



DREAM OFFICE REIT REPORTS Q1 2026 RESULTS

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

TORONTO, MAY 7, 2026, DREAM OFFICE REAL ESTATE INVESTMENT TRUST (D.UN-TSX) (“Dream Office REIT”, the “Trust” or “we”) today announced its financial results for the three months ended March 31, 2026. Management will host a conference call to discuss the financial results on Friday, May 8, 2026, at 10:00 a.m. (ET).

OPERATIONAL HIGHLIGHTS AND UPDATE

(unaudited)

	As at		
	March 31, 2026	December 31, 2025	March 31, 2025
Total properties⁽¹⁾			
Number of active properties	23	24	24
Number of properties under development	—	—	2
Gross leasable area (in millions of square feet)	4.4	4.5	4.8
Investment properties value - Toronto downtown	\$ 1,707,714	\$ 1,744,597	\$ 1,750,240
Investment properties value - Other markets	323,833	325,652	369,259
Investment properties value	2,031,547	2,070,249	2,171,584
Toronto downtown⁽²⁾			
Occupancy rate – including committed – Toronto (period-end)	89.8%	87.4%	84.2%
Occupancy rate – in-place – Toronto (period-end)	80.9%	79.4%	80.0%
Weighted average in-place and committed net rent per square foot – Toronto	\$ 33.19	\$ 33.34	\$ 32.61
Weighted average lease term – Toronto (years)	6.2	6.3	6.0
Total portfolio⁽²⁾			
Occupancy rate – including committed (period-end)	83.4%	82.1%	81.2%
Occupancy rate – in-place (period-end)	77.3%	76.6%	78.4%
Average in-place and committed net rent per square foot (period-end)	\$ 28.64	\$ 28.71	\$ 27.39
Weighted average lease term (years)	6.1	6.2	5.8

See footnotes at end.

	Three months ended	
	March 31, 2026	March 31, 2025
Operating results		
Funds from operations (“FFO”) ⁽³⁾	\$ 11,187	\$ 13,276
Comparative properties net operating income (“NOI”) ⁽⁴⁾	24,505	23,414
Net rental income	24,174	25,001
Net income (loss)	10,085	(33,183)
Per unit amounts		
Diluted FFO per unit ⁽⁵⁾	\$ 0.57	\$ 0.68
Distribution rate per Unit	0.25	0.25

See footnotes at end.

“Q1 2026 was a strong quarter for our Toronto downtown portfolio, with in-place and committed occupancy increasing 240 bps to 89.8% and comparative properties NOI up 6.5% year-over-year.” said Michael Cooper, Chief Executive Officer of Dream Office REIT. “The downtown Toronto office market data has shown five quarters of increasing occupancy, and we expect that the recovery in market fundamentals will help deliver steady improvement in the value of our portfolio over the next year. Our team remains focused on leasing up the remaining vacancies in our portfolio, pursuing renewals with existing tenants so we can continue to grow net operating income and value.”



OPERATIONAL UPDATE

In the first quarter of 2026, the downtown Toronto office market (which represents 84% of the Trust's active properties by fair value) realized 2.1 million square feet of positive absorption, and overall market occupancy improved by 150 bps quarter-over-quarter to 85.6%⁽⁶⁾ in Q1 2026. This represents five consecutive quarters of improving occupancy since Q4 2024, when market occupancy was 81.0%⁽⁶⁾.

In downtown Toronto, sublet space decreased by 0.5 million square feet in the quarter bringing the total amount of sublease space in that market down to 2.0 million square feet⁽⁶⁾ consistent with increased need for office space as Canadian companies, led by major financial institutions, proceed with return-to-office initiatives. The new office construction pipeline in downtown Toronto remains low, with just 0.4 million square feet currently under construction⁽⁶⁾.

For the three months ended March 31, 2026, comparative properties NOI for the Trust's total comparative properties portfolio increased by 4.7%, or \$1.1 million, over the prior year comparative quarter, as higher in-place rents and weighted average occupancy driven by rent step-ups and new leasing in Toronto downtown were partly offset by reduced weighted average occupancy in Other markets due to lease terminations. Comparative properties NOI⁽⁴⁾ in Toronto downtown increased by 6.5%, or \$1.2 million, over the prior year comparative quarter, driven by higher in-place rents and weighted average occupancy from rent step-ups and new leasing.

For the three months ended March 31, 2026, the Trust secured 116,000 square feet of leasing. As at March 31, 2026, the Trust had 327,000 square feet of contractual maturities over the balance of 2026 as compared to 400,000 square feet of contractual commencements over the same period, representing net positive in-place absorption totalling 73,000 square feet, or 1.7%, over the balance of the year. In Toronto downtown, the Trust had secured 352,000 square feet of contractual commencements over the remainder of 2026 compared to 230,000 square feet of natural expiries. This 122,000 square feet of in-place absorption represents a contractual growth in in-place occupancy totalling 4.2% for the region over the remainder of 2026.

Our Toronto downtown in-place and committed occupancy rate has improved from 87.4% as at December 31, 2025 to 89.8% as at March 31, 2026 and is 5.6% higher than the in-place and committed occupancy rate of 84.2% as at March 31, 2025. Relative to Q4 2025, the increase in Toronto downtown was primarily due to positive in-place absorption (+1.2%), the effect of the reclassification of 212 King Street to assets held for sale at quarter-end due to a binding agreement to sell the property as announced on March 16, 2026 (+0.6%), and higher leasing velocity during the quarter (+0.6%).

Relative to Q4 2025, in-place and committed occupancy in our Other markets region, comprising the Trust's properties located in Calgary, Saskatoon, Regina, Mississauga and Scarborough, decreased from 72.1% to 71.5%, primarily driven by net negative in-place absorption.

Since the end of the prior quarter, our Toronto downtown in-place occupancy improved from 79.4% to 80.9%. The increase in Toronto downtown in-place occupancy was primarily driven by net positive in-place absorption (+1.2%) as 65,000 square feet of new lease commencements and 45,000 square feet of renewals were partially offset by 75,000 square feet of expiries. Additionally, in-place occupancy in Toronto downtown improved in part due to the effect of the reclassification of 212 King Street to assets held for sale at quarter-end (+0.3%).

The Trust currently has a spread of 8.9% between in-place and in-place and committed occupancy in the region, which is attributable to extended timelines between the signing of a lease with a new tenant and the date that tenant takes economic occupancy in the space. This delay is often attributed to the current environment's longer fixturing periods as tenants are making significant space planning decisions and fixturing improvements. A significant portion of the leases commencing over the balance of 2026 are currently in the fixturing period, which has driven elevated non-cash straight-line rent in the quarter. The Trust anticipates straight-line rent will remain elevated until the economic commencement of these leases later in the year.

Relative to Q4 2025, our Other markets in-place occupancy decreased from 71.2% to 70.7%, which is primarily attributed to net negative in-place absorption as 29,000 square feet of expiries were partially offset by 16,000 square feet of renewals and 5,000 square feet of new lease commencements.

The Trust has made significant capital investments into our downtown Toronto portfolio over the past seven years so that our best assets are well positioned to attract tenants. We remain committed to continuing to invest in our portfolio to improve occupancy, income and value. In the Other markets region, the Trust continues to manage its assets to improve net cash flow and liquidity, and will continue to seek opportunities to sell assets at a fair price to the Trust.



During Q1 2026, the Trust executed leases totalling approximately 106,000 square feet in Toronto downtown at a weighted average initial net rent of \$31.06 per square foot, or 8.3% lower than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 5.2 years.

In the Other markets region, the Trust executed leases totalling 10,000 square feet over Q1 2026 at a weighted average initial net rent of \$16.41 per square foot, or 9.9% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 5.0 years.

Subsequent to March 31, 2026, the Trust executed a further 23,000 square feet of leases in Toronto downtown at a weighted average initial net rent of \$35.33 per square foot, or 10.0% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 3.9 years. In the Other markets region, the Trust executed a further 9,000 square feet of leases at a weighted average initial net rent of \$20.50 per square foot, or 20.6% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 10.0 years.

DISPOSITION OF 212 KING STREET WEST, TORONTO, ON

On March 16, 2026, the Trust announced that it had entered into a binding agreement to sell 212 King Street West, a 73,000 square foot property located in Toronto, Ontario, for gross proceeds before adjustments of \$39.5 million, or approximately \$541 per square foot. The transaction is expected to close in the second quarter of 2026, subject to customary closing conditions. As of March 31, 2026, the property was classified as a property held for sale.

The property currently carries an \$18.0 million mortgage at a 7.5% interest rate and the Trust intends to use the net proceeds from the sale to repay the outstanding mortgage and pay down the Trust's revolving credit facilities.

DISPOSITION OF 12800 FOSTER STREET, OVERLAND PARK, KANSAS, U.S.

On January 2, 2026, the Trust sold its sole investment property located in the United States for gross proceeds before transaction costs of \$9.5 million (or US\$7.0 million). The property was vacant and unencumbered at the time of sale.

UPDATE ON PROGRESS OF 606-4th STREET REDEVELOPMENT PROJECT

The Trust owns a 50% joint venture interest in a partnership for the development project at 606-4th Street in Calgary, Alberta that will convert the existing 126,000 square foot office building into a brand new 166-unit, purpose-built rental residential apartment building. As at March 31, 2026, the property had been fully vacated and demolition progress was underway. The project remains on time and on budget with construction substantial completion scheduled for the fourth quarter of 2027. The tendering process for construction contracts is substantially complete with over 80% of contracts awarded to date, which enhances the predictability of project costs.

FINANCING AND LIQUIDITY UPDATE

KEY FINANCIAL PERFORMANCE METRICS (unaudited)	As at	
	March 31, 2026	December 31, 2025
Financing		
Weighted average face rate of interest on debt (period-end) ⁽⁷⁾	5.04%	5.02%
Interest coverage ratio (times) ⁽⁸⁾	1.7	1.7
Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) ⁽⁹⁾	11.9	11.6
Level of debt (net total debt-to-net total assets) ⁽¹⁰⁾	54.8%	54.2%
Average term to maturity on debt (years)	3.3	3.5
Liquidity		
Cash and cash equivalents (in millions)	\$ 10.9	\$ 15.2
Cash and undrawn revolving credit facilities (in millions) ⁽¹¹⁾	91.7	97.6
Total liquidity (in millions) ⁽¹²⁾	166.3	172.7
Capital (period-end)		
Total number of REIT A and subsidiary redeemable units (in millions) ⁽¹³⁾	19.0	19.0
Net asset value ("NAV") per unit ⁽¹⁴⁾	\$ 49.61	\$ 49.92

See footnotes at end.



As at March 31, 2026, the Trust had \$2.2 billion of total assets, including \$2.0 billion of investment properties and \$1.2 billion of total debt.

On March 31, 2026, the Trust amended and extended the maturity of its \$10 million revolving credit facility to March 31, 2028. The amended facility bears interest at the unadjusted one-month term CORRA plus 2.895% or at the bank's prime rate plus 0.950%.

On February 5, 2026, the Trust negotiated a one-year extension to December 7, 2027 for a \$66.5 million interest-only mortgage secured by a property in Scarborough, Ontario, bearing interest at a daily CORRA plus 2.245%. The Trust has previously entered into a fixed-for-variable interest rate swap relating to this mortgage, fixing the interest rate at 6.14%.

As at March 31, 2026, the Trust's 2026 mortgage maturities totalled \$26.0 million across two mortgages, of which \$18 million relates to the 212 King Street West mortgage which will be repaid at closing. The Trust anticipates that it will be able to successfully address its remaining 2026 mortgage expiry at or before maturity.

As at March 31, 2026, the Trust had approximately \$166.3 million of total liquidity⁽¹²⁾, comprising cash and undrawn revolving credit facilities⁽¹¹⁾ of \$91.7 million and additional liquidity related to undrawn amounts on our CIB Facility of \$74.6 million, which provides low-cost, fixed-rate financing solely for the purpose of commercial property retrofits to achieve certain energy efficiency savings and greenhouse gas ("GHG") emission reductions. Cash and undrawn revolving credit facilities⁽¹¹⁾ totalling \$91.7 million comprises \$10.9 million of cash and \$80.8 million of undrawn revolving credit facilities.

During Q1 2026, the Trust drew \$0.5 million against the CIB Facility. In total, we have drawn \$38.3 million against the CIB Facility since 2022. These draws represent 80% of the costs to date for capital retrofits at certain properties in Toronto downtown for projects to reduce the operational carbon emissions in these buildings. Of the \$38.3 million drawn on the CIB Facility, \$8.9 million was used to fund the full building retrofit of 366 Bay Street to secure a full building lease for a term of 15 years and \$6.3 million was used to fund the development project at 67 Richmond Street West.

SUMMARY OF KEY PERFORMANCE INDICATORS

- **Net income for the quarter:** For the three months ended March 31, 2026, the Trust generated a net income of \$10.1 million. Included in net income for the three months ended March 31, 2026 are net rental income totalling \$24.2 million, fair value gains on subsidiary redeemable units, deferred trust units and derivative contracts totalling \$11.5 million, realized foreign currency translation adjustments on the disposal of our sole U.S. property of \$6.4 million and net income from our investment in Dream Industrial REIT of \$2.2 million partially offset by interest expense on debt of \$15.6 million, net losses from equity accounted investments of \$8.9 million and negative fair value adjustments to investment properties totalling \$5.4 million across the portfolio.
- **Diluted FFO per unit⁽⁵⁾ for the quarter:** For the three months ended March 31, 2026, diluted FFO per unit decreased by \$0.11 per unit to \$0.57 per unit relative to \$0.68 per unit in Q1 2025. The primary drivers of the decline were lower net income due to the sale of assets over 2025 and Q1 2026 including 438 University Avenue, Toronto, 12800 Foster Street, Overland Park in Kansas, U.S. and our vendor takeback mortgage (-\$0.16), reduced FFO from Dream Industrial REIT due to the sale of units in 2025 (-\$0.07), lower NOI from a property held for sale (-\$0.02), lower lease termination and other income (-\$0.02) and other items (-\$0.01), partially offset by higher straight-line rent revenue on committed leases (+\$0.07), higher comparative properties NOI (+\$0.06), and lower interest expense (+\$0.04).
- **Net rental income for the quarter:** For the three months ended March 31, 2026, net rental income decreased by 3.3%, or \$0.8 million, over the prior year comparative quarter due to lower income attributed to the sale of 438 University Avenue in Q1 2025 and our U.S. property in January 2026, partially offset by higher straight-line rent and higher comparative properties NOI.
- **Comparative properties NOI⁽⁴⁾ for the quarter:** For the three months ended March 31, 2026, comparative properties NOI increased by 4.7%, or \$1.1 million, over the prior year comparative quarter, as higher in-place rents and weighted average occupancy driven by rent step-ups and new leasing in Toronto downtown were partly offset by reduced weighted average occupancy in Other markets due to lease terminations.

For the three months ended March 31, 2026, comparative properties NOI in Toronto downtown increased by 6.5%, or \$1.2 million, over the prior year comparative quarter, driven by higher in-place rents and weighted average occupancy from rent step-ups and new leasing. In the Other markets region, comparative properties NOI decreased by 2.7%, or \$0.1 million, over the prior year comparative quarter, primarily driven by negative net absorption.



- **In-place occupancy:** Relative to Q4 2025, our Toronto downtown in-place occupancy improved by 1.5% from 79.4% in Q4 2025 to 80.9% in Q1 2026. The increase in Toronto downtown in-place occupancy was primarily driven by net positive in-place absorption (+1.2%) as 65,000 square feet of new lease commencements and 45,000 square feet of renewals were partially offset by 75,000 square feet of expiries. Additionally, in-place occupancy in Toronto downtown improved in part due to the effect of the reclassification of 212 King Street to assets held for sale at quarter-end (+0.3%).

In the Other markets region, in-place occupancy decreased by 0.5% relative to Q4 2025. The decrease in in-place occupancy in Other markets was driven by net negative leasing absorption as 29,000 square feet of expiries were partially offset by 16,000 square feet of renewals and 5,000 square feet of new lease commencements.

- **Lease commencements for the quarter:** For the three months ended March 31, 2026, excluding temporary leasing, 110,000 square feet of leases commenced in Toronto downtown at net rents of \$31.37 per square foot, or 7.1% lower compared to the previous rent on the same space, with a weighted average lease term of 8.3 years. In the Other markets region, excluding temporary leasing, 21,000 square feet of leases commenced at \$17.74 per square foot, or 6.1% lower than the previous rent on the same space, with a weighted average lease term of 7.1 years.
- **NAV per unit⁽¹⁴⁾:** As at March 31, 2026, our NAV per unit decreased to \$49.61 compared to \$49.92 at December 31, 2025. The decrease in NAV per unit relative to December 31, 2025 was primarily driven by fair value losses on investment properties primarily due to maintenance capital write-offs in both regions and net losses from equity accounted investments, partially offset by cash flow retention (FFO net of distributions) and fair value gains on interest rate swap contracts. As at March 31, 2026, equity per the condensed consolidated financial statements was \$0.9 billion.
- **Fair value adjustments to investment properties for the quarter:** For the three months ended March 31, 2026, the Trust recorded a fair value loss totalling \$5.4 million, comprising fair value losses of \$3.3 million in Toronto downtown and \$2.1 million in Other markets. Fair value losses in both regions were primarily driven by write-offs of maintenance capital spend.

CONFERENCE CALL

Management will host a conference call to discuss the financial results on Friday, May 8, 2026, at 10:00 a.m. (ET). To access the conference call, please dial 1-800-715-9871 in Canada or 647-932-3411 elsewhere. To access the conference call via webcast, please go to Dream Office REIT's website at www.dreamofficereit.ca and click on the link for News, then click on Events. A taped replay of the conference call and the webcast will be archived for 90 days.

ANNUAL MEETING OF UNITHOLDERS

Dream Office REIT welcomes its investors to its annual meeting of unitholders at the TMX Market Centre, 120 Adelaide Street West, Toronto, Ontario M5H 1T1 on Wednesday, June 3, 2026 at 12:00 p.m. (ET). The audio webcast and digital replay can be accessed by going to www.dreamofficereit.ca, clicking on news and events and selecting events.

OTHER INFORMATION

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

Dream Office REIT is an unincorporated, open-ended real estate investment trust. Dream Office REIT is a premier office landlord in downtown Toronto with over 4 million square feet owned and managed. We have carefully curated an investment portfolio of high-quality assets that are well located in central financial districts with convenient access to public transport amenities. For more information, please visit our website at www.dreamofficereit.ca.

FOOTNOTES

- (1) Excludes properties held for sale and investments in joint ventures that are equity accounted at the end of each period.
- (2) Excludes properties held for sale, properties under development and investments in joint ventures that are equity accounted at the end of each period.
- (3) FFO is a non-GAAP financial measure. The most directly comparable financial measure to FFO is net income. The tables included in the Appendices section of this press release reconcile FFO for the three months ended March 31, 2026 and March 31, 2025 to net income. FFO is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (4) Comparative properties NOI is a non-GAAP financial measure. The most directly comparable financial measure to comparative properties NOI is net rental income. The tables included in the Appendices section of this press release reconcile comparative properties NOI for the three months ended March 31, 2026 and March 31, 2025 to net rental income. Comparative properties NOI is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (5) Diluted FFO per unit is a non-GAAP ratio. Diluted FFO per unit is calculated as FFO (a non-GAAP financial measure) divided by diluted weighted average number of units. Diluted FFO per unit is not a standardized financial measure under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release. A description of the determination of the diluted weighted average number of units can be found in the management’s discussion and analysis of the financial condition and results of operations of the Trust for the three months ended March 31, 2026 and March 31, 2025, dated May 7, 2026 (the “MD&A for the first quarter of 2026”) in the section “Supplementary Financial Measures and Other Disclosures” under the heading “Weighted average number of units”.
- (6) CBRE Canada Office Figures Q1 2026 and Q4 2024.
- (7) Weighted average face rate of interest on debt is calculated as the weighted average contractual face rate of all interest-bearing debt balances excluding debt in joint ventures that are equity accounted.
- (8) Interest coverage ratio (times) is a non-GAAP ratio. Interest coverage ratio comprises trailing 12-month adjusted EBITDAFV divided by trailing 12-month interest expense on debt. Adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are non-GAAP measures. The tables in the Appendices section reconcile adjusted EBITDAFV to net income for the three months ended March 31, 2026 and March 31, 2025 and for the year ended December 31, 2025 and trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt to adjusted EBITDAFV and interest expense on debt, respectively, for the trailing 12-month period ended March 31, 2026. Interest coverage ratio (times), adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (9) Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) is a non-GAAP ratio. Net total debt-to-normalized trailing 12-month adjusted EBITDAFV comprises net total debt (a non-GAAP financial measure) divided by normalized trailing 12-month adjusted EBITDAFV (a non-GAAP financial measure). Normalized trailing 12-month adjusted EBITDAFV comprises trailing 12-month adjusted EBITDAFV (a non-GAAP financial measure) adjusted for trailing 12-month NOI of disposed properties. Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) and net total debt are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (10) Level of debt (net total debt-to-net total assets) is a non-GAAP ratio. Net total debt-to-net total assets comprises net total debt (a non-GAAP financial measure) divided by net total assets (a non-GAAP financial measure). The tables in the Appendices section reconcile net total debt and net total assets to total debt and total assets, the most directly comparable financial measures to these non-GAAP financial measures, respectively, as at March 31, 2026 and December 31, 2025. Level of debt (net total debt-to-net total assets), net total debt and net total assets are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP ratio and these non-GAAP financial measures, please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (11) Cash and undrawn revolving credit facilities is a non-GAAP financial measure. The most directly comparable financial measure to cash and undrawn credit facilities is cash and cash equivalents. The tables included in the Appendices section of this press release reconcile cash and undrawn revolving credit facilities to cash and cash equivalents as at March 31, 2026 and December 31, 2025. Cash and undrawn revolving credit facilities is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (12) Total liquidity is a non-GAAP financial measure. The most directly comparable financial measure to total liquidity is cash and cash equivalents. The tables included in the Appendices section of this press release reconcile total liquidity to cash and cash equivalents as at March 31, 2026 and December 31, 2025. Total liquidity is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.
- (13) Total number of REIT A Units and subsidiary redeemable units includes 2.6 million subsidiary redeemable units that are classified as a liability under IFRS Accounting Standards.
- (14) NAV per unit is a non-GAAP ratio. NAV per unit is calculated as Total equity (including subsidiary redeemable units) (a non-GAAP financial measure) divided by the total number of REIT A Units and subsidiary redeemable units outstanding at the end of the period. Total equity (including subsidiary redeemable units) is a non-GAAP measure. The most directly comparable financial measure to total equity (including subsidiary redeemable units) is total equity. The tables included in the Appendices section of this press release reconcile total equity (including subsidiary redeemable units) to total equity as at March 31, 2026 and December 31, 2025. NAV per unit is not a standardized financial measure under IFRS and might not be comparable to similar financial measures disclosed by other issuers. For further information on this non-GAAP financial measure please refer to the statements under the heading “Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures” in this press release.



NON-GAAP FINANCIAL MEASURES, RATIOS AND SUPPLEMENTARY FINANCIAL MEASURES

The Trust's 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 non-GAAP financial measures, including FFO, comparative properties NOI, cash and undrawn revolving credit facilities, total liquidity, adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV, trailing 12-month interest expense on debt, net total debt, net total assets, normalized trailing 12-month adjusted EBITDAFV and total equity (including subsidiary redeemable units) and non-GAAP ratios, including diluted FFO per unit, level of debt (net total debt-to-net total assets), interest coverage ratio, net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years) and NAV per unit, as well as other measures discussed elsewhere in this release. These non-GAAP financial measures and ratios are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers. The Trust has presented such non-GAAP financial measures and non-GAAP ratios as Management believes they are relevant measures of the Trust's underlying operating and financial performance. Certain additional disclosures such as the composition, usefulness and changes, as applicable, of the non-GAAP financial measures and ratios included in this press release are expressly incorporated by reference from the MD&A for the first quarter of 2026 and can be found under the section "Non-GAAP Financial Measures and Ratios" and respective sub-headings labelled "Funds from operations and diluted FFO per unit", "Comparative properties NOI", "Level of debt (net total debt-to-net total assets)", "Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years)", "Interest coverage ratio (times)", "Cash and undrawn revolving credit facilities and total liquidity", "Total equity (including subsidiary redeemable units)", "Adjusted earnings before interest, taxes, depreciation, amortization and fair value adjustments ("adjusted EBITDAFV")", "Trailing 12-month Adjusted EBITDAFV and trailing 12-month interest expense on debt", and "NAV per Unit". The MD&A for the first quarter of 2026 is available on SEDAR+ at www.sedarplus.ca under the Trust's profile and on the Trust's website at www.dreamofficereit.ca under the Investors section. Non-GAAP financial measures should not be considered as alternatives to net income, net rental income, cash flows generated from (utilized in) operating activities, cash and cash equivalents, total assets, non-current debt, total equity, or comparable metrics determined in accordance with IFRS Accounting Standards as indicators of the Trust's performance, liquidity, leverage, cash flow, and profitability. Reconciliations for FFO, comparative properties NOI, cash and undrawn revolving credit facilities, total liquidity, adjusted EBITDAFV, and total equity (including subsidiary redeemable units) to the nearest comparable IFRS Accounting Standards measure are contained at the end of this press release.

FORWARD-LOOKING INFORMATION

This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to statements regarding our objectives and strategies to achieve those objectives; statements regarding the value and quality of our portfolio, the effect of the Trust's leasing strategy on the return on invested capital, occupancy at our buildings, property value, cash flows, liquidity and refinancing value; our strategies to reduce risk and improve the value of individual assets within the portfolio; the Trust's growing confidence in the office market and leasing demand, including in downtown Toronto and the impact on the Trust's portfolio over the next year; the Trust's expectations regarding the office sector and the impact on the Trust including occupancy, operational performance and financial results thereto; the focus on its buildings and tenants and its ability to improve occupancy and increase the value of the business; the impact of return-to-office mandates; the Trust's leasing performance and its focus on leasing vacancies and pursuing renewals; future growth in committed occupancy, net operating income and value; the Trust's expectations regarding market conditions and its impact on the spread between in-place and committed occupancy, and the impacts and timing thereof; the commitment to continue to invest in the Trust's Toronto downtown portfolio to improve occupancy, income and value; the Trust's ability to sell assets in the Other markets region, including pricing thereof; the Trust's ability to complete the sale of investment properties under contract, including 212 King Street West; the effect of portfolio positioning on long-term performance and our ability to attract tenants; the effect of building improvements on tenant experience and performance; our ability to complete leases that are in an advanced stage of negotiation; our expectations regarding straight-line rent and our belief that straight-line rent will remain elevated until economic commencement of leases in the fixturing period; our expectations regarding lease commencements and net rents; our development, redevelopment and renovation plans, including timelines, square footage, our ability to lease properties under development and other project characteristics; the profitability and value of contemplated development projects; our expectations regarding 606 4th Street, including timing, construction and budget; the effect of redevelopment projects on leasing risk, portfolio quality, portfolio risk and portfolio value; the effect of contemplated development projects on building operational and financial risk; our future capital requirements and cost to complete development projects; the expectation that we will be able to use our CIB Facility to fund development costs for certain projects; our ability to increase building performance and achieve certain energy efficiency and greenhouse gas reduction goals, including in respect of specific properties and of retrofits made in connection with the CIB Facility; expectations



regarding our financing undertakings, including our ability to address future debt maturities; capital allocation, investments and expected benefits; the use of proceeds from dispositions and the effect of those uses on leverage and liquidity; prospective leasing activity, including with respect to our strategy to attract future potential tenants; the safety of our business; and our overall financial performance, profitability, value, safety and liquidity for future periods and years. Forward-looking statements generally can be identified by words such as “outlook”, “objective”, “may”, “will”, “would”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “could”, “likely”, “plan”, “project”, “budget”, “continue” or similar expressions suggesting future outcomes or events. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Office REIT’s control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions, including in respect of real estate; mortgage and interest rates and regulations; inflation; risks related to a potential economic slowdown in certain of the jurisdictions in which we operate and the effect inflation and any such economic slowdown may have on market conditions and lease rates; risks associated with unexpected or ongoing geopolitical events, including disputes between nations, war, terrorism or other acts of violence; the uncertainties around the availability, timing and amount of future equity and debt financings; development risks including construction costs, project timings and the availability of labour; NOI from development properties on completion; the impact of duties, tariffs and other trade restrictions on the Trust; the effect of government restrictions on leasing and building traffic; the ability of the Trust and its tenants to access government programs; the financial condition of tenants and borrowers; employment levels; the uncertainties around the timing and amount of future financings; leasing risks, including those associated with the ability to lease vacant space and properties under development; rental rates on future leasing; and interest and currency rate fluctuations.

Our objectives and forward-looking statements are based on certain assumptions, which include but are not limited to: that the general economy remains stable; our interest costs will be relatively low and stable; that we will have the ability to refinance our debts as they mature; inflation and interest rates will not materially increase beyond current market expectations; conditions within the real estate market remain consistent; the timing and extent of current and prospective tenants’ return to the office; our future projects and plans will proceed as anticipated; that government restrictions on the ability of us and our tenants to operate their businesses at our properties will not be imposed in any material respects; competition for acquisitions remains consistent with the current climate; and that the capital markets continue to provide ready access to equity and/or debt to fund our future projects and plans. All forward-looking information in this press release speaks as of the date of this press release. Dream Office REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law.

Additional information about these assumptions and risks and uncertainties is contained in Dream Office REIT’s filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dream Office REIT’s website at www.dreamofficereit.ca.

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APPENDICES

Funds from operations and diluted FFO per unit

	Three months ended March 31,	
	2026	2025
Net income (loss) for the period	\$ 10,085	\$ (33,183)
Add (deduct):		
Net loss (income) from investment in Dream Industrial REIT	(2,173)	8,220
Share of FFO from investment in Dream Industrial REIT	1,994	3,435
Depreciation and amortization	3,036	3,327
Costs attributable to sale of investment properties	566	2,727
Interest expense on subsidiary redeemable units	654	654
Fair value adjustments to investment properties	5,369	18,783
Fair value adjustments to investment properties held in joint ventures	8,944	(2)
Fair value adjustments to financial instruments and DUIP included in G&A expenses	(11,526)	6,001
Internal leasing costs	695	420
Principal repayments on finance lease liabilities	(16)	(15)
Enterprise resource planning software upgrade costs included in G&A expenses	—	17
Deferred income taxes expense	—	99
Impairment of VTB mortgage receivables	—	2,278
Release of cumulative foreign currency translation adjustments	(6,441)	—
Debt settlement costs due to disposals of investment properties, net	—	515
FFO for the period	\$ 11,187	\$ 13,276
Diluted weighted average number of units	19,744	19,565
Diluted FFO per unit	\$ 0.57	\$ 0.68

Comparative properties NOI

	March 31, 2026	March 31, 2025	Three months ended		Change in weighted average occupancy %	Change in in-place net rents %
			Amount	Change %		
Toronto downtown	\$ 19,868	\$ 18,648	\$ 1,220	6.5	2.6	1.4
Other markets	4,637	4,766	(129)	(2.7)	(1.6)	3.8
Comparative properties NOI	24,505	23,414	1,091	4.7	1.1	2.6
67 Richmond Street West, Toronto	81	253	(172)			
Property management and other service fees	675	533	142			
Lease termination fees and other	3	331	(328)			
Change in provisions	(311)	(164)	(147)			
Straight-line rent	1,896	494	1,402			
Amortization of lease incentives	(2,954)	(3,316)	362			
Property held for sale	263	611	(348)			
Sold properties ⁽¹⁾	16	2,845	(2,829)			
Net rental income	\$ 24,174	\$ 25,001	\$ (827)	(3.3)		

(1) Included in sold properties for the three months ended March 31, 2025 is NOI from 606-4th Building & Barclay Parkade. On October 16, 2025, the property, including development costs incurred to date, was sold to the joint venture and consequently reclassified out of properties under development.

**Adjusted EBITDAFV**

	Three months ended		Year ended
	March 31, 2026	March 31, 2025	December 31, 2025
Net income (loss) for the period	\$ 10,085	\$ (33,183)	\$ (160,109)
Add (deduct):			
Interest – debt	15,604	16,351	62,484
Interest – subsidiary redeemable units	654	654	2,617
Interest on debt related to investment properties held in joint ventures	41	34	167
Current and deferred income taxes expense	—	124	476
Depreciation on property and equipment	—	1	2
Fair value adjustments to investment properties	5,369	18,783	147,303
Fair value adjustments to investment properties held in joint ventures	8,944	(2)	51
Fair value adjustments to financial instruments	(11,464)	6,114	1,117
Net loss (income) from investment in Dream Industrial REIT	(2,173)	8,220	29,926
Distributions earned from Dream Industrial REIT	1,338	2,258	6,272
Amortization of lease incentives	2,954	3,316	12,732
Release of cumulative foreign currency translation adjustments	(6,441)	—	—
Prior period tax refunds	—	—	(3,076)
Impairment of VTB mortgage receivables	—	2,278	2,278
Internal leasing costs and net losses on transactions	1,261	3,662	5,458
Adjusted EBITDAFV for the period	\$ 26,172	\$ 28,610	\$ 107,698

Trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt

	Trailing 12-month period ended March 31, 2026
Adjusted EBITDAFV for the three months ended March 31, 2026	\$ 26,172
Add: Adjusted EBITDAFV for the year ended December 31, 2025	107,698
Less: Adjusted EBITDAFV for the three months ended March 31, 2025	(28,610)
Trailing 12-month adjusted EBITDAFV	\$ 105,260

	Trailing 12-month period ended March 31, 2026
Interest expense on debt for the three months ended March 31, 2026	\$ 15,604
Add: Interest expense on debt for the year ended December 31, 2025	62,484
Less: Interest expense on debt for the three months ended March 31, 2025	(16,351)
Trailing 12-month interest expense on debt	\$ 61,737



Interest coverage ratio (times)

	For the trailing 12-month period ended	
	March 31, 2026	December 31, 2025
Trailing 12-month adjusted EBITDAFV	\$ 105,260	\$ 107,698
Trailing 12-month interest expense on debt	\$ 61,737	\$ 62,484
Interest coverage ratio (times)	1.7	1.7

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

	Amounts included in condensed consolidated financial statements	
	March 31, 2026	December 31, 2025
Non-current debt	\$ 1,206,941	\$ 1,124,534
Current debt	11,734	111,156
Total debt	1,218,675	1,235,690
Add: Debt related to assets held for sale	17,969	—
Less: Cash on hand ⁽¹⁾	(10,821)	(14,982)
Net total debt	\$ 1,225,823	\$ 1,220,708
Total assets	2,248,154	2,266,611
Less: Cash on hand ⁽¹⁾	(10,821)	(14,982)
Net total assets	\$ 2,237,333	\$ 2,251,629
Net total debt-to-net total assets	54.8%	54.2%

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

Cash and undrawn revolving credit facilities and total liquidity

	As at	
	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 10,901	\$ 15,169
Undrawn revolving credit facilities	80,841	82,459
Cash and undrawn revolving credit facilities	91,742	97,628
Undrawn CIB Facility	74,550	75,078
Total liquidity	\$ 166,292	\$ 172,706

Trailing 12-month NOI of disposed properties

The following table calculates the trailing 12-month NOI of disposed properties as at March 31, 2026:

	Trailing 12-month period ended March 31, 2026	
NOI of disposed properties for the three months ended March 31, 2026	\$	16
Add: NOI of disposed properties for the year ended December 31, 2025		2,831
Less: NOI of disposed properties for the three months ended March 31, 2025		(955)
Trailing 12-month NOI of disposed properties	\$	1,892



Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years)

	March 31, 2026	December 31, 2025
Non-current debt	\$ 1,206,941	\$ 1,124,534
Current debt	11,734	111,156
Total debt	1,218,675	1,235,690
Add: Debt related to assets held for sale	17,969	—
Less: Cash on hand ⁽¹⁾	(10,821)	(14,982)
Net total debt	\$ 1,225,823	\$ 1,220,708
Trailing 12-month adjusted EBITDAFV	105,260	107,698
Less: Trailing 12-month NOI of disposed properties	(1,892)	(2,831)
Normalized trailing 12-month adjusted EBITDAFV	\$ 103,368	\$ 104,867
Net total debt-to-normalized trailing 12-month adjusted EBITDAFV ratio (years)	11.9	11.6

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

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

	March 31, 2026		Unitholders' equity December 31, 2025	
	Number of units	Amount	Number of units ⁽¹⁾	Amount
Unitholders' equity	16,394,742	\$ 1,846,629	16,368,880	\$ 1,846,187
Deficit	—	(943,448)	—	(949,439)
Accumulated other comprehensive income (loss)	—	(1,098)	—	3,265
Equity per condensed consolidated financial statements	16,394,742	902,083	16,368,880	900,013
Add: Subsidiary redeemable units	2,616,911	41,059	2,616,911	47,680
Total equity (including subsidiary redeemable units)	19,011,653	\$ 943,142	18,985,791	\$ 947,693
NAV per unit		\$ 49.61		\$ 49.92