



dream 

Supplemental Information

Q1 2024

All numbers are as at March 31, 2024 unless otherwise stated. All currency is in Canadian dollars unless otherwise stated.

Letter from the Chief Responsible Officer



Michael Cooper

Founder & Chief
Responsible Officer

Our overall business is doing quite well, with increasing value attributable to our Western Canada development business, growth in our asset management platform and our expanding portfolio of stabilized purpose-built residential rentals across our Canadian markets.

Since year end, our Western Canada business has secured an additional \$53 million in sales for 2024 and 2025, bringing our total 2024 and 2025 locked-in sales to \$207 million as of today, inclusive of income already recognized this quarter. We also sold two parcels of land in Edmonton to a group of homebuilders that allows them to secure a pipeline of future lots, which generated net margin of \$28 million that we expect will be recorded in the second quarter for accounting purposes. The Province of Saskatchewan has recently committed to build four schools and a large community centre in our Holmwood community in Saskatoon, which we believe will accelerate builder, residential rental and retailer interest in our unsold lands in that neighbourhood over the next few years.

Our asset management platform continues to grow, with \$25 billion of assets under management and \$18 billion of fee earnings assets under management as of quarter end, an increase of over 40% in AUM since the end of 2022.

Our purpose-built residential rental portfolio includes nearly 2,700 multi-family rental units in the GTA, the National Capital region and Western Canada, which is 95% occupied as of quarter end, excluding developments in the initial lease up phase. Our teams are continuing to lease up recently completed developments, including Maple House at Canary Landing (770 units), Aalto II and Common at Zibi (355 units) and The Teal at Brighton (120 units), along with completing another 358 units to add to our portfolio by the end of this year. We continue to focus on building purpose-built rentals that can turn land we own into sources of recurring income with strong returns.

We have maintained strong liquidity levels and expect to increase this by approximately \$110 million when the sale of Arapahoe Basin closes later this year. As of today, we hold a 31% interest in Dream Office REIT, 35% in Dream Impact Trust and 12% in Dream Residential REIT. The combined fair value of our units totals \$153 million and represents 19% of our market capitalization.

Thank you for your continued interest in our Company.

Performance Highlights

\$25 billion

assets under management²

\$0.98

Q1 FFO per share³

\$28.77

book value per share⁴

This quarter we generated standalone funds from operations ("FFO") of \$0.98 per share, up from \$0.26 in the first quarter of 2023. We generated FFO of \$50.6 million (\$1.20 per share) for the quarter from our recurring income and development businesses, well in excess of our fixed costs⁸ of \$15.4 million.

Recurring income:

- Asset management fee revenue was \$13.0 million for the quarter, a decrease of \$1.4 million from 2023 due to high transactional activity in 2023. Assets under management total \$25 billion, an increase of 43% since December 31, 2022.
- In the three months ended March 31, 2024, our portfolio of stabilized properties generated revenue and net operating income of \$38.0 million and \$19.0 million, an increase of \$3.4 million and \$3.9 million, respectively over the prior period, largely driven by the growth in our multi-family portfolio in the GTA, National Capital Region and Western Canada. As of March 31, 2024, our portfolio comprises 2,691 apartment units (at project level) and 95% of units are occupied, excluding developments in initial lease up. Included in these results was \$26.3 million and \$14.3 million in revenue and net operating income generated by Arapahoe Basin this quarter.
- Lease up continues at Maple House at Canary Landing as the townhomes and top six floors of the tower began occupancy. As of May 13, 2024, the building is 63% leased, including committed and in-place residents. Leasing activity at Aalto II and Common at Zibi continues, with 51% and 19% committed and in-place occupancy as of May 13, 2024, respectively. The Teal, also known as Brighton Village Rentals II, commenced first occupancies in the fourth quarter of 2023. This property is the second multi-family building consisting of 120 studios, one and two bedroom rental units and is located within Brighton Village Centre, an innovative 14-acre complex of townhomes, apartments, office and high street retail. As of May 13, 2024, we had 80% committed and in-place occupancies. By the end of 2024, we expect to add another 358 units to our residential rental portfolio (at project level), inclusive of 238 units at Canary Landing and 120 apartment units in Saskatoon.

Development:

- This quarter we sold 23 lots, 11 acres and 12 houses in Western Canada which generated revenue and negative net margin of \$11.3 million and \$1.7 million, respectively. As of March 31, 2024, we had approximately \$207 million in land commitments for 2024 and 2025 (including this quarter's activity), up by over \$50 million from year-end.
- Included in FFO for the quarter is the sale of 146 raw acres to two development ventures in Edmonton that generated revenue and net margin of \$39.5 million and \$28.1 million, respectively. We expect this to be included in next quarter's earnings.

Return to Shareholders:

- In the first quarter, we returned \$11.5 million to our shareholders through dividends and share buybacks.

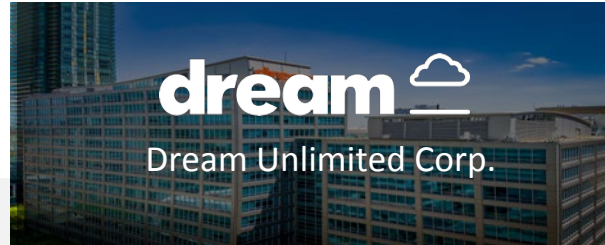
Recurring Income Assets

Direct Ownership ⁶								
Asset	Asset Class	Description	DRM	MPCT	DIF	D.UN	DRR	Effective DRM Ownership ⁷
Dream Unlimited Ownership of Entity				35.2%	38.4%	30.3%	11.9%	
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%
GTA Value-Add Apartments Portfolio (Weston, Robinwood, Jarvis)	Multi-family rental	1,197 res. units in Toronto	33%	33%	33%	0%	0%	58%
Canary Landing Rentals (Maple House)	Multi-family rental	770 res. units in Toronto	0%	25%	8%	0%	0%	12%
Western Canada Apartments Portfolio	Multi-family rental	157 res. units in Saskatoon, SK	100%	0%	0%	0%	0%	100%
Zibi Apartment Portfolio (Market)	Multi-family rental	207 res. units in Ottawa	50%	50%	0%	0%	0%	68%
Zibi Apartment Portfolio (Affordable)	Multi-family rental	310 res. units in Gatineau	0%	50%	50%	0%	0%	37%
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	3,300 units in the US	0%	0%	0%	0%	100%	12%
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	347,000 sf in Saskatoon, SK & High River, AB	100%	0%	0%	0%	0%	100%
National Sciences Building (Zibi Block 211)	Office	186,000 sf in Ottawa	5%	50%	45%	0%	0%	40%
MPCT Office Portfolio	Office	238,000 sf in GTA	0%	100%	0%	0%	0%	35%
Downtown Toronto Office Portfolio	Office	3.2 million sf in Toronto	0%	0%	0%	100%	0%	30%
Zibi Commercial Portfolio (excl. Block 211)	Retail & Office	91,000 sf in Ottawa & Gatineau	50%	50%	0%	0%	0%	68%
Distillery District	Retail & Office	395,000 sf in Toronto	63%	0%	0%	0%	0%	63%
Zibi Community Utility	District energy	Net zero heating & cooling	0%	20%	20%	0%	0%	15%

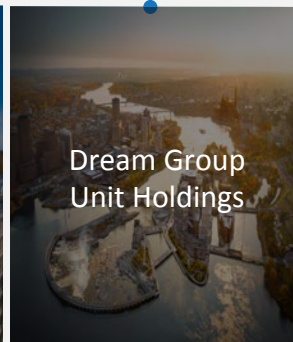
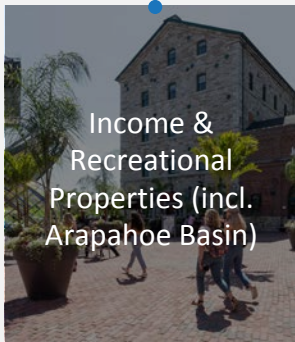
Development Assets

Direct Ownership ⁶							
Asset	Asset Class	Description	DRM	MPCT	DIF	D.UN	Effective DRM Ownership ⁷
Dream Unlimited Ownership of Entity				35.2%	38.4%	30.3%	
Western Canada Land Development	Land for development	8,860 acres	100%	0%	0%	0%	100%
Western Canada Income Properties	Multi-family rental & retail	397 residential units in SK	100%	0%	0%	0%	100%
Zibi	Multi-family rental & commercial	2,185 res. units & 2.0M sf of commercial in Ottawa/Gatineau	50%	50%	0%	0%	68%
LeBreton Flats	Multi-family rental	608 res. units in Ottawa	33%	33%	33%	0%	58%
Canary Landing Rentals (Cherry House and Birch House)	Multi-family rental	1,093 res. units in Toronto	0%	25%	8%	0%	12%
AHT Block 10 – Condo & Retail	Multi-family rental	206 res. units & 26,000 sf of retail in Toronto	0%	0%	50%	0%	19%
Canary Block 13	Multi-family rental	879 res. units in Toronto	50%	0%	0%	0%	50%
Forma East & West	Retail & Office	2,034 res. units in Toronto	8%	25%	0%	0%	17%
Brightwater	Condo & retail	2,995 res. units & 360,000 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%
Broadview & Eastern	Residential	682 res. units in Toronto	50%	0%	0%	0%	50%
Quayside	Mixed-use	4,600 res. units & 240,000 sf of commercial in Toronto	0%	13%	38%	0%	19%
31A Parliament	Mixed-use	515 res. units & 342,000 sf of commercial in Toronto	63%	0%	0%	0%	63%
49 Ontario	Mixed-use	1,200 res. units in Toronto	0%	100%	0%	0%	35%
Dream Office development assets	Mixed-use	3 zoned projects with residential density of 3.3M sf in Toronto	0%	0%	0%	100%	30%

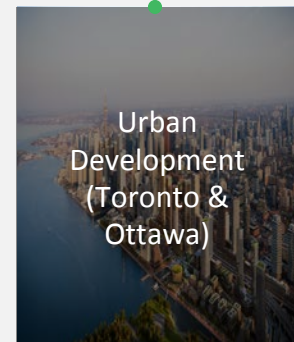
Overview of the Company



Recurring Income



Development



Division Overview

Purpose-Built Rental (Market and Affordable)



Located 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.

Dream has \$208 million of apartments with \$129 million under development and a sizable pipeline supporting the creation of a larger purpose-built rental platform.

Canary Landing, Toronto

Retail/Commercial Properties

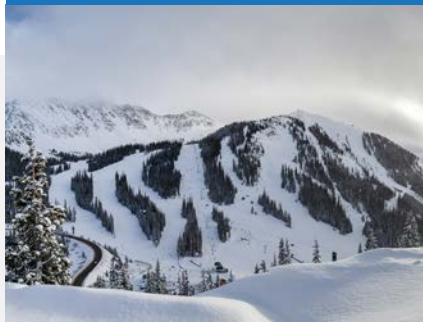


Retail/commercial/office GLA across North America, including the Distillery District in Toronto.

Dream has 6.7 million sq ft of recurring retail and commercial with 3.9 million sq ft under development and will continue to add properties as our communities grow and require more retail.

Brighton Marketplace, Saskatoon

Arapahoe Basin



Our 1,428 acre ski area located in Colorado, with one of the longest ski seasons in North America.

Arapahoe Basin has been sold to Alterra Mountain Company subject to regulatory approvals.

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.

Gladstone House, Toronto

\$8.54

division book value per share⁴

\$14.1M

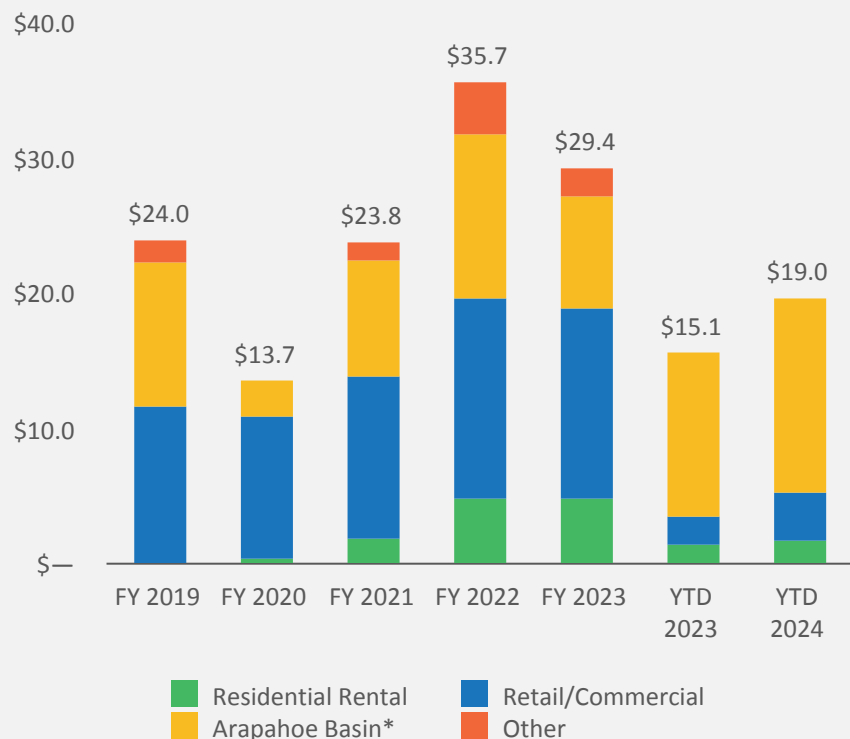
division YTD FFO³

Increasing NOI from Income & Recreational Properties⁵

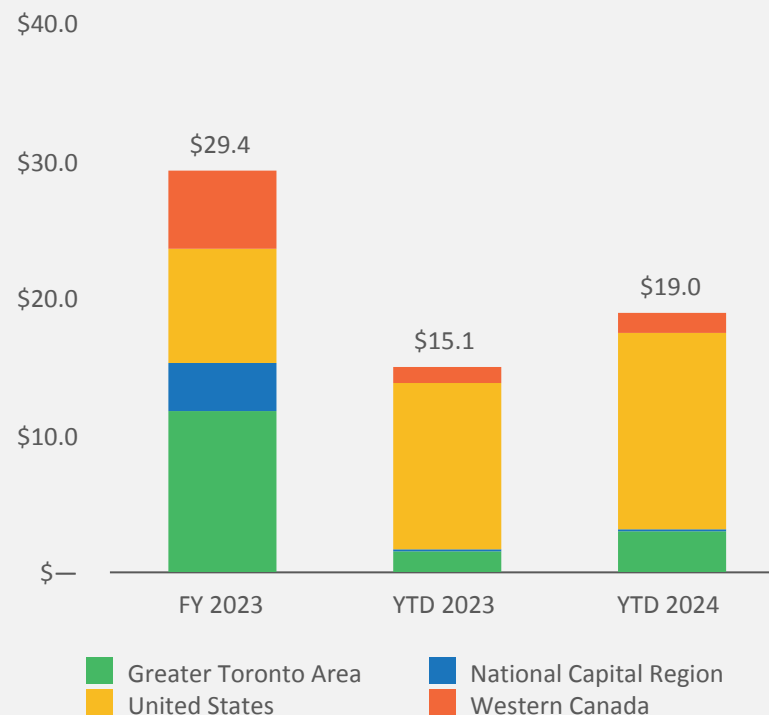
Dream has income properties of \$830 million and growing, which will continue to become a larger part of the Company's assets and income.

The increase in NOI⁵ 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 by Asset Class (\$M)



NOI by Geography (\$M)



* Arapahoe Basin is subject to a sale agreement.

NOI presented on a standalone 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

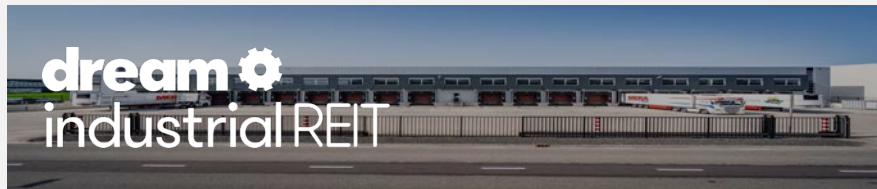
Dream Office REIT

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

Dream Industrial REIT

TSX: DIR.UN

DIR.UN owns and operates 330 properties across Canada, U.S. and Europe. The current portfolio includes 71.8M sf of GLA.

\$8.0 billion
total assets

96.4%
portfolio occupancy



Dream Residential REIT

Dream Residential REIT

TSX: DRR.U, DRR.UN

DRR.U owns and operates 15 garden-style multi-residential properties across the U.S.

3,300
total units

93.8%
portfolio occupancy

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.

\$629 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

94.8%

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 \$498 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.

\$6.6 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.

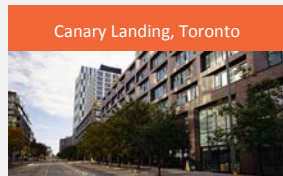
\$1.5 billion

total development costs

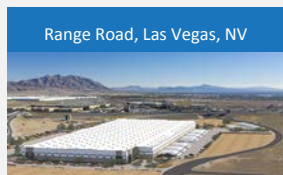
Assets Under Management² by Region



Brighton Village, Saskatoon

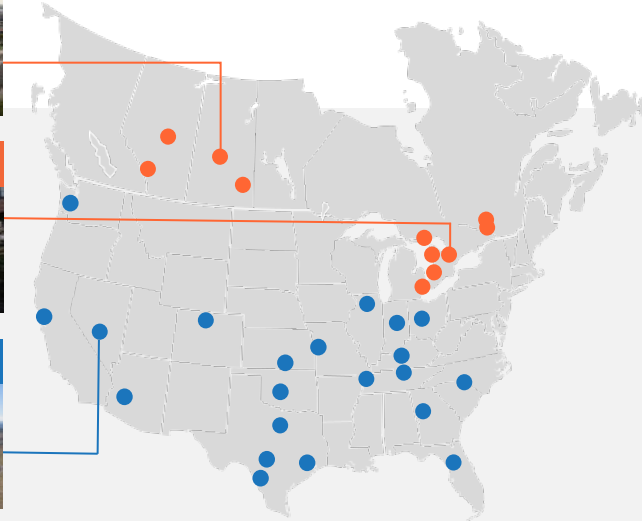


Canary Landing, Toronto

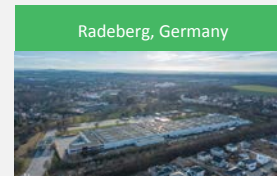


Range Road, Las Vegas, NV

Our North American Investments



Waddinxveen, Netherlands

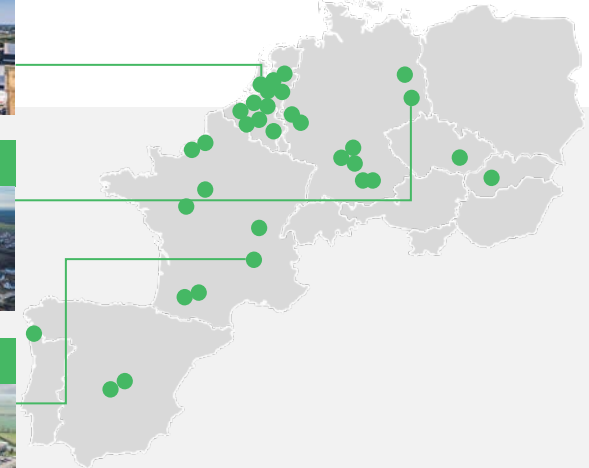


Radeberg, Germany

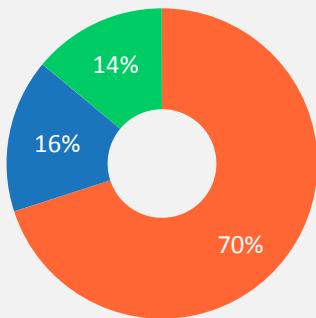


Lyon, France

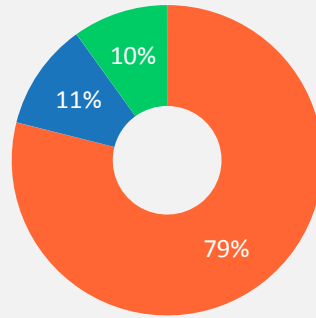
Our European Investments



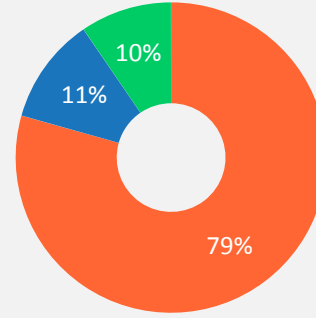
AUM² by Region



Q4 2022



Q4 2023

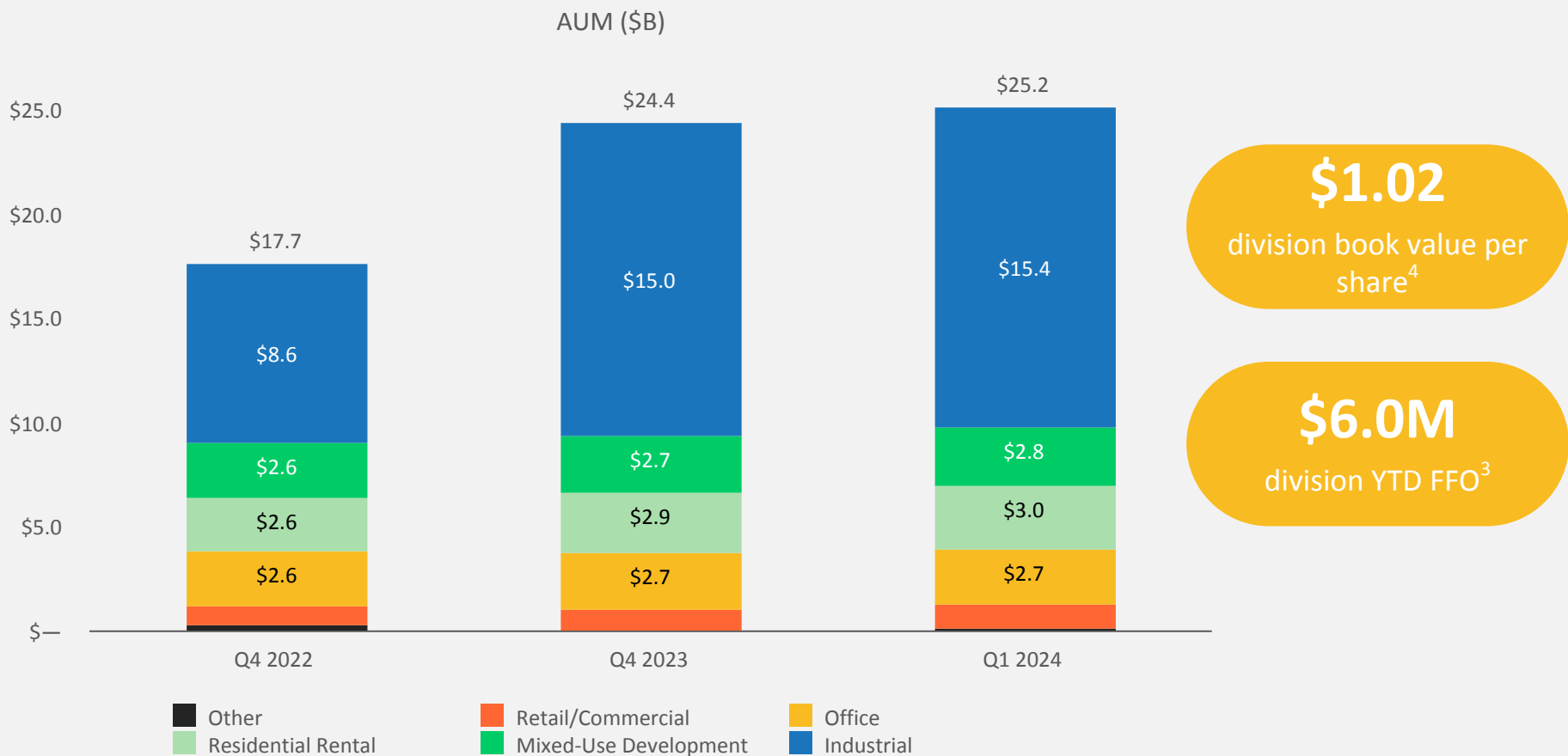


Q1 2024

	(in billions)	Q4/22	Q4/23	Q1/24
■ Canada		\$12.4	\$19.2	\$20.0
■ US		\$2.8	\$2.8	\$2.8
■ Europe		\$2.5	\$2.4	\$2.4
Total		\$17.7	\$24.4	\$25.2

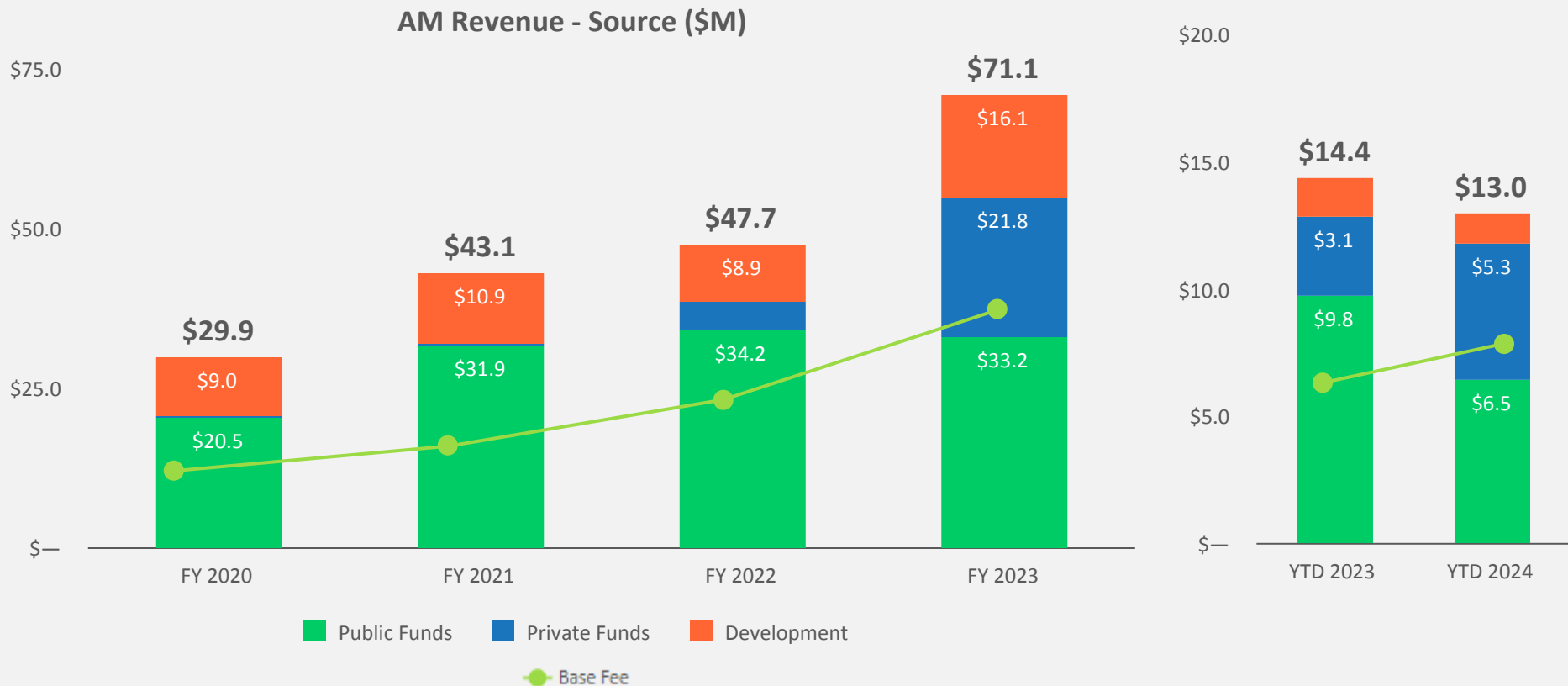
AUM² by Asset Class

At Dream we continue to actively focus on diversifying our assets under management². We have diversified away from managing predominantly office assets to industrial and residential rentals.



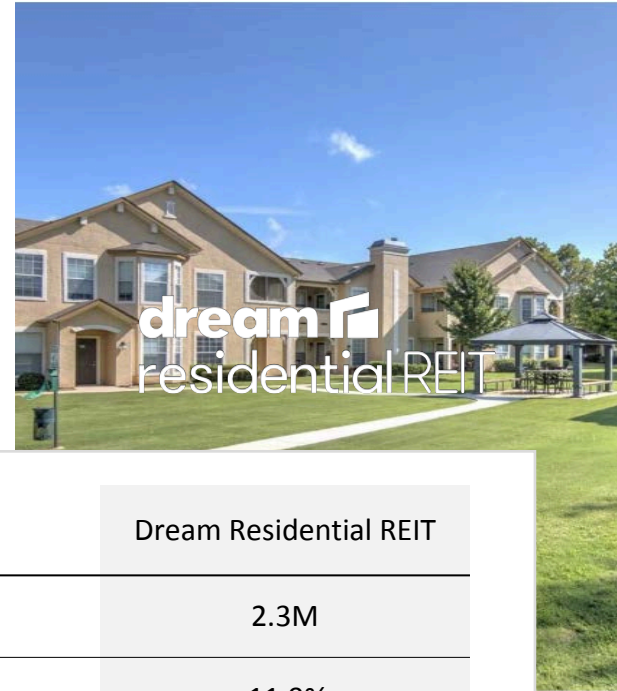
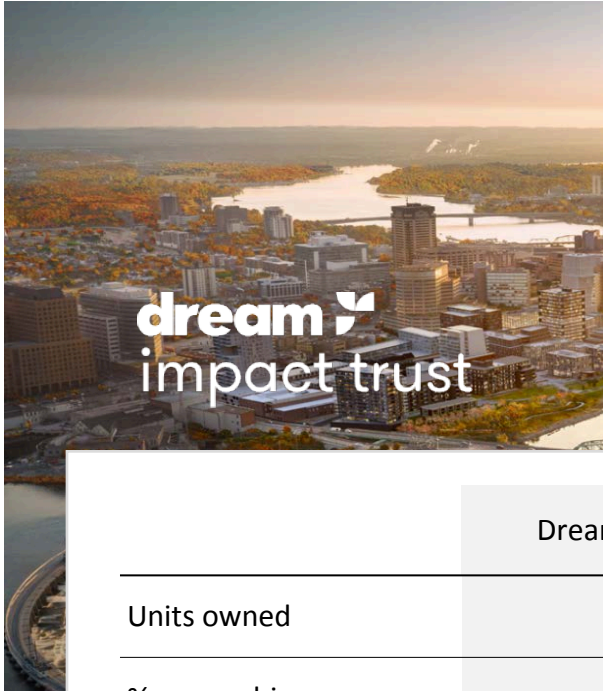
Composition of Asset Management Fees

Over the past few years, our sources of asset management fees has shifted from transactional activity in our public vehicles to include more private funds and a higher recurring income base.



Dream Group Unit Holdings

Over the past year, office and land holdings have seen dramatic price declines, resulting in our exposure to other Dream public vehicles reduced to 6% of our net asset value*.



	Dream Office REIT	Dream Impact Trust	Dream Residential REIT
Units owned	5.7M	6.3M	2.3M
% ownership	30.3%	35.2%	11.9%
Annual distribution (\$) **	\$5.7M	\$nil	\$1.3M
Fair value (\$) ***	\$93.3M	\$28.9M	\$22.2M

* Net asset value as presented at our September 6, 2023 Investor Day, adjusted for March 31, 2024 fair value of Dream group unit holdings.

** Based on units owned as of March 31, 2024 x expected annual distribution rate

*** Based on TMX prices and FX rates as of March 31, 2024

Our Land Bank

We have over 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

3,261 acres

Regina, SK

1,757 acres

Calgary, AB

857 acres

Edmonton, AB

\$7.06

division book value per share⁴

\$25.9M

division YTD FFO³

* Excludes 108 acres of land held for development adjacent to the Willows golf course in Saskatoon.

2024 and 2025 Sales Under Commitment*



	Lot Commitments	Acre Commitments	Total Revenue
2024	388	238	\$168.0M
2025	6	25	\$39.1M
Total	394	263	\$207.1M

* As of May 14, 2024, includes sales in the first quarter of 2024.

Holmwood (Saskatoon) Rental Pipeline

We have nearly 400 residential rental units in our development pipeline expected to occupy over the next 3 years as they are completed in sequence



	Product Type	Occupancy period	Total rental units at completion	In-place committed occupancy*
The Wren (Brighton Village Rental I)	Apartment & Townhomes	Q3 2021	136	100%
Underhill Road (Block 135)	Single Family	Q4 2023	21	100%
The Teal (Brighton Village Rental II)	Apartment	Q3 2024	120	48%
Brighton Towns on Deleiney (Block 124)	Townhomes	2024-25	95	n/a
Cowessess Road (Block 166)	Single Family	2024-25	42	n/a
Block JK Townhome Rentals	Townhomes	2024-25	15	n/a
Brighton Village Rentals III	Apartment	2026	125	n/a
Total units			554	

* As of March 31, 2024.

Development Pipeline - Downtown Toronto (East)

70+ acres

of development by Dream
and its partners



\$1.16

division book value per share⁴

March 31, 2024 Balance Sheet - Standalone

		Standalone by Division					
Assets		Income & Recreational Properties	Asset Management	Dream Group Unit Holdings	Urban Development	Western Canada Development	Corporate & Other
Investment Properties	740.8	740.8	—	—	—	—	—
<i>Stabilized</i>	537.5	537.5	—	—	—	—	—
<i>Under development</i>	203.3	203.3	—	—	—	—	—
Recreational Properties	39.0	39.0	—	—	—	—	—
Land	467.6	—	—	—	—	467.6	—
Housing	51.8	—	—	—	—	51.8	—
Condominiums	339.4	—	—	—	339.4	—	—
Intangible Asset	43.0	—	43.0	—	—	—	—
Dream Group Unit Holdings	371.0	—	—	371.0	—	—	—
Other Assets**	646.3	49.9	—	—	—	—	596.4
Total Assets	2,698.9	829.7	43.0	371.0	339.4	519.4	596.4
Liabilities & Shareholders' Equity							
Debt	1,022.5	454.3	—	56.0	290.6	221.6	—
<i>Mortgage + term debt</i>	402.1	391.9	—	—	10.2	—	—
<i>Construction loan</i>	207.2	60.1	—	—	113.4	33.7	—
<i>Land loan</i>	169.3	2.3	—	—	167.0	—	—
<i>Operating line</i>	20.0	—	—	—	—	20.0	—
<i>Corporate facility</i>	223.9	—	—	56.0	—	167.9	—
Other Liabilities**	463.7	15.5	—	—	—	—	448.2
Total Liabilities	1,486.2	469.8	—	56.0	290.6	221.6	448.2
Shareholder's Equity	1,212.7	359.9	43.0	315.0	48.8	297.8	148.2
Total Liabilities & Shareholder's Equity	2,698.9	829.7	43.0	371.0	339.4	519.4	596.4
Book value per share⁴	\$28.77	\$8.54	\$1.02	\$7.47	\$1.16	\$7.06	\$3.52

Total Shares Outstanding as of March 31, 2024

42.2 million

\$19.01

Current Share Price*

* Share price as of May 13, 2024.

** Includes working capital, capital assets, deferred tax liabilities and certain equity accounted investments.

Composition of FFO³

	Year-to-date	
	March 31, 2024	March 31, 2023
Asset Management	\$ 6,043	\$ 6,340
Dream Group Unit Holdings	5,492	8,757
Stabilized Assets - GTA/Ottawa	(739)	(1,941)
Stabilized Assets - Western Canada	564	219
Arapahoe Basin	14,233	11,815
Subtotal - Recurring Income	25,593	25,190
Development - GTA/Ottawa*	(882)	(1,705)
Development - Western Canada	25,874	(3,815)
Subtotal - Development	24,992	(5,520)
Corporate & Other	(9,065)	(8,552)
Dream standalone FFO	41,520	11,118
Shares outstanding, weighted average	42,153,263	42,675,079
Dream standalone FFO per share	\$ 0.98	\$ 0.26



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 share¹ 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 ended March 31, 2024, dated May 14, 2024 ("Annual MD&A") under the section "Non-GAAP Measures and Other Disclosures", which is available on SEDAR+ (www.sedarplus.com) 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 the 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" represent certain IFRS adjustments required to reconcile Dream standalone and Dream Impact Trust results to the consolidated results as at March 31, 2024 and December 31, 2023. Management believes Dream Impact Trust & Consolidation and fair value adjustments provides investors useful information in order to reconcile 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 and adjustments to reflect Dream's direct ownership of our partnerships. Refer to the "Segmented Assets and Liabilities" and "Segmented Statement of Earnings" sections of the Annual MD&A for a reconciliation of Dream standalone to the results to the 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 adjustments" represents certain adjustments required to reflect the Company's direct interest in net assets and earnings of our partnerships. Management believes Dream standalone adjustments provides investors useful information in order to view Dream's statement of financial position and statement of earnings in a presentation that reflects the Company's interest in net assets and earnings from our direct interest in those partnerships. The adjustments included in the calculation of Dream standalone adjustments have been listed below.

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;
2. Adjusts for the full consolidation of our interest in Dream Impact Fund to equity accounting 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.

Disclaimers - Specified Financial Measures and Other Disclosures - Dream

Non-GAAP Ratios and Financial Measures

"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: (in thousands of dollars, except per share and outstanding share amounts)	For the three months ended March 31,	
	2024	2023
Asset management ⁽¹⁾	\$ 6,043	\$ 6,340
Dream group unit holdings ⁽²⁾	5,492	8,757
Stabilized assets - GTA/Ottawa	(739)	(1,941)
Stabilized assets - Western Canada	564	219
Arapahoe Basin	14,233	11,815
Development - GTA/Ottawa	(882)	(1,705)
Development - Western Canada	25,874	(3,815)
Corporate & other	(9,065)	(8,552)
Dream standalone FFO	\$ 41,520	\$ 11,118
Shares outstanding, weighted average	42,153,263	42,675,079
Dream standalone FFO per share	\$ 0.98	\$ 0.26

⁽¹⁾ 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 months ended March 31, 2024 are asset management fees from Dream Impact Trust received in the form of units of \$490 (three months ended March 31, 2023 - \$1,379). These fees are received in the form of units effective April 1, 2019. Had the asset management fees been paid in cash, rather than in units, the fees earned for the three months ended March 31, 2024 were \$3,617 (three months ended March 31, 2023 - \$3,295).

⁽²⁾ 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 35.2% interest in Dream Impact Trust. Included in Dream group unit holdings for the three months ended March 31, 2024 are distributions from Dream Impact Trust received in the form of units of \$653 (three months ended March 31, 2023 - \$1,653).

(in thousands of dollars)	For the three months ended March 31,	
	2024	2023
Dream consolidated net income	\$ 9,534	\$ 34,601
Add/(deduct) financial statement components not included in FFO:		
Fair value changes in investment properties	(2,546)	(2,993)
Fair value changes in financial instruments	—	(93)
Share of loss from Dream Office REIT and Dream Residential REIT	(1,384)	(1,316)
Fair value changes in equity accounted investments	10,714	(93)
Adjustments related to Dream Impact Trust units	(17,316)	(41,408)
Adjustments related to Impact Fund units	1,168	422
Depreciation and amortization	1,912	1,913
Income tax expense	2,563	7,049
Share of Dream Office REIT FFO	4,274	4,621
Share of Dream Residential REIT FFO	\$ 565	\$ 562
Dream consolidated FFO	\$ 9,484	\$ 3,265
Less: Dream Impact Trust & consolidation adjustments ⁽³⁾ & other adjustments	\$ (32,036)	\$ (7,853)
Dream Adjusted Standalone FFO	\$ 41,520	\$ 11,118

⁽³⁾ Included within consolidation adjustments in the three months ended March 31, 2024 is income of \$459 attributable to non-controlling interest (three months ended March 31, 2023 - \$71 in losses), as well as net margin of \$28,139 related to the sale of 146 raw acres to two development ventures in Edmonton. This income is expected to be recognized in the second quarter of 2024.

"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 months ended March 31, 2024 and 2023 is calculated and reconciled to net margin as follows:

	For the three months ended March 31,			
	2024		2023	
Net margin	\$	24,962	\$	22,927
Add: Depreciation		1,496		1,470
Add: General and administrative expenses		727		862
Net operating income	\$	27,185	\$	25,259

"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 three months ended March 31, 2024 and 2023 and the comparative periods are calculated and reconciled to gross margin as follows:

	For the year ended December 31,					Three months ended March 31,	
	2019	2020	2021	2022	2023	2024	2023
Net operating income	\$ 347,833	\$ 27,222	\$ 40,415	\$ 63,574	\$ 84,802	\$ 27,185	\$ 25,259
Less: asset management net operating income	300,365	9,118	17,594	19,211	37,212	5,156	5,863
Add: equity accounted investment and recreational properties net operating income	632	1,594	3,734	3,381	3,548	1,079	4
Less: Dream Impact Trust & Consolidation and fair value adjustments	24,149	5,971	2,759	12,026	21,741	4,966	4,287
Net operating income for investment and recreational properties	\$ 23,951	\$ 13,727	\$ 23,796	\$ 35,718	\$ 29,397	\$ 18,142	\$ 15,113

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 March 31, 2024

	Recurring Income	Development	Corporate & other	Consolidated Dream	Less: Dream Impact Trust ⁽¹⁾	Less: Consolidation & fair value adjustments ^(*) and Dream standalone adjustments ^(*)	Dream Standalone
Assets							
Cash and cash equivalents	\$ 37,790	\$ 15,679	\$ 17,047	\$ 70,516	\$ 4,337	\$ 1,372	\$ 64,807
Accounts receivable	44,449	292,684	6,301	343,434	2,919	2,237	338,278
Other financial assets ^(**)	48,949	20,589	20,080	89,618	19,850	44,232	25,536
Housing inventory	—	51,816	—	51,816	—	—	51,816
Condominium inventory	—	317,431	—	317,431	—	(21,932)	339,363
Land inventory	—	467,565	—	467,565	—	—	467,565
Investment properties	1,524,795	225,579	—	1,750,374	277,227	732,333	740,814
Recreational properties	38,954	—	—	38,954	—	—	38,954
Equity accounted investments	399,248	270,929	—	670,177	388,748	173,117	108,312
Capital and other operating assets	6,298	37,907	13,593	57,798	3,298	(5,128)	59,628
Intangible asset	—	—	—	—	—	(43,000)	43,000
Assets held for sale	49,901	—	—	49,901	—	—	49,901
Dream Group Holdings	—	—	—	—	—	(370,961)	370,961
Total Assets	\$ 2,150,384	\$ 1,700,179	\$ 57,021	\$ 3,907,584	\$ 696,379	\$ 512,270	2,698,935
Liabilities							
Accounts payable and other liabilities	\$ 44,984	\$ 171,942	\$ 5,935	\$ 222,861	\$ 6,983	\$ (25,430)	\$ 241,308
Income and other taxes payable ^(***)	—	—	83,579	83,579	—	—	83,579
Provision for real estate development costs	—	59,248	—	59,248	—	(1,114)	60,362
Debt	1,101,353	470,037	294,686	1,866,076	273,370	570,213	1,022,493
Dream Impact Trust units ^(***)	—	—	53,281	53,281	—	53,281	—
Dream Impact Fund units ^(***)	—	—	114,573	114,573	—	114,573	—
Deferred income taxes ^(***)	—	—	83,128	83,128	(10,684)	30,843	62,969
Liabilities associated with assets held for sale	15,487	—	—	15,487	—	—	15,487
Total Liabilities	\$ 1,161,824	\$ 701,227	\$ 635,182	2,498,233	\$ 269,669	\$ 742,366	\$ 1,486,198
Total equity	\$ 988,560	\$ 998,952	\$ (578,161)	1,409,351	\$ 426,710	\$	\$ 1,212,737

* 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, Dream standalone 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 \$105.9 million, which is eliminated on a consolidated basis.

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

For the three months ended March 31, 2024

	Recurring Income	Development	Corporate and other	Consolidated Dream	Less: Dream Impact Trust ^(*)	Less: Consolidation & fair value adjustments ^(*) and Dream standalone adjustments ^(*)	Dream Standalone
Revenue	\$ 61,537	\$ 96,714	\$ —	\$ \$ 158,251	\$ 4,665	\$ 58,584	\$ 95,002
Direct operating costs	(34,352)	(92,190)	—	(126,542)	(2,482)	(59,359)	(64,701)
Gross margin	\$ 27,185	\$ 4,524	\$ —	\$ 31,709	\$ 2,183	\$ (775)	\$ 30,301
Selling, marketing, depreciation and other operating costs	(2,223)	(10,322)	—	(12,545)	—	2,119	(14,664)
Net margin	\$ 24,962	\$ (5,798)	\$ —	\$ 19,164	\$ 2,183	\$ 1,344	\$ 15,637
Fair value changes in investment properties	(4,509)	7,055	—	2,546	(2,853)	1,508	3,891
Investment and other income	297	835	(243)	889	2,566	(3,091)	1,414
Interest expense	(10,665)	(1,896)	(4,503)	(17,064)	(4,200)	(3,955)	(8,909)
Fair value changes in financial instruments	—	—	—	—	—	—	—
Share of earnings from equity accounted investments	1,797	(5,002)	—	(3,205)	(3,725)	1,143	(623)
Net segment earnings (loss)	\$ 11,882	\$ (4,806)	\$ (4,746)	\$ 2,330	\$ (6,029)	\$ (3,051)	\$ 11,410
General and administrative expenses ^(**)	—	—	(6,381)	(6,381)	(1,583)	1,175	(5,973)
Adjustments related to Dream Impact Trust units ^(**)	—	—	17,316	17,316	—	17,316	—
Adjustments related to Dream Impact Fund units ^(**)	—	—	(1,168)	(1,168)	—	(1,168)	—
Income tax (expense) recovery ^(**)	—	—	(2,563)	(2,563)	2,190	118	(4,871)
Net earnings (loss) ^(***)	\$ \$ 11,882	\$ \$ (4,806)	\$ \$ 2,458	\$ \$ 9,534	\$ \$ (5,422)	\$ \$ 14,390	\$ \$ 566

* 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, Dream standalone 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 three months ended March 31, 2024 is \$459, attributable to non-controlling interest (three months ended March 31, 2023 - \$71).

Disclaimers

Forward Looking Information

Certain information herein contains or incorporates statements that constitute forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding our objectives and strategies to achieve those objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth, expected net proceeds from sales or transactions, results of operations, performance, business prospects and opportunities, acquisitions or divestitures, tenant base, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, vacancy and leasing assumptions, litigation and the real estate industry in general; as well as specific statements in respect of: anticipated levels and fluctuation of development, asset management and other management fees, and fees related to development activities and partnerships, in future periods; our development and redevelopment plans and proposals for current and future projects, including the quality of our assets, projected sizes, density, timelines, uses and tenants; the redevelopment potential of our assets and the assets held by Dream Impact Trust; anticipated current and future unit sales and occupancies of our condominium and mixed-use projects, including anticipated timing of closings of condominium unit sales, and resulting revenue; the contribution of our development segment to our earnings and income in future periods; our expectation that recurring income will increase in the future, including as development properties are completed and held for the long term, and the future composition of our recurring income portfolio; expected benefits from recurring income and developments, including stability and financial flexibility; the supplementary information in relation to the development and redevelopment projects in our portfolio, including the projects that we expect to be completed and added to our recurring income segment over the next three years, total units at completion, square footage, residential GFA, rental, commercial and retail GLA, occupancy/stabilization dates, sustainability features, and future GLA under development and other project features; our expectation that we will add 2,305 apartment units comprising 1.9 million square feet of residential GFA to our recurring income portfolio over the next four years; expectations regarding our development plans (including occupancy status) for Alpine Park, Zibi, Riverside Square, Canary Landing, Canary District, LeBreton, Brightwater, Maple House, Quayside and Forma projects, as well as other projects; Quayside becoming Canada's largest all-electric, zero-carbon master-planned community; the approval of our master-planned communities; our acquisition and development pipeline, including in respect of the Dream group of companies; our ability to monitor and adjust our inventory levels and development projects based on market conditions; our capital management objectives; our ability to mitigate certain risks; Dream's intention to hold stabilized income properties in core markets and expectations that such assets will grow over time; Dream's ability to source, structure and execute investment opportunities; the goal of improving Dream's business' safety, value and earnings quality; expectations regarding our sustainability and impact targets, including in respect of characteristics of our projects and affordable units; Zibi's sustainability and it becoming the first One Planet Master-Planned community in Canada; expectations regarding the sale of assets, including assets being developed for sale; our expected sources of funding of current liabilities, including the sale of assets including Arapahoe Basin, and of short-term liquidity requirements, including through cash on hand, cash from operating activities, working capital reserves and operating debt facilities; Dream's ability to maintain a conservative debt level; planned debt repayments, expected sources of funding for maturing debt and timing of maturities; our expectation that cash from operations and recurring income will provide cash needed to fund operating expenses and debt service requirements; and our overall financial performance, profitability and liquidity for future periods and years. Forward-looking statements generally can be identified by words such as "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "could", "likely", "plan", "forecast", "project", "continue", "target", "outlook" or similar expressions suggesting future outcomes or events.

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.com 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, www.dreamofficereit.ca, www.dreamindustrialreit.ca, www.dreamimpacttrust.ca, and 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 March 31, 2024.
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 FFO from Corporate & Other and includes dividends paid to Dream's shareholders.