



dream 

# Supplemental Information

Q3 2023

*All numbers are as at September 30, 2023 unless otherwise stated. All currency is in Canadian dollars unless otherwise stated.*

# Letter from the Chief Responsible Officer



**Michael Cooper**

Founder & Chief  
Responsible Officer

This marks the first quarter we have published our supplemental information package, which is aligned with how we presented our business at our September 6<sup>th</sup> Investor Day. While we did not include an updated quarterly NAV calculation, we hope that this provides you with valuable insight into our standalone results and how we evaluate our various business lines, and also provides you with the tools to build up your own NAV in conjunction with our September 6<sup>th</sup> presentation. We will continue to add additional disclosures to this package in future quarters and look forward to any feedback you may have on the content.

Overall, this quarter demonstrated our progress in building out our recurring income business, something we have been focused on for the last several years. We welcomed residents at Maple House at Canary Landing and Aalto II at Zibi in September and expect to start occupancy at Common at Zibi in the fourth quarter. Altogether, our Canadian residential rental portfolio will comprise 2,925 units by the end of the year, with another 2,119 units to be added by the end of 2026. With the recent announcement of GST/HST waivers on new purpose-built rental, our team remains focused on our development pipeline and working together with government partners to address a critical need for housing across the country.

Assets under management are \$24 billion, up by 38% since the end of last year, and fee earning assets now total \$17 billion. We have seen strong performance of our asset management business, primarily driven by recurring base fee income rather than relying on transactional activity that drives one-time fees. We continue to meet with a number of institutional investors as we focus on growing this platform.

Our Western Canada business is doing very well, supported by a strong economy, high per capita income and low housing costs. We recognized the majority of our 2023 lot sales this quarter and have secured commitments for an additional \$117 million in revenues between next quarter and 2025. We have made great progress across a number of our communities, including Alpine Park in Calgary and Willows in Saskatoon, that will unlock profits for the coming years.

As of November 13th, we held a 33% interest in Dream Office REIT, 35% in Dream Impact Trust and 12% in Dream Residential REIT, inclusive of senior management holdings, and the combined value of our units totals \$148 million at closing TMX prices.

Thank you for your continued interest in our Company.

# Performance Highlights

**\$24 billion**

assets under management<sup>2</sup>

**\$0.42**

Adjusted FFO per share<sup>3</sup>

**\$30.86**

book value per share<sup>4</sup>

This quarter we generated adjusted standalone funds from operations (“FFO”) of \$0.42 per share, up from \$0.08 in Q3 2022. Over the last twelve months, we have generated FFO of \$60.8 million from our core businesses, well in excess of our fixed costs<sup>8</sup> of \$20.3 million.

## *Recurring income:*

- Asset management fee revenue was \$15.9 million for the quarter and \$47.3 million year-to-date, up 31% on a YTD basis. Assets under management total \$24 billion, an increase of 38% from year end.
- Our stabilized Canadian multi-family rental portfolio totals 1,800 units (at project level) and generated revenue and net operating income of \$23.0 million and \$12.6 million YTD, an increase of \$5.2 million and \$3.7 million from 2022 at project level. We have over 2,300 multi-family units in our pipeline that we expect to complete in the next three years.
- Arapahoe Basin was closed for ski operations during the quarter and incurred negative FFO of \$4.6 million, consistent with expectations. We opened for the 2023/2024 ski season on October 29th and look forward to another great season.

## *Development:*

- This quarter we sold 400 lots and 28 houses in Western Canada which generated revenue and net margin of \$76.7 million and \$18.1 million, respectively. We have sales commitments for 66 lots and 5 acres in the fourth quarter in addition to 231 lots and 71 acres that we expect to generate over \$100 million in revenue in 2024/2025.
- We commenced tenant occupancies at two purpose-built rentals this quarter - Maple House at Canary Landing and Aalto II at Zibi. We plan to move both of these projects (comprising 918 units in total) to our recurring income segment in the fourth quarter. We also expect to welcome our first residents at Common at Zibi, a 207-unit purpose built rental inclusive of 48 co-living suites, by the end of the year.

## *Return to Shareholders:*

- YTD we have returned \$19.3 million to our shareholders through dividends and share buybacks.

# Recurring Income Assets

Asset	Asset Class	Description	Direct Ownership <sup>6</sup>					Effective DRM Ownership <sup>7</sup>
			DRM	MPCT	DIF	D.UN	DRR	
<b>Dream Unlimited Ownership of Entity</b>				<b>33.5%</b>	<b>38.2%</b>	<b>30.3%</b>	<b>11.9%</b>	
Arapahoe Basin	Ski Hill	1,400 acres in Colorado, US	100%	0%	0%	0%	0%	100%
GTA Hotel Portfolio (Broadview, Gladstone, Postmark)	Heritage Hotels	168 rooms in Toronto & Newmarket	50%	0%	0%	0%	0%	50%
Distillery District	Retail & Office	395,000 sf in Toronto	63%	0%	0%	0%	0%	63%
GTA Value-Add Apartments Portfolio (Weston, Robinwood, Jarvis)	Multi-family rental	1,197 res. units in Toronto	33%	33%	33%	0%	0%	57%
Canary District Retail	Retail	32,000 sf in Toronto	50%	0%	0%	0%	0%	50%
Streetcar Partnership Retail Portfolio	Retail	80,000 sf in Toronto	50%	0%	0%	0%	0%	50%
Western Canada Retail Centres	Retail	328,000 sf in Saskatoon, SK & High River, AB	100%	0%	0%	0%	0%	100%
Western Canada Apartments Portfolio	Multi-family rental	184 res. units in Saskatoon, SK	100%	0%	0%	0%	0%	100%
Zibi Commercial Portfolio (excl. Block 211)	Retail & Office	86,000 sf in Ottawa & Gatineau	50%	50%	0%	0%	0%	67%
National Sciences Building (Zibi Block 211)	Office	186,000 sf in Ottawa	5%	50%	45%	0%	0%	39%
Zibi Apartment Portfolio (Market)	Multi-family rental	207 res. units in Ottawa	50%	50%	0%	0%	0%	67%
Zibi Apartment Portfolio (Affordable)	Multi-family rental	310 res. units in Gatineau	0%	50%	50%	0%	0%	36%
Zibi Community Utility	District energy	Net zero heating & cooling	0%	20%	20%	0%	0%	14%
MPCT Office Portfolio	Office	238,000 sf in GTA	0%	100%	0%	0%	0%	34%
Downtown Toronto Office Portfolio	Office	3.2 million sf in Toronto	0%	0%	0%	100%	0%	30%
US Apartments JV	Multi-family rental	2,844 units in Arizona & Texas, US	5%	0%	0%	0%	0%	5%
Dream Residential REIT Portfolio	Multi-family rental	3,432 units in the US	0%	0%	0%	0%	100%	12%

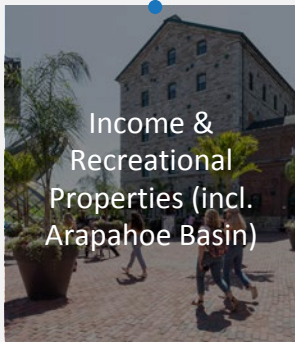
# Development Assets

Asset	Asset Class	Description	Direct Ownership <sup>6</sup>				Effective DRM Ownership <sup>7</sup>
			DRM	MPCT	DIF	D.UN	
<b>Dream Unlimited Ownership of Entity</b>			<b>33.5%</b>	<b>38.2%</b>	<b>30.3%</b>		
Western Canada Land Development	Land for development	8,848 acres in SK & AB	100%	0%	0%	0%	100%
Western Canada Income Properties	Multi-family rental & retail	433 res. units & 74,000 sf of retail in SK & AB	100%	0%	0%	0%	100%
Zibi	Multi-family rental & commercial	2,333 res. units & 1.9M sf of commercial in Ottawa/Gatineau	50%	50%	0%	0%	67%
LeBreton Flats	Multi-family rental	475 res. units in Ottawa	33%	33%	33%	0%	57%
Canary Landing Rentals (Maple House, Cherry House, Birch House)	Multi-family rental	1,863 res. units in Toronto	0%	25%	8%	0%	11%
AHT Block 10 – Condo & Retail	Multi-family rental	206 res. units & 26,000 sf of retail in Toronto	0%	0%	50%	0%	19%
Forma East & West	Retail & Office	2,034 res. units in Toronto	8%	25%	0%	0%	16%
Brightwater	Condo & retail	2,837 res. units & 102,000 sf of commercial in Port Credit, ON	8%	23%	0%	0%	16%
Victory Silos	Condo	1,500 res. units in Toronto	13%	38%	0%	0%	26%
Quayside	Mixed-use	4,600 res. units & 240,000 sf of commercial in Toronto	0%	13%	38%	0%	19%
Canary Block 13	Residential	879 res. units in Toronto	50%	0%	0%	0%	50%
31A Parliament	Mixed-use	515 res. units & 342,000 sf of commercial in Toronto	63%	0%	0%	0%	63%
Broadview & Eastern	Residential	682 res. units in Toronto	50%	0%	0%	0%	50%
49 Ontario	Mixed-use	1,200 res. units in Toronto	0%	100%	0%	0%	34%
Dream Office development assets	Mixed-use	3 zoned projects with residential density of 3.3M sf in Toronto	0%	0%	0%	100%	30%

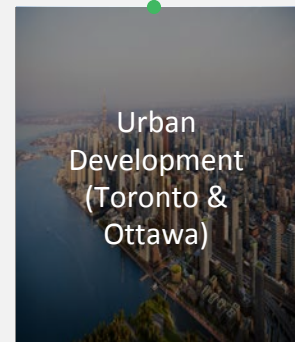
# Overview of the Company



## Recurring Income



## Development



# Division Overview

## Purpose-Built Rental (Market and Affordable)



Stabilized purpose-built residential rentals in core urban areas including the GTA and National Capital Region, in addition to mid-rise apartments in Western Canada and a portfolio of U.S. garden-style housing.

*West 22, Toronto*

## Retail/Commercial Properties



Retail/commercial/office GLA across North America, including the Distillery District in Toronto.

*Distillery District, Toronto*

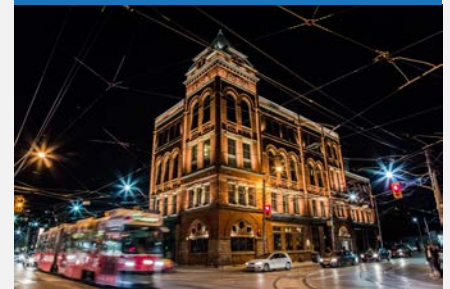
## Arapahoe Basin



Our 1,400 acre ski area located in Colorado, with one of the longest ski seasons in North America.

*Arapahoe Basin, Colorado*

## Boutique Heritage Hotel Portfolio



We have a 50% interest in three boutique hotels in the GTA comprising 168 rooms and 6 restaurants in aggregate.

*Broadview Hotel, Toronto*

**\$7.65**

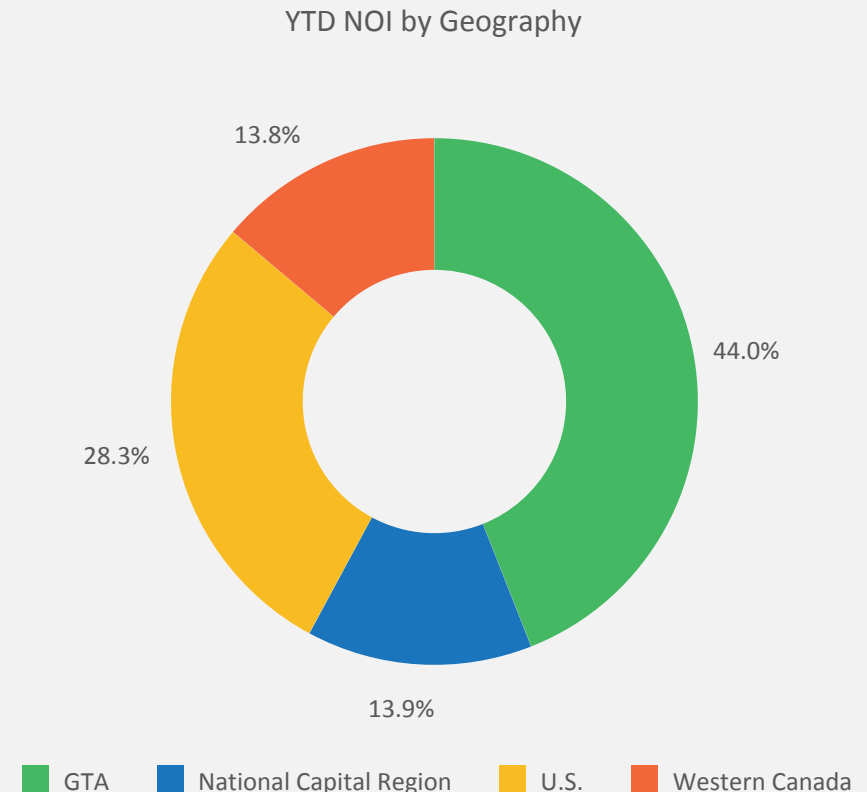
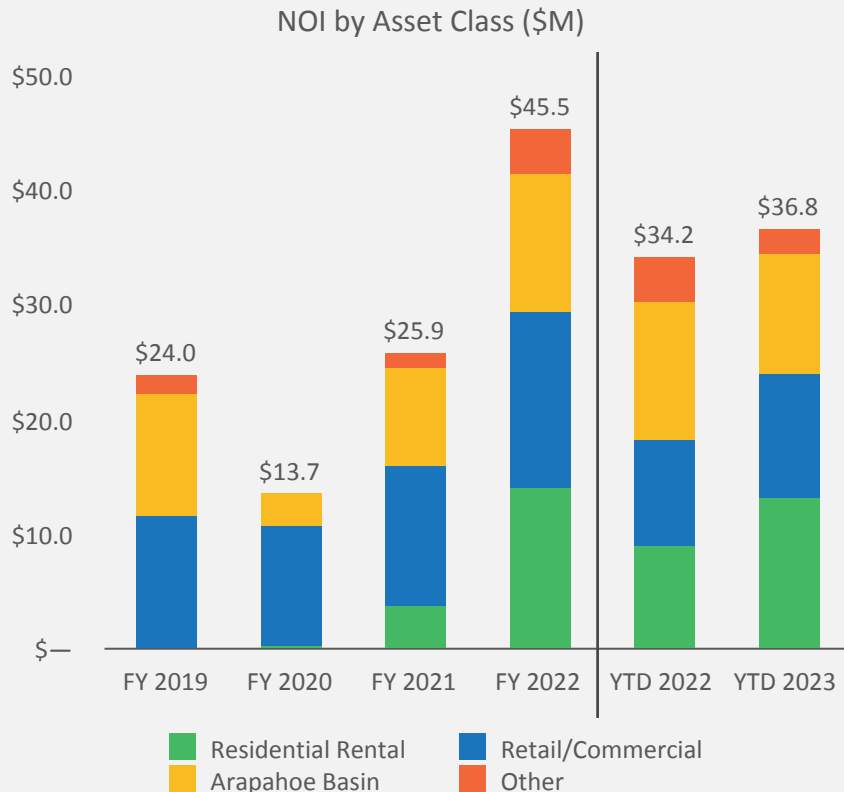
division book value per share<sup>4</sup>

**\$12.7M**

division YTD FFO<sup>3</sup>

# Increasing NOI from Income & Recreational Properties<sup>5</sup>

Dream has an established track record of purchasing land at attractive prices. The increase in NOI<sup>5</sup> as well as increased diversification of income producing assets both by asset class and geography illustrates our transition to holding these assets once built.



NOI presented on a standalone adjusted basis. Refer to the "Non-GAAP Measures and Other Disclosures" section in the appendix for further details.



# Division Overview - Publicly Traded Vehicles



## Dream Impact Trust

TSX: MPCT.UN

MPCT.UN is Canada's first publicly traded vehicle focused on impact investing.

\$1.6 billion  
total portfolio assets\*

Five Star  
GRESB Score



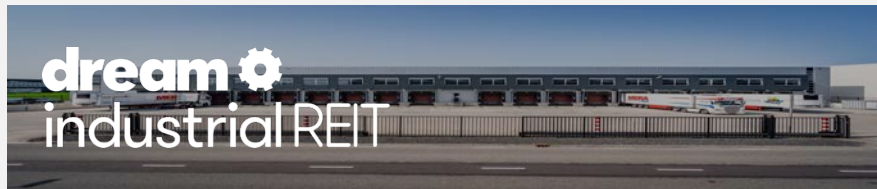
## Dream Office REIT

TSX: D.UN

D.UN is focused on owning, leasing and managing well located office properties. The current portfolio includes 5.1M sf of GLA.

\$2.7 billion  
total assets

Five Star  
GRESB Score



## Dream Industrial REIT

TSX: DIR.UN

DIR.UN owns and operates 322 properties across Canada, U.S. and Europe. The current portfolio includes 70.6M sf of GLA.

\$7.9 billion  
total assets

97.2%  
portfolio  
occupancy



## Dream Residential REIT

TSX: DRR.U, DRR.UN

DRR.U owns and operates 16 garden-style multi-residential properties across the U.S.

3,432  
total units

93.4%  
portfolio  
occupancy

\* Grossed up for proportionate share of equity accounted investments.

# Division Overview - Private Vehicles



## Dream Impact Fund

Dream Impact Fund is one of the world's first real estate impact funds, focused exclusively on investments that generate measurable social, environmental and financial returns.

**\$610 million**

total assets

**\$246 million**

of capital raised



## Dream U.S. Industrial Fund

Dream U.S. Industrial Fund invests in high-quality core, core+, value-add and development industrial assets across the U.S.

**US \$1.1 billion**

total assets

**95.6%**

portfolio occupancy



## Dream U.S. Multi-family

Dream partnered with a leading global investment manager to establish a U.S. multi-family asset management platform with institutional investors.

**US \$500 million**

total assets

**2,844**

garden-style units



## Dream Summit Industrial JV

Dream Industrial REIT partnered with GIC, a global sovereign wealth fund, in 2023 to acquire Summit Industrial REIT in an all-cash transaction.

**\$6.2 billion**

total assets

Dream partnered with a global sovereign wealth fund to establish a land venture for the development of industrial assets in southern Ontario.

**\$1.5 billion**

total development costs

# Assets Under Management<sup>2</sup> by Region

Brighton Village, Saskatoon



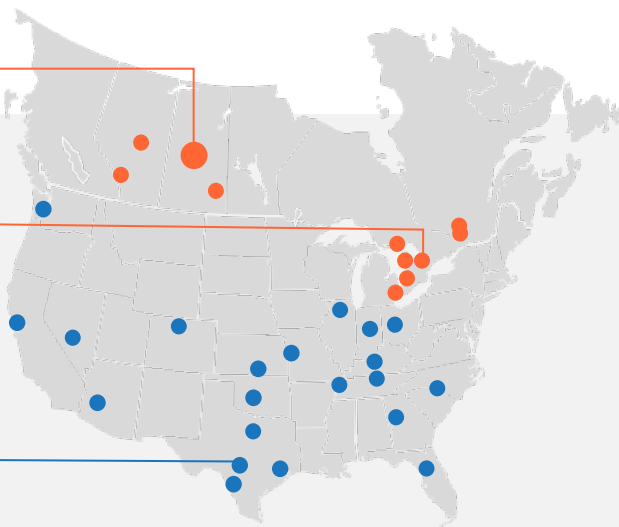
36 Toronto Street, Ontario



Creekwood Place, Texas



Our North American Investments



Amsterdam, Netherlands



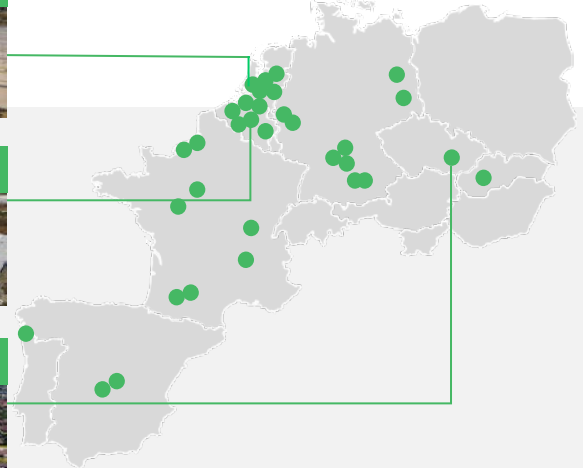
Tilburg, Netherlands



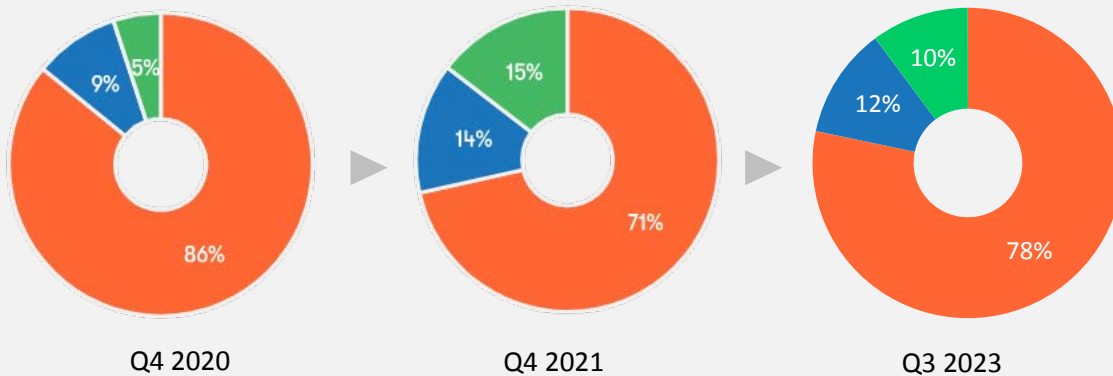
Pohořelice, Czechia



Our European Investments



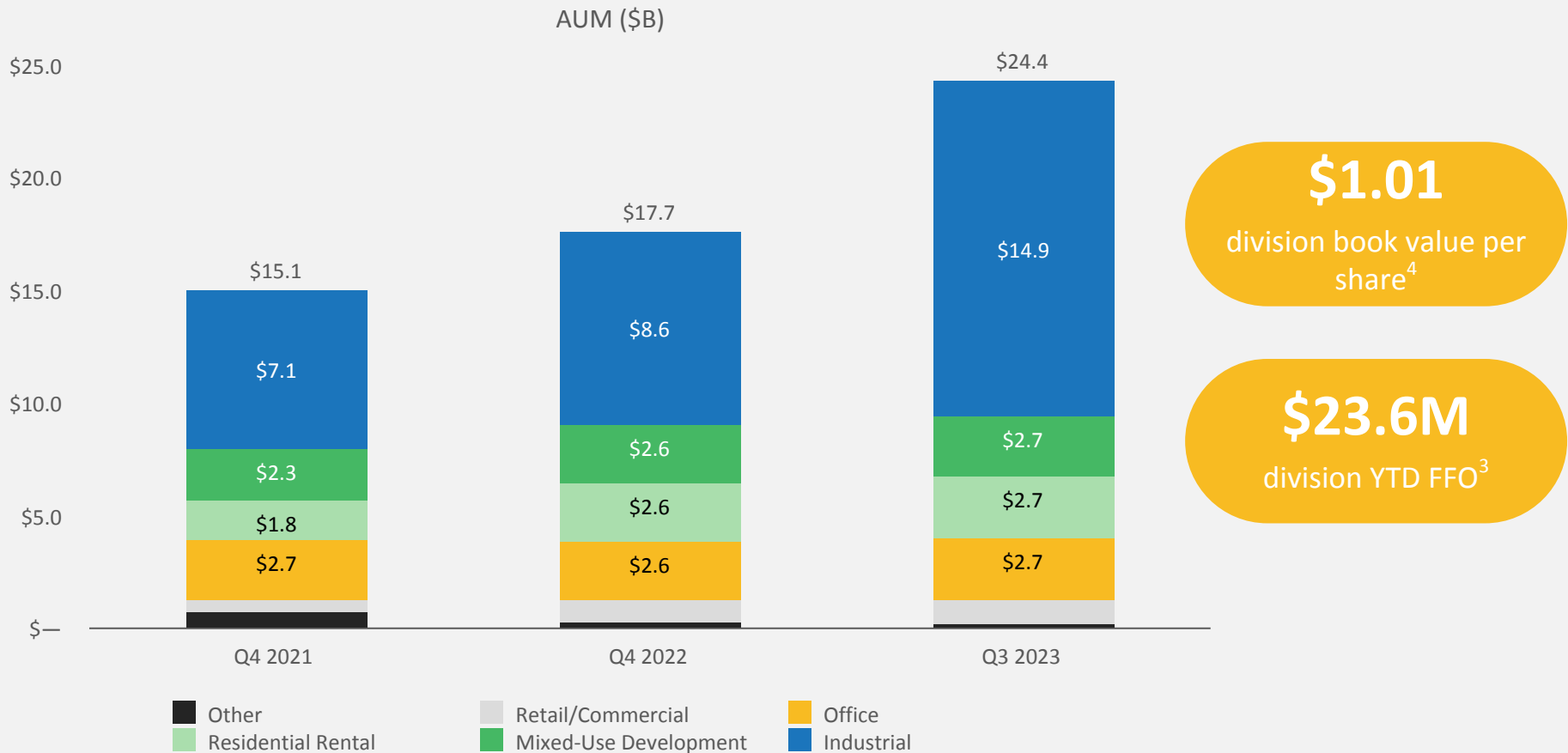
AUM<sup>2</sup> by Region



(in billions)	Q4/20	Q4/21	Q3/23
<b>Canada</b>	\$8.5	\$10.8	\$19.2
<b>US</b>	\$0.9	\$2.1	\$2.8
<b>Europe</b>	\$0.5	\$2.2	\$2.4
<b>Total</b>	\$9.8	\$15.1	\$24.4

# AUM<sup>2</sup> by Asset Class

At Dream we continue to actively focus on diversifying our assets under management<sup>2</sup>. We have diversified away from managing predominantly office assets to industrial and residential rentals.



# A Key Source of Recurring Cash Flow



	Dream Office REIT	Dream Impact Trust	Dream Residential REIT
Units owned	11.5M	5.8M	2.3M
% ownership	30.3%	33.5%	11.9%
Annual distribution (\$)*	\$11.5M	\$3.7M	\$1.3M

**\$9.23**  
division book value per share<sup>4</sup>

\* Based on units owned as of September 30, 2023 x current annual distribution rate

# Our Land Bank

We have 8,800 acres of land available for development in Western Canada

Our most valuable land positions include **2,761** acres at **Holmwood** in Saskatoon and **1,555** acres at **Providence** in Calgary.

**2,985 acres**

Saskatoon, SK

**3,269 acres**

Regina, SK

**1,763 acres**

Calgary, AB

**831 acres**

Edmonton, AB

**\$7.65**

division book value per share<sup>4</sup>

**\$11.7M**

division YTD FFO<sup>3</sup>

# Future Sales Under Commitment



	Lot Commitments	Acre Commitments	Total Revenue
Q4 2023	66	5	\$15.5M
2024	231	40	\$69.0M
2025	0	31	\$32.8M
<b>Total</b>	<b>297</b>	<b>76</b>	<b>\$117.3M</b>

# Development Pipeline - Downtown Toronto (East)

**70+ acres**

of development by Dream and its partners



- Completed
- Under construction
- Future

**\$1.99**  
division book value per share<sup>4</sup>



# September 30, 2023 Balance Sheet - Adjusted Standalone

Assets	Adjusted Standalone by Division								
	Standalone	Adjustments*	Adjusted Standalone	Income & Recreational Properties	Asset Management	Dream Group Unit Holdings	Urban Development	Western Canada Development	Corporate & Other
Investment Properties	1,271.9	(578.7)	693.2	693.2	—	—	—	—	—
Recreational Properties	83.0	—	83.0	83.0	—	—	—	—	—
Land	457.4	—	457.4	—	—	—	—	457.4	—
Housing	62.5	—	62.5	—	—	—	—	62.5	—
Condominiums	309.0	54.5	363.5	—	—	—	360.0	3.5	—
Intangible Asset	43.0	—	43.0	—	43.0	—	—	—	—
Dream Group Unit Holdings	449.4	—	449.4	—	—	449.4	—	—	—
Other Assets	697.6	(135.9)	561.7	—	—	—	—	—	561.7
<b>Total Assets</b>	<b>3,373.8</b>	<b>(660.1)</b>	<b>2,713.7</b>	<b>776.2</b>	<b>43.0</b>	<b>449.4</b>	<b>360.0</b>	<b>523.4</b>	<b>561.7</b>
<b>Liabilities &amp; Shareholders' Equity</b>									
Debt	1,394.5	(416.6)	977.9	449.8	—	55.9	275.0	197.2	—
<i>Mortgage + term debt</i>			<i>380.8</i>	<i>356.2</i>	<i>—</i>	<i>—</i>	<i>22.5</i>	<i>2.1</i>	<i>—</i>
<i>Construction loan</i>			<i>235.2</i>	<i>91.4</i>	<i>—</i>	<i>—</i>	<i>116.4</i>	<i>27.4</i>	<i>—</i>
<i>Land loan</i>			<i>138.3</i>	<i>2.2</i>	<i>—</i>	<i>—</i>	<i>136.1</i>	<i>—</i>	<i>—</i>
<i>Corporate facility</i>			<i>223.6</i>	<i>—</i>	<i>—</i>	<i>55.9</i>	<i>—</i>	<i>167.7</i>	<i>—</i>
Other Liabilities	516.0	(95.8)	420.2	—	—	—	—	—	420.2
Total Liabilities	1,910.5	(512.4)	1,398.1	449.8	—	55.9	275.0	197.2	420.2
Non-Controlling Interest	147.6	(147.6)	—	—	—	—	—	—	—
Shareholder's Equity	1,315.7	—	1,315.7	326.4	43.0	393.5	85.0	326.2	141.5
<b>Total Liabilities &amp; Shareholder's Equity</b>	<b>3,373.8</b>	<b>(660.0)</b>	<b>2,713.7</b>	<b>776.2</b>	<b>43.0</b>	<b>449.4</b>	<b>360.0</b>	<b>523.4</b>	<b>561.7</b>
<b>Book value per share<sup>4</sup></b>	<b>\$30.86</b>		<b>\$30.86</b>	<b>\$7.65</b>	<b>\$1.01</b>	<b>\$9.23</b>	<b>\$1.99</b>	<b>\$7.65</b>	<b>\$3.32</b>

Total Shares Outstanding 42.6 million

**\$18.38**  
Current Share Price\*\*

\* Adjustments to Standalone Statements:

1. Proportionately consolidates all material equity accounted investments held directly by Dream with the exception of our ownership in Dream Impact Trust, Dream Office REIT and Dream Residential REIT which is reflected in "Dream Group Unit Holdings."
2. Adjusts for the full consolidation of our interest in Dream Impact Fund to equity accounted investments.
3. Adjusts for the defeased portion of Distillery District mortgage debt and eliminates the associated bond portfolio.
4. Adjusts the corporate debt facility to Dream Group Unit Holdings (25%) and Western Canada Development (75%) based on the collateral pledged.

\*\* Share price as of September 30, 2023.

# Composition of FFO<sup>3</sup>

	Quarter-to-date		Year-to-date	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Asset Management	\$ 6,892	\$ 1,105	\$ 23,588	\$ 12,880
Dream Group Unit Holdings	5,631	9,967	19,897	28,400
Stabilized Assets - GTA/Ottawa	1,013	(571)	(78)	300
Stabilized Assets - Western Canada	1,962	2,009	3,254	2,911
Arapahoe Basin	(4,566)	(3,147)	9,542	13,789
<b>Subtotal - Recurring Income</b>	<b>10,932</b>	<b>9,363</b>	<b>56,203</b>	<b>58,280</b>
Development - GTA/Ottawa	846	2,103	(3,571)	37,084
Development - Western Canada	17,495	(373)	11,719	(5,289)
<b>Subtotal - Development</b>	<b>18,341</b>	<b>1,730</b>	<b>8,148</b>	<b>31,795</b>
Corporate & Other*	(11,436)	78,788	(29,807)	65,918
<b>Dream Standalone FFO</b>	<b>17,837</b>	<b>89,881</b>	<b>34,544</b>	<b>155,993</b>
Less: Net gain on land settlement	—	(86,420)	—	(86,420)
<b>Dream Adjusted Standalone FFO</b>	<b>\$ 17,837</b>	<b>\$ 3,461</b>	<b>\$ 34,544</b>	<b>\$ 69,573</b>
Shares outstanding	42,801,677	42,587,702	42,759,942	42,605,514
<b>Dream Adjusted Standalone FFO per share</b>	<b>\$ 0.42</b>	<b>\$ 0.08</b>	<b>\$ 0.81</b>	<b>\$ 1.63</b>

\* Corporate & Other FFO for the three and nine months ended September 30, 2022 includes \$86.4 million related to a net gain on land expropriation.



Appendix:

# Non-GAAP Measures and Other Disclosures

## Disclaimers - Specified Financial Measures and Other Disclosures - Dream

Throughout this presentation, there are references to certain non-GAAP financial measures and ratios and supplementary financial measures in respect of Dream, including: assets under management, fee earning assets under management, net operating income, net asset value and net asset value per share<sup>1</sup> as well as other measures discussed elsewhere in this presentation, which management believes are relevant in assessing the economics of the business of Dream. These performance and other measures are not financial measures under GAAP and may not be comparable to similar measures disclosed by other issuers. However, we believe that they are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or our objectives and policies, as applicable. Certain additional disclosures such as the composition, usefulness and changes, and reconciliations, as applicable, of the non-GAAP financial measures and ratios and supplementary financial measures included in this presentation have been incorporated by reference from the management's discussion and analysis of Dream for the three months and year ended December 31, 2022, dated February 21, 2023 ("Annual MD&A") and the management's discussion and analysis of Dream for the three and nine months ended September 30, 2023, dated November 14, 2023 ("Interim MD&A"), in each case, under the section "Non-GAAP Measures and Other Disclosures", which is available on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under Dream's profile.

### Non-GAAP Measures and Other Disclosures

In addition to using financial measures determined in accordance with IFRS, we believe that important measures of operating performance include certain financial measures that are not defined under IFRS. Throughout this MD&A, there are references to certain non-GAAP measures and other specified financial measures, including those described below, which management believes are relevant in assessing the economics of the business of Dream. These performance and other measures are not financial measures under IFRS and may not be comparable to similar measures disclosed by other issuers. However, we believe that they are informative and provide further insight as supplementary measures of financial performance, financial position or cash flow, or our objectives and policies, as applicable.

### Non-GAAP Ratios and Financial Measures

**"Dream Impact Trust & Consolidation and fair value adjustments"** are two separate non-GAAP financial measures and represent certain IFRS adjustments required to reconcile Dream standalone and Dream Impact Trust results to the consolidated results as at September 30, 2023 and December 31, 2022 and for the three and nine months ended September 30, 2023 and 2022. Management believes Dream Impact Trust & Consolidation and fair value adjustments provides investors useful information in order to agree it to the Dream Impact Trust financial statements.

Consolidation and fair value adjustments relate to business combination adjustments on acquisition of Dream Impact Trust on January 1, 2018 and related amortization, elimination of intercompany balances including the investment in Dream Impact Trust units, adjustments for co-owned projects, fair value adjustments to the Dream Impact Trust units held by other unitholders, and deferred income taxes.

**"Dream standalone"** represents the results of Dream, excluding the impact of Dream Impact Trust's consolidated results. Refer to the "Segmented Assets and Liabilities" and "Segmented Statement of Earnings" sections of the Annual MD&A and the Interim MD&A for a reconciliation of Dream excluding Dream Impact Trust's results to the condensed consolidated financial statements. The most direct comparable financial measure to Dream standalone is consolidated Dream. This non-GAAP measure is an important measure used by the Company to evaluate earnings against historical periods, including results prior to the acquisition of control of Dream Impact Trust.

**"Dream standalone FFO"** and **"Dream adjusted standalone FFO"** are non-GAAP financial measures that we consider key measures of our financial performance on a pre-tax basis. Dream standalone FFO is calculated as the sum of FFO for all of our divisions, excluding Dream Impact Trust and consolidation adjustments, and Dream adjusted standalone FFO is calculated as Dream standalone FFO (a non-GAAP financial measure) adjusted to proportionately consolidate all equity accounted investments with the exception of our ownership in Dream Impact Trust, Dream Office REIT and Dream Residential REIT at Dream's standalone ownership interest and adjusts for the defeased portion of Distillery District mortgage debt and eliminates the associated bond portfolio. We use Dream standalone FFO and Dream adjusted standalone FFO to assess operating results and the performance of our businesses on a divisional basis. Dream standalone FFO is a component of Dream standalone FFO per unit, a non-GAAP ratio, and Dream adjusted standalone FFO is a component of Dream adjusted standalone FFO per unit, a non-GAAP ratio.

We use FFO to assess our performance as an asset manager and separately as an investor in our divisions on a pre-tax basis. FFO includes the fees that we earn from managing capital as well as our share of revenues earned and costs incurred within our operations, which include interest expense and other costs. Specifically, FFO includes the impact of contracts that we enter into to generate revenue, including asset management agreements, contracts that our operating businesses enter into such as leases, operational results at our recreational properties and sales of inventory. FFO also includes the impact of changes in borrowings or the cost of borrowings as well as other costs incurred to operate our business.

We exclude depreciation and amortization from FFO as we believe that the value of most of our assets typically increases over time, provided we make the necessary maintenance expenditures, the timing and magnitude of which may differ from the amount of depreciation recorded in any given period. In addition, the depreciated cost base of our assets is reflected in the ultimate realized disposition gain or loss on disposal. As noted above, unrealized fair value changes are excluded from FFO until the period in which the asset is sold. We also exclude income tax expense from FFO as management reviews divisional performance on a pre-tax basis given the diversified nature of our business.

FFO is a commonly used measure of performance of real estate operations; however, it does not represent net income or cash flows generated from operating activities, as defined by IFRS, and it is not necessarily indicative of cash available for the Company's needs. Our definition of FFO differs from the definition used by other organizations, as well as the definition of FFO used by the Real Property Association of Canada ("REALPAC"). We do not use FFO as a measure of cash generated from our operations.

Dream standalone FFO and Dream adjusted standalone FFO are not financial measures under IFRS and may not be comparable to similar measures disclosed by other issuers. Refer to the "Funds From Operations" section of the Annual MD&A and the Interim MD&A for a reconciliation of these non-GAAP measures to net income, in each case the most directly comparable financial measure and for further details on the components of Dream standalone FFO and Dream adjusted standalone FFO.

## FFO by division:

FFO by division: <i>(in thousands of dollars, except per share and outstanding share amounts)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Asset management <sup>(1)</sup>	\$ 6,892	\$ 1,105	\$ 23,588	\$ 12,880
Dream group unit holdings <sup>(2)</sup>	5,631	9,967	19,897	28,400
Stabilized assets - GTA/Ottawa	1,013	(571)	(78)	300
Stabilized assets - Western Canada	1,962	2,009	3,254	2,911
Arapahoe Basin	(4,566)	(3,147)	9,542	13,789
Development - GTA/Ottawa	846	2,103	(3,571)	37,084
Development - Western Canada	17,495	(373)	11,719	(5,289)
Corporate & other	(11,436)	78,788	(29,807)	65,918
<b>Dream standalone FFO</b>	<b>\$ 17,837</b>	<b>\$ 89,881</b>	<b>\$ 34,544</b>	<b>\$ 155,993</b>
Less: Net gain on land settlement	—	(86,420)	—	(86,420)
<b>Dream Adjusted Standalone FFO</b>	<b>\$ 17,837</b>	<b>\$ 3,461</b>	<b>\$ 34,544</b>	<b>\$ 69,573</b>
Shares outstanding, weighted average	42,801,677	42,587,702	42,759,942	42,605,514
Dream standalone FFO per share	\$ 0.42	\$ 2.11	\$ 0.81	\$ 3.66
Dream Adjusted Standalone FFO per share	\$ 0.42	\$ 0.08	\$ 0.81	\$ 1.63

<sup>(1)</sup> Asset management includes our asset and development management contracts with the Dream group of companies and management fees from our private asset management business, along with associated costs. Included in asset management for the three and nine months ended September 30, 2023 are asset management fees from Dream Impact Trust received in the form of units of \$832 and \$2,742, respectively (three and nine months ended September 30, 2022 - \$1,799 and \$5,015, respectively). These fees are received in the form of units effective April 1, 2019. Had this agreement stipulated that the asset management fees been paid in cash, rather than in units, the fees earned for the three and nine months ended September 30, 2023 is \$3,553 and \$10,217, respectively (three and nine months ended September 30, 2022 - \$3,798 and \$9,409, respectively). In addition, included in the three and nine months ended September 30, 2022 are advisory fees from Dream Residential REIT received in the form of units of \$nil and \$2,834, respectively.

<sup>(2)</sup> Dream group unit holdings includes our proportionate share of funds from operations from our 30.3% effective interest in Dream Office REIT and 11.9% effective interest in Dream Residential REIT, along with distributions from our 33.5% interest in Dream Impact Trust. Included in Dream group unit holdings for the three and nine months ended September 30, 2023 are distributions from Dream Impact Trust received in the form of units of \$729 and \$3,259, respectively (three and nine months ended September 30, 2022 - \$343 and \$343).

<i>(in thousands of dollars)</i>	For the three months ended September 30,		For the nine months ended September 30,	
	2023	2022	2023	2022
Dream standalone net income (loss)	\$ (2,630)	\$ 74,981	\$ (97,815)	\$ 148,236
Add/(deduct) FS components not included in FFO:				
Fair value changes in investment properties	10,907	(2,584)	5,038	(18,484)
Fair value changes in financial instruments	—	—	—	(4)
Share of (earnings) loss from Dream Office REIT and Dream Residential REIT	1,006	(4,712)	108,274	(40,935)
Fair value changes in equity accounted investments	(918)	(1,010)	114	(816)
Adjustments related to Impact Fund units	(2,520)	827	(2,364)	3,039
Depreciation and amortization	2,301	1,764	6,083	5,147
Income tax expense (recovery)	3,893	9,673	(6,041)	30,980
Non-controlling interests	167	975	1,358	430
Share of Dream Office REIT FFO	4,129	7,541	15,144	21,940
Share of Dream Residential REIT FFO	580	495	1,681	775
Distributions from Dream Impact Trust	922	1,931	3,072	5,685
<b>Dream standalone FFO</b>	<b>\$ 17,837</b>	<b>\$ 89,881</b>	<b>\$ 34,544</b>	<b>\$ 155,993</b>
Less: Net gain on land settlement	—	(86,420)	—	(86,240)
<b>Dream Adjusted Standalone FFO</b>	<b>\$ 17,837</b>	<b>\$ 3,461</b>	<b>\$ 34,544</b>	<b>\$ 69,753</b>

**“Net operating income”** represents revenue, less (i) direct operating costs and (ii) selling, marketing, depreciation and other indirect costs, but including: (iii) depreciation; and (iv) general and administrative expenses. The most directly comparable financial measure to net operating revenue is net margin. This non-GAAP measure is an important measure used by management to assess the profitability of the Company’s recurring income segment. Net operating income for the recurring income segment for the three and nine months ended September 30, 2023 and 2022 is calculated and reconciled to net margin as follows:

	For the three months ended September 30,			For the nine months ended September 30,		
		2023	2022	2023	2022	
Net margin	\$	10,998	\$ 8,396	\$ 52,433	\$ 43,997	
Add: Depreciation		1,527	1,275	4,534	3,671	
Add: General and administrative expenses		508	228	2,207	1,563	
Net operating income	\$	13,033	\$ 9,899	\$ 59,174	\$ 49,231	

**“Net operating income for investment and recreational properties”** represents revenue, less (i) direct operating costs. The most directly comparable financial measure to net operating income for investment and recreational properties is gross margin. This non-GAAP measure is an important measure used by management to assess the profitability of the Company’s recurring income segment. Net operating income for investment and recreational properties for the nine months ended September 30, 2023 and 2022 and the comparative periods are calculated and reconciled to gross margin as follows:

	For the year ended December 31,				For the nine months ended September 30,	
	2019	2020	2021	2022	2023	2022
Net operating income	\$ 347,833	\$ 27,222	\$ 40,415	\$ 63,574	\$ 59,174	\$ 49,231
Less: asset management net operating income	300,365	9,118	17,594	19,211	20,793	15,727
Add: equity accounted investment and recreational properties net operating income	632	1,594	3,734	3,381	2,522	1,797
Less: Dream Impact Trust & Consolidation and fair value adjustments	24,149	5,971	659	2,200	4,092	1,144
<b>Net operating income for investment and recreational properties</b>	\$ 23,951	\$ 13,727	\$ 25,896	\$ 45,544	\$ 36,811	\$ 34,157

### Supplementary and Other Financial Measures

**"Assets under management ("AUM")** is the respective carrying value of gross assets managed by the Company on behalf of its clients, investors or partners under asset management agreements, development management agreements and/or management services agreements at 100% of the client's total assets. All other investments are reflected at the Company's proportionate share of the investment's total assets without duplication. Assets under management is a measure of success against the competition and consists of growth or decline due to asset appreciation, changes in fair market value, acquisitions and dispositions, operations gains and losses, and inflows and outflows of capital.

Assets under management may also be classified by asset class i.e. office, residential, industrial, development. Certain asset classes are held by multiple Dream entities.

**"Available liquidity"** represents Dream's standalone corporate and wholly-owned project-level cash and revolving debt facilities, including the operating line – Western Canada and margin loan, to cover the Company's capital requirements including acquisitions and working capital. This financial measure is used by the Company to forecast and plan to hold adequate amounts of available liquidity to allow for the Company to settle obligations as they come due.

**"Fee earning assets under management"** represents assets under management that are managed under contractual arrangements that entitle the Company to earn asset management revenue calculated as the total of: (i) 100% of the purchase price of client properties, assets and/or indirect investments subject to asset management agreements; (ii) 100% of the carrying value of gross assets of the underlying development project subject to development management agreements; and (iii) 100% of the carrying value of specific Dream Office REIT redevelopment properties subject to a development management addendum under the shared services agreement with Dream Office REIT, without duplication.

**"Gross margin %"** is an important measure of operating earnings in each business segment of Dream and represents gross margin as a percentage of revenue. Gross margin represents revenue, less direct operating costs, excluding selling, marketing, depreciation and other operating costs.

**"Net margin %"** is an important measure of operating earnings in each business segment of Dream and represents net margin as a percentage of revenue.

## Segmented Assets and Liabilities

As at September 30, 2023

	Recurring Income	Development	Corporate & other	Consolidated Dream	Less: Dream Impact Trust <sup>(*)</sup>	Less: Consolidation & fair value adjustments <sup>(*)</sup>	Dream Standalone
<b>Assets</b>							
Cash and cash equivalents	\$ 30,241	\$ 18,661	\$ 15,412	\$ 64,314	\$ 11,166	\$ 3,329	\$ 49,819
Accounts receivable	37,954	251,657	5,934	295,545	3,843	(2,140)	293,842
Other financial assets <sup>(**)</sup>	50,295	45,157	6,052	101,504	11,972	(103,607)	193,139
Lending portfolio	16,002	—	—	16,002	16,002	—	—
Housing inventory	—	62,485	—	62,485	—	—	62,485
Condominium inventory	—	388,733	—	388,733	—	79,726	309,007
Land inventory	221	457,148	—	457,369	—	—	457,369
Investment properties	1,458,249	238,673	—	1,696,922	288,596	136,432	1,271,894
Recreational properties	82,987	—	—	82,987	—	—	82,987
Equity accounted investments	437,140	309,040	—	746,180	401,362	(213,693)	558,511
Capital and other operating assets	10,268	38,934	12,734	61,936	5,470	4,753	51,713
Intangible asset	—	—	—	—	—	(43,000)	43,000
<b>Total Assets</b>	<b>\$ 2,123,357</b>	<b>\$ 1,810,488</b>	<b>\$ 40,132</b>	<b>\$ 3,973,977</b>	<b>\$ 738,411</b>	<b>\$ (138,200)</b>	<b>\$ 3,373,766</b>
<b>Liabilities</b>							
Accounts payable and other liabilities	\$ 63,570	\$ 149,738	\$ 7,958	\$ 221,266	\$ 10,307	\$ 39,062	\$ 171,897
Income and other taxes payable <sup>(***)</sup>	—	—	78,616	78,616	—	—	78,616
Provision for real estate development costs	269	69,644	—	69,913	—	—	69,913
Debt	1,036,554	461,217	290,869	1,788,640	269,862	124,294	1,394,484
Dream Impact Trust units <sup>(****)</sup>	—	—	88,877	88,877	—	88,877	—
Dream Impact Fund units <sup>(****)</sup>	—	—	107,480	107,480	—	—	107,480
Deferred income taxes <sup>(****)</sup>	—	—	106,214	106,214	(535)	18,666	88,083
<b>Total Liabilities</b>	<b>\$ 1,100,393</b>	<b>\$ 680,599</b>	<b>\$ 680,014</b>	<b>2,461,006</b>	<b>\$ 279,634</b>	<b>\$ 270,899</b>	<b>\$ 1,910,473</b>
<b>Non-controlling interest</b>							
Non-controlling interest	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (147,619)	\$ 147,619
Share holders' equity	1,022,964	1,129,889	(639,882)	1,512,971	458,777	(261,480)	1,315,674
<b>Total equity</b>	<b>\$ 1,022,964</b>	<b>\$ 1,129,889</b>	<b>\$ (639,882)</b>	<b>1,512,971</b>	<b>\$ 458,777</b>	<b>\$ (409,099)</b>	<b>\$ 1,463,293</b>

\* Refer to the "Non-GAAP Ratios and Financial Measures" section of the Appendix to this presentation entitled "Non-GAAP Measures and Other Disclosures" for the definition of Dream Impact Trust and consolidation and fair value adjustments and Dream Standalone", which are non-GAAP financial measures.

\*\* Other financial assets on a Dream standalone basis includes the Company's investment in Dream Impact Trust of \$103.8 million, which is eliminated on a consolidated basis.

\*\*\* Certain liabilities are included in Corporate and other as balances are reviewed on a consolidated basis.



## Segmented Statement of Earnings

For the three months ended September 30, 2023

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	Recurring Income	Development	Corporate and other	Consolidated Dream	Less: Dream Impact Trust <sup>(1)</sup>	Less: Consolidation and fair value adjustments <sup>(1)</sup>	Dream Standalone
Revenue	\$ 43,842	\$ 88,670	\$ —	\$ 132,512	\$ 4,934	\$ 249	\$ 127,329
Direct operating costs	(30,809)	(64,579)	—	(95,388)	(2,363)	(1,220)	(91,805)
Gross margin	\$ 13,033	\$ 24,091	\$ —	\$ 37,124	\$ 2,571	\$ (971)	\$ 35,524
Selling, marketing, depreciation and other operating costs	(2,035)	(7,875)	—	(9,910)	—	—	(9,910)
Net margin	\$ 10,998	\$ 16,216	\$ —	\$ 27,214	\$ 2,571	\$ (971)	\$ 25,614
Fair value changes in investment properties	(23,815)	2,021	—	(21,794)	(10,073)	(814)	(10,907)
Investment and other income	(47)	1,305	253	1,511	191	3	1,317
Interest expense	(9,868)	(2,353)	(4,663)	(16,884)	(4,202)	(1,373)	(11,309)
Fair value changes in financial instruments	—	—	46	46	46	—	—
Share of earnings from equity accounted investments	(424)	6,255	—	5,831	(3,075)	7,008	1,898
Net segment earnings (loss)	\$ (23,156)	\$ 23,444	\$ (4,364)	\$ (4,076)	\$ (14,542)	\$ 3,853	\$ 6,613
General and administrative expenses <sup>(**)</sup>	—	—	(8,032)	(8,032)	(1,674)	1,512	(7,870)
Adjustments related to Dream Impact Trust units <sup>(**)</sup>	—	—	13,660	13,660	—	13,660	—
Adjustments related to Dream Impact Fund units <sup>(**)</sup>	—	—	2,520	2,520	—	—	2,520
Income tax (expense) recovery <sup>(**)</sup>	—	—	(147)	(147)	3,798	(52)	(3,893)
Net earnings (loss) <sup>(***)</sup>	\$ (23,156)	\$ 23,444	\$ 3,637	\$ 3,925	\$ (12,418)	\$ 18,973	\$ (2,630)

For the nine months ended September 30, 2023

	Recurring Income	Development	Corporate and other	Consolidated Dream	Less: Dream Impact Trust <sup>(1)</sup>	Less: Consolidation and fair value adjustments <sup>(1)</sup>	Dream Standalone
Revenue	\$ 155,361	\$ 123,728	\$ —	\$ 279,089	\$ 14,458	\$ (300)	\$ 264,931
Direct operating costs	(96,187)	(94,251)	—	(190,438)	(7,072)	(2,994)	(180,372)
Gross margin	\$ 59,174	\$ 29,477	\$ —	\$ 88,651	\$ 7,386	\$ (3,294)	\$ 84,559
Selling, marketing, depreciation and other operating costs	(6,741)	(22,420)	—	(29,161)	—	(34)	(29,127)
Net margin	\$ 52,433	\$ 7,057	\$ —	\$ 59,490	\$ 7,386	\$ (3,328)	\$ 55,432
Fair value changes in investment properties	(25,401)	(2,428)	—	(27,829)	(20,373)	(2,418)	(5,038)
Investment and other income	(450)	4,314	1,115	4,979	595	10	4,374
Interest expense	(30,102)	(9,673)	(13,606)	(53,381)	(12,174)	(3,864)	(37,343)
Fair value changes in financial instruments	—	—	447	447	447	—	—
Share of earnings from equity accounted investments	(106,337)	7,826	—	(98,511)	(3,565)	8,742	(103,688)
Net segment earnings (loss)	\$ (109,857)	\$ 7,096	\$ (12,044)	\$ (114,805)	\$ (27,684)	\$ (858)	\$ (86,263)
General and administrative expenses <sup>(**)</sup>	—	—	(20,907)	(20,907)	(5,536)	4,586	(19,957)
Adjustments related to Dream Impact Trust units <sup>(**)</sup>	—	—	91,115	91,115	—	91,115	—
Adjustments related to Dream Impact Fund units <sup>(**)</sup>	—	—	2,364	2,364	—	—	2,364
Income tax (expense) recovery <sup>(**)</sup>	—	—	6,506	6,506	8,782	(8,317)	6,041
Net earnings (loss) <sup>(***)</sup>	\$ (109,857)	\$ 7,096	\$ 67,034	\$ (35,727)	\$ (24,438)	\$ 86,526	\$ (97,815)

\* Refer to the "Non-GAAP Measures and Other Disclosures" section of this MD&A for the definition of Dream Impact Trust and consolidation and fair value adjustments and Dream Standalone, which are non-GAAP financial measures.

\*\* Certain liabilities are included in Corporate and other as balances are reviewed on a consolidated basis.

\*\*\* Dream standalone net earnings for the nine months ended September 30, 2023 includes loss of \$4,375 attributable to non-controlling interest (September 30, 2022 - income of \$6,415).

## Disclaimers

### Forward Looking Information

Certain information in this presentation may constitute “forward-looking information” within the meaning of applicable securities legislation. Such statements include, but are not limited to, statements with respect to certain objectives of Dream Unlimited Corp. (“Dream”), Dream Office Real Estate Investment Trust (“Dream Office REIT”), Dream Industrial Real Estate Investment Trust (“Dream Industrial REIT”), Dream Impact Trust (“Dream Impact” or “Dream Impact Trust”) and Dream Residential Real Estate Investment Trust (“Dream Residential REIT” and, collectively with Dream Unlimited, Dream Office REIT, Dream Industrial REIT and Dream Impact, the “Dream Platform” or the “Dream Entities” and, in respect of forward-looking statements indicated below to apply to a specific Dream Entity, “our” refers to such Dream Entity) and strategies to achieve such objectives and the Dream Entities’ operations, business, financial condition, expected financial results and performance. Forward-looking information generally can be identified by words such as “outlook”, “objective”, “may”, “will”, “would”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “could”, “likely”, “seek”, “strive”, “plan”, “target”, “project”, “forecast”, “budget” or “continue” or similar expressions suggesting future outcomes or events. Specifically, such forward-looking statements also include:

- Expectations regarding commencing occupancy at Common at Zibi in the fourth quarter;
- Expectations that our Canadian residential rental portfolio will comprise 2,925 units by the end of the year, with another 2,119 units to be added by the end of 2026; and
- Expectations regarding generation of revenue in 2024/2025 relating to existing sales commitments.

Although the forward-looking statements contained in this presentation are based on what the Dream Entities believe are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Factors or risks that could cause actual results to differ materially from those set forth in the forward-looking statements and information include, but are not limited to, the risk of adverse global market, economic and political conditions and health crises; inflation; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, international sanctions and the disruption of movement of goods and services across jurisdictions; 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 inherent in the real estate industry; risks relating to investment in development projects; impact investing strategy risk; risks relating to geographic concentration; risks inherent in investments in real estate, mortgages and other loans and development and investment holdings; credit risk and counterparty risk; competition risks; environmental and climate change risks; risks relating to access to capital; interest rate risk; the risk of changes in governmental laws and regulations; tax risks; foreign exchange risk; acquisitions risk; and leasing risks.

All forward-looking information in this presentation speaks as of the date of this presentation. None of the Dream Entities undertakes or assumes any obligation to update any such forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additional information about these assumptions and risks and uncertainties is contained in each of Dream’s, Dream Office REIT’s, Dream Industrial REIT’s, Dream Impact’s, and Dream Residential REIT’s filings with securities regulators, including each Dream Entity’s latest annual information form and management discussion and analysis (“MD&A”), which are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under each of the Dream Entities’ profiles. These filings are also available at Dream Unlimited Corp.’s, Dream Office REIT’s, Dream Industrial REIT’s, Dream Impact’s and Dream Residential REIT’s respective websites at [www.dream.ca](http://www.dream.ca), [www.dreamofficereit.ca](http://www.dreamofficereit.ca), [www.dreamindustrialreit.ca](http://www.dreamindustrialreit.ca), [www.dreamimpacttrust.ca](http://www.dreamimpacttrust.ca), and [www.dreamresidentialreit.ca](http://www.dreamresidentialreit.ca).

## Endnotes

1. "Net asset value", "NAV", "Net Asset Value per Share" and "NAV per share" represent non-GAAP measures. For Dream Unlimited Corp.'s ("Dream") definition of NAV and NAV per share, please refer to the slide titled 'Disclaimers - Specified Financial Measures and Other Disclosures – Dream ". NAV and NAV per share are not standardized financial measures under GAAP and may not be comparable to similar measures disclosed by other issuers.
2. "Assets Under Management" or "AUM" represents a non-GAAP measure. For Dream's definition of AUM, please refer to the slide titled 'Disclaimers - Specified Financial Measures and Other Disclosures - Dream". AUM is not a standardized financial measure under GAAP and may not be comparable to similar measures disclosed by other issuers.
3. "Funds from operations" or "FFO" represents a non-GAAP measure. For Dream's definition of FFO, please refer to the slide titled 'Disclaimers - Specified Financial Measures and Other Disclosures – Dream ". FFO is not a standardized financial measure under GAAP and may not be comparable to similar measures disclosed by other issuers.
4. "Book value" and "Book value per share" represents shareholders' equity per the adjusted standalone balance sheet and equity per the adjusted standalone balance sheet divided by the number of shares outstanding at the end of the period, respectively. These non-IFRS measures are important measures used by the Company as an indicator of the intrinsic value of the Company.
5. "Net Operating Income" or "NOI" represents a non-GAAP measure. For Dream's definition of NOI, please refer to the slide titled 'Disclaimers - Specified Financial Measures and Other Disclosures - Dream". NOI is not a standardized financial measure under GAAP and may not be comparable to similar measures disclosed by other issuers.
6. "Direct ownership" refers to Dream Unlimited Corp.'s ownership interest in the noted entities based on units held as of September 30, 2023.
7. "Effective DRM ownership" refers to Dream's indirect interest in each asset based on Dream's direct holdings in the asset in addition to its proportionate share of interest through other Dream vehicles.
8. "Fixed costs" represents the total of interest expense excluding non-controlling interest, general & administrative expenses and dividends. For the trailing twelve months ended September 30, 2023, fixed costs excludes \$12.4 million in one-time costs and \$21.3 million in special dividends from Q4 2022.