DREAM OFFICE REIT REPORTS Q3 2022 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.

TORONTO, NOVEMBER 3, 2022, DREAM OFFICE REAL ESTATE INVESTMENT TRUST (D.UN-TSX) or ("Dream Office REIT", the "Trust" or "we") today announced its financial results for the three and nine months ended September 30, 2022 and provided a business update.

OPERATIONAL HIGHLIGHTS

(unaudited)				As at
	September 30, 2022		June 30, 2022	September 30, 2021
Total properties[1]				
Number of active properties	**27**		28	29
Number of properties under development	**2**		2	1
Gross leaseable area ("GLA") (in millions of square feet)	**5.4**		5.5	5.5
Investment properties value	**$ 2,596,815**		$ 2,603,123	$ 2,553,395
Total portfolio[2]				
Occupancy rate – including committed (period-end)	**85.7%**		85.0%	84.6%
Occupancy rate – in-place (period-end)	**81.8%**		81.6%	82.7%
Average in-place and committed net rent per square foot (period-end)	**$ 23.71**		$ 23.35	$ 23.08
Weighted average lease term ("WALT") (years)	**5.3**		5.3	5.2

See footnotes at end.

		Three months ended
	September 30, 2022	September 30, 2021
Operating results		
Funds from operations ("FFO")[3]	**$ 19,909**	**$** 23,208
Comparative properties net operating income ("NOI")[4]	**26,394**	27,492
Net rental income	**26,738**	27,327
Net income	**28,044**	91,716
Per unit amounts		
FFO (diluted)[5]	**$ 0.37**	$ 0.41
Distribution rate	**0.25**	0.25

See footnotes at end.

"We have managed our business through COVID to continuously improve building quality to create a portfolio of excellent, safe and predictable assets while reducing risk and preserving long-term value," said Michael Cooper, Chief Executive Officer of Dream Office REIT. *"We are pleased to see our committed occupancy increase over last quarter and last year and hope to see continued occupancy gains. Given the equity market's valuation of office REITs, we will continue to explore strategies that will generate higher returns and value on a per unit basis for our units."*

- **Net income for the quarter:** For the three months ended September 30, 2022, the Trust generated net income of $28.0 million. Included in net income for the quarter are net rental income totalling $26.7 million, share of net income from investment in Dream Industrial REIT totalling $9.6 million and positive fair value adjustments to financial instruments totalling $19.6 million, primarily due to the revaluation of the subsidiary redeemable units as a result of a decrease in the Trust's unit price, partially offset by negative fair value adjustments to investment properties totalling $9.6 million due to maintenance capital spent but not capitalized.
- **Diluted FFO per unit[5] for the quarter:** For the three months ended September 30, 2022, diluted FFO per unit decreased by $0.04 per unit to $0.37 per unit relative to $0.41 per unit in Q3 2021, driven by higher interest expense (-$0.04) and lower net rental income (-$0.02), partially offset by the accretive effect of repurchases under the Normal Course Issuer Bid ("NCIB") in the current and prior year (+$0.02).

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- **Net rental income for the quarter:** Net rental income for the three months ended September 30, 2022, decreased by $0.6 million relative to the prior year comparative quarter primarily due to lower weighted average occupancy in Toronto downtown and lower rents on renewals and new leases in the regions that we collectively refer to as Other markets, comprising our properties located in Calgary, Saskatchewan, Mississauga, Scarborough and the United States. Partially offsetting the year-over-year decrease were higher net rents on renewals and new leasing in Toronto downtown and higher parking revenues.
- **Comparative properties NOI[(4)] for the quarter:** For the three months ended September 30, 2022, comparative properties NOI decreased by 4.0%, or $1.1 million, over the prior year comparative quarter, primarily driven by declines in weighted average occupancy in Toronto downtown. Partially offsetting the declines were higher rates on renewals and new leases along with rent steps in Toronto downtown, higher weighted average occupancy in the Other markets region and higher parking revenues of $0.3 million across the portfolio.

  We are actively managing our assets in the Toronto downtown region, which represent 82% of our active portfolio investment property fair values, to improve the quality of the buildings and to continue to improve rental rates in this market. For our assets in the Other markets region, which make up the remaining 18% of our total portfolio investment properties fair value, we are repositioning these assets to improve occupancy and liquidity in the private market.
- **In-place and committed occupancy**: Total portfolio in-place and committed occupancy on a quarter-over-quarter basis increased by 0.7% relative to Q2 2022. In the Other markets region, while 55,000 square feet of renewals and 10,000 square feet of new lease commencements substantially offset 69,000 square feet of expiries during the quarter, in-place and committed occupancy for the region increased by 1.1% as a result of the sale of Princeton Tower. In Toronto downtown, in-place and committed occupancy increased by 0.1% relative to Q2 2022 as 72,000 square feet of leasing with future commencements during the quarter and 39,000 square feet of renewals were partially offset by 89,000 square feet of expiries. As at September 30, 2023, vacancy committed for future occupancy totalled 205,000 square feet, or 3.9% of total GLA, primarily in Toronto downtown. The majority of these leases are scheduled to commence over the next nine months.

  Total portfolio in-place and committed occupancy on a year-over-year basis increased from 84.6% at Q3 2021 to 85.7% this quarter due to net positive leasing in Toronto downtown, the reclassification of 67 Richmond Street West in Toronto to properties under development in Q2 2022 and the sale of Princeton Tower during the quarter.
- **Lease commencements for the quarter:** For the three months ended September 30, 2022, excluding temporary leases, 55,000 square feet of leases commenced in Toronto downtown at $32.16 per square foot, or 26.5% higher than the previous rent in the same space with a weighted average lease term of 4.7 years. In the Other markets region, excluding temporary leases, 64,000 square feet of leases commenced at $22.46 per square foot or 6.0% lower than the previous rents in the same space as rental rates on renewals rolled down to market rates with a weighted average lease term of 7.6 years.

  The renewal and relocation rate to expiring rate spread for the quarter was 5.0% above expiring rates on 94,000 square feet of renewals.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE UPDATE

On March 31, 2022, the Trust entered into an unsecured non-revolving credit facility and term credit facility with the Canada Infrastructure Bank under its Commercial Building Retrofit Initiative. Under the facility, the Canada Infrastructure Bank will lend the Trust up to $112.9 million for commercial property retrofits in order to achieve certain energy efficiency savings and greenhouse gas ("GHG") emission reductions. The non-revolving credit facility is available until the earlier of March 31, 2027 or the completion of all funded projects, at which point the aggregate drawings are converted to a 20-year amortizing term credit facility with an amended rate based on the GHG emission reductions achieved.

In May 2022, the Trust was awarded a Platinum Level award by the Green Lease Leader program during the Better Buildings, Better Plants Summit by the Institute for Market Transformation and the U.S. Department of Energy's Better Buildings Alliance for ambitious building energy reduction and social impact goals. This is the first year that the Platinum Level award was implemented, and the Trust is one of the few applicants to achieve the highest level of recognition.

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During Q3 2022, we made our inaugural draw on the Canada Infrastructure Bank credit facility. This $4.2 million draw represented 80% of the costs to date for capital retrofits at two of our downtown Toronto properties for projects to reduce the operational carbon emissions in these buildings by an estimated 299 tonnes of CO_2, or 48.4%, per year.

During 2022 we made our second submission to the GRESB assessment. We again achieved a five-star rating with a score of 92/100, an improvement from our prior year score of 91/100. Our higher score is attributable to policy updates to integrate ESG matters throughout the Trust and our work to align with the recommendations of the Task Force on Climate-related Financial Disclosures.

The Trust has also converted both of its revolving credit facilities to sustainability-linked credit facilities. The amended revolving credit facilities have certain performance targets relating to GHG intensity and green building certifications with pricing for the facilities decreasing or increasing based on whether the Trust meets, or fails to meet, the targets.

BUSINESS UPDATE

As at September 30, 2022, the Trust had $3.1 billion of total assets, $2.6 billion of investment properties and $1.3 billion of total debt. To date the Trust has collected 99.1% of Q3 2022 recurring contractual gross rent, our highest collections since March 2020. Approximately 2% of the Trust's total portfolio is currently sublet, with a weighted average in-place net rent of just over $26 per square foot.

During Q3 2022, the Trust executed leases totalling approximately 165,000 square feet across our portfolio. In Toronto downtown, the Trust executed 133,000 square feet of leases at a weighted average initial net rent of $35.73 per square foot, or 34.2% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 8.1 years. In the Other markets region, we executed leases totalling 32,000 square feet at a weighted average net rent of $19.73 per square foot, an increase of 4.2% from the weighted average prior net rent on the same space, with a weighted average lease term of 4.1 years.

Since the beginning of the year to today's date, we have executed leases totalling approximately 551,000 square feet across our portfolio. In Toronto downtown, the Trust executed 472,000 square feet of leases, including a 54,000 square foot lease with a flexible workspace provider where rents comprise a share of the tenant's net revenues. The remaining 418,000 square feet of leases were at a weighted average initial net rent of $35.65 per square foot, or 38.3% higher than the weighted average prior net rent per square foot on the same space, with a weighted average lease term of 5.5 years. In the Other markets region, we executed leases totalling 79,000 square feet at a weighted average initial net rent per square foot of $18.00, or 3.5% higher than the weighted average prior net rents on the same space, with a weighted average lease term of 4.8 years.

To date, the Trust has secured commitments for approximately 817,000 square feet, or 102%, of 2022 full-year natural lease expiries. In Toronto downtown, 42,000 square feet, or approximately 1.2% of the region's gross leaseable area, is currently being held intentionally vacant for retail repositioning and property improvement purposes of which the Trust has deals that are either conditional or in an advanced state of negotiation to fill 5,000 square feet of the vacant space.

We remain committed to investing in our well-located real estate portfolio in downtown Toronto to distinguish our assets and attract unique tenants. Despite supply chain and labour constraints in the construction industry, we have substantially completed the Bay Street revitalization redevelopment within the initial budget with one façade and final work on the alley revitalization remaining to be completed. As part of our strategy to enhance our tenants' experience at our buildings by providing premium retail options, we have completed leases with three high-end restaurants totalling 24,000 square feet in downtown Toronto, including a new location for Alo at Adelaide Place, which has been awarded a Michelin star at two of its other restaurants.

Since 2020, our successful redevelopment program has completed two other projects on time and on budget that have significantly increased the value of the assets and delivered significant incremental income to the Trust. 357 Bay Street in Toronto downtown was completed in Q4 2020 and in Q3 2022 contributed $3.1 million of annualized comparative properties NOI[(4)]. Co-operators Place in Regina, Saskatchewan, was completed in Q2 2021 and in Q3 2022 contributed $5.4 million of annualized comparative properties NOI[(4)]. We previously took 366 Bay Street in Toronto offline to fully revitalize the asset and during Q2 2022 a negotiated termination at 67 Richmond Street West in Toronto presented an opportunity to undertake a similar project at that property.

At 67 Richmond Street West and 366 Bay Street, the development projects comprise full modernizations of the properties, including technical systems, interior lighting and elevators, along with enhanced common areas and larger floorplates. The Trust is targeting certain building and project certifications as part of the development projects. A portion of the development

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costs for these buildings will satisfy the terms of the CIB Facility, allowing the Trust to access low-cost fixed-rate financing for the developments.

As at September 30, 2022, the Trust had $220.5 million of available liquidity(6), comprising $14.1 million of cash, undrawn revolving credit facilities totalling $97.7 million and $108.6 million of availability on our CIB Facility. The Trust also had $112 million of unencumbered assets(7) and a level of debt (net total debt-to-net total assets)(8) of 42.6%.

Rising input costs and interest rates, supply chain disruptions, uncertainty about future economic trends, the impact of geopolitical conflicts and residual effects of the COVID-19 pandemic have made it difficult for our current and prospective tenants to plan for the future. The full impact that these disruptions will have on the market for office space in the near term and the wider economy in general is unclear and difficult to predict. However, we believe that there will continue to be demand for high-quality and well-located office space in urban markets in Canada, especially in Toronto. The Trust has ample financial resources to absorb near-term operational challenges and a program to drive value in the business through capital improvements and redevelopments to deliver best-in-class boutique office space to our tenants.

CAPITAL HIGHLIGHTS

KEY FINANCIAL PERFORMANCE METRICS		As at
(unaudited)	**September 30, 2022**	December 31, 2021
Financing		
Weighted average face rate of interest on debt (period-end)(9)	**4.22%**	3.28%
Interest coverage ratio (times)(10)	**2.7**	3.0
Net total debt-to-normalized adjusted EBITDAFV ratio (years)(11)	**10.6**	9.8
Level of debt (net total debt-to-net total assets)(8)	**42.6%**	41.8%
Average term to maturity on debt (years)	**3.3**	3.6
Undrawn credit facilities, available liquidity and unencumbered assets		
Undrawn credit facilities (in millions)	**$ 206.4**	$ 192.4
Available liquidity (in millions)(6)	**220.5**	201.1
Unencumbered assets (in millions)(7)	**111.7**	178.3
Capital (period-end)		
Total number of REIT A and LP B units (in millions)(12)	**51.6**	53.3
Net asset value (“NAV”) per unit(13)	**$ 33.15**	$ 31.49

See footnotes at end.

- **NAV per unit(13):** As at September 30, 2022, our NAV per unit increased to $33.15 compared to $31.49 at December 31, 2021. The increase in NAV per unit relative to December 31, 2021 was primarily due to cash flow retention (FFO net of distributions), fair value gains on investment properties in Toronto downtown for four properties valued by qualified external valuation professionals in Q1 2022, incremental income from our investment in Dream Industrial REIT and the effect of accretive unit repurchases under our NCIB program during the period, partially offset by negative fair value adjustments to investment properties in Q2 and Q3 2022. As at September 30, 2022, equity per the condensed consolidated financial statements was $1.6 billion.
- **Investment property disposition:** On September 1, 2022, the Trust completed the sale of one investment property located in Saskatoon for total gross proceeds before adjustments and transaction costs of $14.0 million, in line with the carrying value for the building.
- **Mortgage refinancing**: On July 27, 2022, the Trust refinanced a $59.9 million mortgage secured by an investment property in Mississauga at maturity. The refinanced mortgage totals $64.9 million and bears variable interest at the bankers’ acceptance rate plus 1.55%. The Trust has entered into an interest rate swap to fix the interest rate on half the principal at a rate of 4.912%.

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- **Credit facility extensions**: As of today's date, the Trust has completed extensions for both of its revolving credit facilities, extending the maturity dates to 2025. As part of the extensions the Trust also negotiated sustainability-linked pricing adjustments tied to targets relating to GHG intensity and obtaining green building certifications.

"We are pleased to partner with our lenders on mutually beneficial and creative sustainability-linked revolving credit facilities that include incentive mechanisms for the achievements of targets relating to greenhouse gas emissions and green building certifications," said Jay Jiang, Chief Financial Officer of Dream Office REIT. "*In addition, subsequent to the quarter, we fixed the interest rate on $150 million of principal on the revolving credit facility at a rate of 5.37% for five years by way of an interest rate swap to reduce our exposure to variable rate debt from 32% to 21%."*

CONFERENCE CALL

Dream Office REIT holds semi-annual conference calls following the release of second and fourth quarter results.

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.sedar.com.

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 3.5 million square feet owned and managed. We have carefully curated an investment portfolio of high-quality assets in irreplaceable locations in one of the finest office markets in the world. For more information, please visit our website at www.dreamofficereit.ca.

FOOTNOTES

(1) Excludes joint ventures that are equity accounted at the end of each period.

(2) Excludes properties under development and 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 September 30, 2022 and September 30, 2021 to net income. For further information on this non-GAAP 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 September 30, 2022 and September 30, 2021 to net rental income. For further information on this non-GAAP 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 weighted average number of units. For further information on this non-GAAP ratio and 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. A description of the determination of the weighted average number of units can be found in the Trust's Management's Discussion and Analysis for the three and nine months ended September 30, 2022 in the section "Supplementary Financial Measures and Other Disclosures" under the heading "Weighted average number of units".

(6) Available liquidity is a non-GAAP financial measure. The most directly comparable financial measure to available liquidity is undrawn credit facilities. The tables included in the Appendices section of this press release reconcile available liquidity to undrawn credit facilities as at September 30, 2022 and December 31, 2021. 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.

(7) Unencumbered assets is a supplementary financial measure. For further information on this supplementary financial measure, please refer to the statements under the heading "Non-GAAP Financial Measures, Ratios and Supplementary Financial Measures" in this press release.

(8) 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 most directly comparable financial measure to net total debt is total debt and the most directly comparable financial measure to net total assets is total assets. The tables in the appendices section reconcile net total debt and net total assets to total debt and total assets, respectively, as at September 30, 2022 and December 31, 2021. 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.

(9) Weighted average face rate of interest on debt is calculated as the weighted average face rate of all interest-bearing debt balances excluding debt in joint ventures that are equity accounted.

(10) 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 and nine months ended September 30, 2022 and September 30, 2021 and for the year ended December 31, 2021 and trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense to adjusted EBITDAFV and interest expense, respectively, for the trailing 12-month period ended September 30, 2022. For further information on this non-GAAP ratio, please refer to the statements under the heading "Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures" in this

press release.

(11) Net total debt-to-normalized adjusted EBITDAFV ratio (years) is a non-GAAP ratio. Net total debt-to-normalized adjusted EBITDAFV comprises net total debt (a non-GAAP financial measure) divided by normalized adjusted EBITDAFV – annualized (a non-GAAP financial measure). Normalized adjusted EBITDAFV – annualized comprises adjusted EBITDAFV (a non-GAAP measure) adjusted for NOI from sold properties in the quarter. The most directly comparable financial measure to adjusted EBITDAFV is net income. For further information on this non-GAAP ratio and non-GAAP financial measures, please refer to the statements under the heading "Non-GAAP Financial Measures and Ratios and Supplementary Financial Measures" in this press release.

(12) Total number of REIT A and LP B units includes 5.2 million LP B Units which are classified as a liability under IFRS.

(13) NAV per unit is a non-GAAP ratio. NAV per unit is calculated as Total equity (including LP B Units) divided by the total number of REIT A and LP B units outstanding as at the end of the period. Total equity (including LP B Units) is a non-GAAP measure. The most directly comparable financial measure to total equity (including LP B Units) is equity. The tables included in the appendices section of this press release reconcile total equity (including LP B Units) to equity as at September 30, 2022 and December 31, 2021. For further information on this non-GAAP ratio and 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 International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-GAAP financial measures, including FFO, comparative properties NOI, available liquidity, adjusted EBITDAFV, trailing 12-month adjusted EBITDAFV and trailing 12-month interest expense on debt, net total debt, normalized adjusted EBITDAFV – annualized, and total equity (including LP B Units or 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 adjusted EBITDAFV and NAV per unit, as well as other measures discussed elsewhere in this release. These non-GAAP measures and ratios are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. The Trust has presented such non-GAAP 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 have been incorporated by reference from the management's discussion and analysis of the financial condition and results from operations of the Trust for the three and six months ended September 30, 2022, dated November 3, 2022 (the "MD&A for the third quarter of 2022") 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 adjusted EBITDAFV ratio (years)", "Interest coverage ratio (times)", "Available liquidity", and " NAV per Unit". The composition of supplementary financial measures included in this press release have been incorporated by reference from the MD&A for the third quarter of 2022 and can be found under the section "Supplementary financial measures and ratios and other disclosures". The MD&A for the third quarter of 2022 is available on SEDAR at www.sedar.com under the Trust's profile and on the Trust's website at www.dreamofficereit.ca under the Investors section. Non-GAAP 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 as indicators of the Trust's performance, liquidity, leverage, cash flow, and profitability. Reconciliations to the nearest comparable financial 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; our intention to continuously improve building quality to make our portfolio safer and more predictable while reducing risk and preserving long-term value; our ability to generate higher returns and value on a per unit basis; our ability to increase the desirability, occupancy and liquidity of our buildings; our plans to improve rental rates in the Toronto downtown region, and to reposition our assets in the Other markets region to improve occupancy and liquidity; expectations regarding occupancy commitments and related timelines; expectations and plans for repositioning certain properties, including properties held vacant for future occupancy; the effect of building improvements on tenant experience and building quality and performance; our expectations regarding future demand for office space in urban markets in Canada; our ability to achieve building and project certifications; our development, redevelopment and intensification plans and timelines, our commitment to invest in our downtown Toronto portfolio and retrofit our properties in the Bay Street corridor, and the effect of these plans on the value and quality of our portfolio; our future capital requirements and cost to complete development projects, including expectations that projects will remain on budget; our modernization and retrofit plans for certain properties; the expectation that development costs for certain projects will satisfy the terms of the Canada Infrastructure Bank credit facility, allowing access to low-cost fixed-rate

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financing for such 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 Canada Infrastructure Bank's credit facility; our asset management strategies, including in respect of capital allocation and investments, and prospective leasing activity and our overall financial performance, profitability 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", or "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; the uncertainties around the availability, timing and amount of future equity and debt financings; risks related to a potential recession in certain of the jurisdictions in which we operate and the effect inflation and any such recession 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; development risks including construction costs, the project timings and the availability of labour; NOI from development properties on completion; the impact of the COVID-19 pandemic on the Trust; the effect of government restrictions on leasing and building traffic; employment levels; the uncertainties around the timing and amount of future financings; leasing risks, including those associated with the ability to lease vacant space; 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 will remain relatively low, conditions within the real estate market remain consistent, our future projects and plans will proceed as anticipated, that government restrictions due to COVID-19 will continue to ease and will not be reimposed in any material respects that affect our or our tenants' ability to operate our businesses at our properties, 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 September 30, 2022	2021
Net income for the period	**$ 28,044**	$ 91,716
Add (deduct):		
Share of net income from investment in Dream Industrial REIT	**(9,567)**	(22,125)
Share of FFO from investment in Dream Industrial REIT	**5,914**	5,882
Depreciation and amortization	**2,831**	3,026
Costs attributable to sale of investment properties(1)	**325**	895
Interest expense on subsidiary redeemable units	**1,308**	1,308
Fair value adjustments to investment properties	**9,588**	(58,044)
Fair value adjustments to investment properties held in joint ventures	**33**	15
Fair value adjustments to financial instruments and DUIP included in G&A expenses	**(19,786)**	462
Internal leasing costs	**578**	462
Principal repayments on finance lease liabilities	**(13)**	(12)
Deferred income taxes expense (recovery)	**350**	(377)
Debt settlement costs due to disposals of investment properties, net	**304**	—
FFO for the period	**$ 19,909**	$ 23,208
Diluted weighted average number of units(2)	**53,243**	56,660
FFO per unit – diluted	**$ 0.37**	$ 0.41

(1) Includes both continuing and discontinued operations.

(2) Diluted weighted average number of units includes the weighted average of all REIT A Units, LP B Units, vested but unissued and unvested deferred trust units and associated income deferred trust units.

Comparative properties NOI

	Three months ended September 30, 2022	September 30, 2021	Change Amount	Change %	Change in weighted average occupancy %	Change in in-place net rents %
Toronto downtown	**$ 20,761**	$ 22,090	$ (1,329)	(6.0)	(5.1)	1.9
Other markets	**5,633**	5,404	229	4.2	1.9	(3.5)
Comparative properties NOI	**26,394**	27,494	(1,100)	(4.0)	(2.5)	(0.2)
Co-operators Place	**1,359**	1,326	33			
Properties under development	**453**	263	190			
Property management and other service fees	**408**	398	10			
Provisions net of government support	**(301)**	(216)	(85)			
Straight-line rent	**195**	31	164			
Amortization of lease incentives	**(2,674)**	(2,910)	236			
Lease termination fees and other	**579**	676	(97)			
Sold properties	**325**	265	60			
Net rental income	**$ 26,738**	$ 27,327	$ (589)	(2.2)		

dream office REIT

Adjusted EBITDAFV

	Three months ended		Nine months ended		Year ended
	September 30, 2022	September 30, 2021	**September 30, 2022**	September 30, 2021	December 31, 2021
Net income for the period	**$ 28,044**	$ 91,716	**$ 146,248**	$ 127,326	$ 154,207
Add (deduct):					
Interest – debt	**13,554**	10,796	**36,755**	32,446	43,372
Interest – subsidiary redeemable units	**1,308**	1,308	**3,925**	3,925	5,234
Current and deferred income taxes expense (recovery), net	**350**	(377)	**479**	(218)	(203)
Depreciation on property and equipment	**104**	216	**351**	685	897
Fair value adjustments to investment properties	**9,588**	(58,044)	**(3,971)**	(48,209)	(47,926)
Fair value adjustments to financial instruments	**(19,640)**	483	**(51,730)**	19,625	29,922
Share of net income from investment in Dream Industrial REIT	**(9,567)**	(22,125)	**(62,043)**	(64,570)	(90,645)
Distributions earned from Dream Industrial REIT	**4,655**	4,655	**13,966**	13,966	18,622
Share of net loss (income) from investment in joint ventures	**(102)**	68	**420**	315	340
Non-cash items included in investment properties revenue[1]	**2,479**	2,879	**7,857**	8,495	11,217
Provisions net of government support	**301**	216	**1,413**	(374)	482
Lease termination fees and other	**(579)**	(676)	**(852)**	(723)	(836)
Net losses on transactions and other items[2]	**1,207**	1,357	**2,239**	3,192	3,732
Adjusted EBITDAFV for the period	**$ 31,702**	$ 32,472	**$ 95,057**	$ 95,881	$ 128,415

(1) Includes adjustments for straight-line rent and amortization of lease incentives.
(2) Includes both continuing and discontinued operations.

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

	Trailing 12-month period ended September 30, 2022
Adjusted EBITDAFV for the nine months ended September 30, 2022	$ 95,057
Add: Adjusted EBITDAFV for the year ended December 31, 2021	128,415
Less: Adjusted EBITDAFV for the nine months ended September 30, 2021	(95,881)
Trailing 12-month Adjusted EBITDAFV	**$ 127,591**

	Trailing 12-month period ended September 30, 2022
Interest expense on debt for the nine months ended September 30, 2022	$ 36,755
Add: Interest expense on debt for the year ended December 31, 2021	43,372
Less: Interest expense on debt for the nine months ended September 30, 2021	(32,446)
Trailing 12-month interest expense on debt	**$ 47,681**

Interest coverage ratio (times)

	For the trailing 12-month period ended	
	September 30, 2022	December 31, 2021
Trailing 12-month Adjusted EBITDAFV	**$ 127,591**	$ 128,415
Trailing 12-month interest expense on debt	**$ 47,681**	$ 43,372
Interest coverage ratio (times)	**2.7**	3.0

dream office REIT

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

	Amounts included in condensed consolidated financial statements	
	September 30, 2022	December 31, 2021
Non-current debt	**$ 1,260,146**	$ 1,206,734
Current debt	**87,926**	76,539
Total debt	**1,348,072**	1,283,273
Less: Cash on hand	**(12,392)**	(5,556)
Net total debt	**$ 1,335,680**	$ 1,277,717
Total assets	**3,147,907**	3,065,560
Less: Cash on hand	**(12,392)**	(5,556)
Net total assets	**$ 3,135,515**	$ 3,060,004
Net total debt-to-net total assets	**42.6%**	41.8%

Available liquidity

	As at	
	September 30, 2022	December 31, 2021
Cash and cash equivalents	**$ 14,135**	$ 8,763
Availability on revolving credit facilities	**97,749**	192,355
Availability on CIB Facility	**108,643**	—
Available liquidity	**$ 220,527**	$ 201,118

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

	September 30, 2022	December 31, 2021
Non-current debt	**$ 1,260,146**	$ 1,206,734
Current debt	**87,926**	76,539
Total debt	**1,348,072**	1,283,273
Less: Cash on hand[1]	**(12,392)**	(5,556)
Net total debt	**$ 1,335,680**	$ 1,277,717
Adjusted EBITDAFV – quarterly	**31,702**	32,534
Less: NOI of disposed properties for the quarter	**(325)**	(4)
Normalized adjusted EBITDAFV – quarterly	**$ 31,377**	$ 32,530
Normalized adjusted EBITDAFV – annualized	**$ 125,508**	$ 130,120
Net total debt-to-normalized adjusted EBITDAFV ratio (years)	**10.6**	9.8

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

NAV per unit

						Unitholders' equity
		September 30, 2022				December 31, 2021
	Number of Units		**Amount**	Number of Units		Amount
Unitholders' equity	**46,351,066**	**$**	**1,845,928**	48,034,754	$	1,883,653
Deficit	**—**		**(227,635)**	—		(338,593)
Accumulated other comprehensive income	**—**		**6,311**	—		3,268
Equity per condensed consolidated financial statements	**46,351,066**		**1,624,604**	48,034,754		1,548,328
Add: LP B Units	**5,233,823**		**85,207**	5,233,823		128,909
Total equity (including LP B Units)	**51,584,889**	**$**	**1,709,811**	53,268,577	$	1,677,237
NAV per unit		**$**	**33.15**		$	31.49