area.

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In the Other markets region, in-place occupancy decreased by 1.6% relative to Q3 2024 driven by net negative absorption (-1.3%) as 84,000 square feet of expiries were partially offset by 46,000 square feet of renewals and 15,000 square feet of new lease commencements and the reclassification of 606-4th Building & Barclay Parkade to properties under development (-0.3%).

Total portfolio in-place occupancy on a year-over-year basis decreased from 82.0% in Q4 2023 to 77.5% this quarter, driven by the lease expiry at 74 Victoria Street in Toronto downtown, negative absorption in Other markets, along with the aforementioned negative effects of 438 University Avenue classified as held for sale in Toronto downtown and the reclassification of 606-4th Building & Barclay Parkade to properties under development in Q4 2024.

- **Lease commencements for the quarter:** For the three months ended December 31, 2024, excluding temporary leasing, 258,000 square feet of leases commenced in Toronto downtown at net rents of $34.48 per square foot, or 15.4% higher compared to the previous rent on the same space with a weighted average lease term of 6.1 years. In the Other markets region, 60,000 square feet of leases commenced at $19.39 per square foot, or 3.1% lower than the previous rent on the same space as current rates rolled down to market with a weighted average lease term of 4.5 years.

  The renewal and relocation rate to expiring rate spread for the quarter was 13.2% above expiring rates on 254,000 square feet of renewals.

- **NAV per unit[(6)(17)]:** As at December 31, 2024, our NAV per unit decreased to $59.47 compared to $66.31 at December 31, 2023. The decrease in NAV per unit relative to December 31, 2023 is driven by fair value losses on investment properties primarily due to changes in assumptions and maintenance capital and leasing costs write-offs in both regions, impairment recognized on VTB mortgage receivables, as well as fair value losses on interest rate swap contracts, partially offset by cash flow retention (FFO net of distributions). As at December 31, 2024, equity per the consolidated financial statements was $1.1 billion.

- **Fair value adjustments to investment properties for the quarter:** For the three months ended December 31, 2024, the Trust recorded a fair value loss totalling $38.9 million, comprising fair value losses of $27.2 million in Toronto downtown, $10.8 million in Other markets and $0.9 million in our properties under development. Fair value losses in Toronto downtown were primarily driven by write-downs at a few properties due to changes in valuation assumptions and write-offs of maintenance capital spend and leasing costs across the region. Fair value losses in the Other markets region were primarily driven by a write-down at one property resulting from expansions in weighted average cap rates and write-offs of maintenance capital spend and leasing costs across the region. Fair value losses in our property under development were primarily driven by revised leasing timelines.

- **Fair value adjustments to financial instruments**: For the three months ended December 31, 2024, the Trust recorded fair value gains of $12.3 million. Fair value gains in the current quarter consisted of $12.7 million in gains on the carrying value of subsidiary redeemable units and $2.1 million of fair value gains on the remeasurements of deferred trust units as a result of a decrease in the Trust's unit price relative to September 30, 2024, partially offset by remeasurements on rate swap contracts resulting in a fair value loss of $2.5 million.

- **Impairment of VTB mortgage receivables:** For the three months ended December 31, 2024, the Trust recorded impairment of VTB mortgage receivables totalling $4.3 million relating to a property sold in 2018.

  This relates to a VTB mortgage receivable totalling $34.1 million received as partial consideration as part of the sale of a property in Calgary in 2018. At the time of sale, the Trust also committed to a loan facility (together with the VTB mortgage receivable, the "Loans") of up to $12.5 million.

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On September 12, 2024, due to a borrower default, the Trust exercised its rights to a letter of credit held as collateral and has collected $3.3 million which can be applied to interest and principal repayments. The Trust continues its negotiations with the borrower on renewing the Loans at terms agreeable to the Trust, but there can be no assurance that an agreement will be reached. As a result, the Trust continued to assess the probability of default and expected cash flows under the expected credit loss model. For the year to date, the Trust has recorded impairment totalling $25.7 million on the Loans. As at December 31, 2024, the carrying value of the Loans was $19.4 million.

UNIT CONSOLIDATION

Effective February 22, 2024 (the "Effective Date"), the Trust completed a unit consolidation of all the issued and outstanding REIT A Units, REIT B Units and Special Trust Units (collectively, the "Units") on the basis of one (1) post-consolidation Unit for every two (2) pre-consolidation Units (the "Unit Consolidation"). Upon completion of the Unit Consolidation, the number of REIT A Units as of February 22, 2024 was consolidated from 32,626,435 to 16,313,022. There were no REIT B Units outstanding.

The general partner of Dream Office LP also took steps to effect a consolidation of the LP Class A Units and LP Class B Units of Dream Office LP on a proportionate basis effective as of the Effective Date. As a result, the subsidiary redeemable units were also consolidated on the basis of one (1) post-consolidation subsidiary redeemable unit for every two (2) pre-consolidation subsidiary redeemable units on the Effective Date. Upon completion of the Unit Consolidation, the number of subsidiary redeemable units as of February 22, 2024 was consolidated from 5,233,823 to 2,616,911.

All unit, per unit and unit-related amounts disclosed herein reflect the post-Unit Consolidation units for all periods presented, unless otherwise noted.

CONFERENCE CALL

Management will host a conference call to discuss the financial results Monday, February 24, 2025, at 10:00 a.m. (ET). To access the conference call, please dial 1-844-763-8274 in Canada or 647-484-8814 elsewhere. To access the conference call via webcast, please go to Dream Office REIT's website at www.dreamofficereit.ca and click on the link for News, then click on Events. A taped replay of the conference call and the webcast will be archived for 90 days.

OTHER INFORMATION

Information appearing in this press release is a selected summary of results. The condensed consolidated financial statements and Management's Discussion and Analysis ("MD&A") of the Trust are available at www.dreamofficereit.ca and on www.sedarplus.com.

Dream Office REIT is an unincorporated, open-ended real estate investment trust. Dream Office REIT is a premier office landlord in downtown Toronto with over 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. For more information, please visit our website at www.dreamofficereit.ca.

FOOTNOTES

(1) Excludes properties held for sale and investments in joint ventures that are equity accounted at the end of each period.

(2) Excludes properties under development, properties held for sale and investments in joint ventures that are equity accounted at the end of each period.

(3) FFO is a non-GAAP financial measure. The most directly comparable financial measure to FFO is net income. The tables included in the Appendices section of this press release reconcile FFO for the three months ended December 31, 2024 and December 31, 2023 to net income. FFO is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(4) Comparative properties NOI is a non-GAAP financial measure. The most directly comparable financial measure to comparative properties NOI is net rental income. The tables included in the Appendices section of this press release reconcile comparative properties NOI for the three months ended December

dream office REIT

31, 2024 and December 31, 2023 to net rental income. Comparative properties NOI is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(5) Diluted FFO per unit is a non-GAAP ratio. Diluted FFO per unit is calculated as FFO (a non-GAAP financial measure) divided by diluted weighted average number of units. Diluted FFO is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release. A description of the determination of the diluted weighted average number of units can be found in the management's discussion and analysis of the financial condition and results of operations of the Trust for the three months and year ended December 31, 2024, dated February 20, 2025 (the "MD&A for the fourth quarter of 2024") in the section "Supplementary Financial Measures and Other Disclosures" under the heading "Weighted average number of units".

(6) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B and Special Trust Units of the REIT on the basis of one (1) post-consolidation Unit for every two (2) pre-consolidation Units. All unit and per-unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.

(7) CBRE Canada Calgary Office Figures (Q1 2015 - Q4 2024 ten-year average).

(8) CBRE Canada Office Figures Q4 2024.

(9) CMHC Rental Market Survey.

(10) Weighted average face rate of interest on debt is calculated as the weighted average face rate of all interest-bearing debt balances excluding debt in joint ventures that are equity accounted.

(11) Interest coverage ratio (times) is a non-GAAP ratio. Interest coverage ratio comprises trailing 12-month adjusted EBITDAFV divided by trailing 12-month interest expense on debt. Adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are non-GAAP measures. The tables in the Appendices section reconcile adjusted EBITDAFV to net income for the three months and years ended December 31, 2024 and December 31, 2023 and for the year ended December 31, 2023 and trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt to adjusted EBITDAFV and interest expense on debt, respectively, for the trailing 12-month period ended December 31, 2024. Interest coverage ratio (times), adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading "Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures" in this press release.

(12) Net total debt-to-normalized adjusted EBITDAFV ratio (years) is a non-GAAP ratio. Net total debt-to-normalized adjusted EBITDAFV comprises net total debt (a non-GAAP financial measure) divided by normalized adjusted EBITDAFV (a non-GAAP financial measure). Normalized adjusted EBITDAFV comprises adjusted EBITDAFV (a non-GAAP financial measure) adjusted for NOI from sold properties in the quarter. Net total debt-to-normalized adjusted EBITDAFV ratio (years) and net total debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading "Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures" in this press release.

(13) Level of debt (net total debt-to-net total assets) is a non-GAAP ratio. Net total debt-to-net total assets comprises net total debt (a non-GAAP financial measure) divided by net total assets (a non-GAAP financial measure). The tables in the Appendices section reconcile net total debt and net total assets to total debt and total assets, the most directly comparable financial measures to these non-GAAP financial measures, respectively, as at December 31, 2024 and December 31, 2023. Level of debt (net total debt-to-net total assets) and net total debt-to-net total assets are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(14) Available liquidity is a non-GAAP financial measure. The most directly comparable financial measure to available liquidity is undrawn credit facilities. The tables included in the Appendices section of this press release reconcile available liquidity to undrawn credit facilities as at December 31, 2024 and December 31, 2023. Available liqudity is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(15) Unencumbered assets is a supplementary financial measure. For further information on this supplementary financial measure, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(16) Total number of REIT A and LP B units includes 2.6 million LP B Units which are classified as a liability under IFRS Accounting Standards.

(17) NAV per unit is a non-GAAP ratio. NAV per unit is calculated as Total equity (including subsidiary redeemable units) (a non-GAAP financial measure) divided by the total number of REIT A and LP B units outstanding as at the end of the period. Total equity (including subsidiary redeemable units) is a non-GAAP measure. The most directly comparable financial measure to total equity (including subsidiary redeemable units) is equity. The tables included in the Appendices section of this press release reconcile total equity (including subsidiary redeemable units) to equity as at December 31, 2024 and December 31,

2023. NAV per unit is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

NON-GAAP FINANCIAL MEASURES, RATIOS AND SUPPLEMENTARY FINANCIAL MEASURES

The Trust's consolidated financial statements are prepared in accordance with International Financial Reporting Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). In this press release, as a complement to results provided in accordance with IFRS Accounting Standards, the Trust discloses and discusses certain non-GAAP financial measures, including FFO, comparative properties NOI, available liquidity, adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV, trailing 12-month interest expense on debt, net total debt, net total assets, normalized adjusted EBITDAFV – annualized and total equity (including subsidiary redeemable units) and non-GAAP ratios, including diluted FFO per unit, level of debt (net total debt-to-net total assets), interest coverage ratio, net total debt-to-normalized adjusted EBITDAFV and NAV per unit, as well as other measures discussed elsewhere in this release. These non-GAAP financial measures and ratios are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. The Trust has presented such non-GAAP financial measures and non-GAAP ratios as Management believes they are relevant measures of the Trust's underlying operating and financial performance. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this press release are expressly incorporated by reference from the MD&A for the fourth quarter of 2024 and can be found under the section "Non-GAAP Financial Measures and Ratios" and respective sub-headings labelled "Funds from operations and diluted FFO per unit", "Comparative properties NOI", "Level of debt (net total debt-to-net total assets)", "Net total debt-to-normalized adjusted EBITDAFV ratio (years)", "Interest coverage ratio (times)", "Available liquidity", "Total equity (including subsidiary redeemable units)", "Adjusted earnings before interest, taxes, depreciation, amortization and fair value adjustments ("adjusted EBITDAFV")", "Trailing 12-month Adjusted EBITDAFV and trailing 12-month interest expense on debt", and " NAV per Unit". In this press release, the Trust also discloses and discusses certain supplementary financial measures, including unencumbered assets. The composition of supplementary financial measures included in this press release are expressly incorporated by reference from the MD&A for the fourth quarter of 2024 and can be found under the section "Supplementary financial measures and ratios and other disclosures". The MD&A for the fourth quarter of 2024 is available on SEDAR+ at www.sedarplus.com under the Trust's profile and on the Trust's website at www.dreamofficereit.ca under the Investors section. Non-GAAP financial 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 Accounting Standards as indicators of the Trust's performance, liquidity, leverage, cash flow, and profitability. Reconciliations for FFO, comparative properties NOI, available liquidity, adjusted EBITDA, and total equity (including subsidiary redeemable units) to the nearest comparable IFRS Accounting Standards measure are contained at the end of this press release.

FORWARD-LOOKING INFORMATION

This press release 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; statements regarding the value and quality of our portfolio, the effect of the Trust's leasing strategy on the return on invested capital, occupancy at our buildings, property value, cash flows, liquidity and refinancing value; our strategies to reduce risk and improve the value of individual assets within the portfolio; the Trust's focus on delivering stable operational and financial performance by reducing risk, improving liquidity and increasing occupancy as demonstrated through the disposition of 438 University, the plan to convert 606-4th Ave, and the focus on leasing 74 Victoria; the effect of building improvements on tenant experience and building quality and performance; and higher rent; our development, redevelopment, renovation and intensification plans, including timelines, square footage, our ability to lease properties under development and other project characteristics, including in respect of 67

dream office REIT

Richmond Street West; , 606-4th building & Barclay Parkade, and 74 Victoria; the profitability and value of contemplated development projects; our committed future occupancy, net rents and weighted average lease terms; the effect of redevelopment projects on leasing risk, income diversity and portfolio quality; market demand for modernized space and the effect of model suites on leasing demand at 67 Richmond Street West and 74 Victoria; the expected disposition of 438 University Avenue and property management services to be provided for a period of three years, including expected increase in net operating income, profit and value of our purpose-built rental development site, incremental benefits, use of proceeds and the effect on the Trust's leverage and liquidity, and disposition timeline; our future capital requirements and cost to complete development projects; the potential to find joint venture partners for contemplated developments and the effect of such joint ventures on construction and balance sheet risk; our plans to bid for a construction management contract; the expectation that we will be able to use our CIB Facility to fund development costs for certain projects; our ability to increase building performance and achieve certain energy efficiency and greenhouse gas reduction goals, including in respect of specific properties and of retrofits made in connection with the CIB Facility; expectations regarding our financing undertakings, including our ability to address future debt maturities; negotiations for extensions and renewals of mortgage and refinancing debt maturities and anticipated timing thereof; capital allocation, investments and expected benefits; our ability to complete prospective asset dispositions and our ability to achieve pricing in line with fair value for such dispositions; the use of proceeds from dispositions and the effect of those uses on leverage and liquidity; prospective leasing activity, including with respect to our strategy to attract future potential tenants at 74 Victoria; our commitments and our ability to renew the VTB mortgage and loan facility at terms agreeable to the Trust; our ability to relocate tenants within our portfolio and the benefits thereof, including the effects of such relocations on occupancy, net operating income and the operational and financial risk of our buildings; the safety of our business; and our overall financial performance, profitability, value, safety 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", "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, including in respect of real estate; mortgage and interest rates and regulations; inflation; risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, war, terrorism or other acts of violence; the uncertainties around the availability, timing and amount of future equity and debt financings; development risks including construction costs, project timings and the availability of labour; NOI from development properties on completion; the impact of duties, tariffs and other trade restrictions on the Trust; the effect of government restrictions on leasing and building traffic; the ability of the Trust and its tenants to access government programs; the financial condition of tenants and borrowers; employment levels; the uncertainties around the timing and amount of future financings; leasing risks, including those associated with the ability to lease vacant space and properties under development; rental rates on future leasing; and interest and currency rate fluctuations.

Our objectives and forward-looking statements are based on certain assumptions, which include but are not limited to: that the general economy remains stable; our interest costs will be relatively low and stable; that we will have the ability to refinance our debts as they mature; inflation and interest rates will not materially increase beyond current market expectations; conditions within the real estate market remain consistent; the timing and extent of current and prospective tenants' return to the office; our future projects and plans will proceed as anticipated; that government restrictions on the ability of us and our tenants to operate their businesses at our properties will not be 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 to fund our future projects and plans. All forward-looking information in this press release speaks as of the date of this press release.

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.

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APPENDICES

Funds from operations and diluted FFO per unit

	Three months ended December 31, 2024	2023
Net loss for the period	**$ (19,101)**	$ (42,424)
Add (deduct):		
Net income from investment in Dream Industrial REIT	**(3,369)**	(169)
Share of FFO from investment in Dream Industrial REIT	**3,472**	3,280
Depreciation and amortization	**3,011**	3,711
Costs attributable to sale of investment properties	**279**	157
Interest expense on subsidiary redeemable units	**654**	1,309
Fair value adjustments to investment properties	**38,903**	28,823
Fair value adjustments to investment properties held in joint ventures	**34**	355
Fair value adjustments to financial instruments and DUIP included in G&A expenses	**(12,379)**	18,985
Internal leasing costs	**494**	408
Principal repayments on finance lease liabilities	**(14)**	(14)
Enterprise resource planning software upgrade costs included in G&A expenses	**14**	—
Deferred income taxes expense (recovery)	**(2,188)**	167
Impairment of VTB mortgage receivables	**4,294**	—
FFO for the period	**$ 14,104**	$ 14,588
Diluted weighted average number of units	**19,500**	19,359
Diluted FFO per unit[1]	**$ 0.72**	$ 0.75

(1) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B and Special Trust Units of the REIT on the basis of one (1) post-consolidation Unit for every two (2) pre-consolidation Units. All unit and per unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.

Comparative properties NOI

	Three months ended				Change in	Change in
	December 31, 2024	December 31, 2023	Change Amount	Change %	weighted average occupancy %	in-place net rents %
Toronto downtown	**$ 18,880**	$ 18,486	$ 394	2.1	(1.7)	3.7
Other markets	**5,862**	6,270	(408)	(6.5)	(2.6)	1.9
Comparative properties NOI	**24,742**	24,756	(14)	(0.1)	(2.0)	3.4
366 Bay Street, Toronto	**(60)**	(6)	(54)			
Properties under development	**782**	723	59			
Property management and other service fees	**568**	480	88			
Other income	**776**	349	427			
Change in provisions	**(23)**	(621)	598			
Straight-line rent	**951**	702	249			
Amortization of lease incentives	**(2,996)**	(3,023)	27			
Property held for sale	**1,911**	2,237	(326)			
Sold properties	**635**	163	472			
Net rental income	**$ 27,286**	$ 25,760	$ 1,526	5.9		

dream office REIT

Adjusted EBITDAFV

	Three months ended		Year ended	
	December 31, 2024	December 31, 2023	**December 31, 2024**	December 31, 2023
Net loss for the period	**$ (19,101)**	$ (42,424)	**$ (104,934)**	$ (77,196)
Add (deduct):				
Interest – debt	**17,319**	15,865	**65,051**	58,978
Interest – subsidiary redeemable units	**654**	1,309	**2,835**	5,234
Current and deferred income taxes expense (recovery), net	**(2,162)**	179	**(2,290)**	47
Depreciation on property and equipment	**1**	36	**121**	162
Fair value adjustments to investment properties	**38,903**	28,823	**114,589**	96,406
Fair value adjustments to financial instruments	**(12,278)**	19,282	**221**	(22,509)
Net loss (income) from investment in Dream Industrial REIT	**(3,369)**	(169)	**(10,425)**	30,674
Distributions earned from Dream Industrial REIT	**2,369**	2,369	**9,477**	12,459
Share of net loss (income) from investment in joint ventures	**(4)**	319	**(336)**	812
Non-cash items included in investment properties revenue(1)	**2,045**	2,321	**9,122**	10,397
Change in provisions	**23**	621	**230**	858
Other income	**(776)**	(349)	**(1,202)**	(592)
Impairment of VTB mortgage receivables	**4,294**	—	**29,199**	—
Internal leasing costs and net losses on transactions	**773**	565	**3,122**	1,920
Adjusted EBITDAFV for the period	**$ 28,691**	$ 28,747	**$ 114,780**	$ 117,650

(1) Includes adjustments for straight-line rent and amortization of lease incentives.

Interest coverage ratio (times)

	For the trailing 12-month period ended	
	December 31, 2024	December 31, 2023
Trailing 12-month adjusted EBITDAFV	**$ 114,780**	$ 117,650
Trailing 12-month interest expense on debt	**$ 65,051**	$ 58,978
Interest coverage ratio (times)	**1.8**	2.0

dream office REIT

Level of debt (net total debt-to-net total assets)

	Amounts included in condensed consolidated financial statements	
	December 31, 2024	December 31, 2023
Non-current debt	**$ 956,076**	$ 1,254,090
Current debt	**351,538**	85,371
Total debt	**1,307,614**	1,339,461
Add: Debt related to assets held for sale	**68,887**	—
Less: Cash on hand[1]	**(17,545)**	(11,908)
Net total debt	**$ 1,358,956**	$ 1,327,553
Total assets	**2,584,927**	2,668,330
Less: Cash on hand[1]	**(17,545)**	(11,908)
Net total assets	**$ 2,567,382**	$ 2,656,422
Net total debt-to-net total assets	**52.9%**	50.0%

(1) Cash on hand represents cash on hand at period-end, excluding cash held in co-owned properties and joint ventures that are equity accounted.

Available liquidity

	As at	
	December 31, 2024	December 31, 2023
Cash and cash equivalents	**$ 18,268**	$ 13,273
Undrawn revolving credit facilities	**38,243**	73,394
Undrawn CIB Facility	**81,029**	92,361
Undrawn non-revolving term loan facility	**428**	8,200
Available liquidity	**$ 137,968**	$ 187,228

Net total debt-to-normalized adjusted EBITDAFV ratio (years)

	December 31, 2024	December 31, 2023
Non-current debt	**$ 956,076**	$ 1,254,090
Current debt	**351,538**	85,371
Total debt	**1,307,614**	1,339,461
Add: Debt related to assets held for sale	**68,887**	—
Less: Cash on hand[1]	**(17,545)**	(11,908)
Net total debt	**$ 1,358,956**	$ 1,327,553
Adjusted EBITDAFV – quarterly	**28,691**	28,747
Less: NOI of disposed properties for the quarter	**(635)**	2
Normalized adjusted EBITDAFV – quarterly	**$ 28,056**	$ 28,749
Normalized adjusted EBITDAFV – annualized	**$ 112,224**	$ 114,996
Net total debt-to-normalized adjusted EBITDAFV ratio (years)	**12.1**	11.5

(1) Cash on hand represents cash on hand at period-end, excluding cash held in co-owned properties and joint ventures that are equity accounted.

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Total equity (including subsidiary redeemable units) and NAV per unit

						Unitholders' equity
			December 31, 2024			December 31, 2023
	Number of units		**Amount**	Number of units		Amount
Unitholders' equity	**16,337,348**	**$**	**1,837,446**	16,313,022	$	1,837,138
Deficit	**—**		**(764,786)**	—		(642,162)
Accumulated other comprehensive income	**—**		**7,863**	—		5,335
Equity per consolidated financial statements	**16,337,348**		**1,080,523**	16,313,022		1,200,311
Add: Subsidiary redeemable units	**2,616,911**		**46,738**	2,616,911		54,850
Total equity (including subsidiary redeemable	**18,954,259**	**$**	**1,127,261**	18,929,933	$	1,255,161
NAV per unit(1)		**$**	**59.47**		$	66.31

(1) On February 22, 2024, the Trust implemented the Unit Consolidation of all the issued and outstanding REIT Units, Series A, REIT Units, Series B and Special Trust Units of the REIT on the basis of one (1) post-consolidation Unit for every two (2) pre-consolidation Units. All unit and per unit amounts disclosed reflect the post-Unit Consolidation units for all periods presented.