



DREAM OFFICE REIT PROVIDES REMINDER OF EXPIRATION TIME AND SUPPLEMENTS INFORMATION IN CONNECTION WITH ITS \$440 MILLION SUBSTANTIAL ISSUER BID

TORONTO, July 26, 2017, DREAM OFFICE REAL ESTATE INVESTMENT TRUST (D.UN-TSX) (“Dream Office REIT”, the “Trust” or “our”) today provided a reminder that its offer (the “**Offer**”) to purchase for cancellation up to 24,444,444 of its REIT units, Series A (“**REIT A Units**”) for an aggregate purchase price not to exceed \$440,000,000 will expire at 5:00 p.m. Eastern time on August 3, 2017, unless terminated, extended or varied by Dream Office REIT. The Offer is being conducted through a “modified Dutch auction” within a price range of not less than \$18.00 per REIT A Unit and not more than \$21.00 per REIT A Unit (in increments of \$0.25 per REIT A Unit within that range). The details of the Offer are described in the Trust’s [press release](#) issued on June 22, 2017, which also announced the disposition of \$1.7 billion of properties, including the sale of the Trust’s remaining 50% interest in Scotia Plaza and the revision of its annual distribution from \$1.50 to \$1.00 per unit to align with the Trust’s strategic plan.

The Offer

Unitholders are encouraged to review the full terms and conditions of the Offer, which are described in detail in the offer to purchase and issuer bid circular of the Trust dated June 23, 2017 (the “**Circular**”), as well as the related letter of transmittal and notice of guaranteed delivery, which are available under the Trust’s SEDAR profile at www.sedar.com.

The following information is being provided by the Trust at the request of Staff of the Ontario Securities Commission. This information supplements, and is incorporated by reference into, the Circular. Capitalized terms used in this press release that are not defined have the meaning assigned to them in the Circular.

REIT A Unit Redemption Right

Pursuant to the Declaration of Trust, REIT A Units are redeemable at any time on demand by the holders thereof by sending a notice and any applicable supporting documentation to the Trust at its head office, in a form approved by our Board of Trustees. Upon receipt by the Trust of a written redemption notice and other documents that may be required, all in a manner satisfactory to our trustees, a holder of REIT A Units will cease to have any rights with respect to the tendered REIT A Units, including any right to receive any distributions thereon which are declared payable after receipt of the redemption notice by the Trust, and the holder thereof is entitled to receive a price per REIT A Unit (the “**Redemption Price**”) equal to the lesser of:

- (a) 90% of the “market price” of the REIT A Units on the principal market on which the REIT A Units are quoted for trading on the trading day prior to the day on which

such REIT A Units were surrendered to us for redemption (the “**Redemption Date**”); and

- (b) 100% of the “closing market price” of the REIT A Units on the principal market on which the REIT A Units are quoted for trading on the Redemption Date.

For the purposes of this calculation, the “market price” in respect of the REIT A Units shall be an amount equal to the 20-day weighted average of the closing price of the REIT A Units for each of the trading days on which there was a closing price; provided that if the applicable exchange or market does not provide a closing price, but only provides the highest and lowest prices of the REIT A Units traded on a particular day, the “market price” shall be an amount equal to the average of the highest and lowest prices for each of the trading days on which there was a trade; 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 the weighted average of the following prices established for each of the 20 trading days: (i) the weighted average of the last bid and last asking prices of the REIT A Units for each day on which there was no trading; (ii) the closing price of the REIT A Units for each day on which there was trading if the exchange or market provides a closing price; and (iii) the weighted average of the highest and lowest prices of the REIT A Units for each day that there was trading if the exchange or market does not provide a closing price but provides only the highest and lowest prices of the REIT A Units traded on a particular day.

The “closing market price” in respect of REIT A Units shall be (i) an amount equal to the closing price of the REIT A Units if there was a trade on the date and the exchange or market provides a closing price; (ii) an amount equal to the weighted average of the highest and lowest prices of the REIT A 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 the REIT A Units traded on a particular day; or (iii) the weighted average of the last bid and last asking prices of the REIT A Units if there was no trading on that date.

The aggregate Redemption Price payable by the Trust in respect of any REIT A Units tendered for redemption during any calendar month will be 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 REIT A Units were tendered for redemption, provided that the entitlement of unitholders to receive cash upon the redemption of their REIT A Units is subject to the limitations that the total amount payable by the Trust in respect of such REIT A Units and all other REIT units tendered for redemption in the same calendar month shall not exceed \$50,000, provided that our trustees may, in their sole discretion, waive such limitation in respect of all REIT units tendered for redemption in any particular calendar month.

For more information regarding the REIT A Unit redemption right, please see the annual information form of the Trust dated March 22, 2017, which has been filed and is available under the Trust’s SEDAR profile at www.sedar.com.

Deferred Unit Incentive Plan

As previously disclosed in the Circular, to the knowledge of Dream Office REIT, after reasonable enquiry, as of the date of the Circular, no persons named under Section 6 of the Circular has any commitment to purchase REIT A Units or other equity securities of Dream Office REIT, other than pursuant to the Deferred Unit Incentive Plan.

The “Deferred Unit Incentive Plan” refers to the deferred unit incentive plan of Dream Office REIT, which is our long-term incentive equity-based compensation plan. Pursuant to the Deferred Unit Incentive Plan, our Board of Trustees, on recommendation of the Compensation Committee, may designate and award eligible participants with grants of deferred trust units of the Trust. Income deferred trust units may also be credited to participants based on distributions paid by us on the REIT A Units. Eligible participants who may participate in the Deferred Unit Incentive Plan consist of: (a) the trustees and officers of the Trust; (b) employees or officers of the Trust or any of its affiliates; and (c) employees of certain service providers who spend a significant amount of time and attention on the affairs and business of one or more of the Trust and its affiliates. The Deferred Unit Incentive Plan permits up to a maximum of 2,550,000 deferred trust units and income deferred trust units of the Trust to be issued under the terms of the plan.

For more information regarding the Deferred Unit Incentive Plan, please see the management information circular of the Trust dated March 22, 2017, which has been filed and is available under the Trust’s SEDAR profile at www.sedar.com.

Previous Purchases and Sales

No REIT A Units have been distributed in the five years preceding the date of the Offer to Purchase and Circular, other than pursuant to a public offering in 2013 of 6,353,750 REIT A Units at a price of \$36.20 per unit for total gross proceeds of \$230.0 million. The 6,353,750 REIT A Units included 828,750 REIT A Units issued on closing as a result of the exercise by the underwriters of their over-allotment option.

Previous Distribution Policy

For the period from April 2013 to our January 2016 distribution (paid on February 12, 2016), our cash distribution rate was \$0.18666 per REIT A Unit per month.

Depository and Further Information

Any questions or requests for information regarding the Offer may be directed to Computershare Trust Company of Canada, as the depository for the Offer, at 1-800-564-6253 (Toll Free).

Our Board of Trustees has authorized the making of the Offer. However, our Board of Trustees is not making any recommendation to any Dream Office REIT unitholder as to whether to tender or refrain from tendering their REIT A Units under the Offer or as to the purchase price(s) at which such unitholders may tender REIT A Units under the Offer. Unitholders are urged to consult their own financial, tax and legal advisors and to make their own decisions whether to tender or to refrain from tendering their REIT A Units to the Offer and, if so, how many REIT A Units to tender and at what price or prices.

About Dream Office REIT

Dream Office REIT is an unincorporated, open-ended real estate investment trust. Dream Office REIT is focused on owning, leasing and managing well-located, high-quality office properties. For more information, please visit our website at www.dreamofficereit.ca.

Forward-Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including statements regarding the expected expiry time of the Offer. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Dream Office REIT's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, general and local economic and business conditions; 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 fluctuations. 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 Office REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise except as required by law. Additional information about these assumptions and risks and uncertainties is contained in Dream Office REIT's filings with securities regulators, including its latest annual information form and management's discussion and analysis (MD&A). These filings are also available at Dream Office REIT's website at www.dreamofficereit.ca.

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