

DREAM INDUSTRIAL REIT REPORTS 5.1% GROWTH IN AFFO PER UNIT AND 1.2% GROWTH IN COMPARATIVE PROPERTIES NET OPERATING INCOME

This news release contains forward-looking information that is based upon assumptions and is subject to risks and uncertainties as indicated in the cautionary note contained within this press release.

TORONTO, NOVEMBER 9, 2015, DREAM INDUSTRIAL REIT (DIR.UN-TSX) today announced its financial results for the three and nine months ended September 30, 2015.

HIGHLIGHTS

- **Adjusted Funds From Operations (“AFFO”) per unit increased by 5.1% from Q3 2014** – Largely as a result of acquisitions completed in September 2014, comparative properties growth, and interest savings on refinancings.
- **Comparative Properties Net Operating Income increased by 1.2% over Q3 2014** – Driven by contractual rent growth and positive leasing spreads.
- **Decreased level of debt (debt-to-total assets) by 60 basis points to 52.2% over Q3 2014** – Stable capital structure with interest coverage ratio of 3.1 times and a weighted average term to maturity of 4.0 years.
- **Capital recycling program** – With the sale of a 17,000 square foot single-tenant property in British Columbia, the Trust has now completed \$15 million in dispositions year-to-date. In addition, it has a 59,000 square foot single-tenant property in the Greater Toronto Area (“GTA”) under contract for sale expected to close before year end. Subsequent to the quarter, the Trust acquired a 207,000 square foot single-tenant property in the GTA for total of \$12 million at a 7.1% cap rate, bringing total acquisitions year-to-date to \$22 million at an average cap rate of 7.0%.

SELECTED FINANCIAL INFORMATION

(unaudited)	Three Months Ended			Nine Months Ended	
	September 30, 2015	June 30, 2015	September 30, 2014	September 30, 2015	September 30, 2014
(\$000's except unit and per unit amounts)					
Investment properties revenue	\$ 43,634	\$ 44,955	\$ 40,319	\$ 132,529	\$ 121,661
Net operating income (“NOI”) ⁽¹⁾	29,872	29,958	28,026	89,533	82,775
Funds from operations (“FFO”) ⁽¹⁾	18,742	18,731	17,345	56,094	51,651
Adjusted funds from operations (“AFFO”) ⁽¹⁾	16,044	16,137	14,276	47,784	42,487
Investment properties	1,689,412	1,695,598	1,687,005	1,689,412	1,687,005
Debt	911,425	921,165	918,029	911,425	918,029
Per unit data^{(1), (2)}					
FFO – diluted ⁽¹⁾	\$ 0.238	\$ 0.238	\$ 0.233	\$ 0.713	\$ 0.704
AFFO – diluted ⁽¹⁾	0.206	0.208	0.196	0.615	0.592
Distributions	0.175	0.175	0.175	0.525	0.525
FFO payout ratio ^{(1), (3)}	73.5%	73.5%	75.1%	73.6%	74.6%
AFFO payout ratio ^{(1), (3)}	85.0%	84.1%	89.3%	85.4%	88.7%
Units (period-end)					
REIT Units	58,484,305	58,332,810	57,936,869	58,484,305	57,936,869
LP Class B Units	18,551,855	18,551,855	18,551,855	18,551,855	18,551,855
Total number of units	77,036,160	76,884,665	76,488,724	77,036,160	76,488,724
Portfolio gross leasable area (square feet)	16,928,397	16,995,177	17,026,940	16,928,397	17,026,940
Occupied and committed space	94.6%	95.0%	95.5%	94.6%	95.5%
Average occupancy for the period	93.4%	94.2%	93.9%	94.1%	94.8%

See footnotes on page 3.

“Dream Industrial maintained its track record of delivering year over year internal growth,” said Brent Chapman, President and Chief Executive Officer. “Amid an uncertain economy, the Trust and the Canadian industrial market continue to display stable fundamentals.”

FINANCIAL HIGHLIGHTS

- **Increase in FFO per unit** – FFO for the quarter was \$18.7 million or 23.8 cents per unit. FFO per unit for the quarter increased by 2.1% compared to the same period in the prior year and remained stable at 23.8 cents compared to the second quarter of 2015. The year over year increase was largely a result of our September 2014 acquisitions, comparative properties NOI growth, and interest savings on refinancings.
- **AFFO Growth** – AFFO for the quarter was \$16.0 million, or 20.6 cents on a per unit basis. AFFO per unit for the quarter was 5.1% higher compared to the same period in the prior year and remained relatively flat compared to the second quarter of 2015. The increase in AFFO was driven by the same factors as FFO growth.
- **Total NOI of \$29.9 million for the quarter** – Total NOI has grown by 6.6% compared to the same period last year, primarily as a result of acquisitions completed in September 2014 and comparative properties NOI growth of 1.2%.
- **Stable capital structure** – Level of debt (debt-to-total assets) decreased to 52.2%, with interest coverage of 3.1 times and a weighted average term to maturity of 4.0 years.

OPERATIONAL HIGHLIGHTS

- **Leasing Profile** – Leasing activity during the third quarter included 183,000 square feet of new leases, 396,000 square feet of renewals, and lease commitments of 236,000 square feet, compared to 675,000 square feet of expiries and early terminations. The average remaining lease term at September 30, 2015 was 4.3 years.
- **Portfolio occupancy at 94.6%** – Overall occupancy (including committed space) was 94.6% compared to 95.0% at June 30, 2015 and 95.5% at September 30, 2014. Leasing commitments on vacant space for the quarter totalled 236,000 square feet.
- **Positive leasing spreads on renewals** – In-place rents remained stable at \$7.15 per square foot compared to June 30, 2015. Renewals for the quarter were completed at \$7.59 per square foot, which is \$0.42 or 5.9% above the expiring rates.
- **Estimated market rents 2.9% above average in-place rents** – At quarter-end, estimated market rents were approximately 2.9% above the Trust's current average in-place rents of \$7.15 per square foot (June 30, 2015 – \$7.15).

	GLA (million sq. ft.)	Occupancy (%)	Average lease term (years)	Average in-place rent (per sq. ft.)	Estimated market rent (per sq. ft.)
Western Canada	4.8	96.9	4.1	\$ 9.03	\$ 9.58
Ontario	5.0	97.0	3.9	6.05	6.13
Quebec	4.3	93.0	5.6	6.18	6.21
Eastern Canada	2.8	88.7	3.2	7.23	7.38
Total	16.9	94.6	4.3	\$ 7.15	\$ 7.36

- **Acquisition of a 207,000 square foot single-tenant building in the GTA** – On October 16, we acquired a distribution centre in Burlington, Ontario, through a sale-leaseback transaction for \$12 million (7.1% cap rate). The property is 100% occupied and the term of the lease is 10 years with contractual rent steps.

CAPITAL STRUCTURE

The Trust's capital structure remained relatively stable during the quarter, with its level of debt (debt-to-total assets) decreasing to 52.2% and interest coverage of 3.1 times.

Key performance indicators	September 30, 2015	June 30, 2015	September 30, 2014
Level of debt (debt-to-total assets) ⁽¹⁾	52.2%	52.6%	52.8%
Interest coverage ratio ⁽¹⁾	3.1 times	3.1 times	3.0 times
Weighted average face interest rate on all debt ⁽⁴⁾	3.94%	3.94%	4.11%
Weighted average effective interest rate on all debt ⁽⁴⁾	3.83%	3.80%	3.86%
Debt – weighted average term to maturity (years)	4.0	3.7	4.1

During the quarter, the Trust completed a \$20 million mortgage refinancing for a term of five years at a rate of 2.71%, secured by a portfolio of four properties in Ontario. In addition, the Trust completed a \$50 million mortgage refinancing for a term of seven years at a rate of 2.93%, secured by a portfolio of eleven properties in Quebec. The Trust continues to improve its financial metrics, and is strategically evaluating opportunities to take advantage of the current favourable interest rate environment, while continuing to maintain a balanced debt maturity profile.

CONFERENCE CALL

Senior management will host a conference call to discuss the results tomorrow, November 10, 2015 at 2:00 p.m. (ET). To access the conference call, please dial 1-888-465-5079 in Canada and the United States or 416-216-4169 elsewhere and use passcode 9411 711#. To access the conference call via webcast, please go to Dream Industrial REIT's website at www.dreamindustrialreit.ca and click on the link for News & Events, then click on Calendar of Events. A taped replay of the conference call and the webcast will be available for ninety (90) days following the call.

Other information

Information appearing in this news release is a select summary of results. The condensed consolidated financial statements and management's discussion and analysis for the Trust will be available at www.dreamindustrialreit.ca and on www.sedar.com.

Dream Industrial REIT is an unincorporated, open-ended real estate investment trust. Dream Industrial REIT owns a portfolio of 220 primarily light industrial properties comprising approximately 16.9 million square feet of gross leasable area in key industrial markets across Canada. Its objective is to build upon and grow its portfolio and to provide stable, sustainable and growing cash distributions to its unitholders. For more information, please visit www.dreamindustrialreit.ca.

FOOTNOTES

(1) AFFO, FFO, comparative properties NOI, NOI, FFO and AFFO payout ratios, level of debt (debt-to-total assets) and interest coverage ratio are non-GAAP measures used by Management in evaluating operating performance and debt management. Please refer to the cautionary statements under the heading "Non-GAAP Measures" in this press release.

(2) A description of the determination of diluted amounts per unit can be found in our Management's Discussion and Analysis for the three and nine months ended September 30, 2015 under the heading "Non-GAAP Measures and Other Disclosures".

(3) Payout ratios for FFO and AFFO (non-GAAP measures) are calculated as the ratio of distribution rate to diluted FFO and AFFO per unit, respectively.

(4) Weighted average effective interest rate is calculated as the weighted average face rate of interest net of amortization of fair value adjustments and financing costs of all interest bearing debt. Weighted average face interest rate is calculated as the weighted average face interest rate of all interest bearing debt.

Non-GAAP Measures

The Trust's condensed consolidated financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). In this press release, as a complement to results provided in accordance with IFRS, the Trust discloses and discusses certain non-GAAP financial measures, including net operating income ("NOI"), comparative properties NOI, funds From operations ("FFO"), adjusted funds from operations ("AFFO"), FFO payout ratio, AFFO payout ratio, level of debt (debt-to-total assets) and interest coverage ratio as well as other measures discussed elsewhere in this release. These non-GAAP measures are not defined by IFRS, do not have a standardized meaning and may not be comparable with similar measures presented by other income trusts. The Trust has presented such non-GAAP measures as Management believes they are relevant measures of the Trust's underlying operating performance and debt management. Non-GAAP measures should not be considered as alternatives to net income, cash generated from (utilized in) operating activities or comparable metrics determined in accordance with IFRS as indicators of the Trust's performance, liquidity, cash flow, and profitability. For a full description of these measures, please refer to the "Non-GAAP Measures and Other Disclosures" in Dream Industrial REIT's Management's Discussion and Analysis for the three and nine months ended September 30, 2015.

Forward looking information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding the timing of certain transactions. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Industrial REIT's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions; the financial condition of tenants; our ability to refinance maturing debt; leasing risks, including those associated with the ability to lease vacant space; and interest and currency rate functions. Our objectives and forward-looking statements are based on certain assumptions, including that the general economy remains stable, interest rates remain stable, conditions within the real estate market remain consistent, competition for acquisitions remains consistent with the current climate and that the capital markets continue to provide ready access to equity and/or debt. All forward-looking information in this press release speaks as of the date of this press release. Dream Industrial REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in Dream Industrial REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dream Industrial REIT's website at www.dreamindustrialreit.ca.

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