dream impact trust

MPCT.UN-TSX

DREAM IMPACT TRUST REPORTS SECOND QUARTER 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 unit and per unit amounts, unless otherwise stated.

TORONTO, August 4, 2026, 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, 2026 ("second quarter").

"Through the first half of the year, we have made meaningful progress advancing our key multi-family development projects," said Michael Cooper, Portfolio Manager. "Construction continues at 49 Ontario and we are encouraged by the progress to date. We are also preparing for the start of Quayside, our next milestone project, with construction anticipated to commence by year-end. Our other projects, including Cherry House and Odenak, are nearing completion. These developments are being financed with long-term, government-affiliated debt, which provides stability in the current real estate environment. We are also pleased with the significant milestone in the quarter at Scarborough Junction. With the new partnership, the project's debt was repaid and resulted in a nearly $8 million increase in fair value, while significantly de-risking the development. We remain focused on addressing our near-term capital priorities as we continue to execute on our strategic plan."

During the second quarter, an external partner acquired a 50% ownership interest in the Scarborough Junction development. While the Trust's ownership interest in the intermediary partnership remained unchanged, its effective indirect interest in the development was reduced to 9%. In connection with this transaction, the Trust recognized a fair value gain of $7.8 million on the development. Scarborough Junction is a mixed-use development situated adjacent to the Scarborough GO Station. Phase 1 of the development is expected to comprise approximately 1,700 rental units with 20% designated as affordable at below-market rents for a period of 40 years, as well as approximately 52,000 sf of community infrastructure. Construction is expected to begin in 2027 with first occupancies anticipated for 2030.

As at June 30, 2026, the Trust's completed multi-family portfolio comprised 1,037 units (at the Trust's share). Assets currently under construction are continuing to progress, including Cherry House at Canary Landing (West Don Lands Blocks 3/4/7), an 855-unit development that is expected to be completed by the end of the year. Occupancy commenced in late 2025, with 48% of units occupied as at July 31, 2026. Over the next five years, the Trust expects to complete over 1,900 additional units (at the Trust's share) in its multi-family portfolio. The pipeline includes Quayside, where the Trust, in partnership with Dream Impact Fund, Waterfront Toronto and the City of Toronto, expects to deliver over 400 units at the Trust's share in Phase 1, with construction anticipated to commence by year-end. Upon completion, the Trust's pipeline of multi-family assets under development are expected to drive higher NOI as they become stabilized.

Selected financial and operating metrics for the three and six months ended June 30, 2026 are summarized below:

	Three months ended June 30,		Six months ended June 30,	
(in thousands of dollars, except per Unit amounts)	**2026**	2025	**2026**	2025
Condensed consolidated results of operations				
Net loss	**$ (2,966)**	$ (16,510)	**$ (7,537)**	$ (20,285)
NOI - recurring income(1)	**4,987**	4,521	**9,371**	8,517
NOI - multi-family rental(1)	**3,695**	2,737	**6,913**	5,363
Net loss per unit(1)	**(0.16)**	(0.90)	**(0.40)**	(1.09)
Units outstanding – end of period	**19,088,488**	18,412,036	**19,088,488**	18,412,036
Units outstanding – weighted average	**19,063,396**	18,410,420	**19,033,239**	18,550,771

As at	**June 30, 2026**	December 31, 2025
Condensed consolidated financial position		
Total assets	**$ 567,416**	$ 646,004
Total liabilities	**224,009**	296,055
Total unitholders' equity	**343,407**	349,949
Total unitholders' equity per unit(1)	**17.99**	18.55

During the second quarter, the Trust recognized a net loss of $3.0 million compared to $16.5 million in the prior year. The year over year improvement was primarily driven by stronger leasing from recently stabilized multi-family properties, and favourable net fair value adjustments, including a gain on the Trust's investment in the Scarborough Junction development. These improvements were partially offset by higher shared service and asset management fees, reduced commercial NOI as a result of the commencement of 49 Ontario construction, and condo occupancies at Brightwater recognized in the comparative period.

Liquidity Update

At June 30, 2026, the Trust had total cash on hand of $5.1 million and a debt-to-asset value(2) of 37.2%, compared to 36.2% at March 31, 2026. The change in debt-to-asset value was primarily driven by draws on the Dream loan, partially offset by a pay down on the promissory note and net fair value gains across the portfolio.

At June 30, 2026, the Trust's debt profile was comprised of $211.3 million of consolidated debt payable and $1,000.1 million of debt at its proportionate share from equity accounted investments. Included in this balance is $81.6 million of debt, at the Trust's share, that matures in 2026. The debt balance maturing in 2026 decreased by $100.5 million since March 31, 2026, primarily from the extension of the land loan at Victory Silos, the repayment of the land loan at Scarborough Junction, and an extension on mortgages maturing in the period. The Trust continues to work with its lenders on the remaining debt due in the near term, which includes mortgages and underlying debt on certain passive investments.

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, 2026.

Recurring Income

During the second quarter, the Trust's recurring income segment recognized a net loss of $4.3 million compared to $11.8 million in the prior year. The improvement in earnings was driven by NOI contributions from the Trust's multi-family portfolio, the fluctuation of fair value adjustments year over year, and lower interest expense from recently sold commercial assets. This was partially offset by reduced NOI contribution from 49 Ontario which commenced demolition at the end of 2025.

Multi-family rental properties

During the second quarter, same property NOI(1) was $3.5 million compared to $2.7 million in the prior year. The increase in NOI was primarily driven by completed multi-family properties as these assets have achieved or are near stabilization. This includes Maple House (97% occupied), Aalto II (93% occupied) and Birch House (98% occupied).

Debt from the Trust's multi-family portfolio presented within this segment carries a weighted average term of 3.2 years at a weighted average interest rate of 2.7%.

Commercial

During the second quarter, NOI from commercial properties was $1.3 million compared to $1.8 million in the prior year. The decrease was primarily attributable to the transfer of 49 Ontario to the development segment as demolition started at the end of 2025. Partially offsetting this was improved leasing activity at 34 Madison and Brightwater Retail year over year.

Development

During the second quarter, the Trust recognized net income of $5.7 million from its development segment compared to a net loss of $1.9 million in the prior year. The increase was primarily attributable to the fluctuation of fair value adjustments including a fair value gain on the Trust's investment in the Scarborough Junction development. This was partially offset by higher condo occupancies at Brightwater in the prior year and interest expense recognized in earnings from completed units at Cherry House. In accordance with the Trust's accounting policy, Cherry House will be transferred to the recurring income segment upon substantial completion of construction.

Other

In the second quarter, the other segment reported a net loss of $4.4 million compared to $2.8 million in the prior year. The change in year-over-year earnings was driven by higher interest from draws on the Dream loan, increased asset management fees and higher cost recoveries for shared services. This was partially offset by a fair value adjustment on the convertible debentures.

Footnotes

(1) Net income (loss) per unit, total unitholders' equity per unit, NOI - recurring income, NOI - multi-family rental, same property NOI - multi-family rental ("same property NOI"), 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, 2026.

(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.

For further information, please contact:

Derrick Lau
Chief Financial Officer
416 365-2364
dlau@dream.ca

Kimberly Lefever
Director, Investor Relations
416 365-6339
klefever@dream.ca

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 debt payable, net income (loss) per unit, same property NOI - multi-family rental, NOI - multi-family rental, NOI - recurring income, NOI-commercial properties, total unitholders' equity per unit, and debt-to-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, 2026, dated August 4, 2026 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, 2026**	December 31, 2025
Total debt	**$ 213,203**	$ 283,983
Unamortized discount on host instrument of convertible debentures	**(389)**	(365)
Conversion feature	**(2,271)**	(2,154)
Unamortized balance of deferred financing costs	**710**	968
Total debt payable	**$ 211,253**	$ 282,432

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 the Trust's near-term construction starts; expectations regarding 49 Ontario St. and Quayside, including construction and development plans, timelines, including anticipated occupancy timing, units delivered upon completion including the number of affordable units and financing; the Trust's focus on addressing near-term capital priorities and continuing execution on its strategic plan; expectations regarding Scarborough Junction, including development, construction and occupancy timelines and the number of rental units in Phase 1, including the percentage designated as affordable; the Trust's expectation that over the next five years it will add over 1,900 additional units (at share) to its multi-family portfolio; expectations regarding the Trust's ability to address its upcoming liquidity objectives; the Trust's progress on advancing key developments and enhancing liquidity; the expectation regarding development, completion, occupancy and lease-up of rental units at Birch House at Canary Landing, Maple House at Canary Landing, Cherry House at Canary Landing, Odenak, Voda and Aalto II, including number of units and timing and contributions to higher NOI over time; the Trust's expectations regarding upcoming debt maturities and the expectations of repayment, extension and/or renewal of debt and timing thereof; 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 expectation that Cherry House will be transferred to the recurring income segment upon substantial completion of construction; the Trust's ability to utilize government-affiliated financing and the expected benefits thereof; 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; 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 4, 2026, 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.ca), including its latest annual information form and MD&A. These filings are also available at the Trust's website at www.dreamimpacttrust.ca.