

DREAM IMPACT TRUST REPORTS SECOND QUARTER 2025 RESULTS

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

TORONTO, August 5, 2025, DREAM IMPACT TRUST (TSX: MPCT.UN) ("Dream Impact", "we", "our" or the "Trust") today reported its financial results for the three and six months ended June 30, 2025 ("second quarter").

Five years ago, the Trust focused its strategy on creating much needed multi-family rental housing. Since then, we completed three buildings in the National Capital Region and two in downtown Toronto at the West Don Lands for a total of 501 units and acquired 527 well located value-add apartments across the GTA. NOI from the Trust's multi-family portfolio has increased 60% year over year and continued growth is expected as most of the purpose-built rentals are currently in lease-up.

In addition, the Trust has 213 units that will be ready for occupancy in early 2026 and a further 202 units available in 2027. Within the next 24 months the Trust's multi-family portfolio will comprise a total of 1,452 units (at share). We are also working towards commencing construction of 49 Ontario St. in 2025 and Quayside in 2026, which will add another 1,330 units (at share), and create a portfolio of almost 2,800 units for the Trust in the next few years.

"While the multi-family segment of our business is progressing well, other segments are facing stressful headwinds," said Michael Cooper, Portfolio Manager. "The value of our secondary commercial assets have consistently declined as the market for use and investment are currently unfavorable. We sold some assets over the last two years and are also reducing the IFRS value which has created losses for the Trust. In addition, the Toronto condo market has completely shut down with a reduction of sales by over 80% from the peak. The time to ready land for purpose-built rentals has been extended and the returns are challenging. Although we had great success working with the federal government and the city, the delays have increased our losses as we carry land for longer. Between losses in commercial properties and extended carrying costs on land, the Trust has struggled. Management and Dream Unlimited, as the asset manager, have been working on creating liquidity solutions in this very challenging market and will provide continuous updates. All of our finished multi-family are attractive and desirable buildings. As we address the issues with the commercial properties and holding land, we are making great progress on growing our multi-family assets and repositioning the business."

Selected financial and operating metrics for the three and six months ended June 30, 2025 are summarized below:

(in thousands of dollars, except per Unit amounts)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Condensed consolidated results of operations				
Net loss	\$ (16,510)	\$ (4,756)	\$ (20,285)	\$ (10,178)
NOI - recurring income ⁽¹⁾	4,521	6,029	8,517	10,199
NOI - multi-family rental ⁽¹⁾	2,737	1,707	5,363	3,158
Net loss per unit ⁽¹⁾	(0.90)	(0.27)	(1.09)	(0.57)
Units outstanding – end of period	18,412,036	17,972,778	18,412,036	17,972,778
Units outstanding – weighted average	18,410,420	17,784,395	18,550,771	17,753,305

As at	June 30, 2025	December 31, 2024
Condensed consolidated financial position		
Total assets	\$ 665,643	\$ 684,421
Total liabilities	284,851	283,180
Total unitholders' equity	380,792	401,241
Total unitholders' equity per unit ⁽¹⁾	20.68	21.99

During the second quarter, the Trust reported a net loss of \$16.5 million compared to \$4.8 million in the prior year. The fluctuation in earnings was primarily a result of fair value adjustments across the Trust's portfolio, a lower deferred tax recovery, timing of condo occupancies, slower leasing from commercial properties and incidental income from sales of legacy investments in the prior year. Partially offsetting this was higher income contribution from the Trust's growing multi-family portfolio.

Recurring Income

Multi-family rental properties

In the second quarter, same property NOI⁽¹⁾ was \$1.9 million compared to \$1.5 million in the prior year. The increase was primarily attributable to higher rents achieved on tenant turnover and non-recurring operating expenses in the prior year. Same property occupancy as of period end was 94.5%, up slightly from March 31, 2025 due to a modest increase in occupancy across the GTA portfolio and ongoing leasing at Aalto Suites.

As of June 30, 2025, our multi-family portfolio comprised 2,973 units (at 100% or 1,037 units at share) across the GTA and Ottawa/Gatineau region and were 85.8% leased. This includes over 1,300 units in the lease-up phase, comprised of Maple House, Voda, Aalto II and Birch House. In the second quarter, Birch House was transferred to the recurring income segment as substantial construction completion was achieved.

Debt from the Trust's multi-family portfolio presented within this segment carries a weighted average term of 4.1 years at a weighted average interest rate of 2.8%.

Commercial

In the second quarter, NOI from commercial properties⁽¹⁾ was \$1.8 million compared to \$4.3 million in the prior year. The decrease in NOI was due to asset sales, general leasing softness and tenant support measures for a specific co-working tenant at Zibi. This was partially offset by the occupancy of the anchor tenant at 68-70 Claremont in the prior year.

During and subsequent to the second quarter, 7,200 sf of retail and commercial leasing was completed at Zibi, which will be complimentary to the nearly 500 multi-family units and 0.4 million sf of GLA space completed in the waterfront community.

In aggregate, the recurring income segment generated a net loss of \$11.8 million compared to \$5.2 million in the prior year. The change in earnings was attributable to fluctuations in fair value adjustments in each period, and higher interest expense as additional multi-family buildings are added to the segment, partially offset by NOI growth.

Included in current period results were \$10.4 million of fair value losses. During the second quarter, the Trust entered into an agreement to sell a 25,000 sf boutique commercial property in downtown Toronto. The Trust recognized a \$5.3 million fair value loss to align with the purchase price. As well, the Trust recognized \$1.4 million of fair value losses from slower commercial leasing, \$2.5 million from modest cap rate expansion and capital spend across our multi-family portfolio, and \$1.4 million from additional costs on a recently completed commercial block at Zibi.

Development

In the second quarter, the development segment reported a net loss of \$1.9 million compared to \$2.5 million in the prior year. The improvement in earnings was primarily driven by the composition of fair value adjustments in each period and timing of interest expensed for recently completed development projects which were previously capitalized. This was partially offset by the timing of increased condo occupancies at Brightwater in the prior year.

The Trust's investment in Brightwater, the 72-acre waterfront development in Port Credit, continues to make progress on active blocks available for occupancy. As of June 30, 2025, substantially all of the 311 units between Brightwater I and II have closed, and over 90% of the 264 units between the Towns and the Mason have occupied. Final closings on these two buildings are anticipated at the end of the year.

We continue to make steady progress on construction at Odenak in Ottawa (608 multi-family units) and Cherry House at Canary Landing in downtown Toronto (855 multi-family units). During the second quarter, the first 47 units at Cherry House were completed (referred to as Block 7) and pre-leased in bulk to a third-party. The remaining units at Cherry House are on track for leasing in 2026.

Income from this segment will fluctuate period-to-period and not contribute meaningfully to earnings until development milestones are achieved and/or project inventory is available for occupancy. While mindful of our capital spend and liquidity needs, on a strategic basis we continue to make advancements for select assets in the pre-development stage.

Other

In the second quarter, the other segment recognized a net loss of \$2.8 million compared to net income of \$3.0 million in the prior year. The fluctuation in earnings was driven by the deferred income tax recovery position and proceeds from the sale of non-core investments in the prior year.

During the second quarter, the Trust, alongside the Dream group of companies, released its annual Sustainability and Impact reports. For access to the reports, refer to the Trust's website at www.dreamimpacttrust.ca.

Liquidity Update

At June 30, 2025, the Trust had total cash on hand of \$13.1 million and a debt-to-asset value⁽²⁾ of 41.3% an increase from 40.4% at March 31, 2025, primarily driven by unfavorable fair value adjustments across the portfolio.

The Trust's debt profile was comprised of \$274.6 million of consolidated debt and \$900.7 million of debt at its proportionate share from equity accounted investments. Included in the above was \$268.1 million of debt within equity accounted investments, at the Trust's share, which is due in 2025. We are near completion of \$84.0 million of infrastructure debt renewals and are in discussions with our partners and lenders for the remaining \$149.8 million of land loans. The remaining balance relates primarily to construction loans at Brightwater, which are anticipated to be repaid in normal course from condo closing proceeds by the end of the year.

For further details refer to the "Capital Resources and Liquidity" section of the Trust's management's discussion and analysis ("MD&A") for the three and six months ended June 30, 2025.

Footnotes

- ⁽¹⁾ Net income (loss) per unit, total unitholders' equity per unit, NOI - recurring income, NOI - multi-family rental, NOI - commercial properties, same property NOI - multi-family rental, are supplementary financial measures. Please refer to the cautionary statements under the heading "Specified Financial Measures and Other Measures" in this press release and the "Specified Financial Measures and Other Disclosures" section of the Trust's MD&A for the three and six months ended June 30, 2025.
- ⁽²⁾ Debt-to-asset value is a non-GAAP ratio, which is calculated as total debt payable, a non-GAAP financial measure, divided by the total asset value of the Trust as at the applicable reporting date. The most directly comparable financial measure to total debt payable is total debt.

About Dream Impact

Dream Impact is an open-ended trust dedicated to impact investing. Dream Impact's underlying portfolio is comprised of exceptional real estate assets reported under two operating segments: development and recurring income, that would not be otherwise available in a public and fully transparent vehicle, managed by an experienced team with a successful track record in these areas. The objectives of Dream Impact are to create positive and lasting impacts for our stakeholders through our three impact verticals: environmental sustainability and resilience, attainable and affordable housing, and inclusive communities, while generating attractive returns for investors. For more information, please visit: www.dreamimpacttrust.ca.

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Specified Financial Measures and Other Measures

The Trust's condensed consolidated financial statements are prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). In this press release, as a complement to results provided in accordance with IFRS Accounting Standards, the Trust discloses and discusses certain specified financial measures, including total liquidity, total debt payable, net income (loss) per unit, NOI - commercial properties, Same Property NOI - multi-family rental, NOI - multi-family rental, NOI - recurring income, total unitholders' equity per unit, and debt-to-total asset value, as well as other measures discussed elsewhere in this release. These specified financial measures are not defined by or recognized measures under IFRS Accounting Standards, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. The Trust has presented such specified financial measures as management believes they are relevant measures of our underlying operating performance. Specified financial measures should not be considered as alternatives to unitholders' equity, net income, total comprehensive income or cash flows generated from operating activities, or comparable metrics determined in accordance with IFRS Accounting Standards as indicators of the Trust's performance, liquidity, cash flow and profitability. Certain additional disclosures such as the composition, usefulness and changes as applicable are expressly incorporated by reference from the Trust's MD&A for the three and six months ended June 30, 2025, dated August 5, 2025 in the section titled "Specified Financial Measures and Other Disclosures", subsection "Non-GAAP Ratios", heading "Debt-to-asset value", subsection "Supplementary Financial Measures and Other Measures", headings "Net income (loss) per unit", "NOI - commercial properties", "NOI - multi-family rental", "NOI - recurring income", "total unitholders' equity per unit" and "Same Property NOI - multi-family rental" and subsection "Non-GAAP Financial Measures", heading "Total debt payable", which has been filed and is available on SEDAR+ under the Trust's profile.

"Total debt payable" is defined by the Trust as the balance due at maturity for its debt instruments. Total debt payable is a non-GAAP measure and is included as part of the definition of debt-to-asset value, a non-GAAP ratio. Total debt payable is an important measure used by the Trust in evaluating the amount of debt leverage; however, it is not defined by IFRS Accounting Standards, does not have a standardized meaning and may not be comparable with similar measures presented by other issuers. Total debt payable is reconciled to total debt, the most directly comparable financial measure, below.

As at	June 30, 2025	December 31, 2024
Total debt	\$ 272,918	\$ 272,664
Unamortized discount on host instrument of convertible debentures	420	554
Unamortized balance of deferred financing costs	1,302	1,629
Total debt payable	\$ 274,640	\$ 274,847

Forward-Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "could", "expect", "intend", "estimate", "anticipate", "timeline", "potential", "strategy", "targets", "believe", "should", "plans", or "continue", or similar expressions suggesting future outcomes or events.

Some of the specific forward-looking information in this press release may include, among other things, statements relating to the Trust's objectives and strategies to achieve those objectives; the Trust's leasing activities and the expected timing and results thereof; expectations regarding the Trust's multi-family portfolio including segment growth, continued margin growth, and number of units available for occupancy and lease-up and timelines thereof; expectations regarding 49 Ontario St. and Quayside, including timelines, units delivered upon completion and, construction commencement; the Trust's ability to reduce IFRS value; the Trust's ability to create liquidity and advance developments in the current market; the Trust's ability to grow multi-family assets and reposition the business; the Trust's ability to secure construction financing and partnership opportunities for certain developments; the Trust's ability to consummate the sale of a boutique commercial property in downtown Toronto; the expectation regarding completion and lease-up of rental units at Birch House at Canary Landing, Maple House at Canary Landing, Odenak, Voda and Aalto II, including number of units and timing; the Trust's advancements for select assets in the pre-development stage; the Trust's expectations regarding upcoming debt maturities and the expectations of repayment, extension and/or renewal of debt and timing thereof; the

Trust's ability to realize unit closings including at Brightwater I and II, the Towns and the Mason, and timing, expected proceeds and uses thereof; the Trust's expectations regarding upcoming debt maturities and the expectation of repayment, extension and/or renewal of debt; the status of the Trust's ongoing active development projects and the projected construction start and completion dates; the Trust's expectations regarding the impacts of advancing construction at certain developments and the related impact on debt exposure and project risk; the Trust's ability to reduce overall exposure to land loans; and the Trust's plans and proposals for current and future development and redevelopment projects, including construction initiation, completion and occupancy/stabilization dates/timing and number of units. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Trust's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to: adverse changes in general economic and market conditions; liquidity risk; financing and risks relating to access to capital; interest rate risks; public health risks; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, terrorism or other acts of violence, and international sanctions; inflation; risks related to the imposition of duties, tariffs and other trade restrictions and their impacts; the disruption of free movement of goods and services across jurisdictions; the risk of adverse global market, economic and political conditions and health crises; 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; the risk that corporate activities and reviews will not have the desired impact; acquisitions risk; and leasing risks. Our objectives and forward-looking statements are based on certain assumptions, including that the general economy remains stable; the gradual recovery and growth of the general economy in 2025; that no unforeseen changes in the legislative and operating framework for our business will occur; that there will be no material change to environmental regulations that may adversely impact our business; that we will meet our future objectives, priorities and growth targets; that we receive the licenses, permits or approvals necessary in connection with our projects; that we will have access to adequate capital to fund our future projects, plans and any potential acquisitions; that we are able to identify high-quality investment opportunities and find suitable partners with which to enter into joint ventures or partnerships; that we do not incur any material environmental liabilities; there will not be a material change in foreign exchange rates; that the impact of the current economic climate and global financial conditions on our operations will remain consistent with our current expectations and that inflation and interest rates will not materially increase beyond current market expectations; that no duties, tariffs or other trade restrictions will negatively impact us; our expectations regarding the availability and competition for acquisitions remains consistent with the current climate.

All forward-looking information in this press release speaks as of August 5, 2025, unless otherwise noted. The Trust does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is disclosed in the Trust's filings with securities regulators filed on the System for Electronic Document Analysis and Retrieval+ (www.sedarplus.com), including its latest annual information form and MD&A. These filings are also available at the Trust's website at www.dreamimpacttrust.ca.