DREAM GLOBAL REAL ESTATE INVESTMENT TRUST

Annual Information Form

March 27, 2018

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GLOSSARY OF TERMS

When used in this annual information form, the following terms have the meanings set forth below unless expressly indicated otherwise:

"2017 MD&A" means the management's discussion and analysis of the REIT in respect of our 2017 financial year filed on SEDAR on February 21, 2018.

"5.5% Debentures" means the 5.5% convertible unsecured subordinated debentures of the REIT due July 31, 2018.

"2007 Act" means the Luxembourg act of 13 February 2007 on specialized investment funds, as amended.

"2010 Act" means the Luxembourg act of 17 December 2010 concerning undertakings for collective investment, as amended.

"2016 NCIB" has the meaning given to that term under "General Development of the Business – Normal Course Issuer Bid".

"Acquisition" has the meaning given to that term under "General".

"Acquisition Properties" means income-producing properties we acquired subsequent to August 3, 2011, the date of our initial public offering.

"Adjusted Unitholders' Equity" means, at any time, the aggregate of: (a) the amount of unitholders' equity; and (b) the amount of accumulated depreciation and amortization recorded on the books and records of the REIT, its subsidiaries and the Dundee FCPs in respect of their properties, in each case calculated in accordance with IFRS.

"Administrative Services Agreement" means the amended and restated administrative services agreement dated December 12, 2011 between the REIT and certain of its Subsidiaries and DOMC, as described under "Real Estate Management and Advisory Services – Administrative Services – Administrative Services Agreement".

"affiliate" has the meaning given to that term in NI 45-106.

"AIF" means this annual information form of the REIT.

"AIFMD" means the Alternative Investment Fund Managers Directive of the European Commission.

"annuitant" means any plan of which a holder of Units acts as a Trustee or a carrier.

"Asset Management Agreement" means the asset management agreement dated August 3, 2011 between, among others, the REIT and DAM, as described under "Real Estate Management and Advisory Services – Asset Management".

"Asset Manager" means DAM, acting in its capacity as the asset manager pursuant to the Asset Management Agreement.

"ATAD" has the meaning given to that term under "Certain Non-Canadian Income Tax Considerations – Certain Material Belgian Income and Withholding Tax Considerations".

"ATAP" has the meaning given to that term under "Risk Factors – Changes in International Tax Rules and/or a change in the status of Gibraltar vis a vis the EU may adversely affect our cash flows and financial condition".

"BEPS" has the meaning given to that term under "Risk Factors – Changes in International Tax Rules and/or a change in the status of Gibraltar vis a vis the EU may adversely affect our cash flows and financial condition".

"BNP Paribas Fortis" has the meaning given to that term under "Real Estate Portfolio".

"Board" or **"Board of Trustees"** means the board of Trustees of the REIT.

"Brexit" has the meaning given to that term under "Risk Factors".

"Business Day" means any day other than a Saturday or a Sunday on which Schedule I Canadian chartered banks are open for business in Toronto, Ontario.

"Caroline Fixtures" means Caroline Fixtures I GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) established under the laws of Germany.

"Caroline Holdings" means Caroline Holdings S.à r.l., a limited liability company (société à responsabilité limitée) established under the laws of Luxembourg.

"Caroline Portfolio" means a portfolio of approximately 1,200 properties of which the Initial Properties were a subset.

"**Caroline Properties**" means the real properties comprising the Caroline Portfolio other than the Initial Properties.

"Cayman Taxing Authority" has the meaning given to that term under "Certain Non-Canadian Income Tax Considerations – Certain Material Cayman Income and Withholding Tax Considerations".

"CBCA" means the *Canada Business Corporations Act*, as amended from time to time.

"CDS" means CDS Clearing and Depository Services Inc.

"CFA" has the meaning given to that term under "Risk Factors – Tax considerations relating to FAPI may affect our financial condition".

"CJEU" has the meaning given to that term under "Certain Non-Canadian Income Tax Considerations – Certain Material Belgian Income and Withholding Tax Considerations".

"CIT" has the meaning given to that term under "Certain Non-Canadian Income Tax Considerations – Certain Material German Income and Withholding Tax Considerations".

"Class A Managers" means the members of the board of managers of Lorac appointed by Caroline Holdings.

"Class B Managers" means the members of the board of managers of Lorac appointed by us.

"Client" has the meaning given to that term under "Real Estate Management and Advisory Services – Asset Management".

"Closing" means the closing of our initial public offering and the Acquisition on August 3, 2011.

"closing market price" has the meaning given to that term under "Declaration of Trust and Description of REIT Units – Unit Redemption Right".

"Code of Conduct" has the meaning given to that term under "Trustees and Executive Officers – Governance and Board of Trustees".

"CRA" means the Canada Revenue Agency.

"CSSF" means Commission de surveillance du secteur financier of Luxembourg.

"Custodian" has the meaning given to that term under "Real Estate Management and Advisory Services – Administrative Services – Services Performed by the Custodian".

"Custodian Agreement" has the meaning given to that term under "Real Estate Management and Advisory Services – Administrative Services – Services Performed by the Custodian".

"DAM" means Dream Asset Management Corporation, a corporation governed by the laws of the Province of British Columbia and a Subsidiary of Dream.

"Debentureholders" means holders of the 5.5% Debentures.

"Declaration of Trust" means the amended and restated declaration of trust of the REIT dated May 7, 2014, as amended or amended and restated from time to time, as described under "Declaration of Trust and Description of REIT Units".

"Deferred Trust Units" means deferred trust units issued pursuant to the Deferred Unit Incentive Plan.

"Deferred Unit Incentive Plan" means the deferred unit incentive plan of the REIT.

"Depository" means CDS or its successor.

"Deutsche Post" means Deutsche Post AG.

"Deutsche Post leases" means the lease agreements between DPI and Lorac in respect of the Initial Properties.

"Deutsche Postbank" or **"Postbank"** means Deutsche Postbank AG.

"Deutsche Rentenversicherung" has the meaning given to that term under "Real Estate Portfolio".

"Distribution Date" means date on which the Trustees have determined that a distribution will be made by the REIT to the Unitholders.

"Distribution Record Date" means, unless otherwise determined by our Trustees, the last Business Day of each month of each year, except for the month of December where the Distribution Record Date shall be December 31.

"DOMC" means Dream Office Management Corp., a corporation governed by the laws of the Province of Ontario and a wholly-owned Subsidiary of Dream Office REIT.

"DPI" means Deutsche Post Immobilien GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) established under the laws of Germany, a wholly-owned Subsidiary of Deutsche Post.

"Dream" means Dream Unlimited Corp., a corporation governed by the laws of the Province of Ontario.

"Dream Cayman LP" means Dream Global (Cayman) LP, a limited partnership established under the laws of the Cayman Islands, of which the REIT is the sole limited partner.

"Dream Cayman LP Agreement" means the limited partnership agreement governing Dream Cayman LP, as it may be amended and/or restated from time to time.

"Dream Germany Sub-Manager" means Dream Global Advisors Germany GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) established under the laws of Germany, and a wholly-owned Subsidiary of Dream Lux Manager.

"Dream Gibraltar" means Dream Global (Gibraltar) Limited, a corporation governed by the laws of the British Territory of Gibraltar, and a wholly-owned Subsidiary of Dream Global (Cayman) LP.

"Dream Global Lux Holdco" means Dream Global Luxembourg Holdings S.à r.l., a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg, and a wholly-owned Subsidiary of Dream Gibraltar.

"**Dream Global Netherlands**" means Dream Global Netherlands Holdings B.V., a private company with limited liability incorporated under Dutch law.

"**Dream Global REIT**" or the "**REIT**" or the "**Trust**" means Dream Global Real Estate Investment Trust, an unincorporated open-ended real estate investment trust formed on April 21, 2011 under the laws of the Province of Ontario.

"Dream Industrial REIT" means Dream Industrial Real Estate Investment Trust, an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario.

"Dream Lux Manager" means Dream Global Advisors Luxembourg S.à r.l., a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg, and a wholly-owned Subsidiary of Dream Global Lux Holdco.

"Dream Office REIT" means Dream Office Real Estate Investment Trust, an unincorporated open-ended real estate investment trust governed by the laws of the Province of Ontario.

"DRIP" means the distribution reinvestment plan of the REIT.

"DTV LP" means Dream Technology Ventures LP, a limited partnership formed under the laws of the Province of Ontario of which a wholly-owned Subsidiary of DAM is the sole general partner and DAM, Dream Office LP, Dream Global REIT, Dream Industrial LP and Dream Alternatives Master LP are the limited partners.

"Dundee FCPs" means, Lorac acting in its own name but for the account of, respectively, each of Dundee International (Luxembourg) Fund 1 FCP, Dundee International (Luxembourg) Fund 2 FCP, Dundee International (Luxembourg) Fund 3 FCP, Dundee International (Luxembourg) Fund 4 FCP, Dundee International (Luxembourg) Fund 5 FCP, Dundee International (Luxembourg) Fund 6 FCP, Dundee International (Luxembourg) Fund 7 FCP, Dundee International (Luxembourg) Fund 8 FCP, Dundee International (Luxembourg) Fund 9 FCP, Dundee International (Luxembourg) Fund 10 FCP, Dundee International (Luxembourg) Fund 11 FCP, Dundee International (Luxembourg) Fund 12 FCP, Dundee International (Luxembourg) Fund 13 FCP, Dundee International (Luxembourg) Fund 14 FCP and Dundee International (Luxembourg) Fund 15 FCP, each an FCP, the sole unitholder of which is a Dundee FCP Unitholder, and **"Dundee FCP"** means any one of the foregoing, unless the context requires the Dundee FCP to refer to the relevant Dundee FCP itself.

"Dundee FCP Unitholders" means, collectively, Dundee International (Luxembourg) Investments 1 S.à r.l., Dundee International (Luxembourg) Investments 2 S.à r.l., Dundee International (Luxembourg) Investments 3 S.à r.l., Dundee International (Luxembourg) Investments 4 S.à r.l., Dundee International (Luxembourg) Investments 5 S.à r.l., Dundee International (Luxembourg) Investments 6 S.à r.l., Dundee International (Luxembourg) Investments 7 S.à r.l., Dundee International (Luxembourg) Investments 8 S.à r.l., Dundee International (Luxembourg) Investments 9 S.à r.l., Dundee International (Luxembourg) Investments 10 S.à r.l., Dundee International (Luxembourg) Investments 11 S.à r.l., Dundee International (Luxembourg) Investments 12 S.à r.l., Dundee International (Luxembourg) Investments 13 S.à r.l., Dundee International (Luxembourg) Investments 14 S.à r.l. and Dundee International (Luxembourg) Investments 15 S.à r.l., each a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg, and wholly-owned Subsidiaries of Dream Global Lux Holdco, and **"Dundee FCP Unitholder"** means any one of the foregoing.

"Dundee Fixtures" means Dundee International (Germany) Fixtures GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) established under the laws of Germany, and a wholly-owned Subsidiary of Dream Global Lux Holdco.

"Dutch Properties" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"EBITDA" means earnings before interest, taxes, depreciation and amortization, as adjusted under the German tax law in respect of certain German tax matters.

"EEA" means European Economic Area.

"ERGO" has the meaning given to that term under "Real Estate Portfolio".

"EU" means the European Union.

"Exchange Agreement" means the exchange agreement dated August 5, 2011 between the REIT, Dream Global Lux Holdco and LSF.

"Exchangeable Notes" means Exchangeable Notes, Series A and Exchangeable Notes, Series B, together in the aggregate principal amount of €58.6 million.

"Exchangeable Notes, Series A" means notes of Dream Global Lux Holdco having the rights and attributes specified therein, including the right to exchange such notes for Units on the terms and subject to the conditions of the Exchange Agreement.

"Exchangeable Notes, Series B" means notes of Dream Global Lux Holdco having the rights and attributes specified therein, including the right to exchange such notes for Units on the terms and subject to the conditions of the Exchange Agreement.

"Excluded Properties" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Facility" has the meaning given to that term under "Indebtedness – Term Loan Credit Facility".

"FAPI" has the meaning given to that term under "Risk Factors – Tax considerations relating to FAPI may affect our financial condition".

"FCP" means a *fonds commun de placement*, an unincorporated contractual co-ownership arrangement governed under the laws of Luxembourg by its prospectus for private placement and its management regulations.

"FCP Units" means units of the Dundee FCPs.

"**FFO**" means net income in accordance with IFRS, excluding: (i) fair value adjustments on investment properties; (ii) gains (or losses) from sales of investment properties; (iii) amortization of lease incentives; (iv) fair value adjustments to financial instruments; (v) internal direct leasing costs; (vi) cash settlement on interest rate swaps; (vii) gain or loss on settlement of foreign currency contracts; and (viii) deferred income tax expense, after adjustments for equity accounted entities, joint ventures and non-controlling interests calculated to reflect FFO on the same basis as consolidated properties. FFO is a commonly used measure of performance of real estate operations; however, it is not defined by IFRS, does not have a standard meaning and may not be comparable with similar measures presented by other investment trusts. See our 2017 MD&A for a reconciliation of FFO to net income.

"Finco" means Utrecht Motta Ltd., a corporation governed by the laws of the Cayman Islands.

"Finco Shares" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Foundation" has the meaning given to that term under "Our Structure".

"Framework Agreement" means the Framework Agreement dated May 18, 2011 between DAM, the REIT, Dream Global Lux Holdco, Lorac, Sub-Fund I, Caroline Holdings, Caroline Fixtures and LSF, as amended, as described under "Agreements Relating to Our Acquisition of the Initial Properties – Framework Agreement".

"Freshfields" has the meaning given to that term under "Real Estate Portfolio".

"GAAP" or **"IFRS"** means International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the Canadian Professional Accountants of Canada in Part I of The Canadian Professional Accountants of Canada Handbook – Accounting, as amended from time to time.

"GAAR" has the meaning given to that term under "Certain Non-Canadian Income Tax Considerations – Certain Material Luxembourg Income and Withholding Tax Considerations – Dream Global Lux Holdco".

"GDR" means German Democratic Republic (*Deutsche Demokratische Republik*).

"German VAT" means value added tax pursuant to the German *Value Added Tax Act* (*Umsatzsteuergesetz* or *UStG)* as published on February 21, 2005, and as amended from time to time.

"GLA" means gross leasable area, but excludes gross leasable area resulting from parking space, where applicable.

"Google" has the meaning given to that term under "Real Estate Portfolio".

"GRI" means all income from a property less the amount of operating and other costs recovered from the tenants of such property pursuant to their respective leases.

"Hudson Advisors Germany" means Hudson Advisors Germany GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) established under the laws of Germany, the sub-asset manager of Hudson Advisors Lux.

"Hudson Advisors Lux" means Hudson Advisors Luxembourg S.à r.l., a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg, the asset manager of Sub-Fund I.

"Income Deferred Trust Units" has the meaning given to that term under "Real Estate Management and Advisory Services – Asset Management".

"Independent Trustees" has the meaning given to that term under "Trustees and Officers – Governance and Board of Trustees".

"Indemnified Claims" has the meaning given to that term under "Agreements Relating to Our Acquisition of the Initial Properties – Reallocation Agreement".

"Industrial Portfolio" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Industrial Property" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Initial Properties" means the income-producing properties we acquired on August 3, 2011.

"Initial Term" has the meaning given to that term under "Real Estate Management and Advisory Services – Asset Management".

"interest coverage ratio" means our net rental income plus interest and fee income, less general and administrative expenses, all divided by interest expense on total debt. The components used in the determination of interest coverage ratio include our share from investment in joint ventures. Management believes our interest coverage ratio is an important measure in determining our ability to cover interest expense based on our operating performance; however, it is not defined by IFRS, does not have a standard meaning and may not be comparable with similar measures presented by other real estate investment trusts. See our 2017 MD&A for a calculation of our interest coverage ratio for the years ended December 31, 2017 and December 31, 2016.

"Interest Payment Date" means July 31 and January 31 in each year.

"LBBW Immobilien" has the meaning given to that term under "Real Estate Portfolio".

"Landlord" means Lorac for the account of the Dundee FCPs.

"Liability Cap" has the meaning given to that term under "Agreements Relating to Our Acquisition of the Initial Properties – Reallocation Agreement".

"Licensed Technology" has the meaning given to it in "Real Estate Management and Advisory Services – Administrative Services – License Agreement with Dream Technology Ventures LP".

"Lorac" means Lorac Investment Management S.à.r.l., a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg, which, is owned, as to 50%, by Dream Global Lux Holdco and, as to 50%, by Caroline Holdings and which, according to the Dundee FCPs and its corporate purpose, is entitled to act in its own name as management company but for the account of Lorac Sub-Fund I Investment Fund and the Dundee FCPs respectively.

"Lorac Governance Rules" means the Lorac governance rules, as described in "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Shareholders' Agreement".

"Lorac Investment Fund" means Lorac acting in its own name but for the account of Lorac Investment Fund, an umbrella FCP structured as a SIF under article 71 of the 2007 Act unless the context requires to refer to Lorac Investment Fund itself.

"Lorac Share Purchase Agreement" means the share purchase agreement dated July 22, 2011 between Caroline Holdings and Dream Global Lux Holdco, as described in "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Share Purchase Agreement".

"Lorac Shareholders" means Dream Global Lux Holdco and Caroline Holdings as described under "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Shareholders' Agreement".

"Lorac Shareholders' Agreement" means the shareholders agreement dated July 22, 2011 between Dream Global Lux Holdco and Caroline Holdings, as described under "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Shareholders' Agreement".

"LP Units" means the units of Dream Cayman LP.

"LSF" means LSF REIT Holdings S.à.r.l., a limited liability company (*société à responsabilité limitée*) established under the laws of Luxembourg.

"LS Parties" means Lorac, Sub-Fund I, Caroline Holdings, Caroline Fixtures and LSF.

"Luxembourg" means the Grand Duchy of Luxembourg.

"**Luxembourg SPV**" means a special purpose vehicle established under the laws of Luxembourg that we may use to acquire or hold our properties.

"market price" has the meaning given to that term under "Declaration of Trust and Description of REIT Units – Unit Redemption Right".

"**Merin Entities**" means Merin Group Holding and Motta Holdco and their subsidiaries.

"**Merin Group Holding**" has the meaning given to that term under "Our Structure".

"Merin Loans" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Merin Transaction" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Merin Vendors" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"Mixed Portfolio" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"**Motta Holdco**" has the meaning given to that term under "Our Structure".

"**net operating income**" means total investment property revenue less investment property operating expenses, including the share of net rental income from investment in joint ventures. Net operating income is an important measure of performance used by real estate operating companies; however, it is not defined by IFRS, does not have a standard meaning and may not be comparable with similar measures presented by other investment trusts. See our 2017 MD&A for a reconciliation of net operating income to net rental income.

"New Facility" has the meaning given to the term under "Indebtedness – Term Loan Credit Facility".

"New Licence Agreement" has the meaning given to it in "Real Estate Management and Advisory Services – Administrative Services – License Agreement with Dream Technology Ventures LP".

"New Luxembourg SPV" means a single purpose vehicle established by Dream Global Lux Holdco under the laws of Luxembourg.

"NI 45-106" means National Instrument 45-106 – *Prospectus Exemptions*.

"NI 52-109" means National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.

"NI 52-110" means National Instrument 52-110 – *Audit Committees*.

"NI 58-101" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

"Non-Competition Agreement" means the non-competition agreement dated August 3, 2011 between DAM and the REIT, as described under "Real Estate Management and Advisory Services – Non-Competition Agreement".

"Notes" means the promissory notes, bonds, debentures, debt securities or similar evidences of indebtedness issued by an individual, body corporate, partnership, limited partnership, joint venture, trust or unincorporated organization, the Crown or any agency or instrumentality thereof, or any other entity recognized by law, including, without limitation, Dream Cayman LP.

"OBCA" means the *Business Corporations Act* (Ontario), as amended from time to time.

"Offered Investment" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Offeror" means any person making a take-over bid for REIT Units.

"Office Portfolio" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Office Property" has the meaning given to that term under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Opportunities Agreement" means the opportunities agreement dated October 4, 2012 between DAM, Dream Office REIT, the REIT and Dream Industrial REIT, as described under "Real Estate Management and Advisory Services – Opportunities Agreement".

"Owned Share" refers to a non-IFRS financial measure representing Dream Global REIT's proportionate share of the financial position and results of operations of its entire portfolio, including equity-accounted investments under the assumption that all investments in joint ventures have been proportionately consolidated. Owned Share is an important measure of performance used by management; however, it is not defined by IFRS, does not have a standard meaning and may not be comparable with similar measures presented by other investment trusts. See our 2017 MD&A for a reconciliation of the REIT's results of operations and statement of financial position.

"Person" includes an individual, body corporate, partnership, limited partnership, joint venture, trust or unincorporated organization, the Crown or any agency or instrumentality thereof, or any other entity recognized by law.

"Plans" means collectively, trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, tax-free savings accounts and registered education savings plans under the Tax Act.

"POBA" means Public Official Benefits Association, a South Korean pension fund.

"Property Management Agreement" means the property and facility management agreement between the Dundee FCPs and Tectareal, as described under "Real Estate Management and Advisory Services – Property Management".

"Reallocation Agreement" means the reallocation agreement dated July 22, 2011, as amended, between Lorac, Sub-Fund I and the Dundee FCPs, as described under "Agreements Relating to Our Acquisition of the Initial Properties - Reallocation Agreement".

"Reallocation Consideration" means €736 million, subject to adjustments as set out in the Reallocation Agreement.

"Redemption Date" has the meaning given to that term under "Declaration of Trust and Description of REIT Units – Unit Redemption Right".

"Redemption Price" has the meaning given to that term under "Declaration of Trust and Description of REIT Units – Unit Redemption Right".

"REIT Exception" means the exception under the SIFT Rules applicable to certain real estate investment trusts that satisfy certain specified conditions relating to the nature of their income and investments.

"REIT Units" means, collectively, Units and Special Trust Units.

"Related Party" means, with respect to any person, a person who is a "related party", as that term is defined in MI 61-101, as such rule may be amended from time to time (and including any successor rule or policy thereto).

"Renewal Terms" has the meaning given to that term under "Real Estate Management and Advisory Services – Asset Management".

"Rivergate" has the meaning given to that term under "General Development of the Business – Acquisitions and Dispositions – *Acquisition Highlights*".

"RETT" means German real estate transfer tax (*Grunderwerbsteuer*).

"SEDAR" means the System for Electronic Documents Analysis and Retrieval.

"Senior Notes" has the meaning given to that term under "General Development of the Business – Senior Notes".

"Shareholder Loans" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Siemens" has the meaning given to that term under "Real Estate Portfolio".

"SIF" means a specialised investment fund (*Fonds d'investissement spécialisé*) under the 2007 Act.

"SIFT" means a specified investment flow-through trust or partnership for the purpose of the Tax Act.

"SIFT Rules" means the provisions of the Tax Act that apply to a SIFT, taking into account all proposed amendments to such rules.

"Special Trust Units" means units of interest in the REIT (other than Units) authorized and issued under the Declaration of Trust to a holder of securities which are exchangeable for Units, including the Exchangeable Notes.

"Subsidiary" has the meaning given to that term in NI 45-106.

"Subsidiary Securities" means the Notes or other securities of Dream Cayman LP or such other notes or securities of a Subsidiary of Dream Cayman LP as the Trustees may determine from time to time.

"Sub-Fund I" means Lorac, acting as management company in its own name but for the account of Sub-Fund I, a sub-fund of Lorac Investment Fund, an umbrella FCP structured as a SIF under article 71 of the 2007 Act unless the context is clear that Sub-Fund I refers to Sub-Fund I itself.

"Tax Act" means the *Income Tax Act* (Canada), as amended from time to time, and the *Income Tax Regulations* (Canada), as amended from time to time, as applicable.

"Tax Amendments" has the meaning given to that term under "Recent Developments – Change in German Tax Law".

"Tectareal" means Tectareal Property Management GmbH.

"Term" has the meaning given to that term under "Real Estate Management and Advisory Services – Asset Management".

"Transaction Agreement" has the meaning given to that term under "General Development of the Business – Completion of the Transaction for the Dutch Properties".

"Trust Indenture" means the trust indenture dated at August 3, 2011 between the REIT and the debenture trustee.

"Trustees" means the trustees of the REIT from time to time.

"Trust Liability" has the meaning given to that term under "Risk Factors – Unitholder liability may arise".

"TSX" means the Toronto Stock Exchange.

"Unit" means a unit representing an interest in the REIT (other than Special Trust Units) authorized and issued under the Declaration of Trust.

"Unitholders" means holders of Units, but "**unitholders**", when used in lower case type, refers to all holders of REIT Units, except where the context is clear that unitholders in lower case type refers to holders of units in a Dundee FCP or Sub-Fund I.

"United States" means the United States of America.

"Viva Dream" has the meaning given to that term under "Real Estate Management and Advisory Services – Overview".

"Vivanium" has the meaning given to that term under "Description of the Business – Strategy".

GENERAL

We provide investors with the opportunity to gain exposure to commercial real estate exclusively outside of Canada. As at December 31, 2017, our portfolio consisted of approximately 20.1 million square feet of GLA of office, industrial and mixed use properties across Germany, the Netherlands, Austria and Belgium.

The REIT is an unincorporated, open-ended real estate investment trust governed by the laws of Ontario. The REIT is a "mutual fund trust" as defined in the Tax Act, but is not a "mutual fund" within the meaning of applicable Canadian securities legislation. Our head office is located at 30 Adelaide Street East, Suite 301, Toronto, Ontario, M5C 3H1.

We are exempt from the SIFT Rules as long as we comply at all times with our investment guidelines which, among other things, only permit us to invest in properties or assets located outside of Canada. We do not rely on the REIT Exception under the Tax Act in order to be exempt from the SIFT Rules. As a result, we are not subject to the same restrictions on our activities as those which apply to Canadian real estate investment trusts that do rely on the REIT Exception. This gives us flexibility in terms of the nature and scope of our investments and other activities. Because we do not own taxable Canadian property (as defined in the Tax Act), we are not subject to restrictions on the ownership of our units by non-Canadian investors.

The REIT's investment and operating activities are limited, because our operating activities are carried out by our Subsidiaries and the Dundee FCPs. The Dundee FCPs are holding vehicles for the Initial Properties we acquired in connection with our initial public offering. See "Our Structure".

For simplicity, we use terms in this AIF to refer to our investments and operations as a whole. Accordingly, in this AIF, unless the context otherwise requires, when we use terms such as "we", "us" and "our", we are referring to the REIT and its Subsidiaries, the Dundee FCPs and the Merin Entities. When we use expressions such as "our investments", "our assets", "our properties" or "our operations", we are referring to the investments, assets, portfolio and operations of the REIT, its Subsidiaries, the Dundee FCPs and the Merin Entities as a whole. When we use expressions such as "our properties", "our portfolio", "we own" or "we invest in" in relation to our properties, we are referring to (i) our ownership of and investment in our properties indirectly through our Subsidiaries and, in relation to the Initial Properties, through the Dundee FCPs holding ownership interests in the Initial Properties as described in the following paragraph, and (ii) our indirect investment in the Dutch Properties, through the Merin Loans and the Shareholder Loans as described under "General Development of the Business - Completion of the Transaction for the Dutch Properties". When we use expressions such as "we operate", we are referring to our operations through our Subsidiaries, through the Dundee FCPs and through the Merin Entities. When we refer to the "REIT", we are referring only to Dream Global Real Estate Investment Trust. When we refer to "our initial public offering", we are referring to the initial public offering of the REIT which was completed on August 3, 2011.

We hold the Initial Properties through a limited liability company called Lorac Investment Management S.à r.l., which we refer to as "Lorac". We own 50% of the voting and equity shares of Lorac. The other 50% of Lorac is held by Caroline Holdings, which is affiliated with the private equity firm with whom we dealt on our acquisition of the Initial Properties. The Initial Properties were part of a larger portfolio of properties owned by Lorac, acting on behalf of one of the funds managed by the private equity firm, which we refer to as "Sub-Fund I". Lorac, acting on behalf of Sub Fund I, continues to own other properties that we did not acquire in connection with our initial public offering.

Legal title to the Initial Properties is registered in the name of Lorac in the German land registers. Lorac holds such legal title, acting as management company in its own name but for the account of the respective Dundee FCPs. When we refer to "our acquisition" of the Initial Properties or that we "acquired" the Initial Properties, we are referring to: (i) the reallocation of all of the rights, claims and other interests and all risks and obligations of Sub-Fund I in the Initial Properties to the Dundee FCPs;

(ii) our acquisition of the fixtures pertaining to the Initial Properties; and (iii) our acquisition of 50% of the voting and equity shares of Lorac (collectively, the "**Acquisition**"), as described in this AIF.

When we refer to Deutsche Post as being the lessee or the tenant of the Initial Properties, we are referring to DPI, which is a wholly-owned Subsidiary of Deutsche Post. See "Real Estate Portfolio".

This AIF may contain information about the German, Dutch, Belgian and Austrian economies or markets obtained from publicly-available sources. In addition, certain disclosure in this AIF includes information regarding key tenants that has been obtained from publicly available information. We have not independently verified any of such information.

All information in this AIF set out with respect to occupancy rates, expiry dates, average contract rent and premium of market rent over contract rent of our properties does not give effect to the rent supplement described in this AIF. Where we refer to the term "market rent", we have estimated market rent through reference to recent leasing activity in the market, leasing interest in our properties and publicly available market research.

In this AIF, references to "$", "dollars" or "Canadian dollars" are to Canadian dollars and references to "€" or "Euros" are to Euros. Amounts are stated in Canadian dollars unless otherwise indicated. In this AIF, references to the purchase price for the Merin Transaction and other amounts presented in Euros with a Canadian dollar equivalent amount have been converted into the Canadian dollar equivalent amount using an exchange rate of $1.4621 per Euro as of July 14, 2017, unless otherwise indicated.

Unless otherwise specified, all information in this AIF is presented as at December 31, 2017.

FORWARD-LOOKING INFORMATION

Certain information in this AIF may constitute "forward-looking information" within the meaning of applicable securities legislation. Some of the specific forward-looking statements included in this AIF includes, among other matters, the pending sale of the Excluded Properties in the near term. The forward-looking information in this AIF is presented for the purpose of providing disclosure of the current expectations of our future events or results, having regard to current plans, objectives and proposals, and such information may not be appropriate for other purposes. Forward-looking information may also include information regarding our respective future plans or objectives and other information that is not comprised of historical fact. Forward-looking information is predictive in nature and depends upon or refers to future events or conditions; as such, this AIF uses words such as "may", "would", "could", "should", "will" "likely", "expect", "anticipate", "believe", "intend", "plan", "forecast", "project", "estimate" and similar expressions suggesting future outcomes or events to identify forward-looking information.

Any such forward-looking information is based on information currently available to us, and is based on assumptions and analyses made by us in light of our respective experiences and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances, including but not limited to: that no unforeseen changes in the legislative and operating framework for our business will occur, including unforeseen changes to tax laws or governmental regulations in Canada, Germany, the Netherlands, Austria or Belgium; that we will meet our future objectives and priorities; that we will have access to adequate capital to fund our future projects and plans; that our future projects and plans will proceed as anticipated; and that future market and economic conditions will occur as expected.

However, whether actual results and developments will conform with the expectations and predictions contained in the forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, and the effects of which can be difficult to predict. Factors that could cause actual results or events to differ materially from those described in the forward-looking information include, but are not limited to: adverse changes in general economic and market conditions in Canada, Germany, Austria, Belgium or the Netherlands; our inability to raise additional capital; our inability to execute strategic plans and meet financial obligations; risks associated with our anticipated real estate operations and investment holdings in general, including environmental risks, market risks, and risks

associated with inflation, changes in interest rates and other financial exposures. For a further description of these and other factors that could cause actual results to differ materially from the forward-looking information contained, or incorporated by reference, in this AIF, see the risk factors discussed under "Risk Factors" in this AIF.

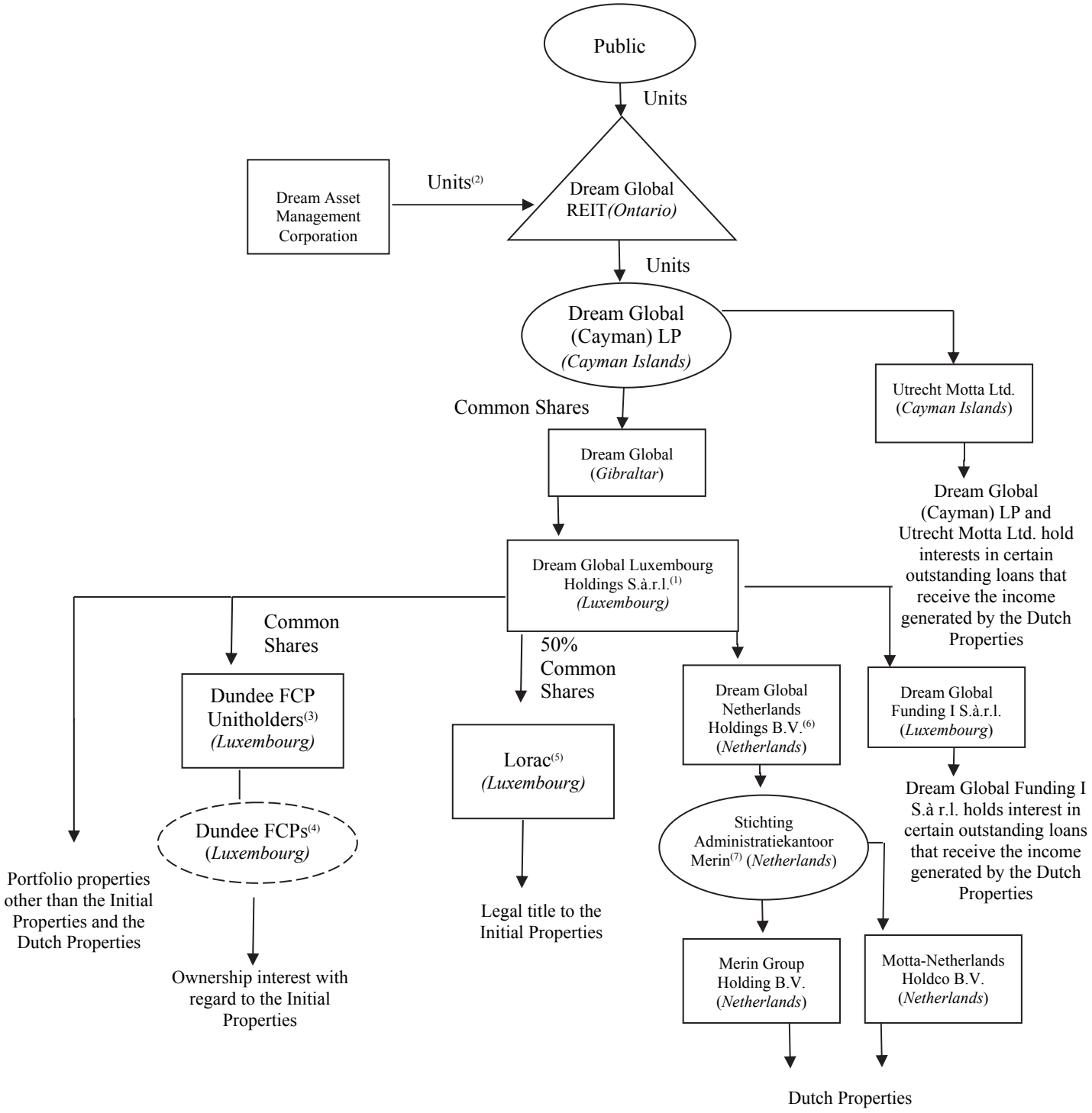
In evaluating any forward-looking information contained, or incorporated by reference, in this AIF, we caution readers not to place undue reliance on any such forward-looking information. Any forward-looking information speaks only as of the date on which it was made. Unless otherwise required by applicable securities laws, we do not intend, nor do we undertake any obligation, to update or revise any forward-looking information contained, or incorporated by reference, in this AIF to reflect subsequent information, events, results, circumstances or otherwise.

NON-GAAP MEASURES

The REIT's consolidated financial statements are prepared in accordance with IFRS. In this AIF, the REIT discloses and discusses certain non-IFRS financial measures including net operating income and interest coverage ratios, as well as other measures discussed elsewhere in this AIF. These non-IFRS measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other issuers. The REIT has presented such non-IFRS measures as management believes they are relevant measures of our underlying operating performance and debt management. Non-IFRS measures should not be considered as alternatives to net income, total comprehensive income, cash flows generated from operating activities or comparable metrics determined in accordance with IFRS as indicators of the REIT's performance, liquidity, cash flow and profitability. See the Glossary of Terms for the definitions of net operating income and interest coverage ratio. For a full description of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS please refer to the "Non-GAAP Measures and Other Disclosures" section in our 2017 MD&A.

OUR STRUCTURE

The following chart is a simplified illustration of our organizational structure as at December 31, 2017.



Notes:

(1) Except as noted, ownership interests below the REIT are 100%. Dream Global Lux Holdco holds its interests in the Portfolio properties indirectly.

(2) DAM holds 3,031,593 Units representing 1.7% of our outstanding Units. DAM is our asset manager and is a subsidiary of Dream. Michael Cooper, a Trustee and the Vice Chair of the REIT, is also the President and Chief Responsible Officer of Dream and DAM. Mr. Cooper holds an approximately 80% voting interest in Dream.

(3) There are 15 separate Dundee FCP Unitholders.

(4) There are 15 separate Dundee FCPs.

(5) Lorac also acts as the management company of the Dundee FCPs. The remaining 50% of the common shares of Lorac are held by Caroline Holdings.

(6) Holds 1% of the shares of Merin Group Holding B.V. ("**Merin Group Holding**") and Motta-Netherlands Holdco B.V. ("**Motta Holdco**"), the holding companies for the Dutch properties portfolio.

(7) Dream Global Netherlands Holdings B.V. has the right to appoint the board of a Dutch legal entity without share capital, Stichting Administratiekantoor Merin (the "**Foundation**"). The Foundation has ownership of the shares of the companies that own 98.978% of Merin Group Holding and 99% of Motta Holdco. Dream Global REIT indirectly owns 1% of the shares of Merin Group Holding through Dream Global Netherlands Holdings B.V., with the remaining 0.022% of the shares held by other third party shareholders. Dream Global REIT also indirectly owns the remaining 1% of the shares of Motta Holdco through Dream Global Netherlands Holdings B.V.

Our principal Subsidiary entities are described below:

Dream Cayman LP

Dream Cayman LP is our principal Subsidiary. It is an exempt limited partnership formed under the laws of the Cayman Islands. Dream Cayman LP is authorized to issue an unlimited number of LP Units. The general partner of Dream Cayman LP, a corporation governed by the laws of the Cayman Islands, is a wholly-owned Subsidiary of the REIT. Subject to the provisions of the Dream Cayman LP Agreement, the general partner of Dream Cayman LP has all necessary powers to manage, control and operate the activities and affairs of Dream Cayman LP and to do or cause to be done any and all acts necessary, appropriate, convenient or incidental thereto. Dream Cayman LP may be dissolved or terminated only with the unanimous written consent of the general partner and the REIT. Dream Cayman LP holds certain of the Merin Loans. Through our indirect ownership of the Shareholder Loans and the Merin Loans, we receive all of the income generated by the Dutch Properties.

Dream Global Lux Holdco

Dream Global Lux Holdco is a limited liability company established under the laws of Luxembourg. It is the primary holding company for our real estate investments in Europe. Subject to the provisions of its constating documents, the managers of Dream Global Lux Holdco have all necessary powers to manage, control and operate the activities of Dream Global Lux Holdco.

The Dundee FCPs

Our indirect interest in the Initial Properties is held through the Dundee FCPs. We do not use the Dundee FCPs or Lorac as acquisition vehicles or holding entities for our interests in portfolio properties other than the Initial Properties.

FCPs (*fonds commun de placement*) are undertakings for collective investment organized as mutual investment funds under the provisions of the 2010 Act. FCPs do not have a legal personality. FCPs in Luxembourg are not subject to any taxes other than a tax of 0.05% per annum of their net asset value (*taxe d'abonnement*). There is generally no withholding tax on distributions made by FCPs to their unitholders.

Under the contractual arrangement, FCPs are represented and managed by a management company, acting in its own name but for the account of the relevant FCP, that is required to always act in the exclusive interests of the FCP's unitholders pursuant to the FCP's prospectus for private placement and its management regulations.

FCPs are required to maintain a minimum net asset value of at least €1.25 million and are subject to the approval and ongoing supervision of the CSSF. FCPs are also required to designate a custodian bank, which must be a bank located in Luxembourg, or a Luxembourg branch of a bank with its registered office in another EEA member state, to safekeep the assets or securities of the FCPs. In addition, the management company may appoint a Luxembourg-based central administration agent to calculate the net asset value of the FCP, to maintain FCP's accounts, effect subscriptions, redemptions, deposits and withdrawals and manage other FCP transactions.

The Dundee FCPs were established with an initial term of 10 years, subject to renewal. Lorac acts as management company of the Dundee FCPs. Each of the Dundee FCP Unitholders holds all of the FCP Units of one of the Dundee FCPs.

In accordance with the restrictions contained in each Dundee FCP's prospectus for private placement, the Dundee FCPs will not acquire any real estate properties other than the Initial Properties unless such acquisition is of a real estate property that is related to an existing Initial Property. Furthermore, the Dundee FCPs cannot engage in any business or trade activity, such as construction and development of a real estate property, unless such construction or development is a repositioning of the Initial Properties.

Dream Global Netherlands Holdings B.V.

Dream Global Netherlands Holdings B.V. ("**Dream Global Netherlands**") is a private company with limited liability incorporated under Dutch law. Dream Global Netherlands has the right to appoint the board of a Dutch legal entity without share capital, the Foundation. The Foundation has ownership of the shares of the companies that own 98.978% of Merin Group Holding and 99% of Motta Holdco, the holding companies for the Dutch Properties portfolio. Dream Global REIT, indirectly through Dream Global Netherlands, owns 1% of the shares of Merin Group Holding, with the remaining 0.022% of the shares held by other third party shareholders. Dream Global REIT also indirectly owns the remaining 1% of the shares of Motta Holdco through Dream Global Netherlands.

Utrecht Motta Ltd.

Utrecht Motta Ltd. ("**Finco**") is a corporation governed by the laws of the Cayman Islands. Finco holds the interests of the Merin Vendors in outstanding Shareholder Loans extended to certain of the Merin Entities. Through our indirect ownership of the Shareholder Loans and the Merin Loans, we receive all of the income generated by the Dutch Properties.

Dream Global Funding I S.à r.l.

Dream Global Funding I S.à r.l. is a limited liability company established under the laws of Luxembourg. Subject to the provisions of its constating documents, the managers of Dream Global Funding I S.à r.l. have all necessary powers to manage, control and operate the activities of Dream Global Funding I S.à r.l. Dream Global Funding I S.à r.l. is the issuer of the Senior Notes. The net proceeds of the offering of the Senior Notes were used to make certain of the Merin Loans. Through our indirect ownership of the Shareholder Loans and the Merin Loans, we receive all of the income generated by the Dutch Properties.

GENERAL DEVELOPMENT OF THE BUSINESS

Completion of the Transaction for the Dutch Properties

On July 17, 2017, we entered into a binding sale and purchase agreement (the "**Transaction Agreement**") relating to a portfolio of 135 office and light industrial properties located in the Netherlands (the "**Dutch Properties**"), expanding our geographic presence in Europe and establishing a sizeable new real estate platform for us with an experienced management team (the "**Merin Transaction**"). The total purchase price for the Merin Transaction was approximately €600.0 million ($876.1 million). The vendors for the Merin Transaction were TPG Real Estate, TPG Sixth Street Partners and Patron Capital Partners (the "**Merin Vendors**").

The Dutch Properties comprised 135 properties which are complementary to our existing portfolio and are well-diversified by asset type, geography and size and had a total property gross asset value of approximately €640.9 million ($963.3) million, which excludes capital leases. The Dutch Properties portfolio consisted of 101 office properties, comprising approximately 4.8 million square feet of GLA and 34 industrial properties comprising approximately 2.9 million square feet of GLA.

The purchase price for the Merin Transaction and related transaction costs were satisfied through a combination of cash and Units. The cash portion of the purchase price was funded by the net proceeds of a $300 million public offering of Units and €375 million ($548.3 million) in committed debt financing through an inaugural offering of senior unsecured notes in Europe by our finance subsidiary, Dream Global Funding I S.à r.l. We also satisfied €60 million ($81.6 million) of the purchase price through the issuance of 7,935,395 Units to the Merin Vendors, on a private placement basis, at an agreed upon value of $10.28 per Unit. The purchase price will be subject to a post-closing adjustment for working capital and certain other items. The Merin Transaction was completed on July 27, 2017.

Under applicable Canadian securities laws, the Merin Transaction was considered a "significant acquisition". We filed a business acquisition report in respect of the Merin Transaction.

The net proceeds of the European debt offering, together with a portion of the net proceeds of the public offering of Units, were used to make loans (the "**Merin Loans**") to certain entities held by Merin Group Holding in order for those entities to repay third party indebtedness outstanding with respect to the Dutch Properties and certain costs associated with such repayment. The balance of the purchase price was the consideration for our purchase of the shares (the "**Finco Shares**") of Finco, which now holds the interests of the Merin Vendors through outstanding loans (the "**Shareholder Loans**") extended to certain of the Merin Entities. Through our indirect ownership of the Shareholder Loans and the Merin Loans, we will receive all of the income generated by the Dutch Properties.

We also indirectly acquired 1% of the shares of Merin Group Holding and 1% of the shares of Motta Holdco, which are the holding companies for the Merin portfolio and the Motta portfolio, respectively. The consideration for our acquisition of 1% of the shares of Merin Group Holding was satisfied by us with the issuance of a promissory note in favour of one of the Merin Vendors. The consideration for our acquisition of 1% of the shares of Motta Holdco was nominal. The balance of the shares of Merin Group Holding and Motta Holdco were transferred to a Dutch legal entity without share capital, Stichting Administratiekantoor Merin (the "**Foundation**"). We have the right to appoint the board of the Foundation, as further described below.

The Foundation acquired the legal ownership of the shares in the Merin Vendors' newly-incorporated companies that owned 98.978% of Merin Group Holding and 99% of Motta Holdco. As referred to above, we indirectly own 1% of the shares of Merin Group Holding, with the remaining 0.022% of the shares held by other third party shareholders. We also indirectly own the remaining 1% of the shares of Motta Holdco.

The properties in the Merin portfolio that we chose not to acquire (the "**Excluded Properties**") were transferred to Merin Group Holding. We will manage the Excluded Properties under the direction of and for the benefit of the Merin Vendors pending their sale, which is expected to occur in the near term.

Depositary receipts representing the economic interest in the shares acquired by the Foundation were issued to the Merin Vendors. Through ownership of the depositary receipts, the Merin Vendors receive all of the income generated by the Excluded Properties, including on their sale. The Merin Vendors have no voting or other governance rights with respect to the Foundation, except for certain rights relating to the preservation of the economic value of the depositary receipts (which is not expected to exceed the value of the Excluded Properties). We have the right to appoint the board of the Foundation, which has the power to administer the Foundation and determine its activities.

The Foundation, at the direction of its board, is free to sell or cause the sale of Motta Holdco, a direct subsidiary of Merin Group Holding, or any of its indirectly held subsidiaries or properties in the Dutch Properties portfolio without any consent or approval rights of the depositary receipt holders.

Acquisitions and Dispositions

Acquisition Highlights

In addition to the Merin Transaction, the table below highlights acquisitions completed from January 1, 2015 to December 31, 2017. Additional details on certain of our key acquisitions are set out below the table.

Office property	Acquired GLA (sq. ft.)	Occupancy at acquisition (%)	Purchase price[(1)] ($000's)	Date acquired
Millerntorplatz 1, Hamburg	374,756	88	133,351	February 6, 2015
Anger Entrée, Krämpferstrasse 2,4,6, Erfurt	131,115	96	27,481	September 4, 2015
Zimmer 56, Berlin	169,219	99	64,678	October 27, 2015
Rivergate, Vienna, Austria[(2)]	286,976	91	142,676	December 17, 2015
Friedrichstrasse 45, 47 (Europa-Center), Essen	147,186	96	41,474	February 3, 2016
Werner-Eckert-Str. 14, 16, 18, Munich	71,462	96	23,170	February 29, 2016
Siemens Office Campus, Nuremberg	579,851	100	73,093	October 31, 2016
Europa-Center, Bremen	358,911	86	77,754	December 21, 2016
Airport Plaza, Brussels, Belgium	387,479	97	143,161	May 15, 2017
Siemens Land, Nuremburg, Germany	n/a	n/a	10,104	June 15, 2017
Bollwerk, Stuttgart, Germany	306,211	100	133,751	July 17, 2017
Markgrafenstrasse 22, Berlin, Germany	55,521	100	31,609	December 29, 2017
Total	**2,868,687**		**902,302**	

Notes:
(1) Excludes transaction costs.
(2) Represents the REIT's 50% interest in Rivergate.

On December 29, 2017, we completed the acquisition of Markgrafenstrasse 22 in Berlin, Germany for $31.6 million (excluding transaction costs). The property comprises approximately 55,500 square feet of GLA and as of December 31, 2017, was 100% occupied and had a remaining average lease term of 4.4 years.

On July 17, 2017, we completed the acquisition of Bollwerk in Stuttgart, Germany for $133.8 million (excluding transaction costs). The property comprises approximately 306,000 square feet of GLA and as of December 31, 2017, was 100% occupied and had a remaining average lease term of 4.4 years.

On May 15, 2017, we completed the acquisition of Airport Plaza in Brussels, Belgium for $143.2 million (excluding transaction costs). The property comprises approximately 387,000 square feet of GLA and as of December 31, 2017, was 96.2% occupied and had a remaining average lease term of 7.8 years.

On June 15, 2017, we exercised an option to acquire an 11.2-acre land parcel adjacent to its Siemens Office Complex in Nuremberg for approximately $10.1 million, excluding transaction costs.

On December 21, 2016, we completed the acquisition of Europa-Center in Bremen, Germany for $77.8 million (excluding transaction costs). The property comprises approximately 359,000 square feet of GLA and as at December 31, 2017, was 83% occupied and had a weighted average remaining lease term of 3.0 years.

On October 31, 2016, we completed the acquisition of Siemens Campus in Nurnberg, Germany for $73.1 million (excluding transaction costs). The property comprises approximately 580,000 square feet of GLA and as at December 31, 2017, was 100% occupied and had a weighted average remaining lease term of 8.8 years.

On February 29, 2016, we completed the acquisition of Werner-Eckert-Str. 14, 16, 18, Munich, Germany for $23.2 million (excluding transaction costs). The property comprises approximately 71,500 square feet of GLA and as at December 31, 2017, was 97% occupied and had a weighted average remaining lease term of 5.0 years.

On February 3, 2016, we completed the acquisition of Friedrichstrasse 45, 47 (Europa-Center), Essen, Germany for $41.5 million (excluding transaction costs). The property comprises approximately 147,200 square feet of GLA and as at December 31, 2017, was 94% occupied and had a weighted average remaining lease term of 3.3 years.

On December 16, 2015, we completed the acquisition of a 50% interest in Rivergate in Vienna, Austria ("**Rivergate**") for $142.7 million (excluding transaction costs). The landmark office property was acquired in a joint venture with an Asian sovereign wealth fund, comprises approximately 574,000 square feet of GLA (287,000 square feet at the REIT's share), and as at December 31, 2017, was 96% occupied and had a weighted average remaining lease term of 5.7 years.

On October 27, 2015, we completed the acquisition of Zimmer 56 in Berlin, Germany for $64.7 million (excluding transaction costs). The property comprises approximately 170,000 square feet of GLA, and as at December 31, 2017, was 100% occupied and had a weighted average remaining lease term of 3.2 years.

On September 4, 2015, we completed the acquisition of Anger Entrée in Erfut, Germany for $27.5 million (excluding transaction costs). The property comprises approximately 131,000 square feet of GLA, and as at December 31, 2017, was 93% occupied and had a weighted average remaining lease term of 3.4 years.

On February 6, 2015, we completed the acquisition of Millerntorplatz 1 in Hamburg for $133.4 million (excluding transaction costs). The property comprises approximately 374,800 square feet of GLA, and as at December 31, 2017, was 85% occupied and had a weighted average remaining lease term of 7.8 years.

Dispositions

In 2017, we disposed of 43 investment properties, including eight Dutch Properties, for an aggregate gross sale price of $151.9 million (€102.9 million), reflecting the properties' fair value at the last reporting period prior to their sales. A portion of the net sales proceeds of $146.6 million was used to reduce the amount owing under the New Facility. In addition, we had a total of 5 properties under contract for sale at December 31, 2017 for an aggregate gross sales price of $16.8 million, representing the assets' approximate fair value. As at December 31, 2017, these properties were reclassified as assets held for sale on the balance sheet and excluded from the value of investment properties, as the REIT has committed to a plan of sale for these investment properties.

In 2016, we completed the sale of 39 investment properties and a parcel of excess land for an aggregate gross sales price of approximately $103.0 million.

In 2015, we completed the sale of 51 investment properties for an aggregate gross sales price of approximately $110.9 million.

In 2015, we entered into a joint venture agreement with POBA pursuant to which we sold a 50% interest in Officium, an office property located at Liebknechtstrasse 33/35 and Hessbrühlstrasse 7 in Stuttgart, Germany, for a total consideration of $36.8 million.

Redemption of the 5.5% Debentures

On August 11, 2016, we gave notice of our redemption of all of our outstanding 5.5% Debentures due July 31, 2018. On September 15, 2016, we completed the redemption of our outstanding 5.5% Debentures, in accordance with the provisions of the Trust Indenture and the supplemental indenture relating to the 5.5% Debentures. The redemption price was paid in cash and was equal to the aggregate of (i) $1,000 for each $1,000 principal amount of 5.5% Debentures issued and outstanding on the redemption date, and (ii) all accrued and unpaid interest on the 5.5% Debentures up to but excluding the redemption date from and including the latest interest payment date. The aggregate principal amount redeemed on the redemption date was $161.0 million and accrued interest was $1.1 million, totaling $162.1 million in cash. Prior to the redemption, $25,000 of the 5.5% Debentures were converted into 1,923 Units on the exercise of a Debentureholder's right to convert. As a result of this redemption, Dream Global REIT incurred a debt settlement cost of approximately $6,114,000.

Equity Offerings

On July 27, 2017, we completed a public offering of 28,575,000 Units at a price of $10.50 per Unit for aggregate gross proceeds of $300,037,500. The net proceeds of the public offering were used to partially finance the purchase price for the Merin Transaction relating to the Dutch Properties.

On March 21, 2017, we completed a public offering of 11,983,000 Units at a price of $9.60 per Unit for total gross proceeds of $115,036,800. The 11,983,000 Units included 1,563,000 Units issued on closing as a result of the exercise by the underwriters of their over-allotment option. The net proceeds of this offering were used to fund acquisitions and for general trust purposes.

On August 6, 2016, we completed a public offering of 10,867,500 Units at a price of $9.00 per Unit for total gross proceeds of $97,807,500. The 10,867,500 Units included 1,417,500 Units issued on closing as a result of the exercise by the underwriters of their over-allotment option. The net proceeds of this offering were used to partially redeem the 5.5% Debentures on September 15, 2016 and for the financing of new acquisitions.

We did not complete any equity offerings in 2015.

Senior Notes

In connection with the Merin Transaction, we also completed an inaugural European debt offering of senior unsecured notes (the "**Senior Notes**") to finance the investment. The Senior Notes were issued by a finance subsidiary of Dream Global REIT and are guaranteed by us. The Senior Notes have an aggregate principal amount of €375 million, face interest rate of 1.375%, and mature on December 21, 2021. Through this debt offering, we have created our first pool of unencumbered assets.

Frankfurt Stock Exchange Listing

On November 15, 2016, our Units were included for trading in the General Standard segment of the European Union regulated market on the Frankfurt Stock Exchange under the ticker symbol "DRG".

Change in German Tax Laws

The revised "Investment Tax Act" which is applicable to all Alternative Investment Funds, such as real estate funds, under the AIFMD effective as of December 24, 2013 does not contain specific rules, clarify or provide guidance regarding the taxation of foreign investment funds, such as the Dundee FCPs used in our Lorac holding structure. The German legislative body passed a bill to fundamentally reform the Investment Tax Act (the "**Tax Amendments**") on July 19, 2016, which became effective on January 1, 2018. According to the Tax Amendments, foreign funds investing into German assets through FCPs shall be treated as quasi-corporate tax payers. However, as noted in this AIF under the heading "Certain Non-Canadian Income Tax Considerations", we have structured our affairs on the assumption that the Dundee FCP Unitholders will be subject to corporate income tax in Germany on their net rental income and capital gains from the sale of properties and have prepared our financial statements on that basis. Accordingly, although the precise application of the law is still uncertain, we do not believe that it will

have a material impact on us. Further, we believe that the consequences of a new law with respect to us would generally be the same from a German corporate tax perspective, irrespective of whether it is the Dundee FCPs or the Dundee FCP Unitholders that are determined to be the taxpayer. Our Lorac holding structure is only used for the Initial Properties we acquired in connection with our initial public offering.

Normal Course Issuer Bid

In December 2015, we filed with the TSX a notice of intention to make a normal course issuer bid, which commenced on December 18, 2015 and expired on December 17, 2016 (the "**2016 NCIB**"). Under the 2016 NCIB, we had the ability to purchase for cancellation up to a maximum of 11,128,923 Units (representing 10% of our public float of 111,289,235 Units at the time of entering the bid through the facilities of the TSX). As of December 17, 2016, the REIT had not repurchased any Units under the 2016 NCIB. The 2016 NCIB was not subsequently renewed.

RECENT DEVELOPMENTS

Current Discussions Regarding Acquisitions and Dispositions

Consistent with our past practices and in the normal course of business, we are engaged in discussions with respect to possible acquisitions of new properties and dispositions of existing properties in our portfolio. However, there can be no assurance that any of these discussions will result in a definitive agreement and, if they do, what the terms or timing of any acquisition or disposition would be. We expect to continue current discussions and actively pursue other acquisition, investment and disposition opportunities.

DESCRIPTION OF THE BUSINESS

Objectives

We are committed to:

- managing our investments to provide stable, sustainable and growing cash flows through investments in commercial real estate located outside of Canada;
- building a diversified portfolio of commercial properties;
- capitalizing on internal growth and seeking accretive acquisition opportunities in our target markets;
- increasing the value of our assets and maximizing the long-term value of our Units through the active and efficient management of our assets; and
- providing predictable cash distributions per unit, on a tax-efficient basis.

Strategy

Our core strategy to meet our objectives includes the following:

Optimizing the performance, value and long-term cash flow of our properties

We manage our properties to optimize their performance, value and long-term cash flow. We seek to do this by achieving high occupancy and rental rates. Together with our management team in Canada, we also have established management teams in Europe with deep market knowledge and established relationships with other market participants. Leasing, capital expenditure and construction initiatives are either internally managed or overseen by us.

Until the end of 2017, property management services, including general maintenance, rent collection and administration of operating expenses and tenant leases, were carried out by a number of third-party service providers under the oversight of our internal team. Commencing in January 2018, property management of the Trust's assets located in Germany is now performed by a newly formed joint venture between Dream Global REIT and Vivanium, an established German property management company. Property management services for our Dutch Properties will continue to be performed by our team in the Netherlands.

We will also pursue value enhancement opportunities in our portfolio through redevelopment, intensification or conversion to alternative uses of suitable properties.

Diversifying our portfolio to mitigate risk

We continuously seek to diversify our portfolio to increase value on a per unit basis, further improve the sustainability of our distributions and enhance our tenant and geographic profile. We focus on adding high-quality tenants in the most desirable office markets in addition to increasing our overall asset base in our target markets. A key criterion when considering potential acquisitions is the multi-tenant nature of a property.

Investing in stable income-producing properties outside of Canada

When considering acquisition opportunities, we look for properties with quality tenancies and strong occupancy, and assess how these opportunities complement our properties and have the potential to create additional value. In considering future acquisitions, we intend to focus on countries with a stable business and operating environment, a liquid market for real estate investments, a legal framework that provides adequate rights and protections for owners of property, and a manageable foreign investment regime. We will consider investment opportunities in income-producing properties that are accretive, provide stable, sustainable and growing cash flows, and enable us to realize synergies within our portfolio of properties. The execution of this strategy will be continuously reviewed and will also include dispositions of properties and optimizing our capital structure.

Maintaining and strengthening a conservative financial profile

We operate our investments in a disciplined manner, with a focus on financial analysis and balance sheet management to ensure we maintain a prudent capital structure and conservative financial profile. We intend to generate stable cash flows sufficient to fund our distributions while maintaining a conservative debt ratio. Our objective is to stagger our debt maturities to mitigate our interest rate risk and limit refinancing exposure in any particular period. We have also implemented a foreign exchange hedging strategy to provide greater certainty regarding the payment of distributions to unitholders.

Market Overview

Germany

Germany, Europe's largest economy, has established itself as a key location for production sites and is a country with a favourable business environment. Similar to Canada, Germany is a country with a history of political, legal and financial stability and provides an attractive climate for long-term investment.

Overall, the German economy continues to be the main driving force of Europe and benefits from a robust labour market. Germany's gross domestic product grew by 2.2% in 2017 which was the highest annual growth rate since 2011 when the economy was recovering from the global financial crisis. This growth was driven by fixed capital investment and household consumption and was supported by low interest rates. Government spending and net exports also played a role in the gross domestic product growth. Germany's unemployment rate remained among the lowest in the European Union at 3.5%[(1)] in September 2017, and Germany's Ifo business climate index, which surveys 7,000 companies for its monthly index, reached an all-time high of 117.6 points for the first time in November 2017.

Germany remains a highly sought-after real estate investment market, benefiting from strong local and international investor demand. In 2017, the total volume for commercial real estate transactions reached €56.8 billion[(2)], a 7% increase compared to 2016 and €1.7 billion[(2)] higher than the record achieved in 2015. A total of €31.1 billion[(2)] of these transactions took place in the Big 7 office markets, representing a 5% increase compared to 2016. Germany continues to be perceived as a safe harbour, resulting in significant foreign investor demand. Nearly half of the commercial real estate investments in 2017 were completed by foreign investors. Office properties remained the top choice for investors with approximately 44%[(2)] of all transactions taking place in this segment during 2017.

Increasing employment in Germany had a positive impact on the office leasing markets with the office vacancy rate decreasing to 4.7%[3] at the end of 2017, a decline of 80 basis points year-over-year and the lowest level in 15 years.

New office completions fell in all the Big 7 office markets except for Düsseldorf and declined overall by 22%[3] in 2017. In 2018, it is expected that 40%[3] of all the new office development will be concentrated in Berlin and Munich. Strong demand and limited availability led to rising rental rates with prime rental rates increasing in 2017 in all the Big 7 office markets except Cologne. The biggest increases in rental rates took place in Berlin, Stuttgart, Munich and Hamburg.

Austria

The Austrian economy is closely linked to Germany and features a skilled labour force and a high standard of living. It has a high degree of financial stability, a reliable protection of property rights and a transparent legal system. The Austrian economy grew by an estimated 3.1%[4] in 2017, compared to 1.5%[4] in 2016, the country's strongest economic growth in ten years. Similar to Germany, the strength of the economy is evidenced by record consumer confidence, a strong labour market, good financing conditions and strong external demand.

The underlying fundamentals in the office sector in Vienna remain strong. The average vacancy rate in the Viennese market declined to 4.9%[5] at the end of 2017, a 40 basis point decline compared to the end of 2016. While new office supply increased in 2017, strong demand for office space as a result of economic growth was the key factor for the decline in office vacancy.

Belgium

Belgium is centrally located in Europe, bordered by Germany, the Netherlands, Luxembourg and France, and is a corporate gateway serving as the European and regional headquarters for many international companies. Belgium has a robust and highly developed transportation network, with extensive connections to neighbouring countries, including Germany.

Brussels, Belgium's capital, is a top six European office market, a preferred location for international organizations and among the largest global centres for international cooperation, serving as the headquarters for both NATO and the European Union. With an office inventory totalling 143 million square feet, Brussels is comparable in size to Hamburg or Frankfurt in Germany. The fundamentals in the office sector in Brussels are strong with the average vacancy rate declining to 8.3%[6] in the fourth quarter of 2017, a 70 basis point decrease compared to the fourth quarter of 2016. After years of stable prime rental rates, rental rates rose during 2017 and have been rising year to date in 2018.

Netherlands

The Netherlands is located in northwestern Europe, bordered by Germany, Belgium and the North Sea. It is the second largest exporter in the eurozone, with a robust infrastructure network and one of the highest population densities of any European country. The Dutch economy, which is closely linked to the German economy, is estimated to have grown by 3.1%[7] in 2017. The Netherlands' unemployment rate has experienced significant improvement over the last few years, having declined from over 7.0% in 2014 to 4.4%[8] in December 2017.

The underlying fundamentals in the office sector in the Netherlands are strong, resulting in declining yields and average rental rate growth. In 2017, €6.7 billion were invested in the Dutch office sector, an increase of 11% compared to 2016. Overall office vacancy rates declined to 11.7%[9] at the end of 2017, the lowest level since 2007.

The industrial sector has also performed well with a 13%[10] increase in take-up in 2017 compared to the same period in 2016, driven by strong growth in the manufacturing industry and transport sector. Investor demand for industrial space remained high in 2017 with 81% of all transactions carried out by foreign investors.

Notes:

(1) Destatis – Germany's Federal Statistical Office.
(2) JLL Investment Market Overview Q4 2017.
(3) JLL Office Market Overview Q4 2017.
(4) European Commission – Economic forecast
(5) CBRE Marketview, H2 2017
(6) BNP Paribas Research, Q4 2017
(7) Statistics Netherlands
(8) Trading Economics
(9) Cushman & Wakefield Office Market Snapshot
(10) Cushman & Wakefield Industrial Market Snapshot

Competitive Conditions

A description of additional competitive conditions relevant to our business is set out in our 2017 MD&A under "Risks and Our Strategy to Manage – Competition". The disclosure in that section is incorporated by reference into this AIF. The 2017 MD&A has been filed and is available under our profile on SEDAR at www.sedar.com.

REAL ESTATE PORTFOLIO

Overview of Our Properties

As at December 31, 2017, our assets consisted of a portfolio of 274 properties, comprising approximately 20.1 million square feet of GLA located in Germany, Austria, Belgium and the Netherlands, including nine properties held within joint ventures of which Dream Global REIT retained a 50% ownership interest, and excluding five assets that were held for sale. Our properties are strategically located in major city and town centres, often on a central square in close proximity to the main train station and/or bus station. The locations typically provide excellent visibility, access to a major street and proximity to a transportation hub and city centre pedestrian/shopping areas.

Throughout this document, we make reference to the following three asset categories:

Initial Properties

As at December 31, 2017, this category included 110 properties (excluding two assets held for sale). The assets can be characterized as national and regional administration offices, mixed-use retail and distribution properties, and regional logistics headquarters of Deutsche Post as well as other third-party tenants, including Postbank and municipal and state government agencies. The properties are generally strategically located near central train stations and main retail areas and are easily accessible by public transportation.

Acquisition Properties

As at December 31, 2017, this category included 40 office properties, which were acquired since our initial public offering in 2011. Of this total, 38 properties are located in cities across Germany. A 50% interest in eight of these properties was sold in late 2014 and early 2015 to POBA, a South Korean pension fund. In addition, Dream Global REIT owns two properties outside of Germany. One of the Trust's properties, jointly owned with an Asian sovereign wealth fund, is located in Vienna, Austria. The second property is located in Brussels, Belgium. In comparison to the Initial Properties, the Acquisition Properties are generally larger, newer or recently refurbished, multi-tenant buildings.

Dutch Properties

As at December 31, 2017, this category included 124 properties (excluding three assets held for sale). The assets include 102 office properties of which over two-thirds are in the Randstad, which constitutes the Netherlands' largest urban regions and primary office markets, including Amsterdam, Rotterdam, the Hague and Utrecht. In addition, the portfolio consists of 22 light industrial properties that are primarily located in the Netherlands' five largest industrial hubs.

Geographic composition of portfolio	Total GLA (square feet)	Total GLA (%)	Total GRI (%)
Berlin	674,564	3	4
Cologne	797,990	4	6
Düsseldorf	1,480,356	7	8
Frankfurt	777,300	4	3
Hamburg	1,101,946	5	8
Hannover	451,392	2	2
Munich	512,671	3	4
Nuremberg	1,017,174	5	5
Stuttgart	650,356	3	4
Other, including Brussels	4,237,750	22	15
Total Germany and other markets	11,701,499	58	59
Amsterdam	1,438,931	7	7
Utrecht	516,885	3	3
Rotterdam	653,387	3	2
Eindhoven	395,435	2	1
Other Randstad	2,240,546	11	11
Other	2,135,108	11	7
Total Netherlands	7,380,292	37	31
Portfolio excluding joint venture properties	19,081,791	95	90
Add: Properties held through joint ventures and associates	998,853	5	10
Total portfolio	20,080,644	100	100

A comprehensive list of all of our properties as of December 31, 2017 is set out in the appendix starting on page 83 of our 2017 Annual Report, which appendix disclosure is incorporated by reference into this AIF. The 2017 Annual Report has been filed and is available under our profile on SEDAR at www.sedar.com.

Tenant Overview

Through our active acquisitions, dispositions and leasing program, we continue to focus on the diversification of our tenant base. The table below highlights the diversification away from the single-tenant nature of our Initial Properties. At the end of 2017, Deutsche Post's total annualized GRI was approximately 9.0% of the Trust's overall occupied and committed GRI, down from 18.9% at the end of 2016.

Tenant composition	Industry	Total annualized GRI (%)[1]	Credit rating[2][3]
Deutsche Post	Postal services and global logistics	9.0	BBB+
Siemens AG	Engineering and technology	2.4	A+
Freshfields Bruckhaus Deringer	Legal services	2.0	n/a
City of Hamburg	Municipality	1.8	AAA
ERGO Group AG	Insurance	1.8	AA-
BNP Paribas Fortis SA/NV	Financial services	1.3	A+
Deutsche Rentenversicherung Knappschaft Bahn-See	Pension fund	1.2	n/a
LBBW Immobilien Management GmbH	Real estate	1.1	A-
Deutsche Postbank AG	Financial services	0.9	A-
Google Germany GmbH	Technology	0.9	AA+
Other third-party tenants	Mixed	77.6	n/a
Total		100.0	

Notes:

(1) Includes the REIT's proportionate share of properties held through joint ventures and associates.

(2) Source: Standard & Poor's, Fitch

(3) n/a means they are not rated by a credit rating agency.

Deutsche Post

Deutsche Post is an integral part of the German economy and continues to be an important part of day-to-day life in Germany. Through its acquisition of DHL in 2002, Deutsche Post DHL has become a global logistics market leader. It employs approximately 510,000 people in more than 220 countries and territories.[(1)] As the only provider of universal postal services in Germany, Deutsche Post must provide certain minimum levels of service to German residents.

Some of the space leased to Deutsche Post is occupied by Postbank, a public company controlled by Deutsche Bank. Postbank offers retail financial services in its branches within Deutsche Post's network, which generates increased traffic through the postal services offered in those branches. As at December 31, 2017, our portfolio featured approximately 76 Postbank branches, allowing for the delivery of integrated financial and postal services. Leases for 31 Postbank branches are direct leases. Postbank branches are typically located at ground level with a view to attracting a high volume of retail and business customers seeking financial or postal services.

During 2017, the Trust and Deutsche Post finalized negotiations with respect to Deutsche Post's 2018 lease expiry, comprising 2.8 million square feet. Deutsche Post agreed to renew the leases for 70 properties, totalling 2.5 million square feet of GLA (2.2 million square feet excluding assets held for sale). This represents the largest lease renewal in the Trust's history and results in a retention ratio of 90%. Deutsche Post will remain in 70 of 75 buildings with the Trust retaining 88.5% of the gross rental income ("GRI") relating to the 2018 lease maturities, or approximately €13.7 million on an annualized basis. Rent payable under the renewed leases will continue to be subject to automatic adjustment in relation to the German Consumer Price Index.

Deutsche Postbank will remain a tenant under a sublease arrangement with Deutsche Post in 42 of the renewed properties. In addition, the Trust is in direct negotiations with Postbank on three buildings that were not renewed by Deutsche Post for approximately 20,000 square feet that could further increase the GRI retention to over 90%.

Siemens AG ("Siemens")

Siemens, the Trust's second largest tenant, is headquartered in Germany and is one of the world's largest engineering and technology companies, employing over 372,000[(2)] people worldwide with nearly one-third of its workforce located in Germany. Siemens occupies the entire space in our property located at Gleiwitzer Strasse 555 (Siemens Office Campus) in Nuremberg and approximately 6% of the space in Officivm, our property located at Liebknechtstrasse 33/35 and Hessbrühlstrasse 7, and generated approximately 2.4% of the REIT's overall annualized GRI as at December 31, 2017.

Freshfields Bruckhaus Deringer ("Freshfields")

Freshfields is the third largest tenant in our portfolio as measured by GRI. Freshfields is an international law firm with offices in Europe, Asia, North America and the Middle East.[(3)] Freshfields occupies 71% of the space in our property located at Feldmühleplatz 1 and generated approximately 2% of the REIT's overall annualized GRI as at December 31, 2017.

City of Hamburg

The City of Hamburg, Germany's second largest municipality with a population of 1.8 million,[(4)] is one of the 16 federal states of Germany and is considered the economic centre of northern Germany. The City of Hamburg occupies approximately 20% of the space in our property at Millerntorplatz 1, 9% of the space in our property at Schlossstrasse 8, and the entire space at our property located at Hammer Strasse 30–34. The City of Hamburg contributes approximately 1.8% to the REIT's overall annualized GRI based on total GRI as at December 31, 2017.

ERGO Group AG ("ERGO")

ERGO is one of the largest insurance companies in Germany with approximately 43,000 employees in over 30 countries concentrated in Europe and Asia.[(5)] ERGO, which belongs to the Munich RE Group of companies, occupies the entire space in our property located at Karl-Martell-Strasse 60 in Nuremberg and generated approximately 1.8% of the REIT's overall annualized GRI as at December 31, 2017.

BNP Paribas Fortis SA/NV ("BNP Paribas Fortis")
BNP Paribas Fortis is a financial services provider, offering services to private and professional clients, corporate clients and public entities through a number of networks.[6] The company, with its strong roots in Europe's economic history, occupies approximately 55% of the space in Cäcilienkloster in Cologne as well as 8% in Z-UP in Stuttgart and generated approximately 1.3% of the REIT's overall annualized GRI as at December 31, 2017.

Deutsche Rentenversicherung Knappschaft Bahn-See ("Deutsche Rentenversicherung")
Deutsche Rentenversicherung is Germany's state pension fund covering approximately 54 million people[7]. Deutsche Rentenversicherung occupies approximately 37% of the space in our property located at Millerntorplatz 1 in Hamburg and generated approximately 1.2% of the REIT's overall annualized GRI as at December 31, 2017.

LBBW Immobilien Management GmbH ("LBBW Immobilien")

LBBW Immobilien is the real estate competence center within the group of Landesbank Baden-Wurttemberg which is the largest state-backed Landesbank in Germany with total assets of around €244 billion and a staff of approximately 10,840.[8] LBBW Immobilien occupies approximately 39% of the GLA in our property located at Fritz-Elsas-Strasse 31 and 33 in Stuttgart and generated approximately 1.1% of the REIT's overall annualized GRI as at December 31, 2017.

Deutsche Postbank AG ("Postbank")
Postbank is one of Germany's largest financial service providers with approximately 14 million clients, nearly 18,000 employees and total assets of approximately €144 billion. Postbank mainly focuses on private customers and small to medium-sized companies and has the densest branch network of any bank in Germany, with 1,000 of its own branches and over 4,300 Deutsche Post partner branches as well as 700 Postbank advisory centres.[9] Postbank generated approximately 0.9% of the REIT's overall annualized GRI as at December 31, 2017.

Google Germany GmbH ("Google")
Google is an American multinational corporation specializing in internet-related services and products and employs over 60,000 people worldwide.[10] Google Hamburg is the company's commercial headquarters for Germany, Austria, Switzerland and the Nordics and occupies approximately 88% of the GLA in ABC Bogen, our property located in the heart of Hamburg at ABC Strasse 19. Google generated approximately 0.9% of the REIT's overall annualized GRI as at December 31, 2017.

Notes:

(1) As disclosed at Deutsche Post DHL's website at www.dpdhl.com
(2) As disclosed at Siemens' website at www.siemens.com
(3) As disclosed at Freshfields' website at www.freshfields.com
(4) As disclosed at the Destatis – Germany's Federal Statistical Office website at www.destatis.de
(5) As disclosed at ERGO's website at www.ergo.com
(6) As disclosed at BNP Paribas' website at www.bnpparibas.com
(7) As disclosed at Deutsche Rentenversicherung's website at www.deutsche-rentenversicherung.de
(8) As disclosed at Landesbank Baden-Wurttemberg's website at www.lbbw-immobilien.de
(9) As disclosed at Deutsche Postbank AG's website at www.postbank.com
(10) As disclosed at Google's website at www.google.com and www.statistica.com/topics/1001/google/

ASSESSMENTS OF THE PROPERTIES

Environmental Assessments

Environmental laws and regulations provide a range of potential liabilities, including potentially significant penalties, and potential liability for the costs of removal or remediation of certain hazardous or toxic substances released on, to, in or from our properties or disposed of in any other location. The presence of such substances, if any, may also adversely affect our ability to sell or redevelop such real

estate or to borrow using such real estate as collateral, and could potentially also result in claims by private plaintiffs.

Environmental site assessments of each of the properties have previously been performed by independent consultants from time to time as necessary. For instance, such assessments are performed prior to the acquisition of any real property to identify actual or potential site contamination and non-compliance with environmental laws and regulations. The assessments are based on a review of available historical and current records, particularly in the public register of contaminated land (*Altlastenkataster)*, interviews with available site personnel and a visual inspection of the relevant property. A Preliminary Environmental site assessment (Phase I) is a limited review and evaluation of the environmental condition of a property which does not involve intrusive investigation, such as soil or groundwater sampling, unless required by a consultant. When a Phase I environmental site assessment identifies any substantial potential issues, including non-compliance with material environmental laws or regulations, further assessment is carried out including, in some cases, Phase II site assessments which involve intrusive investigation, such as soil and groundwater sampling and analysis.

We believe that the current estimated cost of remediation or capital expenditures with respect to actual or potential environmental conditions would not have a material adverse effect on our results of operations, business, prospects and financial condition.

We have policies and procedures in place to review and monitor environmental matters relating to our properties, and the Governance, Compensation and Environmental Committee of our Board has oversight over these matters. Our operating policies require us to conduct a Phase I environmental audit of real properties proposed to be acquired by us, subject to certain limited exceptions. We will continue to make appropriate capital and operating expenditures to ensure compliance with environmental laws and regulations. We have comprehensive environmental impairment liability insurance policy covering our properties.

Property Condition Assessments

Our properties have been the subject of certain property condition assessment reports. Property condition assessment reports are prepared for the properties from time to time as necessary for the purpose of assessing and documenting the existing conditions of each building and major building operating components and systems forming part of the properties. Property condition assessments are performed prior to the acquisition of any real property to catalogue ongoing repairs, maintenance and replacements of capital items in respect of the properties, and also to identify and quantify major defects in materials or systems which would likely necessitate capital expenditures over the next ten years.

As part of our annual asset review program, we will monitor the appropriate level of repairs and maintenance and capital expenditures to ensure that the properties remain competitive. We intend to manage capital expenditures prudently and maintain the physical improvements of the properties in good condition. We will also expend capital on upgrades where appropriate, especially if we believe such spending will accelerate lease-up of vacant space and assist in the retention of expiring tenants.

INDEBTEDNESS

For the year ended December 31, 2017, our interest coverage ratio was 4.44 times. This ratio is calculated by dividing (i) net rental income plus interest and other income, less general and administrative expenses and portfolio management expenses by (ii) interest expense on total debt. As at the same date, our variable rate indebtedness was approximately 12% of our total debt. For more information, see page 17 of our 2017 MD&A.

Term Loan Credit Facility

Concurrent with the closing of our initial public offering in 2011, we obtained a term loan credit facility (the "**Facility**") from a syndicate of German and French banks. On December 14, 2015, we successfully refinanced the Facility with a new, interest-only facility with a major United States financial institution (the "**New Facility**") for gross proceeds of $369.5 million (€244.1 million) and fully repaid and discharged the remaining outstanding balance under the Facility. The New Facility has a term of five

years and a variable interest rate calculated and payable quarterly at a rate equal to the aggregate of the three-month EURIBOR plus a margin of 225 basis points. Pursuant to the requirement of the New Facility, we purchased EURIBOR interest rate caps with a weighted average strike rate of 0.5% to cover 99% of the New Facility.

The weighted average rate of the New Facility was 2.25%. Inclusive of financing costs, the effective interest rate under the New Facility was 3.29%.

The New Facility agreement requires that at each Interest Payment Date and at each prepayment date of the New Facility, we maintain an interest coverage ratio of at least 2.35 times and a loan-to-value ratio not exceeding 60%.

There were no prepayment fees on property dispositions for up to 25% of the portfolio value within the first two years of the loan and up to 40% of the portfolio value during the term of the loan. On property dispositions, 110% of the loan amount allocated to the disposed property has to be repaid. The prepayment amount exceeding the established thresholds for property dispositions within the first two years of the loan is subject to a prepayment fee equal to a yield maintenance fee. Commencing in year three, a prepayment fee of 2.0% is payable, which subsequently drops to 1.5% in year four, and no prepayment fee is payable in the final year of the New Facility.

As of December 31, 2017 the weighted strike rate of EURIBOR interest rate caps was 0.50%.

Revolving Credit Facility

On October 10, 2013, the REIT entered into a credit agreement with a Canadian bank to provide a revolving credit facility not to exceed €25 million. The original interest rate on Canadian dollar advances was prime plus 200 basis points and/or bankers' acceptance rates plus 300 basis points. The interest rate for euro advances was 300 basis points over the three-month EURIBOR rate. On August 14, 2014, the REIT increased the revolving credit facility to €50 million and on April 1, 2015 further increased it to €75 million.

On November 20, 2015, the REIT obtained lender approval to increase the principal amount of the revolving credit facility from €75 million to €100 million, with no change in the covenants or interest rate spreads. In addition to the additional capacity, the term was extended by one year to September 25, 2017.

On June 6, 2017, the REIT renewed the €100 million revolving credit facility on favourable terms, resulting in a reduction of the margin paid by the REIT by 100 basis points and extending the term to June 6, 2021. The interest rate on Canadian dollar advances is now prime plus 100 basis points or bankers' acceptance rates plus 200 basis points. The interest rate for euro advances is 200 basis points over the three-month EURIBOR rate. The revised terms also allow the REIT to enter swap arrangements with an effective borrowing rate at the EURIBOR rate plus swap spread, further reducing borrowing costs.

The revolving credit facility was undrawn as at December 31, 2017. There was also an undrawn letter of credit commitment for €1.2 million against the revolving credit facility as at December 31, 2017.

Debt Maturity

The table below highlights our debt maturity profile:

	Debt maturities	Scheduled principal repayments on non-matured debt	Total
2018	$ 5,502	20,346	25,848
2019	-	22,285	22,285
2020	416,458	21,039	437,497
2021	584,080	21,837	605,917
2022	184,322	19,977	204,299
2023 and thereafter	1,072,959	60,873	1,133,832
	$ 2,263,321	$ 166,357	2,429,678
Senior note discount			(2,720)
Financing costs			(27,577)
Total[(1)]			$ 2,399,381

Note:

(1) Includes the REIT's share of mortgages related to joint ventures.

Additional Financing

We may seek additional financing with one or more financial institutions from time to time. Such financing will be used for general trust purposes, which may include the funding of our operations or future property acquisitions.

Currency Hedging Arrangements

Given that substantially all of our investments and operations are conducted in currencies other than Canadian dollars and that we will pay distributions to Unitholders in Canadian dollars, we intend to implement active hedging programs in order to offset the risk of revenue losses and provide more certainty regarding the payment of distributions to Unitholders. We have entered into currency hedging arrangements with an arm's length counterparty pursuant to which the counterparty has agreed to exchange Euros for Canadian dollars on a monthly basis at an agreed exchange rate. Our Executive Committee will assess our currency hedging strategy from time to time and make recommendations to the Board of Trustees.

At December 31, 2017, we had various currency forward contracts in place to sell euros for Canadian dollars for the next 36 months. On settlement of a contract, we realize a gain or loss on the difference between the forward rate and the spot rate. At December 31, 2017, the REIT had foreign exchange forward contracts to sell €243.3 million in total from January 2018 to December 2020 at an average exchange rate of $1.528 per euro. Subsequent to December 31, 2017, we increased the forward contracts in place for the period starting in January 2020 until February 2021.

TRUSTEES AND OFFICERS

Trustees and Officers

Pursuant to the Declaration of Trust, Dream Global REIT may have between five and 12 Trustees at any given time, a majority of whom must be resident Canadians. As at March 27, 2018, Dream Global REIT has seven Trustees.

The Trustees are elected by unitholders of the REIT at each annual meeting of unitholders for a term expiring at the conclusion of the next annual meeting or until their respective successors are elected or appointed and will be eligible for re-election. A Trustee appointed by the Trustees between meetings of unitholders or to fill a vacancy will be appointed for a term expiring at the conclusion of the next annual meeting of our unitholders or until his or her successor is elected or appointed and will be eligible for election or re-election. The nominees for election as Trustees will be determined by the Governance, Compensation and Environmental Committee in accordance with the provisions of the Declaration of

Trust and the charter of the Governance, Compensation and Environmental Committee and will be included in the proxy-related materials to be sent to unitholders prior to each annual meeting.

Our Declaration of Trust provides that a Trustee may resign upon written notice to us and a Trustee may be removed with or without cause by a majority of the votes cast at a meeting of unitholders called for that purpose or with cause by two-thirds of the remaining Trustees.

The following table sets forth, as at March 27, 2018, the name, province or state and country of residence, position with Dream Global REIT and principal occupation for each of our Trustees and executive officers.

Name, Province or State and Country of Residence	Position/Title	Independent	Principal Occupation
Dr. R. Sacha Bhatia[(1)] Ontario, Canada	Trustee since November 11, 2015	Yes	Director of the Institute for Health System Solutions and Virtual Care (WIHV) at Women's College Hospital
Detlef Bierbaum[(1)(2)(3)] Köln, Germany	Trustee since August 3, 2011	Yes	Corporate Director
Michael J. Cooper[(2)(4)] Ontario, Canada	Trustee since April 21, 2011	No	President and Chief Responsible Officer of Dream and founder of DAM, a real estate company, and Chair and Chief Executive Officer of Dream Office REIT
P. Jane Gavan[(2)] Ontario, Canada	Trustee since April 21, 2011, President and Chief Executive Officer of the REIT	No	President and Chief Executive Officer of the REIT, and President, Asset Management of Dream, a real estate company
Duncan Jackman[(5)] Ontario, Canada	Trustee since August 3, 2011	Yes	Chairman and Chief Executive Officer, E-L Financial Corporation Limited, an insurance holding company
J. Michael Knowlton[(1)(5)] British Columbia, Canada	Trustee since August 11, 2016	Yes	Corporate Director
Tamara Lawson Ontario, Canada	Chief Financial Officer of the REIT	—	Chief Financial Officer of the REIT
John Sullivan[(5)] Ontario, Canada	Trustee since November 8, 2011	Yes	President and Chief Executive Officer of Cadillac Fairview Corporation, a real estate company

Notes:

(1) Member of the Governance, Compensation and Environmental Committee
(2) Member of the Executive Committee
(3) Chair of the Board
(4) Vice Chair of the Board
(5) Member of the Audit Committee

Each of the foregoing has held his or her present principal occupation for the past five years except for:

- P. Jane Gavan, who also previously held the positions of Chief Executive Officer of Dream Office REIT until December 31, 2017 and Executive Vice President of DAM, a real estate company and the asset manager of the REIT, and is now the President, Asset Management of Dream;
- Tamara Lawson, who, prior to May 16, 2016 was Chief Financial Officer, Starlight Investments Ltd., a real estate investment and asset management company; and
- Michael J. Cooper who assumed the role of Chief Executive Officer of Dream Office REIT on January 1, 2018.

As a group, as at December 31, 2017, our Trustees and executive officers beneficially own, or control or direct, directly or indirectly, 3,935,048 Units, representing approximately 2.2% of the issued and outstanding Units, which may not include Units issued pursuant to our DRIP.

Governance and Board of Trustees

The Declaration of Trust provides that, subject to certain conditions, the Trustees have absolute and exclusive power, control and authority over our properties and assets and affairs, as if the Trustees were the sole owners of such properties and assets. Our governance practices, investment guidelines and operating policies are overseen by a Board of Trustees consisting of a minimum of five and a maximum of 12 Trustees, a majority of whom must be Canadian residents. We must also have at all times a majority of Trustees who are independent ("**Independent Trustees**") within the meaning of NI 58-101; provided, however, that if at any time a majority of the Trustees are not independent because of the death, resignation, bankruptcy, adjudicated incompetence, removal or change in circumstance of any Trustee who was an Independent Trustee, this requirement shall not be applicable for a period of 60 days thereafter, during which time the remaining Trustees shall appoint a sufficient number of Trustees who qualify as "independent" to comply with this requirement. Pursuant to NI 58-101, an Independent Trustee is one who is free from any direct or indirect relationship which could, in the view of the Board of Trustees, be reasonably expected to interfere with a Trustee's independent judgment. Five of the seven Trustees are Independent Trustees.

The Trustees may, between meetings of the unitholders, appoint one or more additional Trustees if, after such appointment, the total number of Trustees does not exceed one and one-third times the number of Trustees in office immediately following the last annual meeting of the unitholders. The Declaration of Trust provides that any Trustee may resign upon written notice to us. A Trustee may be removed at any time with or without cause by a majority of the votes cast at a meeting of the unitholders called for that purpose or by the written consent of the unitholders holding in the aggregate not less than a majority of the outstanding REIT Units entitled to vote thereon or with cause by a resolution passed by an affirmative vote of not less than two-thirds of the other Trustees. Any removal of a Trustee shall take effect immediately following the aforesaid vote or resolution. A vacancy occurring among the Trustees may be filled by resolution of the remaining Trustees, so long as they constitute a quorum, or by the unitholders at a meeting of the unitholders.

The mandate of the Board of Trustees is one of stewardship and oversight of us and our investments. In fulfilling its mandate, the Board of Trustees adopted a written charter setting out its responsibility. Among other things, the Board of Trustees is responsible for (a) participating in the development of and approving a strategic plan for us; (b) supervising our activities and managing our investments and affairs; (c) approving major decisions regarding us; (d) defining the roles and responsibilities of management and determining compensation upon the recommendation of the Compensation Committee; (e) reviewing and approving the business and investment objectives to be met by management; (f) assessing the performance of and overseeing management; (g) reviewing our debt strategy; (h) identifying and managing risk exposure; (i) ensuring the integrity and adequacy of our internal controls and management information systems; (j) succession planning; (k) establishing committees of the Board of Trustees, where

required or prudent, and defining their mandate; (l) maintaining records and providing reports to unitholders; (m) ensuring effective and adequate communication with unitholders, other stakeholders and the public; (n) determining the amount and timing of distributions to unitholders; (o) acting for, voting on our behalf and representing us as a holder of securities of our Subsidiaries; and (p) voting in favour of our nominees to serve as Class B Managers of Lorac.

The Board of Trustees has adopted a written position description for the Chairman of the Board of Trustees which will set out the Chairman's key responsibilities, including duties relating to setting meeting agendas of the Board of Trustees, chairing meetings of Unitholders, Trustee development and communicating with Unitholders and regulators.

We have adopted a written code of conduct (the "**Code of Conduct**") that applies to all of our Trustees, officers and employees. The objective of the Code of Conduct is to provide guidelines for maintaining our integrity, reputation, honesty, objectivity and impartiality. The Code of Conduct addresses conflicts of interest, protecting our assets, confidentiality, fair dealing with security holders, competitors and employees, insider trading, compliance with laws and reporting any illegal or unethical behaviour. As part of the Code of Conduct, any person subject to the Code of Conduct is required to avoid or fully disclose interests or relationships that are harmful or detrimental to our best interests or that may give rise to real, potential or the appearance of conflicts of interest. Certain of the REIT's Trustees and executive officers may have conflicts of interest as a result of their current full-time positions and these conflicts will be expressly acknowledged. See "Risk Factors". The Board of Trustees has the ultimate responsibility for the stewardship of the Code of Conduct. The Code of Conduct is available on SEDAR at www.sedar.com.

The standard of care and duties of the Trustees provided in the Declaration of Trust are similar to those imposed on directors of a corporation governed by the CBCA. Accordingly, each Trustee is required to exercise the powers and discharge the duties of his or her office honestly, in good faith and in our best interests and the holders of REIT Units and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. The Declaration of Trust provides that each Trustee is entitled to indemnification from us from and against liability and costs in respect of any action or suit against them in respect of the exercise of the Trustee's powers and the discharge of the Trustee's duties, provided that the Trustee acted honestly and in good faith with a view to our best interests and the holders of REIT Units and in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, where the Trustee had reasonable grounds for believing that his or her conduct was lawful.

Committees of the Board of Trustees

The Board of Trustees has three committees: the Audit Committee, the Governance, Compensation and Environmental Committee, and the Executive Committee. The Declaration of Trust requires that the Audit Committee and the Governance, Compensation and Environmental Committee be composed of at least three Trustees, all of whom must be Independent Trustees. The Declaration of Trust requires that a majority of the Trustees on each of these committees be residents of Canada. Each member of a committee shall serve on such committee until such member resigns from such committee or otherwise ceases to be a Trustee. Please see our most recent management information circular for a description of the committees of the Board.

Audit Committee

NI 52-110 and the Declaration of Trust require the Board of Trustees to have an Audit Committee consisting of at least three Trustees, all of whom must be Independent Trustees. NI 52-110 requires that, subject to limited exceptions, every member of the Audit Committee be "independent" for purposes of NI 52-110 and the Declaration of Trust requires that the Chair of the Audit Committee be selected from the group of Independent Trustees who are resident Canadians appointed to serve on the Audit Committee. The Board has adopted a charter, a copy of which is attached as Schedule A to this AIF.

The Audit Committee is responsible for monitoring the REIT's systems and procedures for financial reporting and internal controls and the performance of the REIT's external auditor. It is responsible for

reviewing certain public disclosure documents prior to their approval by the full Board and release to the public including, among others, the REIT's quarterly and annual financial statements and management's discussion and analysis. The Audit Committee is also responsible for recommending to the Board the firm of chartered professional accountants to be nominated for appointment as the external auditor, and for approving the assignment of any non-audit work to be performed by the external auditor. The Audit Committee meets regularly in private session with the REIT's external auditor and internal audit function, without management present, to discuss and review specific issues as appropriate. The Audit Committee met four times in 2017.

Applicable law and the Declaration of Trust requires the Board to have an Audit Committee consisting of at least three Trustees, each of whom must be independent and "financially literate". At March 27, 2018, the Audit Committee was comprised of the following three Trustees: Duncan Jackman (Chair), J. Michael Knowlton and John Sullivan, each of whom is an Independent Trustee. The Board has determined that each of the members of the Audit Committee is "financially literate" within the meaning of NI 52-110.

Relevant Education and Experience

Each member of the Audit Committee possesses considerable education and experience relevant to the performance of his responsibilities as an Audit Committee member.

Mr. Duncan Jackman is Chairman and Chief Executive Officer of E-L Financial Corporation Limited, an investment and insurance holding company. Mr. Jackman oversees the company's investments by sitting on the boards of directors of the subsidiaries and the other companies in which the company has significant shareholdings, including by serving as Chairman of Algoma Central Corporation and Chairman and President of Economic Investment Trust Limited and United Corporations Limited, two closed-end investment companies. He earned a Bachelor of Arts degree from McGill University.

Mr. J. Michael Knowlton is a corporate director and has over 25 years of experience in real estate. He retired from DAM, the REIT's asset manager, in 2011 where he held the position of President and Chief Operating Officer of Dundee REIT (now Dream Office REIT). He joined DAM in 1998, holding various positions with DAM and Dundee REIT, before becoming President of Dundee REIT in 2006. Prior to that, he worked at OMERS Realty Corp. from 1990 until 1998 as Senior Vice President and Chief Financial Officer. Mr. Knowlton also serves on the board of Crombie REIT, Tricon Capital Corp. and Dream Global REIT and is a former trustee of True North Apartment REIT and Northwest Healthcare Properties REIT. Mr. Knowlton holds a Bachelor of Science degree in Engineering and a Master of Business Administration from Queen's University. Mr. Knowlton is qualified as a Chartered Professional Accountant and holds an ICD.D designation from the Institute of Corporate Directors..

Mr. John Sullivan is the President and Chief Executive Officer of Cadillac Fairview Corporation Limited, one of North America's largest real estate companies. Prior to becoming CEO in January 2011, Mr. Sullivan held the position of Executive Vice President, Development. Prior to joining Cadillac Fairview, Mr. Sullivan held positions with Brookfield Properties Corporation and Marathon Realty Company Limited. He brings more than 31 years of experience in all aspects of commercial real estate, including acquisitions and dispositions, leasing, finance, asset management, and development. Mr. Sullivan holds a Bachelor of Civil Engineering degree from Concordia University, a Masters of Business Administration from McGill University and has completed the Advanced Management Program at Harvard University.

Pre-Approval Policies and Procedures

The Audit Committee charter requires that all non-audit services to be provided to the REIT or any of its Subsidiaries by the external auditor or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Audit Committee shall be subject to pre-approval by the Audit Committee.

Auditor's Fees

The aggregate fees billed by PricewaterhouseCoopers LLP, our external auditor, or fees accrued by us in 2017 and 2016 for professional services, are presented below:

	Year ended December 31, 2017	Year ended December 31, 2016
Audit fees		
Audit fees[1]	$ 769,000	$ 653,000
Review of interim financial statements	79,000	79,000
Audit related fees		
Prospectus related fees[2]	448,000	235,000
Tax fees[3]		
Tax fees (compliance)	868,000	377,000
Other[4]	1,152,000	971,000
All other fees[5]	-	-
Total	**$ 3,316,000**	**$ 2,315,000**

Notes:

(1) "Audit fees" relating to the audit of the REIT's financial statements include fees in the amount of $306,000 (2016: $265,000) paid or payable to the Luxembourg affiliate of PricewaterhouseCoopers LLP relating to the audit of financial statements of the Dundee FCPs required to be filed with regulatory authorities in Luxembourg.

(2) "Prospectus related fees" in 2017 and 2016 consist of fees relating to the public offerings completed during the applicable years, including the comforting procedures of our management's discussion and analysis for the applicable periods and translation of our financial statements and management's discussion and analysis for the applicable periods.

(3) "Tax fees" include the aggregate fees paid to the external auditors for tax compliance, tax advice, tax planning and advisory services.

(4) Dream Global REIT completed approximately $1.296 million of acquisitions and similar transactions in 2017 and $215 million in 2016. Other tax fees in 2017 and 2016 relate to acquisition and re-financing structuring and/or due diligence work performed in connection with our acquisitions. Such fees were paid or payable to PricewaterhouseCoopers network firms.

(5) All other fees are aggregate fees billed or accrued by us in 2017 and 2016 for products and services provided by the REIT's external auditor, other than the services reported under "Audit fees", "Audit related fees", and "Tax fees" in the table above.

Independent Trustee Matters

In addition to requiring the approval of a majority of our Trustees, the following matters will require the approval of at least a majority of our Independent Trustees who have no interest in the matter to become effective:

(a) making any material change to the Asset Management Agreement (including any termination thereof) or any increase in the fees payable thereunder (or any change thereto which has the effect of increasing the fees payable thereunder);

(b) entering into any agreement or transaction in which any Related Party has a material interest or making a material change to any such agreement or transaction;

(c) approving or enforcing any agreement entered into by us with a Related Party;

(d) permitting any of our Subsidiaries or any Dundee FCP to acquire any real or other property in which a Related Party has an interest or to sell any interest in any real or other property to a Related Party; and

(e) making or prosecuting any claim by or against any Related Party.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Corporate Cease Trade Orders and Bankruptcies

None of the trustees or executive officers of Dream Global REIT are, as at the date of this AIF, or have been within the 10 years before the date of this AIF, (a) a director, chief executive officer or chief financial officer of any company that was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer,

or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. None of the trustees or executive officers of Dream Global REIT are, and to the best of Dream Global REIT's knowledge, no unitholder holding a sufficient number of the REIT's securities to affect materially the control of Dream Global REIT is, or have been within the 10 years before the date of this AIF, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Individual Bankruptcies

None of the trustees or executive officers of Dream Global REIT, and to the best of Dream Global REIT's knowledge, no unitholder holding a sufficient number of the REIT's securities to affect materially the control of Dream Global REIT, have, within the 10 years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

None of the trustees or executive officers of Dream Global REIT, and to the best of Dream Global REIT's knowledge, no unitholder holding a sufficient number of the REIT's securities to affect materially the control of Dream Global REIT, have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflict of Interest Restrictions and Provisions

The Declaration of Trust contains "conflict of interest" provisions similar to those applicable to corporations under Section 132 of the OBCA which serve to protect unitholders without creating undue limitations on us. Given that our Trustees and officers will be engaged in a wide range of real estate and other business activities, the Declaration of Trust requires each of our Trustees and officers to disclose to us if he or she is a party to a material contract or transaction or proposed material contract or transaction with us or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with us. Such disclosure is required to be made by a Trustee (a) at the first meeting of the Trustees or the applicable committee thereof, as the case may be, at which a proposed contract or transaction is first considered, (b) if the Trustee was not then interested in a proposed contract or transaction, at the first such meeting after a Trustee becomes so interested, (c) if the Trustee becomes interested after a contract is made or a transaction is entered into, at the first such meeting after the Trustee becomes so interested, (d) at the first meeting after an interested party becomes a Trustee. Disclosure is required to be made by each of our officers as soon as the officer becomes aware that a contract or transaction or proposed contract or transaction is to be, or has been, considered by the Trustees or applicable committee thereof, as soon as the officer becomes aware of his or her interest in a contract or transaction or, if not currently an officer, as soon as such person becomes an officer. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by Trustees or unitholders, that Trustee or officer is required to disclose in writing to the Trustees or applicable committee thereof or request to have entered into the minutes of the meeting of the Trustees or applicable committee thereof the nature and extent of his or her interest forthwith after the Trustee or officer

becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration for serving as our Trustee, officer, employee or agent or one for indemnity under the indemnity provisions of the Declaration of Trust or the purchase of liability insurance. Certain of our Trustees may have conflicts of interest as a result of their current full-time positions and these conflicts will be expressly acknowledged. See "Risk Factors".

Executive Officers

The responsibilities of our senior management includes: (a) leading our management and implementing the resolutions and policies of the Board of Trustees; (b) providing the Board of Trustees with information and advice relating to the operation of our properties, acquisitions and financings; (c) establishing, at least on an annual basis, investment and operating plans for the ensuing period; (d) conducting and supervising the due diligence required in connection with proposed acquisitions and completing any acquisitions or dispositions; (e) maintaining our books and financial records; (f) determining and preparing designations, elections and determinations to be made in connection with income and capital gains for tax and accounting purposes; (g) preparing reports and other information required to be sent to unitholders and other disclosure documents; (h) calculating all distributions; (i) communicating with unitholders and other persons, including investment dealers, lenders and professionals; and (j) administering or supervising the administration, on behalf of the Board of Trustees, of the payment of cash distributions and other distributions.

Trustees' and Officers' Liability Insurance

We carry trustees' and officers' liability insurance. Under this insurance coverage, we will be reimbursed for insured claims where payments have been made under indemnity provisions on behalf of our Trustees and officers contained in the Declaration of Trust, subject to a deductible for each loss, which will be paid by us. Individual Trustees and officers will also be reimbursed for insured claims arising during the performance of their duties for which they are not indemnified by us. Excluded from insurance coverage are illegal acts, acts which result in personal profit and certain other acts. In addition, we enter into indemnity agreements with each of our Trustees and officers.

REAL ESTATE MANAGEMENT AND ADVISORY SERVICES

Overview

We have entered into several arrangements to ensure that our operations are properly managed in all geographic jurisdictions.

- Overall responsibility for asset management, including the day-to-day oversight of the REIT and execution of our corporate strategy, has been contracted to DAM.
- Portfolio management for our properties is provided internally by Dream Lux Manager by a team of employees who have years of experience with asset management of the Initial Properties through previous employment with Hudson Advisors Lux and Hudson Advisors Germany.
- Property management of the Initial Properties is performed by Tectareal, an experienced operator that has become the REIT's property manager for the Initial Properties on January 1, 2016. Previously, property management was performed by CSG GmbH.
- Property management for properties other than the Initial Properties is performed by a number of third party property management service providers.
- Starting on January 1, 2018, property management for the properties in the Initial Portfolio and the Acquisition Properties are performed by Viva Dream, a newly formed joint venture between Dream Global REIT and Vivanium, an established German property management company.

- Administrative services such as corporate reporting, treasury and compliance is performed by a combination of experienced service providers in Canada, Luxembourg and Germany. They include DOMC (a Subsidiary of Dream Office REIT), DAM and Lorac. Services are provided for a fee at least sufficient to reimburse the service providers for their expenses.

Asset Management

The Asset Manager of the REIT is DAM. Pursuant to the Asset Management Agreement, the Asset Manager has agreed to provide the following asset management services to the REIT and any affiliates of the REIT which own, directly or indirectly, beneficially or as nominee, any of our properties (collectively, the "**Client**"), subject to the overriding supervision and direction of the Client:

(a) provides the services of a senior management team to provide advisory, consultation and investment management services and monitor the financial performance of the Client;

(b) advises the Trustees on strategic matters, including potential acquisitions, dispositions, financings, and development;

(c) provides guidance to property managers on operating and capital expenditures;

(d) identifies, evaluates, recommends and assists in the structuring of acquisition, disposition and other transactions;

(e) advises and assists with borrowings, issuances of securities and other capital requirements, including assistance in dealings with banks and other lenders, investment dealers, institutions and investors;

(f) makes recommendations with respect to the payment of distributions;

(g) provides advice in connection with the preparation of business plans and annual budgets, implements such plans and budgets and monitors the financial performance of the Client;

(h) advises the Client with respect to investor relations strategies and activities;

(i) advises with respect to regulatory compliance requirements, risk management policies and certain litigation matters; and

(j) provides any additional services as may from time to time be agreed to in writing by the Client and the Asset Manager for which the Asset Manager will be compensated on terms to be agreed upon between the Asset Manager and the Client prior to the provision of such services.

The Asset Manager is entitled to the following fees for its asset management services:

(a) a base annual management fee (which we refer to as an asset management fee) calculated and payable on a monthly basis in arrears on the first day of each month equal to 0.35% of the historical purchase price of our properties;

(b) an incentive fee payable by the REIT for each fiscal year equal to 15% of our AFFO Per Unit (as defined in the Asset Management Agreement, which includes the gain or loss on the sale of any properties during the year) in excess of $0.93 per Unit (which is the hurdle amount for this purpose), increasing annually by 50% of the increase in the weighted average CPI (or other similar metric as determined by the Trustees) of the jurisdictions in which our properties are located;

(c) a capital expenditures fee equal to 5% of all hard construction costs incurred on each capital project with costs in excess of $1 million excluding work done on behalf of tenants or any maintenance capital expenditures. No capital expenditures fees have been charged to date in respect of any of our capital projects;

(d) an acquisition fee equal to: (i) 1.0% of the purchase price paid by the REIT or one or more Subsidiaries of the REIT for the purchase of a property, on the first $100 million of

properties acquired in each fiscal year; (ii) 0.75% of the purchase price paid by the REIT or one or more Subsidiaries of the REIT for the purchase of a property, on the next $100 million of properties acquired in each fiscal year, and (iii) 0.50% of the purchase price paid by the REIT or one or more Subsidiaries of the REIT for the purchase of a property, on properties in excess of $200 million acquired in each fiscal year; and

(e) a financing fee covering actual expenses of supplying services to us relating to financing transactions. Such services are provided on a cost-reimbursement basis, and this fee is not intended to have a profit component for the Asset Manager. The financing fee is charged at 0.25% of the debt and equity of all financing transactions completed for us, but an adjustment is made at the end of each fiscal year to reflect the actual amount of expense of supplying services to us. If financing fees paid by us exceed the actual amount of this expense, the Asset Manager reimburses us for the difference. Likewise, if financing fees paid by us are less than the actual amount of this expense, we pay the Asset Manager for the difference.

In addition, we will reimburse the Asset Manager for all reasonable and necessary actual out-of-pocket costs and expenses incurred by the Asset Manager in connection with the performance of the services described in the Asset Management Agreement or such other services which we and the Asset Manager agree in writing are to be provided from time to time by the Asset Manager.

Pursuant to the Asset Management Agreement, the Asset Manager may elect to receive all or part of the fees payable to it for its asset management services in Deferred Trust Units under our Deferred Unit Incentive Plan. The number of Deferred Trust Units issued to the Asset Manager will be calculated by dividing the fees payable to the Asset Manager by the market value on the relevant payment date of the Units. Market value for this purpose is the weighted average closing price of the Units on the principal market on which the Units are quoted for trading for the five trading days immediately preceding the relevant payment date. The Deferred Trust Units will vest on a five-year schedule, pursuant to which one-fifth of the Deferred Trust Units will vest, starting on the sixth anniversary of the grant date. Income deferred trust units of Dream Global REIT ("**Income Deferred Trust Units**") will be credited to the Asset Manager based on distributions paid by us on the Units and such Income Deferred Trust Units will vest on the same five-year schedule as their corresponding Deferred Trust Units. The Asset Manager has irrevocably elected to receive the first $3.5 million of the fees payable to it in each year for the first five years for its asset management services pertaining to the Initial Properties in Deferred Trust Units. Commencing in August 2016, DAM ceased to receive its asset management fees in Deferred Trust Units. As at December 31, 2017, there were 2,059,806 unvested Deferred Trust Units and their related income deferred units that had been granted in satisfaction of fees payable under the Asset Management Agreement.

For a description of the Deferred Unit Incentive Plan, please refer to our most recent management information circular.

The Asset Management Agreement is for a term of ten years (the "**Initial Term**") and is renewable for further five year terms (the "**Renewal Terms**", and together with the Initial Term, the "**Term**"), unless and until the Asset Management Agreement is terminated in accordance with the provisions thereof. Subject only to the termination provisions in the Asset Management Agreement, the Asset Manager will automatically be rehired at the expiration of each Term. The Asset Manager has the right, at any time, but upon 180 days' notice, to terminate the Asset Management Agreement for any reason; provided, however, the Asset Manager may not terminate the Asset Management Agreement during the Initial Term.

The REIT has the right to terminate the Asset Management Agreement in the event of default or event of insolvency of the Asset Manager (within the meaning of the Asset Management Agreement) by giving notice to the Asset Manager, which notice shall provide the reason for termination in reasonable detail and shall be effective in accordance with the provisions of the Asset Management Agreement.

The REIT may also terminate the Asset Management Agreement at the end of a Term if the Independent Trustees determine that the Asset Manager has not been meeting its obligations under the Asset Management Agreement and such termination is approved by at least two-thirds of the votes cast by unitholders at a meeting of unitholders called and held for such purpose, provided that we provide the Asset Manager with at least 12 months' prior written notice of such termination.

Portfolio Management

We have a number of employees in Luxembourg and Germany, who provide portfolio management services, including administering the terms of all tenancies and renewals; carrying out advertising and promotional activities; providing information to us and certain other third parties in connection with a proposed sale, financing or refinancing of any our properties; managing tenant relations; and administering construction, repair and maintenance initiatives. All of the portfolio management services with respect to our properties are supervised by Dream Lux Manager in Luxembourg and carried out by Dream Germany Sub-Manager in Germany.

Property Management

Initial Properties

In 2017, pursuant to the Property Management Agreement, Tectareal provided customary property management services in respect of each of the Initial Properties, including monitoring rental payments to the Landlord on behalf of itself and the other tenants; supervising technical services such as repairs and maintenance as well as infrastructural facility services such as maintaining interior and exterior common areas, arranging and supervising security; and other general services necessary for the management, operation and maintenance of the Initial Properties. Facility management services were performed by CSG TS GmbH and GETEC Contracting GmbH (formerly Imtech Contracting GmbH). CSG TS GmbH performed infrastructural services as well as technical services for all technical equipment except for HVAC. GETEC Contracting GmbH performed repairs and maintenance for all HVAC equipment.

The Property Management Agreement was terminated effective December 31, 2017. Tectareal was entitled to an annual fee of 2.93% of GRI.

In January 2018, we entered into a property management joint venture arrangement with Vivanium called "Viva Dream" to facilitate the property management of our assets located in Germany, Brussels and Vienna. We have a 50% ownership interest in the joint venture.

Properties Other than Initial Properties

As is the case with the Initial Properties, we used third parties to provide property management services for properties other than the Initial Properties in 2017. Fees paid to property managers generally range from 1.5% to 3.0% of the GRI of the applicable property.

Administrative Services

Administrative Services Agreement

The Administrative Services Agreement sets out the terms and conditions pursuant to which DOMC provides us with certain management and general administrative services, including keeping and maintaining books and records; preparing returns, filings and documents and making determinations necessary for the discharge of our obligations and those of the Trustees. Under the Administrative Services Agreement, DOMC also provides us with certain administrative and support services, including providing office space, office equipment and communications services and computer systems, providing secretarial support personnel and reception and telephone answering services, installing and maintaining signage and promotional materials and providing such other administrative services as may be reasonably required from time to time.

Under the Administrative Services Agreement, we pay DOMC a services fee sufficient to reimburse it for the expenses incurred by it in providing services under the Administrative Services Agreement as long as

the expenses are identified in the current annual budget for the properties or are otherwise approved by us in writing prior to being incurred by DOMC.

The initial term of the Administrative Services Agreement commenced on Closing for one year and the agreement is automatically renewed for further one year terms. Notwithstanding the foregoing, the Administrative Services Agreement may be terminated by us at any time during the term upon 30 days' prior notice.

The Administrative Services Agreement contains an acknowledgement that DOMC and its affiliates and associates may engage in other businesses that may be similar to or competitive with our affairs. In the event of a conflict, DOMC will provide us with notice of the conflict and will be entitled to retain one or more third parties to perform the administrative services to which the conflict relates and to deduct from the fees otherwise payable to DOMC under the Administrative Services Agreement the fees payable to such third parties.

Administrative Services under the Asset Management Agreement

According to the Asset Management Agreement, the Asset Manager provides certain administrative services to us, including the preparation of budgets, financial forecasts, valuations and leasing analysis; and amounts outstanding with respect to all receipts, disbursements and investments; the keeping and maintaining all books, records preparation of regulatory filings, including our annual information forms, management information circulars, insider trading reports, financial statements, management's discussion and analysis, business acquisition reports and press releases; the preparation of financing documents such as prospectuses; investor relations services, including the preparation of annual and quarterly reports, investor presentations and marketing materials, as well as holding quarterly conference calls with analysts and investors; the holding of annual and/or special meetings and the preparation of and arrangement for the distribution of all materials (including notices of meetings and information circulars); the preparation of reports and other disclosure documents for the Trustees and unitholders; ensuring compliance by us with all applicable laws and stock exchange rules including continuous disclosure obligations; the preparation of returns, designations, allocations, elections and determinations to be made in connection with our income and capital gains for tax and accounting purposes; monitoring our income and investments to ensure that the REIT does not become liable to pay a tax; the preparation of operational reporting such as cash flow by property and by asset types; and the preparation of executive summaries by asset type outlining asset issues along with various other matters and development reporting costs.

We pay the Asset Manager a services fee sufficient to reimburse it for the expenses reasonably incurred by it in providing administrative services under the Asset Management Agreement.

Shared Services and Cost Sharing Agreement

DAM provides services, such as administrative, legal and regulatory, tax advisory, internal audit and control, communications, risk management, process improvements and branding, to us as agreed from time to time. DAM is reimbursed for its expenses in providing any agreed services. DAM and we have also agreed to share the cost of business transformation projects as agreed from time to time, currently consisting of a process improvement project and a branding and culture initiative.

License Agreement with Dream Technology Ventures LP

Prior to January 1, 2016, we were party to a non-exclusive, non-transferable, royalty-free license agreement with DAM relating to certain information technology owned by DAM and used by us in connection with the operation of our business (the "**Licensed Technology**"). On January 1, 2016, DAM transferred the Licensed Technology and its interest in its license agreement with us, to DTV LP and we contributed our interest in our license agreement with DAM to DTV LP in exchange for a limited partnership interest in DTV LP. Effective on the same date, we entered into a new non-exclusive, non-transferable license agreement (the "**New Licence Agreement**") relating to the Licensed Technology with DTV LP, on similar terms as the previous license agreement with DAM. Under the New Licence Agreement, we pay an annual licencing fee based on our usage of the Licensed Technology. The limited

partnership agreement of DTV LP provides for, among other things, the funding of costs relating to the Licensed Technology.

Services Performed by the Custodian

Lorac, acting as management company in its own name but for the account of the Dundee FCPs, has entered into a depository agreement (the "**Custodian Agreement**") with a bank incorporated under the laws of Luxembourg (the "**Custodian**"). Under applicable Luxembourg law, the legal duty of the Custodian is to supervise the assets (including the Initial Properties) of each Dundee FCP. The assets of the Dundee FCPs are held in a separate client account and are separately designated and segregated in the books of the Custodian as belonging to the applicable Dundee FCP. In the event of the Custodian's bankruptcy or insolvency, assets that are segregated are unavailable to the creditors of the Custodian. Annual fees in line with customary custodian bank practices in Luxembourg and out-of-pocket expenses and disbursements are paid by each Dundee FCP for the services provided by the Custodian under the Custodian Agreement.

Services Performed by Lorac

Lorac is responsible for the management of the Dundee FCPs. In conducting its management obligations, Lorac provides certain administrative services such as keeping and maintaining books and records; preparing financial statements for each of the Dundee FCPs (including the annual audit and fair market valuation); providing treasury services, including the monitoring of bank accounts with the Custodian and cash flow analysis; liaising with regulatory authorities, auditors, appraisers and lawyers for the account of the Dundee FCPs; and coordinating tax filings as required. We pay Lorac a services fee sufficient to reimburse it for the expenses incurred by it plus 5%.

Non-Competition Agreement

The Non-Competition Agreement prohibits DAM and its affiliates (excluding affiliates which are public companies as described below) from directly or indirectly acquiring an ownership interest, on its own behalf, in any real property which meets the investment criteria of the REIT, unless such investment opportunity has first been offered to us in accordance with the terms of the Non-Competition Agreement. See "Investment Guidelines and Operating Policies".

The above investment restriction will apply to real properties located outside Canada and will not apply to investments in vacant land, residential housing, multi-residential housing units, resorts, residential condominium units, nursing homes or retirement homes. This investment restriction will not apply to: (a) passive real estate investments made by DAM or any of its affiliates which are each less than $10 million and represent less than a 25% interest in the real property; (b) investments in properties that do not meet the investment criteria of the REIT; (c) investments in any property that will be used as office space by DAM or any affiliates; (d) investments made on behalf of fiduciary, managed or client accounts; (e) investments that result from the realization of a loan secured by the property; and (f) investments made by any affiliate of DAM that is a public company or any Subsidiaries or affiliates of such public companies (other than DAM and its direct Subsidiaries).

The Non-Competition Agreement provides that DAM and its affiliates are no longer bound by the terms of the Non-Competition Agreement when DAM is no longer our asset manager or, in the case of any affiliate, when such entity has ceased to be an affiliate of DAM.

Opportunities Agreement

The Opportunities Agreement provides that if DAM, as our asset manager and as the asset manager for Dream Industrial REIT, identifies an investment opportunity (each, an "**Offered Investment**") to acquire, directly or indirectly, an ownership interest in (including as a result of making a loan secured by):

(a) a real property or interest in a real property that is, or would reasonably be considered to be, an industrial property or primarily an industrial property, which, for purposes of the

Opportunities Agreement, includes real property commonly described as "flex office/industrial" or a variation of same (an "**Industrial Property**");

(b) a real property or interest in a real property that is, or would reasonably be considered to be, an office property or primarily an office property (an "**Office Property**");

(c) a portfolio or real properties or interest in a portfolio of real properties that is, or would reasonably be considered to be, a portfolio of Industrial Properties or primarily Industrial Properties (an "**Industrial Portfolio**");

(d) a portfolio of real properties or interest in a portfolio of real properties that is, or would reasonably be considered to be, a portfolio of Office Properties or primarily Office Properties (an "**Office Portfolio**"); or

(e) a portfolio of Industrial Properties and Office Properties that is, or would reasonably be considered to be, neither primarily Office Properties nor primarily Industrial Properties (a "**Mixed Portfolio**");

then in each case, DAM shall offer such Offered Investment to Dream Global REIT or Dream Industrial REIT on the following basis:

(a) an opportunity to acquire (i) an Industrial Property in Canada or (ii) an Industrial Portfolio in Canada or primarily in Canada will, in each case, first be offered to Dream Industrial REIT in accordance with the terms of the Opportunities Agreement;

(b) an opportunity to acquire an Industrial Property, Industrial Portfolio, Office Property or Office Portfolio outside of Canada will first be offered to us in accordance with the terms of the Opportunities Agreement; if we are not interested in pursuing such opportunity, the opportunity will then be offered to Dream Industrial REIT, in accordance with the terms of the Opportunities Agreement on the same basis as if the property or portfolio of properties were in Canada;

(c) an opportunity to acquire a Mixed Portfolio in Canada or primarily in Canada will be offered to Dream Industrial REIT in accordance with the terms of the Opportunities Agreement; and

(d) an opportunity to acquire an Industrial Portfolio, Office Portfolio or Mixed Portfolio partially in Canada and partially outside of Canada that is not required to be offered to Dream Industrial REIT by the terms of the Opportunities Agreement will be offered in accordance with the terms of the Opportunities Agreement at the same time to: (i) both us (in respect of that part of the portfolio outside of Canada) and to Dream Industrial REIT in the case of an Industrial Portfolio; (ii) us (in respect of that part of the portfolio outside Canada) in the case of an Office Portfolio; or (iii) both Dream Industrial REIT and us (in respect of that part of the portfolio outside Canada) in the case of a Mixed Portfolio.

The Opportunities Agreement does not apply to opportunities to make investments: (i) in any property that will be used as office space by DAM or any of its affiliates; (ii) made on behalf of fiduciary, managed or client accounts other than Dream Office REIT, us or Dream Industrial REIT; and (iii) by DAM that result from the realization of a loan secured by a real property or any interest therein.

The Opportunities Agreement will cease to apply to Dream Industrial REIT or us at the time that DAM ceases to be the asset manager for Dream Industrial REIT or us, as the case may be.

EMPLOYEES

As at December 31, 2017, we had 44 full-time employees, excluding the management platform for the Dutch Properties.

INVESTMENT GUIDELINES AND OPERATING POLICIES

Our investment and operating activities are limited because our operating business is carried out by our Subsidiaries and the Dundee FCPs. The investment guidelines governing our investments in real estate and other assets and the operating policies governing our investments are set out below.

Investment Guidelines

Pursuant to the Declaration of Trust and other documents governing us, our assets may be invested only in accordance with the following investment guidelines:

1. the REIT will only invest in units, notes and securities of its Subsidiaries, the Dundee FCPs and Lorac, amounts receivable in respect of such units, notes and securities, cash and similar deposits in a Canadian chartered bank or trust company and, subject to certain limitations summarized in paragraph 2 below, such other investments as the Trustees deem advisable from time to time;

2. the REIT will not make, or permit any of its Subsidiaries or the Dundee FCPs to make, any investment that could result in:

    (a) the Units being disqualified for investment by Plans;

    (b) the REIT or any of its Subsidiaries or the Dundee FCPs being liable under the Tax Act to pay a tax imposed under either paragraph 122(1)(b), subsection 197(2) or Part XII.2 of the Tax Act; or

    (c) the REIT ceasing to qualify as a "mutual fund trust" for purposes of the Tax Act;

3. Subsidiaries of the REIT and the Dundee FCPs may only invest in revenue producing real properties or assets or assets ancillary thereto located outside of Canada;

4. when making investments, Subsidiaries of the REIT and the Dundee FCPs shall consider the following factors: the political environment and governmental and economic stability in the relevant jurisdiction(s), the long-term growth prospects of the assets and the economy in the relevant jurisdiction(s) and the income-producing stability of the assets;

5. Subsidiaries of the REIT and the Dundee FCPs will not invest in raw land (except for the acquisition of properties adjacent to our existing properties for the purpose of renovation or expansion of existing facilities where the total cost of all such investments does not exceed 10% of our Adjusted Unitholders' Equity); and

6. Subsidiaries of the REIT and the Dundee FCPs may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred by us and secured by a mortgage on such property) up to 25% of our Adjusted Unitholders' Equity in investments or transactions outside Canada which do not otherwise comply with our investment guidelines, so long as the investment does not contravene paragraph 2 above.

For the purpose of the foregoing restrictions, the assets, liabilities and transactions of a corporation, trust, partnership or other entity in which we have an interest will be deemed to be those of the REIT on a proportionate consolidated basis. In addition, any references in the foregoing to an investment in real property will be deemed to include an investment in a joint venture arrangement that holds real property.

Pursuant to the Declaration of Trust, the investment guidelines set forth above may only be amended with the approval of at least $66^2/_3\%$ of the votes cast at a meeting of unitholders of the REIT called for that purpose except for certain amendments that may be undertaken by a majority of the Trustees pursuant to the Declaration of Trust.

Operating Policies

The Declaration of Trust and other documents governing us provide that our operations and affairs must be conducted in accordance with the following operating policies and that we will not permit any of our Subsidiaries or the Dundee FCPs to conduct its operations and affairs other than in accordance with the following operating policies:

1. To the extent our Trustees determine to be practicable and consistent with their fiduciary duty to act in the best interests of the REIT and our unitholders, any written instrument which in the judgment of our Trustees creates a material obligation of the REIT must contain a provision or be subject to an acknowledgement to the effect that the obligation being created is not personally binding upon, and that resort will not be had to, nor will recourse or satisfaction be sought from the private property of any of the Trustees, unitholders of the REIT, annuitants or beneficiaries under a plan of which a Unitholder acts as a Trustee or carrier or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof will be bound;

2. The REIT will only guarantee the obligations of wholly-owned Subsidiaries (other than any wholly-owned Subsidiaries that are general partners in partnerships that are not wholly-owned by the REIT) and the Dundee FCPs, provided that the REIT may guarantee the obligations of wholly-owned Subsidiaries of the REIT that are general partners in partnerships that are not wholly-owned by the REIT if the REIT has received an unqualified legal opinion that the guarantee by the REIT of the obligations of wholly-owned Subsidiaries of the REIT that are general partners in partnerships that are not wholly-owned by the REIT will not cause the REIT to cease to qualify as a "mutual fund trust" for the purposes of the Tax Act;

3. Subsidiaries of the REIT and the Dundee FCPs will not enter into any transaction involving the purchase of lands or land and improvements thereon and the leasing thereof back to the vendor where the fair market value net of encumbrances of the property being leased to the vendor together with all other property being leased by Subsidiaries of the REIT or the Dundee FCPs to the vendor and its affiliates is in excess of 15% of our Adjusted Unitholders' Equity;

4. The limitation referred to in paragraph 3 above will not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by:

   (a) a federal, provincial, state, municipal or city government, or any agency or crown corporation thereof, of any jurisdiction; or

   (b) any corporation which has securities outstanding that have received and continue to hold an investment grade rating from a recognized credit rating agency at the time the lease or sublease is entered into, or at the time other satisfactory leasing or pre-leasing arrangements were entered into that is not less than A low or its equivalent;

5. Subsidiaries of the REIT and, subject to the restrictions applicable to each Dundee FCP under its private placement memorandum, the Dundee FCPs may engage in construction or development of real property provided such real property meets our investment guidelines and operating policies;

6. Except for the Initial Properties, title to each real property shall be held by and registered in the name of a Subsidiary of the REIT or a corporation or other entity wholly-owned, directly or indirectly, by a Subsidiary of the REIT or jointly-owned, directly or indirectly, by a Subsidiary of

the REIT with joint venturers; provided that where land tenure will not provide fee simple title, a Subsidiary of the REIT or a corporation or other entity wholly-owned, directly or indirectly, by a Subsidiary of the REIT or jointly-owned, directly or indirectly, by a Subsidiary of the REIT with joint venturers will hold a land lease as appropriate under the land tenure system in the relevant jurisdiction;

7. Except for the Initial Properties, Subsidiaries of the REIT and the Dundee FCPs will have conducted environmental and other diligence, as is commercially reasonable in the circumstance, on each real property they intend to acquire with respect to the physical condition thereof, including required capital replacement programs;

8. Subsidiaries of the REIT and the Dundee FCPs will obtain and maintain at all times insurance coverage in respect of potential liabilities of Subsidiaries of the REIT and the Dundee FCPs and the accidental loss of value of the assets of Subsidiaries of the REIT and the Dundee FCPs from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties; and

9. Subsidiaries of the REIT and the Dundee FCPs will maintain an interest coverage ratio, being EBITDA to interest expense, of no less than 1.4 times, where EBITDA for purposes of our operating policies is a generally accepted proxy for operating cash flow and represents earnings before interest expense, income tax expense, depreciation and amortization expense, transaction cost expense, gains/losses on disposition of property, fair value adjustments on investment properties and debt instruments and other unrealized gains/losses that may occur under IFRS.

For the purpose of the foregoing policies, the assets, liabilities and transactions of a corporation, trust, partnership or other entity in which we have an interest will be deemed to be those of the REIT on a proportionate consolidated basis. In addition, any references in the foregoing to investment in property will be deemed to include an investment in a joint venture arrangement.

Pursuant to the Declaration of Trust, the operating policies set forth above may only be amended with the approval of a majority of the votes cast at a meeting of unitholders of the REIT called for that purpose.

DISTRIBUTION POLICY

The following outlines our distribution policy, which is contained in the Declaration of Trust, but is not intended to be a complete description. You should refer to the Declaration of Trust for the full text of our distribution policy. Our distribution policy may be amended only with the approval of a majority of the votes cast at a meeting of our unitholders.

General

Since the completion of our initial public offering on August 3, 2011, we have declared cash distributions at a rate of $0.06667 per Unit per month.

Distributions made by us are authorized by the Board of Trustees in its sole discretion out of funds legally available for distribution to our unitholders and are dependent upon a number of factors, including restrictions under applicable law and other factors described below. We do not anticipate that we will be subject to Canadian tax at the REIT level, because we will not be a SIFT trust and we intend to distribute our full taxable income to unitholders each year. However, our level of distributable income will be affected by the level of foreign tax, if any, that may be payable by our Subsidiaries or the Dundee FCPs.

We cannot assure you that our estimated distributions will be made or sustained. Any distributions we pay in the future will depend upon our actual results of operations, currency exchange rates, economic conditions, debt service requirements and other factors that could differ materially from our expectations. Our actual results of operations will be affected by a number of factors, including the revenue we receive from our properties, our operating expenses, interest expense, the ability of our tenants to meet their

obligations and unanticipated expenditures. For more information regarding risk factors that could materially adversely affect our actual results of operations, please see "Risk Factors".

Distributions in respect of a month are paid on or about each Distribution Date to Unitholders of record as at the close of business on the corresponding Distribution Record Date. This means that the distribution for any month is generally paid to Unitholders of record at the close of business on the last day of the month on or about the 15th day of the following month.

In addition, on December 31 of each year, we intend to make payable to such Unitholders, a distribution of sufficient net realized capital gains and net income for the taxation year ended on that date, net of any capital losses or non-capital losses recognized on or before the end of such year such that we will not be liable for ordinary income taxes for such year, net of tax refunds. The payment of such amounts shall be made on or before the following January 15.

Where the Trustees determine that we do not have available cash in an amount sufficient to make payment of the full amount of any distribution which has been declared to be payable on the due date for such payment, the payment may, at the option of the Trustees, include the issuance of additional Units, as the case may be, or fractions of such Units, as the case may be, if necessary, having a fair market value as determined by the Trustees equal to the difference between the amount of such distribution and the amount of cash which has been determined by the Trustees to be available for the payment of such distribution in the case of the Units.

Unless the Trustees determine otherwise, immediately after any *pro rata* distribution of additional Units to unitholders, the number of outstanding Units will automatically be consolidated such that each of such holders will hold after the consolidation the same number of Units as such holder held before the distribution of additional Units. Each Unit certificate representing the number of Units prior to the distribution of additional Units will be deemed to represent the same number of units after the non-cash distribution of additional Units and the consolidation.

Notwithstanding the foregoing, where tax is required to be withheld from a Unitholder's share of the distribution, the consolidation will result in such Unitholder holding that number of Units equal to (a) the number of Units held by such Unitholder prior to the distribution plus the number of Units received by such Unitholder in connection with the distribution (net of the number of whole and part Units withheld on account of withholding taxes) multiplied by (b) the fraction obtained by dividing the aggregate number of Units outstanding prior to the distribution by the aggregate number of Units that would be outstanding following the distribution and before the consolidation if no withholding tax were required in respect of any part of the distribution payable to any Unitholder. Such Unitholder will be required to surrender the Unit certificates, if any, representing such Unitholder's original Units, in exchange for a Unit certificate representing such Unitholder's post-consolidation Units.

Hedging Arrangements

We have implemented active hedging programs in order to offset the risk of revenue losses and provide more certainty regarding the payment of distributions to Unitholders and interest to Debentureholders. See "Indebtedness".

DRIP

We have a distribution reinvestment and unit purchase plan entitling certain holders of Units to reinvest all cash distributions made by the REIT in additional Units. The price at which Units are acquired for DRIP participants is determined by us but is generally a price per Unit calculated by reference to a five day volume weighted average closing price of the Units on the TSX on which the Units are listed preceding the relevant Distribution Date. Participants electing to reinvest cash distributions in Units pursuant to our DRIP receive a further "bonus" distribution equal to 4% of the amount of each cash distribution that they reinvest, which further distribution is also reinvested in Units. Participants may also make optional cash purchases of additional Units pursuant to the DRIP in a maximum amount of $250,000 per year. Participants in the DRIP do not receive a bonus distribution of Units in connection with any such optional cash purchases. We may amend, suspend or terminate the DRIP at any time.

Participation in the DRIP is open to holders of Units, other than those who are resident or present in the United States. If a participant in the DRIP is not resident in Canada, participation in the DRIP is subject to applicable withholding tax. In those circumstances, cash that would otherwise be distributed to such participants by us on any given Distribution Date is reduced by the amount of applicable withholding tax, and then applied towards the purchase of additional Units pursuant to our DRIP. No brokerage commission is payable in connection with the purchase of Units under the DRIP and all administrative costs are borne by us. We use the proceeds received upon the issuance of additional Units under the DRIP for future property acquisitions, capital improvements and working capital.

DECLARATION OF TRUST AND DESCRIPTION OF REIT UNITS

The REIT is governed by the Declaration of Trust and, unless earlier terminated in accordance with the Declaration of Trust, it shall continue in full force and effect so long as any property of the REIT is held by the Trustees. Unitholders have all of the material protections, rights and remedies a shareholder would have under the CBCA, except for the right to dissent and be paid the fair value of its units that would be available if the REIT were a corporation governed by the CBCA and the REIT were to effect certain transactions, including amending its constating documents to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares or to add, change or remove any restriction on the activities that the REIT may carry on; selling, leasing or exchanging all or substantially all its property; or carrying out a going-private transaction or squeeze-out transaction (as such terms are defined in the CBCA or the regulations thereunder). These protections, rights and remedies are contained in the Declaration of Trust. The following is a summary, which does not purport to be complete, of certain terms of the Declaration of Trust and the REIT Units. You should refer to the Declaration of Trust for the full text of its provisions and a complete description of the REIT Units.

The Declaration of Trust authorizes the issuance of an unlimited number of two classes of units: Units and Special Trust Units. REIT Units shall be issued only as fully paid and non-assessable. Each REIT Unit when issued shall vest indefeasibly in the holder thereof.

Issued and outstanding units may be subdivided or consolidated from time to time by the Trustees with the approval of a majority of unitholders entitled to vote. Unitholder approval will not be required for an automatic consolidation as described under “Distribution Policy”.

No certificates will be issued for fractional units and fractional units will not entitle the holders thereof to vote, except to the extent such fractional units represent in the aggregate one or more whole units. Holders of Special Trust Units are not entitled to receive a certificate evidencing ownership of such units.

On December 16, 2004, the *Trust Beneficiaries' Liabilities Act*, 2004 (Ontario), came into force. This statute provides that holders of units of a trust are not, as beneficiaries, liable for any act, default, obligation or liability of the trust if, when the act or default occurs or the liability arises, (a) the trust is a reporting issuer under the *Securities Act* (Ontario) and (b) the trust is governed by the laws of Ontario. The REIT is a reporting issuer under the *Securities Act* (Ontario) and is governed by the laws of Ontario by virtue of the provisions of the Declaration of Trust.

The Units

Each Unit represents an undivided beneficial interest in the REIT and in distributions made by the REIT, whether of net income, net realized capital gains or other amounts and, in the event of the termination or winding-up of the REIT, in its net assets remaining after the satisfaction of all its liabilities. The Units rank among themselves equally and rateably without discrimination, preference or priority. The distribution entitlement of the Units is derived from the securities held by the REIT.

Each Unit entitles the holder thereof to one vote for each whole Unit held at meetings of unitholders.

The Units are not “deposits” within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of such act or any other legislation. Furthermore, we are not a trust company and, accordingly, we are not registered under any trust and loan company legislation as we do not carry on nor intend to carry on the business of a trust company.

Special Trust Units

The Special Trust Units may only be issued in connection with the issuance of securities exchangeable for Units and will be used to provide voting rights with respect to the REIT to persons holding such exchangeable securities. Holders of Special Trust Units are not entitled to any share of or interest in the distributions or net assets of the REIT. The Special Trust Units are not transferable separately from the exchangeable securities to which they relate. Upon any transfer of any exchangeable securities, the corresponding Special Trust Units will automatically be transferred to the transferee of such exchangeable securities. The Special Trust Units may only be transferred to permitted transferees of Special Trust Units. In addition, as exchangeable securities are exchanged by a holder, the corresponding Special Trust Units will be automatically cancelled.

Each Special Trust Unit entitles the holder thereof to one vote at all meetings of unitholders.

Issuance of REIT Units

We may allot and issue new REIT Units from time to time as the Trustees determine, including for cash, through public offerings, through rights offerings to existing unitholders (i.e. in which unitholders receive rights to subscribe for new REIT Units in proportion to their existing holdings of REIT Units, which rights may be exercised or sold to other investors) or through private placements (i.e. offerings to specific investors which are not made generally available to the public or existing unitholders). In certain instances, we may issue new REIT Units as consideration for, or in connection with, the acquisition of new properties or assets. The price or the value of the consideration for which new REIT Units may be issued will be determined by the Trustees in their sole discretion except that Special Trust Units may only be issued in connection with the issuance of securities exchangeable into Units. Units are generally issued in consultation with investment dealers or brokers who may act as underwriters or agents in connection with offerings of Units.

The Declaration of Trust provides Dundee Corporation with a pre-emptive right pursuant to which the Trustees will not issue, or agree to issue, any Units, or any securities which are convertible or exchangeable for or into Units, to any person unless the Trustees first make an offer to Dundee Corporation to issue that number of Units or securities, at a price per Unit determined by the Trustees, necessary to maintain the percentage of the outstanding voting interest in the REIT held by Dundee Corporation and its affiliates at the date of the offer. This pre-emptive right, however, will not apply to any issuances of Units by us pursuant to the DRIP referred to under "Distribution Policy – DRIP", the Deferred Unit Incentive Plan or under the Exchange Agreement. Dundee Corporation also has the option to purchase more than its proportionate share and, in such event, any excess portion of the Units subscribed for by it will be issued to it on the same terms and conditions as issued to any other person. Any Units not taken up by Dundee Corporation may be issued to any person within three months of the date of such offer at not less than the price offered to Dundee Corporation.

Other than the pre-emptive right granted to Dundee Corporation pursuant to our Declaration of Trust, unitholders do not have any pre-emptive rights whereby additional REIT Units are first offered to existing unitholders.

Purchase of Units

We may from time to time purchase for cancellation Units at a price per unit and on a basis determined by the Trustees in accordance with applicable securities legislation and the rules and policies of any applicable stock exchange.

Unit Redemption Right

Units are redeemable at any time on demand by the holders thereof by sending a notice to the REIT at our head office in a form approved by the Trustees and completed and executed in a manner satisfactory to the Trustees, who may require supporting documentation as to identity, capacity or authority. A Unitholder not otherwise holding a fully registered Unit certificate who wishes to exercise the redemption right will be required to obtain a redemption notice from his or her investment dealer or other

intermediary who will be required to deliver the completed redemption form to the REIT. Upon receipt by us of a written redemption notice and other documents that may be required, all in a manner satisfactory to the Trustees, a holder of Units shall cease to have any rights with respect to the tendered Units, including any right to receive any distributions thereon which are declared payable after receipt of the redemption notice by us, and the holder thereof shall be entitled to receive a price per Unit (the "**Redemption Price**") equal to the lesser of:

1. 90% of the "market price" of the Units on the principal exchange or market on which the Units are quoted for trading on the trading day prior to the day on which the Units were surrendered to the REIT for redemption (the "**Redemption Date**"); and

2. 100% of the "closing market price" of the Units on the principal exchange or market on which the Units are quoted for trading on the Redemption Date.

For the purposes of this calculation, the "market price" in respect of Units shall be an amount equal to the weighted average closing price of the Units on the principal exchange or market on which the Units are listed or quoted for trading during the period of 20 consecutive trading days ending on such date; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the Units traded on a particular day, the "market price" as at a specified date will be an amount equal to the weighted average of the highest and lowest prices of the Units on the principal exchange or market on which the Units are listed or quoted for trading during the period of 20 trading consecutive trading days ending on such date; and provided further that if there was trading on the applicable exchange or market for fewer than five of the 20 trading days, the "market price" shall be an amount equal to the weighted average of the following prices established for each of the 20 trading days: (a) the weighted average of the last bid and last asking prices of the Units for each day on which there was no trading; (b) the closing price of the Units for each day on which there was trading if the exchange or market provides a closing price; and (c) the weighted average of the highest and lowest prices of Units for each day that there was trading if the exchange or market provides only the highest and lowest prices of Units traded on a particular day.

The "closing market price" in respect of the Units as at a specified date is (a) an amount equal to the closing price of Units if there was a trade on the date and the exchange or market provides a closing price; (b) an amount equal to the weighted average of the highest and lowest prices of Units if there was trading and the exchange or other market does not provide a closing price but provides only the highest and lowest trading prices of Units traded on a particular day; or (c) the weighted average of the last bid and last asking price of Units if there was no trading on the date.

The aggregate Redemption Price payable by us in respect of any Units tendered for redemption during any calendar month is satisfied by way of a cheque drawn on a Canadian chartered bank or a trust company in Canadian funds, payable no later than the last day of the calendar month following the month in which the Units were tendered for redemption, provided that the entitlement of Unitholders to receive cash upon the redemption of their Units is subject to the limitations that:

1. the total amount payable by us in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed $50,000, provided that the Trustees may, in their sole discretion, waive such limitation in respect of all Units tendered for redemption in any particular calendar month;

2. at the time such Units are tendered for redemption, the outstanding Units shall be listed for trading or quoted on a stock exchange or market which the Trustees consider, in their sole discretion, provides representative fair market value prices for the Units; or

3. the normal trading of outstanding Units is not suspended or halted on any stock exchange on which the Units of such series are listed (or, if not listed on a stock exchange, on any market on which the Units of such series are quoted for trading) on the Redemption Date for the Units of

such series or for more than five trading days during the ten day trading period commencing immediately after the Redemption Date for the Units of such series.

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the foregoing limitations in paragraphs 2 and 3 above, then each Unit tendered for redemption shall, subject to obtaining all applicable regulatory approvals, be redeemed by way of a distribution *in specie* of Subsidiary Securities. The fair market value of such Subsidiary Securities would be equal to the product of the Redemption Price per unit payable by us and the number of Units tendered. However, no Subsidiary Securities with a fair market value of less than $100 will be distributed and, where the fair market value of Subsidiary Securities to be received by the former holder of Units upon redemption *in specie* would otherwise include a Subsidiary Security with a fair market value of less than a multiple of $100, such amount will be rounded down to the next lowest multiple of $100 and the excess will be paid in cash.

If a Unitholder is not entitled to receive cash upon the redemption of Units as a result of the limitation in paragraph 1 above, the holder will receive a combination of cash and, subject to obtaining all applicable regulatory approvals, Subsidiary Securities, determined in accordance with the Declaration of Trust.

It is anticipated that the redemption right described above will not be the primary mechanism for unitholders to dispose of their Units. Subsidiary Securities which may be distributed to Unitholders *in specie* in connection with a redemption will not be listed on any stock exchange, no market is expected to develop and such securities may be subject to an indefinite "hold period" or other resale restrictions under applicable securities laws. The Subsidiary Securities so distributed may not be qualified investments for Plans depending upon the circumstances at the time.

Meetings of Unitholders

The Declaration of Trust provides that meetings of unitholders must be called and held for the election or removal of Trustees, the appointment or removal of our auditor, the approval of amendments to the Declaration of Trust (except as described below under "Declaration of Trust and Description of REIT Units – Amendments to the Declaration of Trust and Other Documents"), the sale of our assets as an entirety or substantially as an entirety (other than as part of an internal reorganization of our assets as approved by the Trustees) and the termination of the REIT. Meetings of unitholders will be called and held annually within 180 days after the end of the fiscal year for the election of the Trustees and appointment of our auditor.

The Trustees have the power at any time to call special meetings of unitholders at such time and place in Canada as the Trustees determine. Unitholders holding in the aggregate not less than 5% of the outstanding REIT Units entitled to vote at such meeting (on a fully diluted basis) may requisition the Trustees in writing to call a special meeting of the unitholders and the Trustees shall, subject to certain limitations, call a meeting of unitholders. A requisition must state in reasonable detail the business proposed to be transacted at the meeting. Unitholders have the right to obtain a list of unitholders to the same extent and upon the same conditions as those which apply to shareholders of a corporation governed by the CBCA.

Unitholders may attend and vote at meetings of unitholders either in person or by proxy and a proxyholder need not be a unitholder. Two persons present in person or represented by proxy and representing in the aggregate at least 10% of the votes attaching to all outstanding REIT Units (on a fully diluted basis) shall constitute a quorum for the transaction of business at all such meetings. If no quorum is present at any meeting of unitholders when called, the meeting, if convened on the requisition of unitholders, will be dissolved, but in any other case will be adjourned for not less than 10 days, and at the adjourned meeting, the unitholders then present in person or represented by proxy will form the necessary quorum.

The Declaration of Trust contains provisions as to the notice required and other procedures with respect to the calling and holding of meetings of unitholders.

Book-Based System for Units; No Certificates for Special Trust Units

Units may be represented in the form of one or more fully registered unit certificates held by, or on behalf of, CDS, as custodian of such certificates for the participants of CDS, registered in the name of CDS or its nominee, and registration of ownership and transfers of Units may be effected through the book-based system administered by CDS.

No holder of Special Trust Units is entitled to a certificate or other instrument from us evidencing the holder's ownership of such units.

Amendments to the Declaration of Trust and Other Documents

The Declaration of Trust may be amended or altered from time to time. Certain amendments (including the termination of the REIT) require approval by at least $66^2/_3\%$ of the votes cast at a meeting of unitholders called for such purpose. Other amendments to the Declaration of Trust require approval by a majority of the votes cast at a meeting of unitholders called for such purpose.

The following amendments require the approval of at least $66^2/_3\%$ of the votes cast by unitholders at a meeting called for that purpose:

1. any amendment to the Declaration of Trust (subject to the exceptions outlined in the Declaration of Trust);

2. the sale of the property or assets of the REIT as an entirety or substantially as an entirety or the sale of all or substantially all of the assets of a Subsidiary (other than as part of an internal reorganization, including by way of the transfer of property or assets of the REIT or a Subsidiary of the REIT or the Dundee FCPs, as approved by the Trustees);

3. the termination of the REIT by the unitholders;

4. an exchange, reclassification or cancellation of all or part of the REIT Units;

5. the addition, change or removal of the rights, privileges, restrictions or conditions attached to the REIT Units, including, without limiting the generality of the foregoing:

   (a) the removal or change of rights to distributions attached to the REIT Units; or

   (b) the addition or removal of or change to conversion privileges, redemption privileges, voting, transfer or pre-emptive rights attached to the REIT Units;

6. the creation of new rights or privileges attaching to certain REIT Units;

7. any change to the existing constraints on the issue, transfer or ownership of the REIT Units; and

8. the combination, amalgamation, or arrangement of any of the REIT, Subsidiaries of the REIT or the Dundee FCPs with any other entity.

A majority of the Trustees may, without the approval of the unitholders, make certain amendments to the Declaration of Trust, including amendments:

1. to the extent deemed by the Trustees in good faith to be necessary to remove any conflicts or other inconsistencies which may exist between any of the terms of the Declaration of Trust and the provisions of any applicable law;

2. to the extent determined by the Trustees in good faith to be necessary to make any change or correction in the Declaration of Trust which is a typographical change or correction or which the Trustees have been advised by legal counsel is required for the purpose of curing any ambiguity

or defect or inconsistent provision or clerical omission or mistake or manifest error contained herein;

3. to ensure compliance with applicable laws in effect from time to time;

4. (a) to create and issue one or more new classes of preferred equity securities of the REIT (each of which may be comprised of unlimited series) that rank in priority to the REIT Units (in payment of distributions and in connection with any termination or winding-up of the REIT) and/or (b) to remove the redemption right attaching to the Units and convert the REIT into a closed-end limited purpose trust; and

5. as otherwise deemed by the Trustees in good faith to be necessary or desirable.

Effect of Termination

The REIT will continue in full force and effect until such time as it is terminated by either the Trustees or unitholders. The REIT may be terminated by the vote of at least $66^{2}/_{3}\%$ of the votes cast at a meeting of the unitholders called for that purpose. The unitholders shall participate *pro rata* in any remaining distributions by the REIT.

Take-Over Bids

The Declaration of Trust contains provisions to the effect that if a take-over bid, as defined under the *Securities Act* (Ontario), is made for the Units and not less than 90% of the Units (including Units issuable upon the surrender or exchange of any securities for Units but not including any Units held at the date of the take-over bid by or on behalf of the Offeror or affiliates and associates of the Offeror) have been or are legally required to be taken up and paid for by the Offeror, the Offeror will be entitled to acquire the Units held by the remaining Unitholders who did not accept the take-over bid by requiring such Unitholders to elect (a) to transfer their Units to the Offeror on the terms on which the Offeror acquired the Units of the offerees who accepted the take-over bid, or (b) to demand payment of the fair value of the Units.

Information and Reports

We will furnish, in accordance with and subject to applicable securities legislation, to unitholders our consolidated financial statements (including quarterly and annual consolidated financial statements) and other reports as are from time to time required by applicable law, including forms needed for the completion of unitholders' tax returns under the Tax Act and equivalent provincial legislation.

Prior to each annual or any special meeting of unitholders, the Trustees will provide unitholders (along with notice of such meeting) all such information as is required by applicable law and the Declaration of Trust to be provided to such holders.

AGREEMENTS RELATING TO OUR ACQUISITION OF THE INITIAL PROPERTIES

The following is a summary of certain provisions of agreements relating to our acquisition of the Initial Properties on August 3, 2011, the date of completion of our initial public offering. This summary is qualified in its entirety by reference to all of the provisions of such agreements. Copies of such agreements are available electronically on our SEDAR profile at www.sedar.com and will be made available to our unitholders as described under "Material Contracts". Investors are encouraged to review the terms of these agreements in their entirety for a complete description of Sub-Fund I's representations, warranties and indemnities, and related limitations contained therein.

Framework Agreement

The Framework Agreement, which was entered into on May 18, 2011, as amended from time to time, was the master agreement providing for various steps to be taken in order to complete our acquisition of the Initial Properties.

The Framework Agreement provides that, for so long as we indirectly own any of the Initial Properties, the LS Parties will not actively solicit, encourage or incentivize any of our current or former tenants to leave the applicable Initial Property and to lease premises on any of the remaining Caroline Portfolio instead.

Reallocation Agreement

The Reallocation Agreement provided for the reallocation of the aggregate of all rights, claims and other interests, as well as all risks and obligations of Sub-Fund I with regard to the Initial Properties from Sub-Fund I to the Dundee FCPs. The Reallocation Agreement contains representations and warranties to the Dundee FCPs from Sub-Fund I, including representations and warranties concerning: corporate/compliance; title to and ownership of the Initial Properties; encumbrances and easements; governmental orders; parking spaces; encroachments; objections of tenants; public law proceedings; disclosure; contractual usability; litigation; lease agreements; rent received/rent securities; material defects; and access to the Initial Properties. The Reallocation Agreement does not contain representations and warranties in respect of the size or the potential market rent achievable of the Initial Properties or the enforceability of the leases or compliance of the leases with written form requirements.

The aggregate maximum liability of Sub-Fund I due to breaches of the representations and warranties contained in the Reallocation Agreement is €75 million (the "**Liability Cap**"). The Dundee FCPs will have no right to make a claim against Sub-Fund I until the aggregate of all claims exceed €5 million. The Liability Cap will not apply to claims by any Dundee FCP due to breaches of representations and warranties related to corporate/compliance and title and ownership. The Liability Cap will also not apply to claims of any Dundee FCP due to breaches of representations and warranties related to easements and encumbrances, in which case Sub-Fund I shall be entitled to rescind the Reallocation Agreement in respect of the Initial Property concerned if the expected amount of liability exceeds the consideration allocated to such Initial Property plus pro rata acquisition costs, which shall also be reimbursed in case of such rescission. Claims relating to a breach of the representations and warranties set forth above became time-barred 18 months after the Closing. Claims relating to a breach of the representations and warranties related to corporate/compliance, encumbrances, easements and title and ownership became time-barred on August 3, 2015, being four years following Closing.

Pursuant to the Reallocation Agreement, the Dundee FCPs have indemnified Sub-Fund I from and against all claims under public or civil law becoming due after Closing and resulting from any actions taken by any public authority or third party with respect to environmental damages, in particular from any claims for investigation, monitoring, securing, clean-up or disposal of environmental damages and the costs associated therewith. Should Sub-Fund I be requested after the Closing to perform any acts aimed at the investigation, monitoring, securing, clean-up or disposal of environmental damages under public or civil law, the respective Dundee FCP shall perform these acts in lieu of Sub-Fund I at its own expense. Sub-Fund I has agreed to indemnify the Dundee FCPs from and against all public or civil law claims, resulting from any actions taken by any governmental, municipal or other regulatory authority or third party, each with respect to environmental damages if Sub-Fund I had knowledge of the environmental damage on the Closing and we did not. Sub-Fund I also agreed to indemnify the Dundee FCPs from any claims resulting from environmental damage for two other Initial Properties up to a maximum of €3 million.

Although the parties to the Reallocation Agreement believe that the transfer of the Initial Properties was outside the scope of German VAT, if German VAT does apply, the Reallocation Consideration is agreed to be the gross amount including German VAT.

Sub-Fund I has also indemnified the Dundee FCPs from all liabilities claimed against the Dundee FCPs, the Initial Properties and/or Lorac for (a) unpaid taxes (including VAT but other than the RETT generally; however, if RETT is chargeable due to certain actions of Sub-Fund I, Sub-Fund I will indemnify the Dundee FCPs from such liabilities and if RETT is unexpectedly chargeable as a result of the reallocation, Sub-Fund I will indemnify the Dundee FCPs from one-half of such liabilities) that are (i) attributable to time periods up to and including August 3, 2011 and relating to the Initial Properties, or (ii) to the extent such taxes (including RETT) relate to assets of Sub-Fund I other than the Initial Properties, attributable to

time periods prior to and subsequent to Closing, and (b) any costs, interest, penalties or other damages reasonably occurred in enforcing this indemnity ("**Indemnified Claims**"). See "Risk Factors –German taxes may affect our cash flows, financial condition and distributions to Unitholders". Indemnified Claims will be unsecured so long as Sub-Fund I maintains a minimum net asset value equal to, initially, €135 million, which amount will be reduced annually as Indemnified Claims become time-barred or have been otherwise resolved. If the net asset value of Sub-Fund I falls below the required minimum amount, Sub-Fund I will not make any distributions to its unitholders until Sub-Fund I has provided security for the Indemnified Claims in accordance with the Reallocation Agreement. In addition to securing the Indemnified Claims, the security covers non-payment by Sub-Fund I of certain other claims and obligations as agreed in the Reallocation Agreement.

Lorac Shareholders' Agreement

The Lorac Shareholders' Agreement established the principles of joint shareholdings in Lorac and ensures that the ongoing management and operations of the Dundee FCPs and Sub-Fund I are carried out and controlled separately, to the extent legally permissible, by the Lorac Shareholders.

Immediately following the Acquisition, Dream Global Lux Holdco and Caroline Holdings, as shareholders of Lorac, amended the articles of incorporation of Lorac to provide for, among other things: (a) the right of Caroline Holdings to nominate the Class A Managers; (b) the right of Dream Global Lux Holdco to nominate the Class B Managers; (c) certain reserved matters which require the consent of the Class A Managers or the Class B Managers, as applicable; and (d) certain reserved matters which require the majority consent of the Class A Managers and Class B Managers, including the vote of at least one Class A Manager.

The board of managers of Lorac also established the Lorac Governance Rules, which allocate certain responsibilities to specific board members. Pursuant to the Lorac Governance Rules, the management by Lorac of Sub-Fund I has been delegated to the Class A Managers and the management by Lorac of the Dundee FCPs has been delegated to the Class B Managers. Material changes affecting Lorac, as set out in the Lorac Shareholders' Agreement, will require the unanimous approval of the Lorac Shareholders.

Pursuant to the Lorac Shareholders' Agreement, Dream Global Lux Holdco has been granted an option to acquire, and/or to transfer to a third party nominated by Dream Global Lux Holdco, an additional 44.9% of the issued and outstanding shares of Lorac upon the earlier of: (a) the divestiture by Sub-Fund I of all or substantially all of Caroline Portfolio resulting in Sub-Fund I having a net asset value of less than €10 million; (b) the liquidation of Sub-Fund I; or (c) the termination by either party of the Lorac Shareholders' Agreement. The purchase price payable for each of the additional shares of Lorac shall be €125.

The Lorac Shareholders' Agreement will remain in force so long as the Lorac Shareholders are shareholders of Lorac and will automatically terminate when either Lorac Shareholder is no longer a shareholder of Lorac. The Lorac Shareholders' Agreement may not be terminated by either Lorac Shareholder prior to the expiration of 10 years from the date of signing of the Lorac Shareholders' Agreement and thereafter it may be terminated on six months' prior written notice to the other unless terminated for cause, as set out in the Lorac Shareholders' Agreement.

Lorac Share Purchase Agreement

The Lorac Share Purchase Agreement provided for the acquisition by Dream Global Lux Holdco of 50% of the issued and outstanding shares of Lorac for €125 per share (for a total of €62,500). It contains representations and warranties relating to Caroline Holdings, Lorac and Dream Global Lux Holdco, including representations and warranties as to organization and status, power and authorization, authorized and issued capital, regulatory authority, compliance with applicable laws, employees and absence of litigation.

Each of Caroline Holdings and Dream Global Lux Holdco agreed, subject to liability thresholds, to indemnify the other for losses, expenses, costs and damages incurred or suffered by the other as a result of

wilful misconduct, gross negligence or breach of representation or warranty by it on the terms and subject to the conditions of the Lorac Share Purchase Agreement.

CERTAIN NON-CANADIAN INCOME TAX CONSIDERATIONS

The following summary by management discusses certain material German, Dutch, Austrian, Belgian, Luxembourg, Gibraltar and Cayman income and withholding tax considerations applicable to our investments, including those made in the Initial Properties. It is not exhaustive of all possible tax considerations relevant to those jurisdictions. Moreover, it is based on the current tax legislation, our understanding of the current interpretation of the legislation in each country, and each country's administrative policies and assessing practices. There can be no assurances that the relevant tax legislation, the interpretations thereof, the administrative policies or assessing practices will not change (including with retroactive effect). Further, the summary does not address any tax considerations applicable to a Unitholder. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any prospective holder of Units. Consequently, the prospective holder should consult the holder's own tax advisor regarding an investment in Units.

Certain Material German Income and Withholding Tax Considerations

Our indirectly-owned corporate entities that earn net rental income from and/or realize capital gains from the sale of German properties acquired after the Acquisition are subject to corporate income taxation in Germany. As a result of the Acquisition, we indirectly hold all of the shares in each respective Dundee FCP Unitholder, which is the sole unitholder of the respective Dundee FCP. The Dundee FCP Unitholders should be considered to be resident in Luxembourg for German tax purposes and should be non-residents of Germany for such purposes. As of December 24, 2013 the revised "Investment Tax Act", applicable to all Alternative Investment Funds under the AIFMD, became effective. The revised "Investment Tax Act" contains some specific rules, which clarify and provide guidance regarding the taxation of foreign investment funds, such as the Dundee FCPs used in our Lorac holding structure. The German legislative body passed a tax bill to fundamentally reform the Investment Tax Act on July 19, 2016 which became effective on January 1, 2018. Whereas based on the prior, but legally disputed, view of the fiscal authorities, foreign investment funds such as the FCPs or the FCP unitholders are generally subject to corporate income tax in Germany, under the Tax Amendments, foreign funds investing into German assets through FCPs shall generally be treated as quasi-corporate tax payers. The Tax Amendments include some exemptions for certain redeemable special-investment funds to provide for a transparent allocation of German real estate income directly to the investors, however, subject to a withholding tax levy, which would be credited in an assessment procedure.

Shortly after the completion of the Acquisition, Lorac, on behalf of each of the Dundee FCPs and the Dundee FCP Unitholders, notified the competent German tax offices of all relevant facts and circumstances in relation to the Dundee FCPs and the Dundee FCP Unitholders (including their identity). Lorac notified the competent German tax offices that, in line with the practice so far, it would not file tax returns with the German tax administration unless under the explicit demand by the competent German tax office to file tax returns. At the end of 2012 the competent tax office requested that tax returns be filed only for Lorac Investment Fund – Sub Fund I. An objection has been filed against the tax assessments issued, which the German tax offices refused. A subsequent suit has been filed at the German tax court which status is still pending. The Dundee FCPs were requested by the tax office Dortmund-Ost in March 2015 to file Corporate Income Tax ("**CIT**") tax returns for 2011 and 2012 as well as in April 2015 to file CIT tax returns for 2013. The returns have been submitted to the tax office and assessed for the years 2011 to 2013. In February 2016 the tax returns for the year 2014 were requested by the tax office as well. These returns have been filed in March 2016 and assessed in May 2016. The tax returns for 2015 have been filed in September 2016 and just recently assessed in January 2017. The tax returns for 2016 have been signed by management and will be filed to the tax office shortly. All taxes assessed have been suspended from payment given the current law suit of Lorac Investment Fund – Sub Fund I. In light of the above-mentioned uncertainty over whether the Dundee FCPs or the Dundee FCP Unitholders, respectively, will be subject to tax with respect to all taxation periods or only future periods, we have

structured our affairs assuming that the Dundee FCP Unitholders will be subject to corporate income tax in Germany on their net rental income and capital gains from the sale of properties and we have prepared our financial statements on that basis. Taking into account the deductions available in determining taxable income from rental operations, including tax depreciation and reasonable interest expense, which are described in more detail below, management does not expect that the amount of tax, if any, that is ultimately determined to be payable in Germany by the Dundee FCPs or the Dundee FCP Unitholders on their net rental income will be material. Please see "Risk Factors – German taxes may affect our cash flows, financial condition and distributions to Unitholders". Therefore, although the current tax law is still somewhat uncertain with respect to foreign investment funds holding German assets directly, we do not believe that the current and the new laws, respectively, will have a material impact on us, irrespective of whether it is the Dundee FCPs or the Dundee FCP Unitholders that are determined to be the taxpayer. Our Lorac holding structure is only used for the Initial Properties we acquired in connection with our initial public offering.

We will await the upcoming decree from the German Ministry of Finance regarding the new Investment Tax Act and further official guidelines and review them accordingly to gain a more detailed understanding of the potential consequences of the new Investment Tax Act for the Dundee FCPs, which might be applicable in fiscal year 2018 for the first time, particularly the potential transfer from an accrual based determination of the German taxable income to a cash based determination, adjustments in the depreciation rates and interest capping rules.

For those corporate entities that are subject to German taxation and if the Dundee FCPs or Dundee FCP Unitholders were subject to German taxation:

- The current rate of corporate income tax payable would be 15.825%, including a 5.5% solidarity surcharge.
- To determine taxable income for corporate income tax purposes, a taxpayer may deduct certain expenses incurred in connection with the acquisition and ownership of real property as well as certain operating expenses, provided that the costs are related to German commercial activity and are incurred under arm's length terms.
- Buildings can generally be depreciated on a straight-line basis at a rate of either 2%, 2.5% or 3%.
- The deduction of interest expense, which must reflect arm's length terms, is generally restricted by the so-called "interest capping rules". These rules apply to limit the deduction of all interest expense incurred. In principle, interest expense may only be deducted up to a maximum of 30% of the taxable EBITDA (earnings before interest, tax, depreciation and amortization as adjusted under the German tax law). However, an exception is available where annual interest expense is less than €3 million for each taxpayer. For an application of this threshold, each Dundee FCP Unitholder is a separate taxpayer. There is an ongoing lawsuit at the German Federal Constitutional Court regarding the constitutionality of German interest capping rules but the outcome is still uncertain.
- Broadly, for corporate income tax purposes, losses incurred by a taxpayer may be carried back and offset against taxable income of the preceding year. According to the amended tax law the limit for losses carry back has increased from €511,500 to €1,000,000 applicable for losses generated in 2013 and subsequent years, which may be carried back to the preceding year. Alternatively, losses may be carried forward indefinitely; however, the use of losses in any future year is restricted insofar as they may be used to offset profits of a year without restriction up to an amount of €1 million and against only 60% of the taxable income in excess of €1 million.
- In addition to corporate income tax, every taxpayer that carries on business in Germany through a permanent establishment located in Germany, as defined under German tax law, is subject to municipal trade tax. The character of the trade tax is that of an additional corporate income tax and the rates vary between 7.0% and 17.5%, depending on the municipality in which the business operations are carried on, unless the taxpayer qualifies for an exemption. While our corporate

entities, including the Dundee FCP Unitholders derive rental income that is deemed to be business income for German tax purposes, they should not be subject to German trade tax on their rental income, because they should not have permanent establishments in Germany. We have prepared the financial statements on that basis. Please see "Risk Factors – German taxes may affect our cash flows, financial condition and distributions to Unitholders". Under the new Investment Tax Act, investment funds are also subject to trade tax on their income if the fund is engaged in trade or business in Germany.

Under German law, no German withholding tax should be levied on payments of interest or dividends by our indirectly-owned corporate entities to Dream Global Lux Holdco, except for any dividends paid by two of our indirectly wholly-owned German subsidiaries that each owns one of the properties we indirectly acquired in 2012 and 2013. Management structures the repatriation of free cash generated by these entities in such a way so that it does not expect that such withholding tax, if any, would be material.

Certain Material Luxembourg Income and Withholding Tax Considerations

This summary covers the material Luxembourg corporate income tax, municipal business tax, net wealth tax and withholding tax, considerations with respect to the Dundee FCPs, Dundee FCP Unitholders, Dream Global Lux Holdco and the Luxembourg SPVs.

Dundee FCPs

Income tax and net wealth tax

The Dundee FCPs are exempt from corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*) and net wealth tax (*impôt sur la fortune*) in Luxembourg.

Tax transparency

From a Luxembourg tax perspective a fund vehicle established as a *fonds commun de placement* is considered as tax transparent. This position has been confirmed by the legislator (cf. parliamentary documents N^{O}2379 p.3, N^{O}3431 p.97 and N^{O}5504 p.8) as well as administrative practice in Luxembourg.

The Dundee FCP Unitholders will, therefore, be considered as holding directly the assets and undertaking directly the liabilities of the Dundee FCPs for Luxembourg tax purposes. For Luxembourg corporate and municipal business tax purposes, the net profit received by the Dundee FCPs will be allocated directly to the Dundee FCP Unitholders.

Withholding tax

No Luxembourg withholding tax should be levied on the distributions made by the Dundee FCPs to the Dundee FCP Unitholders.

Furthermore, no withholding tax should be levied on interest payments from Dundee FCPs to Dream Global Lux Holdco under Dream Global Lux Holdco loans.

Dundee FCP Unitholders

The Dundee FCP Unitholders are established as fully taxable Luxembourg companies, subject to annual corporate income, municipal business and net wealth taxes.

Consequences of tax transparency of Dundee FCPs

Income tax

As the Dundee FCPs will be considered as tax transparent for Luxembourg corporate income and municipal business tax purposes, the Dundee FCP Unitholders will be deemed for the purposes of corporate income and municipal business tax to hold directly all assets and liabilities held by each respective Dundee FCP.

Net rental income earned by the Dundee FCPs, any net capital gain realized by the Dundee FCPs from the disposal of the Initial Properties, as well as redemption of units or liquidation proceeds received by Dundee FCP Unitholders from the Dundee FCPs should be exempt from taxation in Luxembourg based on the provisions of the Double Tax Treaty between Luxembourg and Germany.

If the Dundee FCP Unitholders earn (directly or through the Dundee FCPs by tax transparency) income other than the income related to the Initial Properties, in 2018 such income would be taxed in the Dundee FCP Unitholder at the global rate of 26.01% (for Luxembourg city).

Net wealth tax

The Initial Properties will be exempt from net wealth tax in Luxembourg based on the Double Tax Treaty between Germany and Luxembourg. Accordingly, liabilities undertaken by Dundee FCP Unitholders in the tax balance sheet will not be deductible for net wealth tax purposes.

Provided that the Dundee FCP Unitholders do not have any other assets other than the Initial Properties, net operating assets of the Dundee FCP Unitholders (based on their tax balance sheet) subject to the net wealth tax should be minimal.

Dundee FCP Unitholders shall be annually subject to a fixed minimum net wealth tax charge amounting to €4,815 if they hold financial assets, transferable securities and cash at bank exceeding (i) 90% of their total gross assets and (ii) the equivalent of €350,000. Otherwise, Dundee FCP Unitholders shall be subject to progressive minimum net wealth tax which ranges between €535 and €32,100 depending on the value of their total gross assets.

Withholding tax

No withholding tax should be due in Luxembourg on dividend distributions from Dundee FCP Unitholders to Dream Global Lux Holdco under the Luxembourg participation exemption regime provided that at the time the income is made available Dream Global Lux Holdco has held or commits itself to hold for an uninterrupted period of at least 12 months a participation of at least 10% of the share capital of the Dundee FCP Unitholders or a participation of an acquisition price of at least €1.2 million.

Dream Global Lux Holdco

Dream Global Lux Holdco is established as a fully taxable holding company, subject to annual corporate income, municipal business and net wealth taxes.

Dividend income and capital gains

Dream Global Lux Holdco should benefit from the Luxembourg participation exemption on any dividend income received and capital gains realized from Dundee FCP Unitholders, Dream Lux Manager, Dundee Fixtures and Lorac. Such dividends and capital gains should be exempt from corporate income and municipal business tax provided that conditions relating to a shareholding threshold (10% shareholding or a direct participation of an acquisition price of at least €1.2 million for dividends and €6 million for capital gains) and a 12 month hold period are met.

Since January 1, 2016, income derived on an EU participation (as covered in the EU Directive 2011/96/EU) cannot be exempted under the Luxembourg participation exemption regime in the event that it is deductible in another member state.

Furthermore, a general anti-abuse rule ("**GAAR"**) was introduced into domestic Luxembourg tax law, which provides that the participation exemption regime would not be applicable to transactions qualified as abusive within the meaning of EU Directive 2015/121/EU.

Net wealth tax

Dream Global Lux Holdco is subject to net wealth tax in Luxembourg on January 1 of each year. The net wealth tax is computed by applying the following digressive scale of rates on the unitary value (i.e., taxable assets minus deductible third-party liabilities) of the company: (i) 0.5% on a taxable base of up to the equivalent of €500 million, or (ii) on a taxable base exceeding the equivalent of €500 million, net

wealth tax of €2.5 million plus 0.05% on the portion of the net wealth tax base exceeding the equivalent of €500m, with no cap being set.

Dream Global Lux Holdco should be annually subject to a fixed minimum net wealth tax charge amounting to €4,815 if it owns financial assets, transferable securities and cash at bank exceeding (i) 90% of its total gross assets and (ii) the equivalent of €350,000. Otherwise, Dream Global Lux Holdco shall be subject to progressive minimum net wealth tax which ranges between €535 and €32,100 depending on the value of its total gross assets.

Withholding tax

Withholding tax should not apply on dividend distributions from Dream Global Lux Holdco to Dundee Gibraltar provided that at the time the dividend is paid Dundee Gibraltar has held or commits itself to hold for an uninterrupted period of at least 12 months a direct participation of at least 10% of the share capital of the Dream Global Lux Holdco acquired for at least €1.2 million.

The recently introduced GAAR provides that the participation exemption regime would not be applicable to transactions qualified as abusive within the meaning of EU Directive 2015/121/EU.

Regarding dividend payments made by Dream Global Lux Holdco to Dundee Gibraltar, the new GAAR should be closely monitored and might require changes to the current holding and financing structure.

Furthermore, no withholding tax should apply on arm's length interest payments from Dream Global Lux Holdco under the Dream Cayman LP loan.

Holding and financing activities of Dream Global Lux Holdco

Dream Global Lux Holdco will earn an arm's length remuneration for the functions performed and the risks assumed. As from January 1, 2017, Luxembourg has enlarged its transfer pricing provisions and has introduced a new article, which closely aligns Luxembourg law with the OECD Tax Model Convention. Furthermore, on December 27, 2016 the Luxembourg Authorities published a new circular providing guidance for the fiscal treatment of intra-group financing transactions. In particular, based on the new Circular a certain level of substance and equity at risk at the level of a Luxembourg entity carrying out intra-group financing activities would be required. Additionally the Luxembourg entity should be able to manage and control the risk assumed while financing related parties. The adequacy of the equity level would be determined based on the risk profile of the underlying investments. Therefore, an analysis of the functions performed and assets used, taking into account the credit rating of the group, would be required. For this reason, this new circular enhances the relevance of the transfer pricing comparability analysis and the documentation obligations.

As the new circular is effective as from January 1, 2017 the application of the arm's length principle to intra-group transactions must be in line with the new requirements of the comparability analysis. Hence, the absence of proper transfer pricing documentation and non-compliance with the new provisions could now result in a reversal of the burden of proof towards the taxpayer.

The arm's length remuneration of Dream Global Lux Holdco will be supported by the transfer pricing study updated annually and taking into account the new requirements. It will be taxed at 26.01% being the standard aggregate corporate tax rate for the year 2018 (for Luxembourg city).

New Luxembourg SPVs holding German real estate properties

New Luxembourg SPVs are established as fully taxable Luxembourg companies, subject to annual corporate income, municipal business and net wealth taxes in Luxembourg. Net rental income earned by New Luxembourg SPVs and any net capital gain realized by New Luxembourg SPVs from the disposal of the real properties in Germany should be exempt from taxation in Luxembourg based on the provisions of the double tax treaty between Luxembourg and Germany. New Luxembourg SPVs however could be subject to the Luxembourg corporate income tax at a rate of 26.01% (for Luxembourg city) for income other than such, deriving from tax exempted real estate properties. In this context it should be noted that on April 23, 2012 Germany and Luxembourg signed a new double tax treaty, which replaced the original

treaty dating back to 1958. The new treaty that took effect January 1, 2014 is aligned with the OECD model and its most significant change for real estate businesses is the introduction of a real estate-rich companies clause. More specifically, now also gains from the alienation of shares deriving more than 50% of their value directly or indirectly from immovable property situated in Germany may be taxed in Germany (i.e. any net capital gain realized by Dream Global Lux Holdco from the disposal of the shares in New Luxembourg SPVs holding German real estate properties should now be exempt from taxation in Luxembourg based on the provisions of the Double Tax Treaty between Luxembourg and Germany).

New Luxembourg SPVs are subject to net wealth tax in Luxembourg on January 1 of each year. Net wealth tax is computed by applying the following digressive scale of rates on the unitary value (i.e., taxable assets minus deductible third-party liabilities) of the company: (i) 0.5% on a taxable base of up to the equivalent of €500 million, or (ii) on a taxable base exceeding the equivalent of €500 million, net wealth tax of €2.5 million plus 0.05% on the portion of the net wealth tax base exceeding the equivalent of €500 million, with no cap being set. Treaty exempt real estate assets are exempt from the unitary value.

New Luxembourg SPVs shall be annually subject to a fixed minimum net wealth tax charge amounting to €4,815 if they own financial assets, transferable securities and cash held in bank accounts exceeding (i) 90% of their total gross assets and (ii) the equivalent of €350,000. Otherwise, New Luxembourg SPVs shall be subject to progressive minimum net wealth tax which ranges between €535 and €32,100, depending on the value of their total gross assets.

Certain Material Gibraltar Income and Withholding Tax Considerations

Dream Gibraltar will be considered resident in and subject to tax in Gibraltar. Dividends received from Dream Global Lux Holdco will be exempt from tax in Gibraltar.

Distributions from Dream Gibraltar to Dream Cayman LP, whether as dividends, returns of capital or share redemptions, will not give rise to any withholding tax.

Any gain realized by Dream Gibraltar on a disposition of the shares of Dream Global Lux Holdco should be considered capital in nature. Such gain would not give rise to tax in Gibraltar as capital gains are not taxed.

Any gain realized by Dream Cayman LP on the disposition of the shares of Dream Gibraltar should be considered capital in nature and thus not taxed in Gibraltar.

If Dream Gibraltar borrows from or lends to the REIT or a Subsidiary of the REIT or the Dundee FCPs, any foreign exchange gain or loss realized in respect of the principal amount of such borrowings or loans should be considered capital in nature and thus not taxed in Gibraltar. However, foreign exchange gains or losses realized in respect of interest payments made or received by Dream Gibraltar will be on income account, hence taxable or deductible, as the case may be. Interest income in excess of £100,000 received by Dream Gibraltar on the loans it makes will be taxed in Gibraltar in its entirety (i.e., not just the portion in excess of £100,000).

Certain Material Cayman Income and Withholding Tax Considerations

There will be no tax imposed by the government of the Cayman Islands or by any department or taxing authority thereof (a "**Cayman Taxing Authority**") in respect of any income, gain, or distribution received by Dream Cayman LP from Dream Gibraltar or Dream Global Lux Holdco.

There will be no withholding tax imposed by any Cayman Taxing Authority on any distribution from Dream Cayman LP to the REIT.

Certain Material Austrian Income and Withholding Tax Considerations

Following the REIT's acquisition in December 2015 of Rivergate in Vienna, Austria, our Luxembourg subsidiary that indirectly owns our interest in the property is subject to Austrian taxation and consequently:

- it pays corporate income tax at the rate of 25% on any taxable income;

- similar to the German tax rules, in computing taxable income, certain expenses can be deducted if they relate to the acquisition and ownership of real property and are incurred under arm's length terms;
- the Rivergate building can be depreciated on a straight line basis at the rate of 2.5% from 2016 onwards (until 2015, the rate was 2%, 2.5% or 3% depending on the type of business carried out by the lessee);
- reasonable interest expense incurred in connection with the purchase of the property is deductible in computing taxable income;
- any tax losses realized that are not used in the same accounting period can be carried forward indefinitely but may only be set off against 75% of the current year's taxable income leaving a minimum of 25% of that year's taxable income being subject to corporate taxation; and
- there should be no Austrian withholding tax on any dividends or interest paid by our Luxembourg subsidiary.

Certain Material Belgian Income and Withholding Tax Considerations

Belgian Corporate Income Taxation

Following the REIT's indirect purchase of Airport Plaza in Brussels, Belgium in May 2017, our new Belgian indirectly owned subsidiary that holds our interest in the property is subject to Belgian taxation, and consequently:

- Taxable income is currently taxed at the all-in corporate rate of 33.99%. Pursuant to the upcoming Belgian corporate tax reform, the corporate income tax rate should decrease to 29.58% for the financial years 2018 and 2019, and to 25% starting from financial year 2020.
- The Airport Plaza building is depreciated on a straight-line at the rate of 3.03%. However, some fit-out costs are depreciated on a straight line basis at a rate of 10%.

  Generally, subject to the comments that follow, interest payments determined on an arms' length basis that are incurred in connection with the property are deductible in the determination of taxable profits. Under the current state of Belgian law, the Belgian thin capitalization rule provides for a 5 to 1 applicable debt to equity ratio. Belgian tax reform introduces a new interest deduction limitation based on the European Anti-Tax Avoidance Directive ("**ATAD**"). Beginning in 2020, the deductibility of net borrowing costs will be limited, on a consolidated basis, to the greater of 30% of the aggregated EBITDA at the level of the group of the borrower, or an amount of €3,000,000. Presently, all tax losses can be carried forward indefinitely.

  The upcoming Belgian corporate tax reform introduces a new tax loss deduction limitation as follows: (i) the tax losses remain fully deductible up to an amount of EUR 1,000,000 and (ii) above that threshold the deduction will be limited to 70% of the taxable profits in excess of EUR 1,000,000. Any unutilized tax losses can be carried forward indefinitely.

Withholding tax

There should be no Belgian withholding tax on any dividends or interest paid by our Belgian subsidiary.

Fairness tax

Belgian companies and Belgian branches of foreign companies that do not benefit from the status of "Small or Medium Enterprise" are subject to a so-called '*fairness tax*' when distributing dividends. The fairness tax aims at (partially) taxing at a separate rate of 5.15% (i.e. not a withholding tax) the part of the dividend that derives from profits that were not taxed mainly because of the application of tax losses carried-forward.

According to the Court of Justice of the European Union, the fairness tax partially violates Article 4 of the European Parent-Subsidiary Directive. The fairness tax was intended to be amended or deleted pursuant to the upcoming tax reform. However, such amendment of the fairness tax has not yet been included in the tax reform, and the Belgian government did not communicate yet their intent thereon. We do not expect to be repatriating cash in the form of dividends until the 2021 tax year and we will continue to monitor the potential impact of the fairness tax and any changes.

Certain Material Dutch Income and Withholding Tax Considerations

Following the REIT's acquisition in July 2017 of certain loans owing by certain Merin Entities to Finco and the Merin Loans granted by Dream Global Funding I S.à r.l. and Dream Cayman LP to certain entities held by Merin Group Holding, the following material Dutch income and withholding tax considerations for the Merin Entities are relevant in relation to the capacity of the Merin Entities to make payments of interest and principal:

- The Merin Entities pay corporate income tax at the general rate of 25% on any taxable profits (20% on the first € 200,000 of taxable profits);
- Similar to the German tax rules, in computing taxable profits, certain expenses can be deducted if they relate to the acquisition and ownership of real property by the Merin Entities and are incurred under arm's length terms;
- Reasonable interest expenses incurred in connection with the properties are deductible in computing the taxable profits;
- Depreciation expenses of buildings are calculated by allocating the difference between the total cost price and the expected residual value of a building over its useful life, normally on a straight line basis. There are no statutory depreciation percentages;
- Depreciation is not allowed to the extent that the tax book value of properties is lower than the property's "official" fair market value for tax purposes as determined annually by the municipal tax authorities;
- Any tax losses realized that are not used in the same financial year can be carried back one year and carried forward nine years. Other than in Germany, there are no restrictions in the amount of tax losses that can be compensated with positive taxable profits;
- The Netherlands do not levy withholding tax on interest payments, provided the loans are at arm's length and not profit participating or otherwise considered equity for tax purposes;
- The Netherlands generally levies withholding tax on dividends unless exempt under a bilateral tax treaty or the EU Parent-Subsidiary Directive; and
- The newly formed Dutch government announced several tax changes, including reduction of corporate income tax rates, restrictions in loss carry forward from nine to six years, the abolishment of the dividend withholding tax except in cases of abuse and the introduction of an interest withholding tax in certain cases of abuse. Furthermore, following the ATAD, the Netherlands will need to introduce earning stripping rules by 2019. No draft bill has been published yet on any of these topics.

RISK FACTORS

Risk factors inherent in an investment in our Units include but are not limited to the following:

Risks inherent in the real estate industry may adversely affect our financial performance

Real estate ownership is generally subject to numerous factors and risks, including changes in general economic conditions, (such as the availability, terms and cost of mortgage financings and other types of

credit), local economic conditions (such as an oversupply of office and other commercial properties or a reduction in demand for real estate in the area), the attractiveness of properties to potential tenants or purchasers, competition with other landlords with similar available space, and the ability of the owner to provide adequate maintenance at competitive costs.

Our properties generate income primarily through rent payments made by our tenants. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced for a number of reasons. Furthermore, the terms of any subsequent lease may be less favourable than the existing lease. Our cash flows and financial position would be adversely affected if our tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in our properties was not able to be leased on economically favourable lease terms. In the event of default by a tenant, we may experience delays or limitations in enforcing our rights as lessor and incur substantial costs in protecting our investment. Furthermore, at any time, a tenant may seek the protection of bankruptcy, insolvency or similar laws which could result in the rejection and termination of the lease of the tenant and, thereby, cause a reduction in the cash flows available to us.

An investment in real estate is relatively illiquid. Such illiquidity will tend to limit our ability to vary our portfolio promptly in response to changing economic or investment conditions. In recessionary times it may be difficult to dispose of certain types of real estate. The costs of holding real estate are considerable and during an economic recession we may be faced with ongoing expenditures with a declining prospect of incoming receipts. In such circumstances, it may be necessary for us to dispose of properties at lower prices in order to generate sufficient cash for operations and making distributions and interest payments.

Certain significant obligations, including property taxes, maintenance costs, mortgage and credit facility payments, insurance costs and related charges must be made regardless of whether or not a property is producing sufficient income to pay such expenses. A portion of the cash flow generated by the properties held by the REIT will be devoted to servicing such debt, and there can be no assurance that these properties will continue to generate sufficient cash flow from operations to meet required interest and principal payments. If we are unable or unwilling to meet mortgage and credit facility payments on any property, the mortgage lender may exercise its rights of foreclosure or sale.

Environmental contamination on properties may expose us to liability and adversely affect our financial performance

Our properties may contain ground contamination, hazardous substances, wartime relics (including potentially unexploded ordnance) and/or other residual pollution and environmental risks. Buildings and their fixtures might contain asbestos or other hazardous substances such as polychlorinated biphenyl, dichlorodiphenyltrichloroethane, pentachlorophenol or lindane above the allowable or recommended thresholds, or the buildings could bear other environmental risks.

We bear the risk of cost-intensive assessment, remediation or removal of such ground contamination, hazardous substances, wartime relics or other residual pollution. The discovery of any such residual pollution on the sites and/or in the buildings, particularly in connection with the lease or sale of properties or borrowing using the real estate as security, could trigger claims for rent reductions or termination of leases for cause, for damages and other breach of warranty claims against us. The remediation of any pollution and the related additional measures we would have to undertake could negatively affect us and could involve considerable additional costs that we may have to bear. We are also exposed to the risk that recourse against the polluter or the previous owners of the properties might not be possible, for example, because they cannot be identified, no longer exist or have become insolvent. Moreover, the existence or even the mere suspicion of the existence of ground contamination, hazardous materials, wartime relics or other residual pollution can negatively affect the value of a property and our ability to lease or sell such a property.

We are subject to various federal, state and municipal laws relating to environmental matters. Such environmental laws impose actual and contingent liabilities on us to undertake remedial action on contaminated sites and in contaminated buildings. These obligations may relate to sites we currently own

or operate, sites we formerly owned or operated or sites where waste from our operations has been deposited. Furthermore, actions for damages or remediation measures may be brought against us, including under the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*). According to this Act, not only the polluter but also its legal successor, the owner of the contaminated site and certain previous owners may be held liable for soil contamination. The costs of any removal, investigation or remediation of any residual pollution on such sites or in such buildings as well as costs related to legal proceedings, including potential damages, regarding such matters may be substantial, and it may be impossible, for a number of reasons, for us to have recourse against a former seller of a contaminated site or building or the party that may otherwise be responsible for the contamination. Laws and regulations, as may be amended over time, may also impose liability for the release of certain materials into the air or water from a property, including asbestos, and such release could form the basis for liability to third persons for personal injury or other damages. In addition, if our officers or employees infringe or have infringed environmental protection laws, we could be exposed to civil or criminal damages. We may be required to provide for additional reserves to sufficiently allocate toward our potential obligations to remove and dispose of any hazardous and toxic substances. Any such event could have a material adverse effect on our cash flows, financial condition and results of operations and our ability to make distributions on the Units.

In order to obtain financing for the purchase of a new property through traditional channels, we may be requested to arrange for an environmental audit to be conducted. Although such an audit provides us and our lenders with some assurance, we may become subject to liability for undetected pollution or other environmental hazards on our properties against which we cannot insure, or against which we may elect not to insure where premium costs are disproportionate to our perception of relative risk.

We have formal policies and procedures to review and monitor environmental exposure. These policies include, where the Trustees so determine, the requirement to conduct the local equivalent of a Phase I environmental audit before acquiring any real property or any interest therein. Where circumstances so warrant, designated substance surveys and/or local equivalent of Phase II environmental assessments are conducted to determine the presence and/or extent of these or any other materials or potential environmental hazards. If appropriate, we remediate such situations.

We make the necessary capital and operating expenditures to ensure compliance with environmental laws and regulations. Although there can be no assurances, we do not believe that costs relating to environmental matters will have a material adverse effect on our investments, financial condition, results of operations or distributions or cash interest payments. However, environmental laws and regulations can change and we may become subject to more stringent environmental laws and regulations (or more stringent enforcement or administration of existing legislation) in the future.

Several of the Initial Properties had or currently have fuel storage systems

Several of the Initial Properties had or currently have fuel storage systems with bulk quantities of petrol or diesel fuel located on-site. Some sites have underground storage tanks, formerly used for fuelling vehicles. These have since been decommissioned in accordance with local regulations. It is likely that the decommissioned tanks will pose no risk from an on-going operations perspective as they are no longer in use, but inherited contamination may present a risk at a future date due to historical leaks or incomplete investigation. Given the decommissioning undertaken at these facilities, this appears to be an acceptable risk. Further, at least four sites currently have operating storage tank systems for the purpose of storing fuel oil used to heat the related facilities. All tanks currently in use have been recently inspected, and have the appropriate certifications for operation. There may be additional unknown historical tanks for which no records exist.

Our co-ownership of Lorac with a third party may limit our ability to manage the Dundee FCPs

Lorac is the manager of Sub-Fund I and each of the Dundee FCPs. Under German law, legal title to the Initial Properties or the Caroline Properties cannot be registered in the name of any of the Dundee FCPs

or Sub-Fund I, as applicable. Therefore, Lorac, as manager of the Dundee FCPs and Sub-Fund I will continue to be the registered owner on title to the Initial Properties and the remaining Caroline Properties.

We own a 50% equity interest in Lorac. We and Caroline Holdings, the other owner of the Lorac shares, entered into a shareholders' agreement which provides us with the right to appoint three of the six directors of Lorac. The directors of Lorac have adopted governance rules pursuant to which, subject to applicable law, our appointed directors generally have responsibility for matters relating to the Initial Properties and the other three directors, who are nominated by Caroline Holdings, will generally have responsibility for matters affecting the Caroline Properties. Pursuant to the governance rules and the Lorac Shareholders' Agreement, certain matters such as filing tax returns and shared employee matters will require the approval of a majority of the directors. Each of the directors has a fiduciary duty to act in the best interests of Lorac and Lorac has a duty to manage the Dundee FCPs and Sub-Fund I in the best interests of the respective unitholders. However, it is possible that we will need the approval of a majority of the directors of Lorac with respect to certain matters involving the Initial Properties and there can be no assurance that such matters will be approved at all or on the terms requested. Any matter with respect to which our appointed directors and those nominated by Caroline Holdings cannot agree will be submitted to the Lorac Shareholders. However, since we have only 50% of the voting shares of Lorac, there can be no assurance that any such matter will be approved in the manner in which we would hope. Such dispute could have a material adverse effect on our cash flows, financial condition and results of operations and our ability to make distributions on the Units.

As manager of Sub-Fund I since 2008, Lorac has and continues to incur liabilities as a result of managing Sub-Fund I and its assets. To the extent that Sub-Fund I is unable to satisfy such liabilities, a third party could seek recourse against Lorac. If Lorac is unable to satisfy such liabilities, Lorac could be required to seek protection from creditors under applicable bankruptcy or insolvency legislation. Taking such steps could result in Lorac being replaced as the manager of the Dundee FCPs with the result that legal title to the Initial Properties would be required to be transferred to a new manager. This would result in the payment of RETT in Germany. The amount of such taxes could have a material adverse effect on our cash flows, financial condition and results of operations and our ability to make distributions on the Units. We have negotiated certain limited indemnities from Sub-Fund I in connection with any prior existing liabilities of Sub-Fund I and those which may arise as a result of actions or omissions of Sub-Fund I (such as for past tax liabilities, if any). In addition to the foregoing, we have been advised by our Luxembourg counsel that creditors of Sub-Fund I could only seek recourse against the assets of Sub-Fund I and could not seek recourse against the assets of the Dundee FCPs regardless of the fact that Lorac is also acting as manager to the Dundee FCPs.

We may incur significant capital expenditures and other fixed costs

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made throughout the period of ownership of real property, regardless of whether the property is producing sufficient income to pay such expenses. This may include expenditures to fulfill mandatory requirements for energy efficiency. In order to offer desirable rentable space and to generate adequate revenue over the long term, we must maintain or, in some cases, improve each property's condition to meet market demand. Maintaining a rental property in accordance with market standards can entail significant costs, which we may not be able to pass on to our tenants. Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization.

If the actual costs of maintaining or upgrading a property exceed our estimates, or if hidden defects are discovered during maintenance or upgrading, which are not covered by insurance or contractual warranties, or if we are not permitted to raise the rents due to legal constraints, we will incur additional and unexpected costs. If competing properties of a similar type are built in the area where one of our properties is located or similar properties located in the vicinity of one of our properties are substantially refurbished, the net operating income derived from and the value of, such property could be reduced.

Any failure by us to undertake appropriate maintenance and refurbishment work in response to the factors described above could adversely affect the rental income we earn from such properties; for example, such a failure could entitle tenants to withhold or reduce rental payments or even to terminate existing letting contracts. Any such event could have a material adverse effect on our cash flows, financial condition and results of operations and our ability to make distributions on the Units.

Failure to refinance existing indebtedness on acceptable terms may limit our ability to grow our portfolio

The real estate industry is capital intensive. We will require access to capital to maintain our properties, as well as to fund our growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. Our failure to access required capital could adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the Units and our ability to implement our growth strategy.

Our access to third-party financing will be subject to a number of factors, including:

- general market conditions;
- the market's perception of our growth potential;
- our current and expected future earnings;
- our cash flow and cash distributions and cash interest payments; and
- the market price of our Units.

Furthermore, if a property is mortgaged to secure the payment of indebtedness and we are unable to meet mortgage payments, the mortgagee could foreclose upon the property, appoint a receiver and receive an assignment of rents and leases or pursue other remedies, all of which could result in lost revenues and asset value to us.

The degree to which we are leveraged could have important consequences to Unitholders. Such factors include:

- a significant portion of our cash flow may be dedicated to the payment of the principal of, and interest on, our indebtedness, thereby reducing the amount of funds available for the payment of cash distributions to Unitholders;
- certain of our borrowings will be at variable rates of interest which exposes us to the risk of increased interest rates;
- a significant portion of cash flows could be used to service indebtedness;
- a high level of debt would increase vulnerability to general adverse economic and industry conditions;
- the covenants contained in the New Facility and our other indebtedness will limit our ability to borrow additional funds, dispose of assets, encumber our assets, pay distributions and make potential investments;
- a high level of debt may place us at a competitive disadvantage compared to other owners of similar real estate assets that are less leveraged and therefore may be able to take advantage of opportunities that our indebtedness would prevent us from pursuing;
- our debt covenants may also affect flexibility in planning for, and reacting to, changes in the economy and in the industry;
- a high level of debt may make it more likely that a reduction in our borrowing base following a periodic valuation (or redetermination) could require us to repay a portion of then-outstanding borrowings; and

- a high level of debt may impair our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general trust or other purposes.

A high level of indebtedness increases the risk that we may default on our debt obligations. Our ability to make scheduled payments of the principal of, or interest on, and to otherwise satisfy our debt obligations depends on future performance, which is subject to the financial performance of our properties, prevailing economic conditions, prevailing interest rate levels, and financial, competitive, business and other factors, many of which are beyond our control. We may not be able to generate sufficient cash flows to pay the interest on our indebtedness, and our future working capital, borrowings or equity financing may not be available to pay or refinance such debt.

The New Facility requires (and any other indebtedness we may incur may require) that the Initial Properties be secured by a first ranking mortgage registered and be cross collateralized so that a default under the New Facility will permit the lenders to exercise their remedies upon all of the Initial Properties regardless of which Dundee FCP may have been in default. In addition, the New Facility contains (and any other indebtedness we may incur may contain) restrictive covenants that may limit the discretion of our management with respect to certain business matters. These covenants place restrictions upon the Initial Properties and, among other things, may limit our ability to: (a) incur additional indebtedness; (b) create liens or other encumbrances on our assets; (c) pay distributions or make other payments; (d) make investments, loans or provide guarantees; (e) sell or otherwise dispose of assets; and (f) merge or consolidate with another entity. The New Facility also contains, and any other indebtedness we may incur may contain, financial covenants that require us to maintain certain financial ratios under the New Facility and satisfy certain financial condition tests.

Under the New Facility, we have to maintain certain financial ratios, including an interest coverage ratio of a minimum of 2.35 times and a loan-to-value ratio not exceeding 60%. A cash trap will apply if on any test dates the interest coverage ratio is below 2.50 times or the loan-to-value ratio is greater than 55%. Any funds outstanding for two consecutive quarters under the cash trap will be subject to a cash sweep. The New Facility agreement requires that on September 2017, a one-time debt service coverage ratio greater than or equal to 2.35 times to be met. Otherwise, a debt service reserve of up to 1.88% of the then outstanding facility balance will need to be provided by way of cash or letter of credit guarantee. In addition, our failure to comply with such obligations could result in an event of default which could entitle the lender to realize on the security interest granted to it over the Initial Properties or our other assets or limit or suspend our ability to make distributions, if not cured or waived, could result in acceleration of the relevant indebtedness. If any indebtedness was to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full.

Changes in government regulations may affect our investments

We are subject to laws and regulations governing the ownership and leasing of real property, employment standards, environmental matters, taxes and other matters. It is possible that future changes in applicable federal, state, local or common laws or regulations or changes in their enforcement or regulatory interpretation could result in changes in the legal requirements affecting us (including with retroactive effect). In addition, the political conditions in the jurisdictions in which we will operate are also subject to change. Any changes in investment policies or shifts in political attitudes may adversely affect our investments. Any changes in the laws to which we are subject in the jurisdictions in which we operate could materially affect the rights and title to the properties. With the exception of one property, which is located in Austria, all of the properties held, directly or indirectly, by the REIT are located in Germany. Although the government in Germany is stable and generally friendly to foreign investments, there are still political risks. It is not possible to predict whether there will be any further changes in the regulatory regime(s) to which we are subject or the effect of any such change on our investments.

An investment in us is subject to certain tax considerations

We intend to continue to qualify as a "unit trust" and a "mutual fund trust" for purposes of the Tax Act. There can be no assurance that Canadian federal income tax laws and the administrative policies and

assessing practices of the CRA respecting the treatment of mutual fund trusts will not be changed in a manner that adversely affects the Unitholders. If we cease to qualify as a "mutual fund trust" under the Tax Act, the income tax considerations applicable to us, would be materially and adversely different in certain respects, including that the Units may cease to be qualified investments for Plans. Some of the other significant consequences of losing mutual fund trust status are as follows:

- we would be subject to minimum tax; and
- we would cease to be eligible for the capital gains refund mechanism available under the Tax Act.

The SIFT Rules apply to a trust that is a SIFT or a partnership that is a SIFT. The REIT and Dream Cayman LP are not SIFTs for the purposes of these rules because the REIT and each of our Subsidiaries, including Dream Cayman LP, do not invest in any entity other than a "portfolio investment entity" and do not hold any "non-portfolio property" (each as defined in the Tax Act), based on our investment restrictions. If the SIFT Rules were to apply to the REIT or Dream Cayman LP, they would have an adverse impact on us and on the distributions received by the Unitholders.

Having regard to the present intention of the Trustees, we are required to distribute a sufficient amount of our net income and net realized capital gains each year to Unitholders in cash, or otherwise in order to eliminate our liability for tax under Part I of the Tax Act. Where such amount of net income and net realized capital gains in a taxation year exceeds our cash available for distribution in the year, such excess net income and net realized capital gains will be distributed to Unitholders in the form of additional Units. Unitholders will generally be required to include an amount equal to the fair market value of those units in their taxable income, in circumstances where they do not directly receive a cash distribution.

Although we are of the view that all expenses claimed by us and our Subsidiaries are reasonable and deductible and that the cost amount and capital cost allowance claims of entities indirectly owned by us have been correctly determined, there can be no assurance that the Tax Act, or the interpretation of the Tax Act will not change, or that the CRA will agree. If the CRA successfully challenges the deductibility of such expenses or the allocation of such income, our taxable income, and indirectly the taxable income of Unitholders, will increase or change.

The extent to which distributions will be non-taxable in the future will depend in part on the extent to which entities indirectly owned by us are able to deduct depreciation, interest and loan expenses relating to our properties for purposes of the Tax Act.

We endeavour to ensure that the Units continue to be qualified investments for Plans; however, there can be no assurance that this will be so. In addition, Subsidiary Securities received on a redemption *in specie* of Units may not be qualified investments for Plans. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

Tax laws or other law or government incentive programs or regulations may change

Although we have been structured with the objective of maximizing after-tax distributions, tax charges and withholding taxes in various jurisdictions in which we invest will affect the level of distributions made to us and accordingly to Unitholders. No assurance can be given as to the level of taxation suffered by us, our Subsidiaries or the Dundee FCPs. Currently, our investments are located in, and our revenues are derived from member states of the European Union, which will subject us to legal and political risks specific to those states, including but not limited to:

- the enactment of laws prohibiting or restricting the foreign ownership of property;
- laws restricting us from removing profits, or interest earned from activities in those states, including the payment of distributions and nationalization of assets;
- change in the availability, cost and terms of mortgage funds resulting from varying national economic policies;
- changes in real estate and other tax rates and other operating expenses; and

- more stringent environmental laws or changes in such laws.

Any of these factors could adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the Units and our ability to implement our growth strategy

Changes in tax legislation, administrative practice or case law could have adverse tax consequences for us. Despite a general principle prohibiting retroactive changes, amendments to applicable laws, orders and regulations can be issued or altered with retroactive effect. Additionally, divergent interpretations of tax laws by the tax authorities or the tax courts are possible. These interpretations may be changed at any time with adverse effects on our taxation. Furthermore, court decisions are often overruled by the tax authorities by way of issuing non-application decrees. As a result, major uncertainties exist with regard to the taxation rules applicable to us and our Subsidiaries. Deviating views adopted by the tax authorities or the tax courts might lead to a higher tax burden for us. Additionally, if adverse changes in the tax framework should occur, or if we are subject to tax audits or reassessments that result in the imposition of taxes individually or together, this could adversely impact our investments, cash flows, operating results or financial condition, our ability to make distributions on the Units and our ability to implement our growth strategy.

Tax considerations relating to FAPI may affect our financial condition

"Foreign accrual property income" ("**FAPI**") for purposes of the Tax Act of a foreign affiliate and controlled foreign affiliate ("**CFA**") is generally computed in Canadian currency and in accordance with Part I of the Tax Act as though the affiliate were resident in Canada, subject to the detailed rules contained in the Tax Act. The calculation of FAPI of a controlled foreign affiliate is complex. While the REIT expects that the distribution policies of the CFAs will minimize the net FAPI income at the Dream Cayman LP level, no assurances can be made in this regard. This may result in an increase in the taxable income of the REIT and the Unitholders and a decrease in the tax deferred portion of distributions and in some cases, including cases in which foreign exchange gains are realized on the repayment of debts, taxable income in excess of our cash distributions to Unitholders.

German taxes may affect our cash flows, financial condition and distributions to Unitholders

In November 2013 the two chambers of the German Parliament had completed the revised "Investment Tax Act" applicable to all Alternative Investment Funds under the AIFMD which has become effective as of December 24, 2013. This law does not contain specific rules or clarifying guidance regarding the taxation of foreign investment funds such as the Dundee FCPs used in our Lorac holding structure for German non-resident taxation purposes with regard to German assets directly held. In our view, the Dundee FCPs should be transparent from a German corporate income tax perspective under the current law, thus all income should be attributable to the Dundee FCP Unitholders. However, the tax authorities are aiming to tax income at the level of the Dundee FCPs. Under the Tax Amendments, which were passed by the German legislative body on July 19, 2016 and became effective as of January 1, 2018, foreign funds investing into German assets through FCPs will generally be treated as quasi-corporate tax payers. We intend to manage our tax affairs with a view to minimizing, to the extent possible, the amount of taxable income from operations in Germany. At the end of 2012 the competent tax office requested that tax returns be filed only for Lorac Investment Fund – Sub Fund I. An objection has been filed against the tax assessments issued. A subsequent suit has been filed at the German tax court which status is still pending. The Dundee FCPs were requested by the tax office Dortmund-Ost in March 2015 to file CIT tax returns for 2011 and 2012 as well as in April 2015 to file CIT tax returns for 2013. The returns have been submitted to the tax office and assessed for the years 2011 to 2013. In February 2016 the tax returns for the year 2014 have been requested by the tax office as well. These returns have been filed in March 2016 and assessed in May 2016. These returns for 2015 were filed in September 2016 and just recently were assessed in January 2017. The tax returns for 2016 have been signed by the management and will be filed to the tax office shortly. All taxes assessed have been suspended from payment given the current lawsuit of Lorac Investment Fund – Sub Fund I. In light of the above-mentioned new tax law, it is to be determined in detail whether the Dundee FCPs or the Dundee FCP Unitholders, respectively, will be subject to tax with respect to all taxation periods or only future periods. In addition, German RETT is

triggered among other things when there is a transfer of legal title of properties from one legal person to another. In the case of the reallocation of the Initial Properties, legal title was not transferred and, consequently, no RETT should be payable in connection therewith. However, the Reallocation Agreement provides that if, unexpectedly, RETT does become payable as a result of the reallocation of the Initial Properties, the RETT will be shared equally between us and Sub-Fund I. Depending on the location of each of the Initial Properties, the rate of RETT that would be payable in such circumstances in connection with the Initial Properties would range between 3.5% to 6.5% of the Reallocation Consideration allocated to each property. The payment of corporate income tax or RETT could materially and adversely affect our cash flows, financial condition and distributions to Unitholders.

Further, we have structured our affairs to ensure that neither the Dundee FCP Unitholders, the Dundee FCPs nor the corporate entities which acquired additional properties have permanent establishments in Germany, which is relevant for determining whether they would also be liable to municipal trade tax, unless they qualify for an exemption from such tax. If it is determined that the Dundee FCP Unitholders, the Dundee FCPs or the corporate entities holding German properties do have permanent establishments in one or more German municipalities and that they do not qualify for the exemption, the overall rate of German income tax applicable to taxable income would increase from 15.825% to a rate of between approximately 23% and 33%, depending on the German municipalities in which such permanent establishments would be located, which could materially and adversely affect our cash flows, financial condition and distributions to Unitholders.

On December 18, 2012, the Federal Ministry of Finance issued a decree stating that the European Union agreed on a common understanding of the European VAT directive with regard to the qualification of services which are deemed to be real property related services. According to the decree, asset management services might be considered to be property related services which are subject to VAT in the country where the property is located rather than where the recipient of the services is tax resident. It is currently still unclear as to precisely which services are subject to the decree. Additional VAT costs could occur to the extent input VAT is not deductible.

Changes in International Tax Rules and/or a change in the status of Gibraltar vis-a-vis the EU may adversely affect our cash flows and financial condition

As described elsewhere in this AIF, a number of our Subsidiaries are subject to taxation in Luxembourg, Germany, Belgium and Austria. Further, Dutch taxation rules are relevant in determining the capacity of Merin/Motta to pay interest and principal on the debt instruments held by our Subsidiaries in Luxembourg and Cayman. Longstanding international norms that determine each country's jurisdiction to tax cross-border activities are evolving. For example, the Base Erosion and Profit Shifting project ("**BEPS**") currently being undertaken by the G20 and the Organization for Economic Cooperation and Development reflects concern about what is considered to be the inappropriate shifting of profits from high tax jurisdictions to low tax jurisdictions. Further, partly in response to the BEPS initiative, the European Union Commission early in 2016 issued a seven-part Anti-Tax Avoidance Package ("**ATAP**"). Part of the ATAP includes an Anti-Tax Avoidance Directive ("**ATAD**"), which received political agreement from the European Union Member States in June 2016. Further, as part of the ATAD member states are required to introduce, among other measures, a general anti-abuse rule. Luxembourg introduced such a rule in 2016. Tax changes arising from BEPS and/or the ATAD, which, in the case of the ATAD, with certain exceptions are scheduled to become effective in 2019 could limit the ability of our Subsidiaries or Merin/Motta to deduct the interest they pay on inter-company loans, thereby potentially increasing their foreign tax liability; it is also possible that European Union member states could increase their withholding taxes on dividends and interest or levy withholding taxes where none were levied previously. Given the uncertainty surrounding some of the changes and their potential interdependency, it is difficult at this point to assess the overall negative impact, that these changes may have on our cash flow.

With respect to Germany, there are several rules in German tax law restricting the tax deductibility of interest expenses for corporate income and municipal trade tax purposes. Such rules have been changed

considerably on several occasions in the recent past. As a result, major uncertainties exist as to the interpretation and application of such rules, which are not yet clarified by the tax authorities and the tax courts. The tax deductibility of interest expenses depends on, among other things, the details of the security structure for debt financings, the annual amount of tax net-debt interest, the amounts and terms of shareholder or affiliate financings and our general tax structure. There is a risk of additional taxes being triggered on the rental income and capital gains in case the tax authorities or the tax courts adopt deviating views on the above. If this were the case, this would result in a higher tax burden and, consequently, could have a material adverse effect on our cash flows, financial condition and results of operations and ability to pay distributions on the Units.

As a result of Brexit, the status of Gibraltar vis-a-vis the European Union is uncertain. Should Gibraltar leave the European Union, dividends paid by our Luxembourg holding company may be subjected to Luxembourg withholding tax, which would adversely affect the cash flow available for distribution to our Unitholders.

Changes in currency exchange rates could adversely affect our business

Substantially all of our investments and operations are conducted in currencies other than Canadian dollars; however, we are paying distributions to Unitholders and interest payments in Canadian dollars. We will also raise funds primarily in Canada from the sale of securities in Canadian dollars and invest such funds indirectly through Dream Cayman LP in currencies other than Canadian dollars. As a result, fluctuations in such foreign currencies against the Canadian dollar could have a material adverse effect on our financial results, which is denominated and reported in Canadian dollars, and on our ability to pay cash distributions to Unitholders. We have implemented active hedging programs in order to offset the risk of revenue losses and to provide more certainty regarding the payment of distributions to Unitholders if the Canadian dollar increases in value compared to foreign currencies. However, to the extent that we fail to adequately manage these risks, including if any such hedging arrangements do not effectively or completely hedge changes in foreign currency rates, our financial results, and our ability to pay distributions to Unitholders, may be negatively impacted.

Hedging transactions involve the risk that counterparties, which are generally financial institutions, may be unable to satisfy their obligations. If any counterparties default on their obligations under the hedging contracts or seek bankruptcy protection, it could have an adverse effect on our ability to fund planned activities and could result in a larger percentage of future revenue being subject to currency changes.

In the future, our obligations under hedging arrangements may be secured by all or a portion of our assets, the value of which must cover the fair value of the transactions outstanding under the facility by some multiple. If the collateral value were to fall below the coverage designated, we may be required to post cash or letters of credit with the counterparties if we did not have sufficient unencumbered assets available to cover the shortfall, which could materially adversely affect our ability to pay distributions on the Units.

Changes in interest rates could adversely affect our cash flows, our ability to pay distributions and make interest payments and the German real estate market

We required extensive financial resources to complete the Acquisition and all subsequent acquisitions. When concluding financing agreements or extending such agreements, we depend on our ability to agree on terms for interest payments that do not impair our desired profit and on amortization schedules and that do not restrict our ability to pay distributions. Given the current historical low level of interest rates there is a risk that interest rates will increase. An increase in interest rates could result in a significant increase in the amount paid by us and our Subsidiaries to service debt, resulting in a decrease in distributions to Unitholders, and could impact the market price of the Units. In addition, increasing interest rates may put competitive pressure on the levels of distributable income paid by us to Unitholders, increasing the level of competition for capital faced by us, which could have a material impact on the trading price of the Units.

We have implemented active hedging programs in order to offset the risk of revenue losses, and to provide more certainty regarding the payment of distributions to Unitholders should current variable interest rates increase. However, to the extent that we fail to adequately manage these risks, including if any such hedging arrangements do not effectively or completely hedge increases in variable interest rates, our financial results, and our ability to pay distributions to Unitholders and cash interest payments under the New Facility and future financings may be negatively affected. Hedging transactions involve inherent risks. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by banks, could have a significant negative effect on our ability to sell any of our properties. See "– Changes in currency exchange rates could adversely affect our business" above.

In addition, as a result of the current low level of interest rates, property prices and the value of residential real estate have increased. These developments could reverse themselves if, for example, interest rates were to rise, as observed in some parts of the world. The economic conditions could also lead to a rise in interest rates in Germany and in the Eurozone and could result in increased investor interest in investments with a higher risk profile and a decrease in the attractiveness of real estate investments. Rising interest rates could adversely impact us in a number of ways, including:

- effects on calculating the value of our properties to the extent that capitalization rates used to calculate such value are affected, and
- effects on our obligations with variable interest, such as our revolving credit facility.

Such events could have material adverse effects on our business, financial condition, cash flows and results of operations.

Acquisitions of properties may expose us to undisclosed defects and obligations

Our external growth prospects depend in large part on identifying suitable acquisition opportunities, pursuing such opportunities and consummating acquisitions. We intend to make acquisitions and dispositions of properties in accordance with our external growth strategy. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner, as well as our ability to realize our anticipated growth opportunities and synergies from our newly acquired properties.

Notwithstanding pre-acquisition due diligence, it is not possible to fully understand a property before it is owned and operated for an extended period of time. For example, we could acquire a property that contains undisclosed defects in design or construction. Furthermore, we are not always able to obtain from the seller the records and documents that we need in order to fully verify that the buildings we acquire were constructed in accordance, and that their use complies, with planning laws and building code requirements. Accordingly, in the course of acquiring a property, specific risks might not be or might not have been, recognized or correctly evaluated. Thus, we could have overlooked or misjudged legal and/or economic liabilities. These circumstances could lead to additional costs and could have an adverse effect on our proceeds from sales and rental income of the relevant properties. In addition, after the acquisition of a property by us, the market in which the acquired property is located may experience unexpected changes that adversely affect the property's value. The occupancy of properties that we acquire may decline during its ownership, and rents that are in effect at the time a property is acquired may decline thereafter. For these reasons, among others, our property acquisitions may cause us to experience losses. If we are unable to manage our growth and integrate our acquisitions effectively, our investments, operating results and financial condition could be adversely affected.

If we discover, during the course of a refurbishment or modernization, that a building we acquired is subject to historic preservation laws, the need to comply with the respective historic preservation requirements could lead to significant delays in the refurbishment or modernization process, the inability to carry out particular refurbishment or modernization measures, and also significantly higher costs for the particular project. These factors could result in us being unable to perform our contractual obligations to a tenant, with the consequence that the tenant's obligation to make payments would be excused or

deferred. The same would be true if the legal requirements relating to existing and permitted properties and their use become more onerous, particularly with respect to construction and environmental requirements. We will continually assess the value and contribution of our properties and may dispose of properties from time to time if determined to be in our best interests. Depending on the state of the market for these types of properties, if disposed of, we may realize less than our carrying value in our financial statements.

Losses of key personnel may affect our ability to operate

Our operations are dependent upon the participation of our key personnel, including our President and Chief Executive Officer, our Vice-Chairman and key employees of Dream Lux Manager and Dream Germany Sub-Manager, respectively. While we believe that we could find replacements for these employees, the loss of their services and our inability to attract and retain qualified and experienced personnel may materially affect our ability to operate and expand which could materially and adversely affect our operating results and financial condition.

We depend on information technology systems

Our businesses depend on information technology systems for day-to-day operations. If we are unable to operate our systems or make enhancements as needed, or if our systems go down, it could have an adverse effect on our ability to service tenants, manage our operation or meet our obligations, which in turn could have an adverse impact on our results and financial position. Important processes such as roll-outs, software and equipment upgrades and information security procedures are continually being assessed to ensure they are as effective as possible in order to support management in achieving our strategic objectives.

Cyber security risks could result in disruptions in business operations

As we continue to increase our dependence on information technologies to conduct our operations, the risks associated with cyber security also increase. We rely on management information systems and computer control systems. Business disruptions, utility outages and information technology system and network disruptions due to cyber-attacks could seriously harm our operations and materially adversely affect our operating results. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses, the unintended disclosure of confidential information, the misuse or loss of control over computer control systems, and breaches due to employee error. Our exposure to cyber security risks includes exposure through third parties on whose systems we place significant reliance for the conduct of our business. We have implemented security procedures and measures in order to protect our systems and information from being vulnerable to cyber-attacks. We believe these measures and procedures are appropriate. To date, we have not experienced any material impact from cyber security events. However, we may not have the resources or technical sophistication to anticipate, prevent, or recover from rapidly evolving types of cyber-attacks. Compromises to our information and control systems could have severe financial and other business implications.

Controls and procedures may not perform as intended

We have established internal controls over financial reporting and disclosure controls and procedures are designed in accordance with NI 52-109. A control system, no matter how well conceived and operated, can provide only reasonable and not absolute assurance that the objectives of the control system are met. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, amongst other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; and (ii) the impact of isolated errors. In addition, controls may be circumvented by the unauthorized acts of individuals, by collusion of two or more people, or by management override. The design of any system of controls is also based, in part, upon certain assumptions about the likelihood of future events, and there can be no

assurance that any design procedures will succeed in achieving its stated goals under all potential (future) conditions.

Our Trustees, executive officers and DAM may be put in a position of conflict as a result of their positions held and interests in other businesses

Certain of our Trustees and executive officers are also Trustees, directors and/or officers of DAM, and may continue to be engaged, in activities that may put them in conflict with our investment strategy. In addition, these individuals may hold equity in or positions with other companies managed by DAM or its affiliates and, accordingly, these individuals may not devote all of their time and attention to us. Consequently, these positions or equity interests could create, or appear to create, conflicts of interest with respect to matters involving us or DAM or its affiliates. Pursuant to the Declaration of Trust, all decisions to be made by the Trustees which involve us are required to be made in accordance with the Trustees' duties and obligations to act honestly and in good faith with a view to the best interests of the REIT and the Unitholders. In addition, our Trustees and officers are required to declare their interests in, and such Trustees are required to refrain from voting on, any matter in which they may have a material conflict of interest. However, there can be no assurance that the provisions in the Declaration of Trust will adequately address potential conflicts of interest or that such actual or potential conflicts of interest will be resolved in our favour.

DAM acts as the asset manager for Dream Industrial REIT and Dream Hard Asset Alternatives Trust and also provides management services to Dream Office REIT and other entities. As asset manager for other entities and on its own behalf, DAM will pursue other business opportunities, including but not limited to real estate and development business opportunities outside of the REIT. These multiple responsibilities to public companies and other businesses could create competition for the time and efforts of DAM which could materially and adversely affect our cash flows, operating results and financial condition.

We rely on DAM for asset management services

We rely on DAM with respect to the asset management of our properties. Consequently, our ability to achieve our investment objectives depends in large part on DAM and its ability to advise us. This means that our investments are dependent upon DAM's business contacts, its ability to successfully hire, train, supervise and manage its personnel and its ability to maintain its operating systems. If we were to lose the services provided by DAM or its key personnel, our investments and growth prospects may decline. We may be unable to duplicate the quality and depth of management available to it by becoming a self-managed company or by hiring another asset manager. Prospective investors should not purchase any Units unless they are prepared to rely on our Trustees, executive officers and DAM.

Although the Asset Management Agreement provides that DAM will automatically be rehired at the expiration of each term (subject to certain termination provisions), DAM has the right, at any time after the initial 10-year term upon 180 days' notice, to terminate the Asset Management Agreement for any reason. The Asset Management Agreement may also be terminated in other circumstances, such as in the event of default or insolvency of DAM within the meaning of such agreement. Accordingly, there can be no assurance that DAM will continue to be our asset manager. If DAM should cease for whatever reason to be the asset manager, the cost of obtaining substitute services may be greater than the fees we will pay DAM under the Asset Management Agreement, and this may adversely impact our ability to meet our objectives and execute our strategy which could materially and adversely affect our cash flows, operating results and financial condition.

We are exposed to risks related to the referendum in the United Kingdom on the United Kingdom's membership in the European Union and the uncertainties associated with the outcome of the vote to leave the European Union

On June 23, 2016 the United Kingdom held a referendum on its membership in the European Union. A majority of the voters voted to exit the European Union ("Brexit"), and negotiations will commence to determine the future terms of the United Kingdom's relationship with the European Union, including the terms of trade between the United Kingdom and the European Union and the United Kingdom's access to

the European Union markets. The referendum will have no immediate negative effects on the operations of the REIT because our properties are located in Germany, Austria and Belgium and all transactions with tenants, customers and suppliers are settled in Euro so that there are no immediate currency risks. However, there are significant uncertainties in relation to the terms and time frame within which such an exit would be effected, and there are significant uncertainties as to what the impact would be on the fiscal, monetary and regulatory landscape in the United Kingdom, the conduct of cross-border business and export and import tariffs. There is uncertainty in relation to how, when and to what extent these developments would impact on the economy in the United Kingdom and the European Union, on levels of investor activity and confidence, on global market performance and on exchange rates. There is also a risk that (i) Brexit could result in other member states re-considering their respective membership of the European Union or (ii) the Euro as the single currency of the Eurozone could cease to exist. In addition, Brexit and the subsequent expected negotiations between the United Kingdom and the European Union on its exit from the European Union could exacerbate financial market volatility. Any of these developments, or the perception that any of these developments are likely to occur, could have a material adverse effect on economic growth or business activity in the United Kingdom, the Eurozone, or the European Union, and could result in the relocation of businesses, cause business interruptions, lead to economic recession or depression, and impact the stability of the financial markets, availability of credit, political systems or financial institutions and the financial and monetary system. Any of these effects of Brexit, and others, the REIT cannot anticipate today, could have material adverse effects on the Guarantor's business, net assets, financial condition, cash flows and results of operations.

Concentration of properties may adversely affect our financial performance

A significant portion of the properties held, indirectly or directly, by the REIT are located in Germany and, as a result, are impacted by economic and other factors specifically affecting the real estate markets in Germany. Similarly, all of the Dutch properties are located in the Netherlands and are impacted by economic and other factors specifically affecting the Dutch real estate markets. These factors may differ from those affecting the real estate markets in other regions. Due to the concentrated nature of the properties, a number of the properties could experience any of the same conditions at the same time. If real estate conditions in Germany or the Netherlands decline relative to real estate conditions in other regions, our cash flows, operating results and financial condition may be more adversely affected than those of companies that have more geographically diversified portfolios of properties.

The slow and uncertain recovery of the global economy, the persistent sovereign debt and financial crisis in the Eurozone, the economic downturn in China and the current geopolitical crises in the Ukraine, Syria and the Balkan countries may have unpredictable and materially adverse effects on the Euro and the member states of the Eurozone and may result in economic instability, limited access to debt and equity financing and possible defaults by the REIT's counterparties

Notwithstanding improvements in business conditions since the economic and financial crisis of 2008 and 2009, the global economy continues to experience a slow and uncertain recovery. Persistent concerns about the slow pace of economic growth, instability in the credit and financial markets and weak consumer confidence in many countries may continue to put pressure on the global economy. If it proves impossible to effectively resolve the persistent sovereign debt and financial crisis, one or more member states may default and/or leave the Eurozone and re-establish individual national currencies or the Eurozone may collapse altogether. This may have unpredictable and materially adverse effects on the stability of individual countries of the Eurozone and their capital markets and of the Euro and could even result in the abolishment of the single currency. In addition, the continuing uncertainties in the capital markets of China and a continuously decreasing economic growth in China and other emerging market countries may have an increasingly negative effect on the global economy and, in particular, the global capital markets. In addition, there are the current geopolitical crises in Ukraine, Syria, North Korea and the Balkan countries, the severe economic sanctions being imposed on the Russian Federation as well as retaliatory actions by the Russian Federation and the global threat of terrorism. Any of these factors may have negative repercussions for the European economy as a whole. Such instability and the resulting

market volatility may also create contagion risks for economically strong countries like Germany and may spread to the German financial sector and the German real estate market.

We depend, in part, on our ability to access financial markets in Europe for the refinancing of our liabilities, the continued instability or a further deterioration of the economic environment or the capital markets in Europe may reduce our ability to refinance existing and future liabilities. Furthermore, our counterparties may not be able to fulfil their obligations under the respective agreements due to a lack of liquidity, operational failure, bankruptcy or other reasons.

Any of these risks could have material adverse effects on our business, financial condition, cash flows and results of operations.

Competition in the German real estate market may adversely affect our financial performance

The real estate market in Germany is highly competitive and fragmented and we will compete for real property acquisitions with individuals, corporations, institutions (Canadian and foreign) and other entities which are seeking or may seek real property investments similar to those we desire. An increase in the availability of investment funds or an increase in interest in real property investments may increase competition for real property investments, thereby increasing purchase prices and reducing the yield on them.

Numerous other developers, managers and owners of properties will compete with us in seeking tenants. Some of the properties owned by our competitors are better located, better quality or less leveraged than the properties owned by us. Some of our competitors are better capitalized and stronger financially and hence better able to withstand an economic downturn. The existence of competition for tenants could have an adverse effect on our ability to lease space in our properties and on the rents charged or concessions granted, and could materially and adversely affect our cash flows, operating results and financial condition and our ability to make distributions on the Units.

The Dutch real estate market is a new market for us and we are subject to certain risks associated with operating in a new market

All of the properties comprising the Dutch Properties are located in the Netherlands, a jurisdiction where we previously had no operations or properties. Each of the risks applicable to our ability to successfully operate in the jurisdictions in which we currently operate is also applicable to our ability to successfully operate in the Netherlands. In addition to these risks, we may not possess the same level of familiarity with the dynamics and market conditions of the Netherlands, or in local markets in the jurisdictions in which the properties comprising the Dutch Properties portfolio are situated, which could materially adversely affect our ability to further expand into or operate in the Netherlands or integrate the Dutch Properties into our operations. The Netherlands also presents a different regulatory environment and tax regime when compared to other jurisdictions in which we currently operate. Consequently, we may be unable to achieve a desired return on our investments in the Netherlands. While the continuing efforts of the Merin management team will be important to the success of our new Netherlands platform, if expansion into the Netherlands by way of the Merin Transaction is ultimately unsuccessful, it could materially adversely affect our business, financial condition and results of operations. There is a risk that some or all of the expected benefits of the Merin Transaction will fail to materialize, or may not occur within the time periods anticipated by our management. The realization of some or all of such benefits may be affected by a number of factors, many of which are beyond our control.

We may not be able to source suitable acquisitions

Our strategy includes growth through identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions and effectively operating and leasing such properties. If we are unable to manage growth effectively, it could adversely impact our cash flows, financial condition and results of operations. There can be no assurance as to the pace of growth through property acquisitions or that we will be able to acquire assets on an accretive basis, and as such there can be no assurance that distributions to holders of Units will increase in the future.

Investments in, and profits and cash flows from, properties may be lost in the event of uninsured or underinsured losses to properties or losses from title defects

We carry property owners liability and excess liability insurance with limits which are typically obtained for similar real estate portfolios in Germany and otherwise acceptable to the Trustees. For the property risks we intend to carry "All Risks" property insurance including but not limited to coverage for flood, earthquake (subject to certain policy limits, deductibles and self-insurance requirements), loss of rental income and coverage for machinery and equipment breakdown. There are, however, certain types of risks (generally of a catastrophic nature such as from war or nuclear accident) which are uninsurable under any insurance policy. Furthermore there are other risks that are not economically viable to insure at this time. We partially self-insure against terrorism risk for our entire portfolio. Should an uninsured or underinsured loss occur, we could lose our investment in, and anticipated profits and cash flows from, one or more of our properties, but we would continue to be obligated to repay any recourse mortgage indebtedness on such properties. We do not carry title insurance on our properties. If a loss occurs resulting from a title defect with respect to a property where there is no title insurance or the loss is in excess of insured limits, we could lose all or part of our investment in, and anticipated profits and cash flows from, such property.

A change in indexation for inflation may affect our financial condition

The rents payable under the Deutsche Post leases are automatically adjusted if the CPI for Germany changes by more than 4.3 index points. This means that our rental income will increase if the CPI for Germany increases by more than 4.3 index points. However, it also means that our rental income will decrease if the CPI for Germany decreases by more than 4.3 index points. As a result, a significant decrease in the CPI for Germany could have a material adverse effect on our cash flows, operating results and financial condition. The fixed rents payable under other lease agreements in respect of the Initial Properties and other properties we may acquire will not normally provide for adjustments following a general change in prices. As a result, our revenues adjusted for inflation could be materially and adversely affected from an unexpected rise in inflation, which could have a materially adverse effect on our cash flows, operating results or financial condition.

Investments through joint venture, partnership and co-ownership agreements may restrict our ability to deal with a property or expose us to liability

We are a participant in joint ventures and partnerships with third parties in respect of nine of the REIT's properties. A joint venture or partnership involves certain additional risks, including, (i) the possibility that such co-venturers/partners may at any time have economic or business interests or goals that will be inconsistent with ours or take actions contrary to our instructions or requests or to our policies or objectives with respect to our real estate investments, (ii) the risk that such co-venturers/partners could experience financial difficulties or seek the protection of bankruptcy, insolvency or other laws, which could result in additional financial demands on us to maintain and operate such properties or repay the co-venturers'/partners' share of property debt guaranteed by us or for which we will be liable and/or result in our suffering or incurring delays, expenses and other problems associated with obtaining court approval of joint venture or partnership decisions, (iii) the risk that such co-venturers/ partners may, through their activities on behalf of or in the name of, the ventures or partnerships, expose or subject us to liability, and (iv) the need to obtain co-venturers'/partners' consents with respect to certain major decisions, including the decision to distribute cash generated from such properties or to refinance or sell a property. In addition, the sale or transfer of interests in certain of the joint ventures and partnerships may be subject to rights of first refusal or first offer and certain of the joint venture and partnership agreements may provide for buy-sell or similar arrangements. Such rights may be triggered at a time when we may not desire to sell but may be forced to do so because we do not have the cash to purchase the other party's interests. Such rights may also inhibit our ability to sell an interest in a property or a joint venture/partnership within the time frame or otherwise on the basis we desire. The investment by the REIT, its Subsidiaries or the Dundee FCPs in properties through joint venture and partnership agreements is subject to the investment guidelines set out in "Investment Guidelines and Operating Policies".

We may not be able to manage internal controls of third parties

Effective internal controls are necessary for us to provide reliable financial reports and to help prevent fraud. Although we undertook a number of procedures and DAM has significant safeguards and experience, in each case, in order to help ensure the reliability of financial reports, including those imposed on us under Canadian securities law, we (and DAM) are also reliant on the internal controls of our third party property managers. We cannot therefore be certain that such measures will ensure that we will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm our results of operations or cause us to fail to meet our reporting obligations. If we or our auditor discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in our consolidated financial statements and adversely affect the trading price of the Units.

Dispositions of certain of the Initial Properties are subject to pre-emptive rights, rights of first refusals or options to purchase

Two of the Initial Properties are subject to pre-emptive rights or rights of first refusal in the event of subsequent sales of the affected properties. One of the Initial Properties is subject to an option to purchase in favour of Deutsche Post. In addition to these encumbrances, certain of the Initial Properties are located in urban refurbishment, redevelopment or reallocation areas in which the sale, leasing and encumbrance of such Initial Properties requires the approval of the competent public authority. Such approval may be necessary for the granting of the first mortgages.

As such, certain of the Initial Properties are subject to pre-emptive rights, rights of first refusals or options to purchase in favour of third parties. As the Acquisition did not involve the transfer of legal title to any of the Initial Properties, these third party rights were not applicable in the context of the Acquisition. However, these rights continue to exist and may adversely affect the marketability of these properties if and when we should decide to sell them.

Regulatory requirements may limit a future change of use for some properties

A change of use of our properties may be limited by several regulatory requirements, including monument protection regulations, urban development regulations, specific limitations for postal buildings and general planning law requirements. This may therefore inhibit our ability to re-lease vacant space to subsequent tenants, or may adversely affect our ability to sell, lease or finance the affected properties.

Restitution claims may affect our ability to manage the our properties and affect our revenues

People who had property located in the former German Democratic Republic ("**GDR**") (*Deutsche Demokratische Republik*) that was expropriated by the GDR or who lost property due to racist, political, religious or ideological reasons during 1933 and 1945 may be entitled to restitution or compensation under the German Act on Unsettled Property Issues (*Gesetz zur Regelung offener Vermögensfragen, Vermögensgesetz*).

In addition, persons who developed real properties in the territory of the former GDR as users may be entitled to: (i) acquire such real property at a price equivalent to half of the market value; or (ii) be granted a hereditary building right (ground lease) with a hereditary ground rent equivalent to half of the usual amount under the German Act on the Adjustment of Property Law (*Sachenrechtsbereinigungsgesetz*).

To the extent required in connection with Sub-Fund I's acquisition of the Initial Properties, our properties located in the territory of the former GDR (approximately 19% of our properties) have received a certification according to the German Act of Real Estate Transactions (*Grundstückverkehrsordnung*), which is generally only issued if no restitution procedure is pending. Further, the notification deadline under the German Act of Unsettled Property Issues generally, subject to certain exemptions, expired at the end of 1992. However, the aforementioned restitution and compensation claims cannot be entirely excluded. If any such claims were to be brought regarding properties owned by us, we would be severely limited in our ability to manage such properties and may even be forced to transfer such properties to

successful claimants without adequate compensation. Any such limitations or compulsory transfers of property could have a material adverse effect on our cash flows, financial condition, results of operations and ability to pay distributions on the Units.

Market for Securities and Prices

The REIT is an unincorporated open-ended investment trust and its Units are listed on the TSX. There can be no assurance that an active trading market in the Units will be sustained. A publicly traded real estate investment trust does not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. Instead, the Units may trade at a premium or a discount to such values. A number of factors may influence the market price of the Units, including general market conditions, fluctuations in the markets for equity and/or debt securities, short-term supply and demand factors for real estate investment trusts and numerous other factors beyond our control.

The ability of Unitholders to redeem Units is subject to restrictions on redemption

It is anticipated that the redemption right attached to the Units will not be the primary mechanism by which holders of such Units will liquidate their investments. The entitlement of holders of Units to receive cash upon the redemption of their Units is subject to the limitations that: (a) the total amount payable by us in respect of such Units and all other Units tendered for redemption in the same calendar month shall not exceed $50,000 (provided that such limitations may be waived at the discretion of the Trustees); (b) at the time such Units are tendered for redemption, the outstanding Units shall be listed for trading on a stock exchange or traded or quoted on another market which the Trustees consider, in their sole discretion, provides representative fair market value prices for such series of the Units; and (c) the normal trading of the Units is not suspended or halted on any stock exchange on which such Units are listed (or, if not listed on a stock exchange, on any market on which such Units are quoted for trading) on the Redemption Date or for more than five trading days during the 20-day trading period commencing immediately after the Redemption Date.

Subordination of the Units may limit our ability to pay distributions

In the event of a bankruptcy, liquidation or reorganization of us or any of our Subsidiaries, holders of our indebtedness and our trade creditors will generally be entitled to payment of their claims from our assets and those of our Subsidiaries before any assets are made available for distribution to us or our Unitholders. The Units are subordinated to the debt and other obligations of us and our Subsidiaries. We and our Subsidiaries will generate all of our revenue available for distribution and hold substantially all of our operating assets.

Cash distributions are not guaranteed and may fluctuate with our financial performance

Our distribution policy is established in the Declaration of Trust and may only be changed with the approval of a majority of unitholders. However, the Trustees may reduce or suspend cash distributions indefinitely, which could have a material adverse impact on the market price of the Units.

Although we intend to make cash distributions in accordance with our distribution policy, the actual cash flow available for distribution to Unitholders is dependent on the amount of cash flow paid to us by our operating entities and can vary significantly from period to period for a number of reasons, including among other things: (a) the amount of net rental income derived from our properties; (b) the amount of cash required or retained for debt service or repayment; (c) amounts required to fund capital expenditures and working capital requirements; (d) tenant allowances; (e) leasing commissions; (f) Unit redemptions; (g) foreign currency exchange rates and interest rates; (h) the level of foreign taxes, if any, payable by a Subsidiary or the Dundee FCPs and (i) other factors that may be beyond our control. These amounts are subject to the discretion of the Trustees, which will regularly evaluate our distribution payout with respect to anticipated cash flows, debt levels, capital expenditure plans and amounts to be retained to fund acquisitions and expenditures. In addition, our level of distributions per Unit will be affected by the number of outstanding Units and other securities that may be entitled to receive cash distributions. Distributions may be increased, reduced or suspended entirely depending on our operations and the

performance of our assets. The market value of the Units may deteriorate if we are unable to meet distribution expectations in the future and such determination may be material.

Unitholders do not have legal rights normally associated with ownership of shares of a corporation

Unitholders do not have all of the statutory rights normally associated with ownership of shares of a corporation including, for example, the right to bring "oppression" or "derivative" actions against us or "dissent rights" in the context of certain transactions. The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that Act or any other legislation. Furthermore, we are not a trust company and, accordingly, are not registered under any trust and loan company legislation as we do not carry on or intend to carry on the business of a trust company.

Unitholder liability may arise

The Declaration of Trust provides that no holder of REIT Units or annuitant or beneficiary of a trust governed by a Plan/or of any Plan of which a holder of REIT Units acts as an annuitant will be held to have any personal liability as such, and that no resort shall be had to, nor shall recourse or satisfaction be sought from, the private property of any holder of REIT Units or annuitant for any liability whatsoever, whether constituting extra contractual or contractual liability or arising in tort, contract or otherwise, to any Person in connection with our property or our affairs, including for satisfaction of any obligation or claim arising out of or in connection with any contract or obligation of us or of the Trustees or any obligation which a holder of REIT Units or annuitant would otherwise have to indemnify a Trustee for any personal liability incurred by the Trustee as such ("**Trust Liability**"). Only our assets are intended to be liable and subject to levy or execution for satisfaction of such Trust Liability. Each holder of REIT Units and annuitant is entitled to be reimbursed out of our assets in respect of any payment of such Trust Liability made by such holder of REIT Units or annuitant.

The Declaration of Trust further provides that the Trustees shall cause our operations to be conducted, with the advice of counsel, in such a way and in such jurisdictions as to avoid, to the extent they determine practicable and consistent with their fiduciary duty to act in the best interests of the holders of REIT Units, any material risk of liability on the holders of REIT Units for claims against us, and shall, to the extent available on terms which they determine to be practicable, including the cost of premiums, cause the insurance carried by us, to the extent applicable, to cover the holders of REIT Units and annuitants as additional insured. Any written instrument creating an obligation which is or includes the granting by us of a mortgage and, to the extent the Trustees determine it to be practicable and consistent with their fiduciary duties to act in the best interest of the holders of REIT Units, any written instrument which is a material obligation, shall contain a provision that the obligation created is not personally binding upon the Trustees, the holders of REIT Units or officers, employees or agents of us, but that our only property or a specific portion thereof is bound. Except in case of bad faith or gross negligence on their part, no personal liability will attach under the laws of the Province of Ontario to Unitholders or annuitants for contract claims under any written instrument disclaiming personal liability as aforesaid.

However, in conducting our affairs, we are acquiring immovable property investments, subject to existing contractual obligations, including obligations under hypothecs, mortgages and leases. The Trustees will use commercially reasonable efforts to have any such obligations, other than leases, modified so as not to have such obligations binding upon any of the unitholders or annuitants personally. However, we may not be able to obtain such modification in all cases. If a claim is not satisfied by us, there is a risk that a unitholder or annuitant will be held personally liable for the performance of the obligations of us where the liability is not disavowed as described above. The possibility of any personal liability attaching to unitholders or annuitants under the laws of the Province of Ontario for contract claims where the liability is not so disavowed is remote.

The issuance of additional REIT Units will result in dilution

The number of REIT Units we are authorized to issue is unlimited. We may, in our sole discretion, issue additional REIT Units from time to time. Any REIT issuance of REIT Units, including Units issued in consideration for properties acquired by us, will have a dilutive effect on existing unitholders.

Regulatory approvals may be required in connection with a distribution of securities on a redemption of Units or our termination

Upon a redemption of REIT Units or termination of the REIT, the Trustees may distribute securities directly to the unitholders, subject to obtaining any required regulatory approvals. No established market may exist for the securities so distributed at the time of the distribution and no market may ever develop. In addition, the securities so distributed may not be qualified investments for Plans, depending upon the circumstances at the time.

Our ability to enforce contracts may be limited

From time to time we enter into contracts with third parties who make representations and warranties to us with respect to certain matters or agree to indemnify us if certain circumstances should occur. There can be no assurance that we will be fully protected in the event of a breach of such representations and warranties or if such circumstances should occur or that such party will be in a position to indemnify us in any such event. We may not be able to successfully enforce an indemnity contained in an agreement against such party or any such indemnity may not be sufficient to fully indemnify us from third party claims. In addition, we may be subject to undisclosed liability to third parties and such liability may be material, which could negatively impact our financial condition and results of operations and decrease the amount of cash available for distribution to Unitholders.

MARKET FOR SECURITIES

Trading Price and Volume

Our Units are listed on the TSX under the symbol "DRG.UN". The following table sets forth the high and low reported trading prices and the trading volume of the Units on the TSX for each month of the most recently completed financial year:

Period	High ($)	Low ($)	Volume
January 2017	9.73	9.31	4,334,256
February 2017	10.00	9.48	4,846,234
March 2017	9.79	9.46	9,530,595
April 2017	9.99	9.53	5,390,610
May 2017	10.60	9.85	7,021,364
June 2017	11.12	10.41	7,486,761
July 2017	11.02	10.16	12,193,596
August 2017	11.28	10.28	12,301,667
September 2017	11.33	11.01	10,588,336
October 2017	11.28	10.86	6,823,308
November 2017	11.93	11.05	7,908,390
December 2017	12.37	11.72	7,569,947

INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as described below or otherwise in this AIF, no Trustee, officer of the REIT, or unitholder that beneficially owns, or controls or directs more than 10% of the REIT Units, or any associate or affiliate of any of the foregoing persons, has or has had any material interest in any transaction within the last three years or during the current financial year, or any proposed transaction, that has materially affected or would materially affect the REIT, any of its Subsidiaries or the Dundee FCPs.

DAM has co-invested with Dream Global REIT in properties with their share of interest ranging from 0.26% to 5.2%. For the year ended December 31, 2017, the non-controlling interest and net income attributable to DAM amounted to $13.8 million and $3.1 million, respectively. As part of the co-investing transactions, Dream Global REIT provided interest bearing loans to DAM for financing its equity interests, bearing interest at 8.5% per annum for a ten-year term. As at December 31, 2017, the notes receivable outstanding and interest accrued amounted to $6.6 million and $1.5 million, respectively.

MATERIAL CONTRACTS

The only material contracts, other than contracts entered into in the ordinary course of business, that we entered into in 2017 or after, or entered into before 2017 but are still in effect, are:

1. the Declaration of Trust described under "Declaration of Trust and Description of REIT Units";

2. the Asset Management Agreement described under "Real Estate Management and Advisory Services – Asset Management";

3. the Lorac Shareholders' Agreement described under "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Shareholders' Agreement";

4. the Framework Agreement, as amended, described under "Agreements Relating to Our Acquisition of the Initial Properties – Framework Agreement";

5. the Reallocation Agreement described under "Agreements Relating to Our Acquisition of the Initial Properties – Reallocation Agreement";

6. the Lorac Share Purchase Agreement described under "Agreements Relating to Our Acquisition of the Initial Properties – Lorac Share Purchase Agreement";

7. the Transaction Agreement dated July 17, 2017 between Dream Global Netherlands Holdings B.V., Dream Cayman LP, Utretcht Motta Ltd., Utrecht Holdings II, LLC, Utrecht S.à.r.l, TPG Utrecht S.à.r.l., Patron Utrecht S.à.r.l and Dream Global REIT described under "Completion of the Transaction for the Dutch Properties" pursuant to which Dream Global REIT indirectly invested in the Dutch Properties;

8. the Senior Notes described under "General Development of the Business – Senior Notes";

9. the Non-Competition Agreement described under "Real Estate Management and Advisory Services – Non Competition-Agreement"; and

10. the underwriting agreements between the REIT and various syndicates of underwriters regarding the issuance and sale of Units. Each underwriting agreement provided that we would pay to the underwriters an aggregate fee in respect of the Units offered thereunder and that we would indemnify the underwriters and their directors, officers and employees against certain liabilities pursuant to the underwriting agreement, including liabilities under Canadian securities legislation.

Copies of the foregoing documents are available on SEDAR at www.sedar.com.

LEGAL PROCEEDINGS

We are not involved in any litigation or proceedings which, if determined adversely, would be material to us, and no such proceedings are known to us to be contemplated.

INTEREST OF EXPERTS

Our auditor is PricewaterhouseCoopers LLP, Chartered Professional Accountants, who has prepared an independent auditor's report dated February 21, 2018 in respect of Dream Global REIT's consolidated financial statements as at December 31, 2017 and December 31, 2016 and for the years then ended. PricewaterhouseCoopers LLP has advised that they are independent with respect to the REIT within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar of the Units is Computershare Trust Company of Canada at its principal offices in Toronto, Ontario.

ADDITIONAL INFORMATION

Additional information relating to the REIT may be found on SEDAR at www.sedar.com. Additional information, including with respect to Trustees' and officers' remuneration and indebtedness, principal holders of the REIT's securities and units authorized for issuance under equity compensation plans, is contained in the REIT's information circular for its upcoming annual meeting of unitholders that involved the election of Trustees.

Additional financial information is provided in the consolidated financial statements and notes to the consolidated financial statements and our 2017 MD&A.

SCHEDULE A

DREAM GLOBAL REAL ESTATE INVESTMENT TRUST

(the "Trust")

AUDIT COMMITTEE CHARTER

(the "Charter")

PURPOSE

The Audit Committee (the "**Committee**") is a standing committee appointed by the board of trustees of the Trust (the "**Board**"). The Committee is established to fulfill applicable securities law obligations respecting audit committees and to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting, including to:

i) oversee the integrity of the Trust's financial statements and financial reporting process, including the audit process and the Trust's internal accounting controls and procedures and compliance with related legal and regulatory requirements;

ii) oversee the qualifications and independence of the external auditors;

iii) oversee the work of the Trust's financial management, internal controls function and external auditors in these areas; and

iv) provide an open avenue of communication between the external auditors, the internal controls function, the Board, the asset manager of the Trust and management of the Trust.

The function of the Committee is oversight. It is not the duty or responsibility of the Committee or its members (a) to plan or conduct audits, (b) to determine that the Trust's financial statements are complete and accurate and are in accordance with International Financial Reporting Standards or (c) to conduct other types of auditing or accounting reviews or similar procedures or investigations. The Committee, its chair and its audit committee financial expert members are members of the Board, appointed to the Committee to provide broad oversight of the financial, risk and control related activities of the Trust, and are specifically not accountable or responsible for the day to day operation or performance of such activities. In particular, the member or members identified as audit committee financial experts shall not be accountable for giving professional opinions on the internal or external audit of the Trust's financial information.

Management is responsible for the preparation, presentation and integrity of the Trust's financial statements. Management is also responsible for maintaining appropriate accounting and financial reporting principles and policies and systems of risk assessment and internal controls and procedures designed to provide reasonable assurance that assets are safeguarded and transactions are properly authorized, recorded and reported and to assure the effectiveness and efficiency of operations, the reliability of financial reporting and compliance with accounting standards and applicable laws and regulations. The chief financial officer is responsible for monitoring and reporting on the adequacy and effectiveness of the system of internal controls. The external auditors are responsible for planning and carrying out an audit of the Trust's annual financial statements in accordance with generally accepted auditing standards to provide reasonable assurance that, among other things, such financial statements are in accordance with International Financial Reporting Standards.

PROCEDURES, POWERS AND DUTIES

The Committee shall have the following procedures, powers and duties:

General

(a) *Composition* – The Committee shall consist of at least three members, all of whom shall be independent within the meaning of National Instrument 52-110 – *Audit Committees* and a majority of whom shall be resident Canadians. All members of the Committee must be or, within a reasonable period following appointment, become financially literate, meaning that each has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Trust's financial statements.

(b) *Separate Executive Meetings* – The Committee shall meet periodically with the chief financial officer, the head of the internal controls function (if other than the chief financial officer) and the external auditors in separate executive sessions to discuss any matters that the Committee or each of these groups believes should be discussed privately and such persons shall have access to the Committee to bring forward matters requiring its attention. However, the Committee shall also meet periodically without management present.

(c) *Professional Assistance* – The Committee may require the external auditors and internal controls function to perform such supplemental reviews or audits as the Committee may deem desirable. In addition, the Committee may retain such special legal, accounting, financial or other consultants as the Committee may determine to be necessary to carry out the Committee's duties at the Trust's expense.

(d) *Reliance* – Absent actual knowledge to the contrary (which shall be promptly reported to the Board), each member of the Committee shall be entitled to rely on (i) the integrity of those persons or organizations within and outside the Trust from which it receives information, (ii) the accuracy of the financial and other information provided to the Committee by such persons or organizations and (iii) representations made by management and the external auditors as to any information technology, internal audit, internal controls and other non-audit services provided by the external auditors to the Trust and its subsidiaries.

(e) *Reporting to the Board* – The Committee will report through the chair of the Committee to the Board following meetings of the Committee on matters considered by the Committee, its activities and compliance with this Charter.

(f) *Procedure* – The Committee meetings shall be conducted as follows: (i) questions arising at any meeting shall be decided by a majority of the votes cast; (ii) decisions may be taken by written consent signed by all members of the Committee; and (iii) meetings may be called by the external auditors of the Trust or any member of the Committee upon not less than 48 hours notice, unless such notice requirement is waived by the Committee members. The external auditors of the Trust are entitled to receive notice of every meeting of the Committee and, at the expense of the Trust, to attend and be heard thereat and, if so requested by a member of the Committee, shall attend any meeting of the Committee held during the term of office of the external auditors.

(g) Unrestricted access to management and Trust information.

AUDIT RESPONSIBILITIES OF THE COMMITTEE

Selection and Oversight of the External Auditors

1. The external auditors are ultimately accountable to the Committee and the Board as the representatives of the unitholders of the Trust and shall report to the Committee and the Committee shall so instruct the external auditors. The Committee shall evaluate the performance

of the external auditors and make recommendations to the Board on the reappointment or appointment of the external auditors of the Trust to be proposed in the Trust's management information circular for approval of the unitholders of the Trust and the compensation to be paid by the Trust to the external auditors. If a change in external auditors is proposed, the Committee shall review the reasons for the change and any other significant issues related to the change, including the response of the incumbent auditors, and enquire on the qualifications of the proposed auditors before making its recommendation to the Board.

2. The Committee shall approve in advance the terms of engagement of the external auditors with respect to the conduct of the annual audit. The Committee may approve policies and procedures for the pre-approval of services to be rendered by the external auditors, including *de minimis* exceptions, which policies and procedures shall include reasonable detail with respect to the services covered. All non-audit services to be provided to the Trust or any of its subsidiaries by the external auditors or any of their affiliates which are not covered by pre-approval policies and procedures approved by the Committee shall be subject to pre-approval by the Committee. The Committee will review disclosure respecting fees paid to the external auditors for audit and non-audit services. Any services under pre-approval will be reported at the following meeting.

3. The Committee shall review the independence of the external auditors and shall make recommendations to the Board on appropriate actions to be taken which the Committee deems necessary to protect and enhance the independence of the external auditors. In connection with such review, the Committee shall:

   (a) actively engage in a dialogue with the external auditors about all relationships or services that may impact the objectivity and independence of the external auditors;

   (b) require that the external auditors submit to it on a periodic basis, and at least annually, a formal written statement delineating all relationships between the Trust and its subsidiaries, on the one hand, and the external auditors and their affiliates on the other hand;

   (c) consider the auditor independence standards promulgated by applicable auditing regulatory and professional bodies; and

   (d) ensure periodic rotation of lead audit partner.

4. The Committee shall establish and monitor clear policies for the hiring by the Trust of employees or former employees of the external auditors.

5. The Committee shall require the external auditors to provide to the Committee, and the Committee shall review and discuss with the external auditors, all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to the external auditors, and any other reports which the Committee may require.

6. The Committee is responsible for resolving disagreements between management and the external auditors or the internal controls function regarding financial reporting and the application of any accounting principles or practices. The Committee shall discuss with the external auditors any difficulties that arose with management or the internal controls function during the course of the audit and the adequacy of management's responses in correcting audit-related deficiencies.

Appointment and Oversight of Internal Controls Function

7. The appointment, terms of engagement, compensation, replacement or dismissal of the internal controls function shall be subject to prior review and approval by the Committee. When the internal controls function is performed by employees of the Trust, the Committee may delegate responsibility for approving the employment, term of employment, compensation and termination

of employees engaged in such function other than the head of the Trust's internal controls function.

8. The Committee shall obtain from the internal controls function and shall review summaries of the significant reports to management prepared by the internal controls function, or the actual reports if requested by the Committee, and management's responses to such reports.

9. The Committee shall, as it deems necessary, communicate with the internal controls function with respect to their reports and recommendations, the extent to which prior recommendations have been implemented and any other matters that the internal controls function brings to the attention of the Committee. The head of the internal controls function shall have unrestricted access to the Committee.

10. The Committee shall, annually or more frequently as it deems necessary, evaluate the internal controls function including their activities, organizational structure and qualifications and effectiveness.

Oversight and Monitoring of Audits

11. The Committee shall review with the external auditors, the internal controls function and management the audit function generally, the objectives, staffing, locations, co-ordination, reliance upon management and the internal controls function and general audit approach and scope of proposed audits of the financial statements of the Trust and its subsidiaries, the overall audit plans, the responsibilities of management, the internal controls function and the external auditors, the audit procedures to be used and the timing and estimated budgets of the audits.

12. The Committee shall meet periodically with the internal controls function to discuss the progress of their activities and any significant findings stemming from any internal audits or internal controls testing and any difficulties or disputes that arise with management and the adequacy of management's responses in correcting audit-related deficiencies.

13. The Committee shall review with management the results of internal and external audits.

14. The Committee shall take such other reasonable steps as it may deem necessary to satisfy itself that the audit was conducted in a manner consistent with all applicable legal requirements and auditing standards of applicable professional or regulatory bodies.

Oversight and Review of Accounting Principles and Practices

15. The Committee shall, as it deems necessary, oversee, review and discuss with management, the external auditors and the internal controls function:

    (a) the quality, appropriateness and acceptability of the Trust's accounting principles and practices used in its financial reporting, changes in the Trust's accounting principles or practices and the application of particular accounting principles and disclosure practices by management to new transactions or events;

    (b) all significant financial reporting issues and judgements made in connection with the financial statements, including the effect of any alternative treatment within International Financial Reporting Standards;

    (c) any material change to the Trust's auditing and accounting principles and practices as recommended by management, the external auditors or the internal controls function or which may result from proposed changes to applicable International Financial Reporting Standards;

    (d) the effect of regulatory or accounting limitations on the Trust's financial reporting;

(e) any reserves, accruals, provisions, estimates or Trust programs and policies, including factors that affect asset and liability carrying values and the timing of revenue and expense recognition, that may have a material effect upon the financial statements of the Trust;

(f) any legal matter, claim or contingency that could have a significant impact on the financial statements and any material reports, inquiries or correspondence from regulators or governmental authorities regarding compliance with applicable requirements and any analysis respecting disclosure with regard to any such legal matter, claim or contingency in the financial statements;

(g) the treatment for financial reporting purposes of any significant transactions which are not a normal part of the Trust's operations;

(h) the use of any "pro-forma" or "adjusted" information not in accordance with International Financial Reporting Standards; and

(i) management's determination of goodwill impairment, if any, as required by applicable accounting standards.

Oversight and Monitoring of Internal Controls

16. The Committee shall, as it deems necessary, exercise oversight of, review and discuss with management, the external auditors and the internal controls function:

(a) the adequacy and effectiveness of the Trust's internal accounting and financial controls and the recommendations of management, the external auditors and the internal controls function for the improvement of accounting practices and internal controls;

(b) any material weaknesses in the internal control environment, including with respect to computerized information system controls and security; and

(c) management's compliance with the Trust's processes, procedures and internal controls.

Communications with Others

17. The Committee shall establish and monitor procedures, such as a Whistleblower Policy for the receipt and treatment of complaints received by the Trust regarding accounting, internal accounting controls or audit matters and the anonymous submission by employees of concerns regarding questionable accounting or auditing matters and review periodically with management and the internal controls function these procedures and any significant complaints received.

Oversight and Monitoring of the Trust's Financial Disclosures

18. The Committee shall:

(a) review with the external auditors and management and recommend to the Board for approval the audited annual financial statements and the notes and management's discussion and analysis accompanying such financial statements, and the Trust's annual report;

(b) review with the external auditors and management each set of interim financial statements and the notes and management's discussion and analysis accompanying such financial statements; and

(c) if requested by the Board, review with the external auditors and management any financial statements included or to be included in a prospectus, any financial information of the REIT contained in any management information circular of the REIT, and any other disclosure documents or regulatory filings of the REIT containing or accompanying financial information of the REIT.

Such reviews shall be conducted prior to the release of any summary of the financial results or the filing of such reports with applicable regulators.

19. Prior to their distribution, the Committee shall discuss earnings press releases, as well as financial information and earnings guidance provided to analysts and ratings agencies, it being understood that such discussions may, in the discretion of the Committee, be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made) and that the Committee need not discuss in advance each earnings release or each instance in which the Trust gives earning guidance.

20. The Committee shall review with management the assessment of the REIT's disclosure controls and procedures and material changes in their design

Oversight of Finance Matters

21. Appointments of the key financial executives involved in the financial reporting process of the Trust, including the chief financial officer, shall require the prior review of the Committee.

22. The Committee shall receive and review:

    (a) periodic reports on compliance with requirements regarding statutory deductions and remittances, the nature and extent of any non-compliance together with the reasons therefor and the management's plan and timetable to correct any deficiencies;

    (b) material policies and practices of the Trust respecting cash management and material financing strategies or policies or proposed financing arrangements and objectives of the Trust; and

    (c) material tax policies and tax planning initiatives, tax payments and reporting and any pending tax audits or assessments.

23. The Committee shall meet periodically with management to review and discuss the Trust's major financial risk exposures and the policy steps management has taken to monitor and control such exposures, including the use of financial derivatives and hedging activities.

24. The Committee shall meet with management to review the process and systems in place for ensuring the reliability of public disclosure documents that contain audited and unaudited financial information and their effectiveness.

Business and Ethical Conduct

25. The Committee shall:

    (a) periodically review and approve any changes to the code of conduct or similar document for any directors, officers and employees of the REIT and its subsidiaries and be responsible for granting any waivers from the application of such code; and

    (b) review management's monitoring of compliance with such code.

Additional Responsibilities

26. The Committee shall review any significant or material transactions outside the Trust's ordinary activities.

27. If requested by the Board, the Committee shall review and make recommendations to the Board concerning the financial condition of the Trust and its subsidiaries, including with respect to annual budgets, corporate borrowings, investments, capital expenditures, long term commitments and the issuance and/or repurchase of securities.

28. The Committee shall review and/or approve any other matter specifically delegated to the Committee by the Board and undertake on behalf of the Board such other activities as may be

necessary or desirable to assist the Board in fulfilling its oversight responsibilities with respect to financial reporting.

AUDIT COMMITTEE CHARTER

The Committee shall review and reassess the adequacy of this Charter at least annually and otherwise as it deems appropriate and recommend changes to the Board. The performance of the Committee shall be evaluated with reference to this Charter annually.

The Committee shall ensure that this Charter or a summary of it which has been approved by the Committee is disclosed in accordance with all applicable securities laws or regulatory requirements in the annual management information circular or annual information form of the Trust.