



DREAM HARD ASSET ALTERNATIVES TRUST ANNOUNCES AGREEMENT TO SELL ITS INTEREST IN VILLARBOIT INVESTMENTS FOR \$70 MILLION

TORONTO, July 5, 2017, DREAM HARD ASSET ALTERNATIVES TRUST (DRA.UN-TSX) or (the “Trust” or “our”) today announced that it has entered into an agreement to sell its investment in its Villarboit retail income producing and development holding properties (“Villarboit investments”) for approximately \$70 million. The Villarboit investments consist of six non-recourse participating loans with initial terms of 10 years securing operational retail assets or retail assets under development and one 19.8% co-ownership interest in a retail plaza. The Trust’s security under the participating loans ranges from approximately 65% to 89% interests in the properties but does not have recourse to Villarboit directly. The Villarboit investments were part of the initial portfolio of the Trust at the time of inception and, as at March 31, 2017, the fair value was \$74.4 million. The transaction is subject to various closing conditions and, subject to satisfaction of these conditions, is expected to close in the third quarter of 2017.

If the transaction is completed in accordance with its terms, and assuming completion of the previously announced agreement to dispose of the Trust’s non-core income properties, as per the [press release](#) dated June 22, 2017, which agreement remains conditional on the due diligence review of the purchaser, the expected cumulative equity repatriated in 2017, before transaction costs and closing adjustments, for both closed and pending transactions, would be approximately \$200 million. The Trust has already identified or executed approximately \$125 million of reinvestment opportunities in 2017, including development investments in Toronto and Ottawa, Ontario, and renewable power. In aggregate, we believe these investment opportunities can deliver an average pre-tax target return on equity exceeding 15% for the Trust, well in excess of the yield generated from both the Villarboit investments and income property assets sold or expected to be sold.

“The sale of our interest in Villarboit, if completed, will enable us to recycle in excess of 10% of the assets of the Trust that have produced minimal returns since inception,” said Michael Cooper, Portfolio Manager of Dream Hard Asset Alternatives Trust. “These are the last of the underperforming assets we have intended to recycle. Even without this investment producing a meaningful return, we have been able to reposition the Trust so that it can cover its distributions cumulatively over the next four years. Having liquidated the underperforming assets that we inherited, we are now able to invest all of the capital to increase value and cash flow in the Trust. In 2017 we have already made significant commitments and have a robust pipeline of yield and development assets.”

About Dream Alternatives

Dream Alternatives provides an opportunity for unitholders to invest in hard asset alternative investments, including real estate, real estate lending, real estate development and infrastructure, including renewable power, managed by an experienced team with a successful track record in these areas. The objectives of the Trust are to provide predictable and sustainable cash distributions to unitholders on a tax efficient basis, and grow and reposition the portfolio to increase both AFAD and NAV per unit over time. For more information, please visit: www.dreamalternatives.ca

For further information, please contact:

DREAM ALTERNATIVES

Michael J. Cooper

Portfolio Manager

416 365-5145

mcooper@dream.ca

Pauline Alimchandani

Chief Financial Officer

416 365-5992

palimchandani@dream.ca

Kim Lefever

Investor Relations

416 365-6339

klefever@dream.ca

Forward Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements relating to the timing of our dispositions, the aggregate equity repatriated from dispositions, the expected use of proceeds from our dispositions, our future investment pipeline and plans, the expected return on equity of our future investments and developments, our future distribution level and our ability to cover future distributions, as well as our strategies and objectives in general. 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: general and local economic and business conditions including foreign exchange rates, employment levels, mortgage and interest rates and regulations, regulatory risks, environmental risks, consumer confidence, the financial condition of tenants and borrowers, local real estate conditions, adverse weather conditions and variability in wind conditions and solar irradiation, reliance on key clients, partners and personnel, the uncertainties of acquisitions, investments and new projects, inflation and competition. All forward looking information in this press release speaks as of the date of this press release. 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 our filings with securities regulators available on SEDAR (www.sedar.com). These filings are also available at the Trust's website at www.dreamalternatives.ca.