DREAM UNLIMITED CORP. REPORTS STRONG FIRST QUARTER RESULTS

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

TORONTO, MAY 9, 2016, Dream Unlimited Corp. (TSX: DRM and DRM.PR.A) ("Dream", "the Company" or "we") today announced its financial results for the three months ended March 31, 2016. Basic earnings per share ("EPS") for the three months ended March 31, 2016 were $0.17, up from $0.03 for the three months ended March 31, 2015. At March 31, 2016, the Company's total equity increased to $753.2 million ($6.70 per share), up 26% from $598.8 million ($5.28 per share) in the same quarter last year.

Michael Cooper, President & Chief Responsible Officer of Dream commented: "Our first quarter results in any fiscal year are typically not a significant period for us financially, however, this quarter's results were very significant.We successfully completed the sale of 172 acres of our land in Providence to the Province of Alberta to construct the Ring Road, had exceptional operational and financial performance at our ski hill in Colorado and demand for our Toronto condominium projects continues to be strong. Much like last year, we expect to add significant value to the Company in 2016 despite some short-term market concerns in Western Canada. Our business, assets, people, operations, excess liquidity position and prospects for future growth have never been better. "

A summary of our Q1 2016 and 2015 results is included in the table below.

		Three months ended March 31,		
(in thousands of Canadian dollars, except per share amounts)		**2016**		2015
Revenue	**$**	**101,296**	$	48,151
Net margin[1]	**$**	**33,269**	$	11,709
Net margin %[1]		**32.8%**		24.3%
Earnings before income taxes	**$**	**28,003**	$	4,490
Earnings for the period	**$**	**18,975**	$	3,465
Basic earnings per share[2]	**$**	**0.17**	$	0.03
Diluted earnings per share	**$**	**0.17**	$	0.01
Net margin by major business segment before eliminations				
Land development[3]	**$**	**23,270**	$	(479)
Housing development[3]	**$**	**(1,438)**	$	(94)
Condominium development	**$**	**1,578**	$	(7)
Investment and recreational properties	**$**	**5,497**	$	3,399
Asset management and management services[4]	**$**	**4,896**	$	9,721
Total assets	**$**	**1,480,391**	$	1,227,627
Total liabilities	**$**	**727,198**	$	628,851
Total equity	**$**	**753,193**	$	598,776

(1) Net margin (see "Additional IFRS Measures" on page 35 of our management's discussion and analysis ("MD&A") for the quarter ended March 31, 2016) represents revenue less direct operating costs and asset management and advisory services expenses; including selling, marketing and other operating costs.

(2) Basic EPS is computed by dividing Dream's earnings attributable to owners of the parent by the weighted average number of Dream Subordinate Voting Shares and Dream Class B shares outstanding during the year.

(3) Net margin (see "Additional IFRS Measures" on page 35 of our management's discussion and analysis ("MD&A") for the quarter ended March 31, 2016) results are shown before eliminations of internal lot sales to our housing division, as the homes have been sold to external customers during the period. Net margin of $0.5 million for the three months ended March 31, 2016 (three months ended March 31, 2015 - $0.8 million) have been eliminated on consolidation. For additional details, please refer to the discussion on page 11 of our MD&A for the quarter ended March 31, 2016.

(4) The decline in net margin in the three months ended March 31, 2016 compared to prior year is due to the reorganization of the asset management contract with Dream Office REIT on April 2, 2015. Refer to page 85 of our 2015 annual report where details of the reorganization are fully described.

Key Advancements & Updates in Western Canada

Sale of 172 Acres to the Province of Alberta in Providence:

- In the first quarter of 2016, Dream completed the sale of 172 acres of undeveloped land in Providence to the Province of Alberta to construct parts of the Southwest Calgary Ring Road in exchange for cash consideration. The company recognized revenue of $39.0 million in connection with this transaction, representing a sale price of approximately $226,000 per acre. Dream currently owns almost 1,650 acres of land in Providence (650 acres in Providence East and 1,000 acres in Providence West), which it strategically began to acquire in 1998. Dream expects the development of its first 650 acres could commence as early as 2017 and yield over 3,000 single and multi-family residential units and 5 million square feet of commercial space over the next 15 years. Recently, the Company retained a consultant team led by world-class urban design firm Calthorpe Associates to complete the planning and design work required for Dream's Providence East lands to continue advancing through the approval process. Their impressive portfolio consists of some of the most recognized and award-winning master-planned communities and developments in the United States and overseas. Management is of the view that their breadth of experience, practical outlook in execution of community building, and reputation for excellence in the field will be a contributing factor to achieving Dream's goal of developing one of Calgary's premier neighbourhoods.

Update on Strategic Land Acquisition and Retail Development in Tamarack, within Meadows in Edmonton, Alberta:

- In the first quarter of 2016, Dream strategically acquired 17.4 acres immediately adjacent to the Company's Tamarack neighbourhood in southeast Edmonton near the intersection of 17 and Whitemud for a purchase price of $12.7 million. The lands are situated at the heart of a 1.2 million square foot commercial node, which includes a Home Depot, Real Canadian Superstore, Shoppers Drug Mart and recently opened Walmart Supercentre. The acquired site is zoned for a mixed-use commercial development that can accommodate both retail and office uses. It is anticipated to provide a pedestrian friendly, transit supported, commercial centre for up to 750,000 square feet of space that will act as a hub for entertainment and shopping in the Tamarack community, once fully built.

- During and subsequent to the first quarter of 2016, Dream achieved approximately 27,000 square feet of retail occupancies within its Tamarack North, North East and South East development sites, which included its anchor tenant, Sport Chek for 22,000 square feet. Altogether, 88,000 square feet are currently occupied by retail tenants. The three properties are expected to comprise 179,000 square feet of gross leasable area ("GLA") upon completion. As at March 31, 2016, Dream had committed leases for approximately 71% of the aggregate GLA with a weighted average lease term of approximately 12 years. Management expects that the properties will be fully leased by their expected completion dates in 2017 and 2018.

Key Results Highlights: Development

- In the first quarter of 2016, we achieved 39 lot sales, 172 undeveloped acre sales and 20 housing unit occupancies, compared to 69 lot sales, 45 undeveloped acre sales and 44 housing unit occupancies in the first quarter of 2015.

  Dream does not issue specific annual guidance for its external lot or housing sales. Given the current environment in Western Canada, we are continuously reviewing our land supply to ensure the inventory we bring to market is paced with demand. Additionally, as we execute on our strategy to participate in more of the market share within our new communities by developing more single family homes, multi-family properties and retail and commercial properties ourselves, our external lot and acre sales volumes are expected to gradually decline from prior years. As we build out and sell, lease or rent these properties, we intend to capture the development profit on both the land and building components and add to our recurring income sources by holding any income properties developed. Currently, we are focusing on building out our existing communities and strategically evaluating when servicing should commence in new communities. Given these factors, we anticipate having less sales volume overall in 2016, as compared to the prior year. However, with the undeveloped acre sales that occurred during the first quarter of 2016, our overall net margin for the land division in fiscal 2016 is expected to at least meet or exceed that of the prior year. While there are some short term market concerns in Western Canada which relate to the reduction in oil prices and oversupply of housing in Saskatchewan, we believe that the outlook within our markets will continue to be very attractive over the long term.

- In the three months ended March 31, 2016, Dream achieved 79 condominium unit occupancies (excluding equity accounted investments) within the Taylor and Twenty in downtown Toronto, which are 96% and 100% sold, respectively. Our condominium projects include 2,096 (932 units at Dream's share) in various stages of pre-construction or active development. Approximately 74% of these condominium projects were either sold or pre-sold as at March 31, 2016. Furthermore, approximately 95% of the condominium projects that will be substantially completed in 2016 were either sold or pre-sold as at March 31, 2016.

- In the three months ended March 31, 2016, Dream welcomed retail tenants moving into 11,500 square feet of space within the Canary District in downtown Toronto. Tenants included the Running Room, Gears Bike Shop and Dark Horse Espresso Bar. Subsequent to the first quarter of 2016, condominium unit occupancies commenced within both Blocks 4 and 11. To date, 95% of the condominium units have been sold and, together with the sale of the other components to third parties, approximately 97% of the revenue has been contracted. The site, developed through a 50/50 partnership owned by Dream and Kilmer Van Nostrand Co. Limited, was used as a temporary home by athletes during the Pan/Parapan American Games Athletes' Village in 2015. Stage 1 of the Canary District includes a YMCA, a 500 bed George Brown College student residence, 253 affordable housing rental units and 810 market condominium units. As part of the Stage 2 lands, the partnership expects to develop another 1,000 market condominium units and 20,000 square feet of retail in addition to the 30,000 square feet in Stage 1, which is now almost fully leased. For more details on the Canary District and the scope of the development project please visit: http://canarydistrict.com/

Asset Management:

- Fee earning assets under management across the listed funds were approximately $5.2 billion, relatively consistent with the prior quarter, and down from $11.8 billion in the prior year, due to the impact of the reorganization of the asset management agreement with Dream Office REIT (TSX: D.UN) on April 2, 2015. Fee earning assets under management across private institutional, development partnerships and/or funds was $1.7 billion, consistent with the prior quarter. Total assets under management were unchanged from December 31, 2015, at approximately $15.0 billion.

- During and subsequent to the three months ended March 31, 2016, the Company acquired approximately 2.3 million units in Dream Hard Asset Alternatives Trust ("Dream Alternatives"; TSX: DRA.UN) in the open market, taking its total ownership to 4.5 million units or 6% of total units outstanding. Altogether with Dream's investments in Dream Office REIT and Dream Global REIT, the Company holds $183.5 million of units as at March 31, 2016 in the publicly listed funds which generated cash distributions of $3.5 million in the first quarter of 2016. Commencing in the first quarter of 2016, the Company began to record its investment in the units of Dream Alternatives within equity accounted investments. Additional details are included on page 26 of the MD&A.

- Revenue from development and other asset management fees, including institutional partnerships, was $1.2 million, or approximately 17% of total asset management revenue in the first quarter of 2016. Net margin from asset management was $4.9 million or 68.7% for the three months ended March 31, 2016, down from the comparative prior year period primarily due to the impact of the Dream Office REIT reorganization which took place on April 2, 2015.

Investment and Recreational Properties

- In the three months ended March 31, 2016, investment and recreational properties generated $5.5 million of net margin, up significantly from $3.4 million in the prior year. Within this amount, Arapahoe Basin ("A-Basin"), our ski resort in Colorado, generated $6.0 million of net margin in the three months ended March 31, 2016, up significantly from $3.7 million in the prior year. Total skier visits of 214,000 in the first quarter of 2016 were 30% ahead of budget and 15% ahead of the prior year. As a result, first quarter 2016 results at A-Basin surpassed the record results recorded in the prior year.

Capital Structure & Financing

- As at March 31, 2016, our debt to total asset ratio was 32.8% with up to $166.4 million of undrawn credit availability on our operating line, up from $123.6 million at December 31, 2015, providing the Company with ample excess liquidity.

- In the three months ended March 31, 2016, we successfully closed a US $9.5 million, seven-year, fully amortizing loan secured by A-Basin, which generated gross proceeds of $13.2 million in Canadian dollars. The financing was subject to an appraisal of the asset by the lender, which was significantly in excess of the carrying value. The carrying value of A-Basin (depreciated cost) as at March 31, 2016 was $17.7 million. Dream simultaneously entered into a seven-year interest rate swap agreement, which fixed the interest rate on the term loan at 3.69%. Interest and debt service requirements are expected to be funded entirely from the operations of the ski resort.

Select financial operating metrics for the three months ended March 31, 2016 are summarized in the table below.

(in thousands of dollars, except average selling price and units)		**Three months ended March 31, 2016**		2015
LAND DEVELOPMENT				
Lot revenue	**$**	**5,104**	$	7,226
Acre revenue[1]	**$**	**38,954**	$	848
Total revenue[1]	**$**	**44,058**	$	8,074
Gross margin[1]	**$**	**26,234**	$	2,001
Gross margin (%)		**59.5%**		24.8%
Net margin[1]	**$**	**23,270**	$	(479)
Net margin (%)		**52.8%**		(5.9%)
Lots sold		**39**		69
Average selling price – lot	**$**	**131,000**	$	105,000
Undeveloped acres sold		**172**		45
Average selling price – undeveloped acres		**226,000**		19,000
HOUSING DEVELOPMENT				
Housing units occupied		**20**		44
Revenue[1]	**$**	**7,556**	$	16,886
Gross margin[1]	**$**	**1,344**	$	2,469
Gross margin (%)		**17.8%**		14.6%
Net margin[1]	**$**	**(1,438)**	$	(94)
Net margin (%)		**(19.0%)**		
Average selling price – housing units	**$**	**378,000**	$	384,000
Average selling price – per square foot for units occupied	**$**	**285**	$	269
CONDOMINIUM DEVELOPMENT				
Attributable to Dream, excluding equity accounted investments				
Condominium occupancies – units		**79**		-
Revenue	**$**	**27,547**	$	1,068
Gross margin[2]	**$**	**4,197**	$	1,065
Gross margin (%)		**15.2%**		99.7%
Net margin	**$**	**1,578**	$	(7)
Net margin (%)		**5.7%**		(0.7%)
Average selling price of condominiums occupied				
Per unit	**$**	**344,000**	$	-
Per square foot	**$**	**480**	$	-
ASSET MANAGEMENT AND MANAGEMENT SERVICES				
Fee earning assets under management[4]	**$**	**6,825,000**	$	13,272,000
Revenue	**$**	**7,122**	$	11,456
Net margin[4]	**$**	**4,896**	$	9,721
Net margin (%)		**68.7%**		84.9%
INVESTMENT INCOME EARNED ON INVESTMENTS IN LISTED FUNDS				
Dream Office REIT	**$**	**2,624**	$	655
Other distributions from listed funds	**$**	**511**	$	528
Interest and other income	**$**	**788**	$	775
Total	**$**	**3,923**	$	1,958
INVESTMENT AND RECREATIONAL PROPERTIES				
Attributable to Dream, excluding equity accounted investments				
Revenue	**$**	**16,506**	$	13,159
Net margin[3]	**$**	**5,497**	$	3,399
Net margin (%)		**33.3%**		25.8%

[1] Results include land revenues and net margin on internal lot sales to our housing division as the homes have been sold to external customers by the housing division during the year. The revenue and net margin recognized in both the land and housing divisions, have been eliminated on consolidation. For more details, please refer to page 11 of this MD&A.
[2] Gross margin (refer to "Additional IFRS Measures" on page 35 of our MD&A for further details) for condominium operations include interest expense, which is capitalized during the development period and expensed through cost of sale as units are occupied.
[3] Net margin (refer to "Additional IFRS Measures" on page 35 of our MD&A for further details) for investment and recreational properties includes depreciation expense.
[4] Fee earning assets under management is a non-IFRS measure used by Management in evaluating operating performance. Please refer to the cautionary statements under the heading "Non-IFRS Measures" in this press release. Refer to "Additional IFRS Measures" on page 35 of our MD&A for further details on gross margin and net margin.

Other Information

Information appearing in this press release is a select summary of results. The financial statements and MD&A for the Company are available at www.dream.ca and on www.sedar.com.

Annual Meeting of Shareholders

Senior management will host its Annual Meeting of Shareholders on May 9, 2016 at 4 p.m. (ET), located at St. Andrew's Club & Conference Centre, 150 King Street West, Toronto, Ontario. For further details, please visit Dream's website at www.dream.ca and click on the link for News and Events, then click on Calendar of Events.

About Dream Unlimited Corp.

Dream is one of Canada's leading real estate companies with approximately $15 billion of assets under management in North America and Europe. The scope of the business includes residential land development, housing and condominium development, asset management for four TSX-listed trusts, investments in and management of Canadian renewable energy infrastructure and commercial property ownership. Dream has an established track record for being innovative and for its ability to source, structure and execute on compelling investment opportunities.

For further information, please contact:

Dream Unlimited Corp.

Michael J. Cooper
Chief Responsible Officer
(416) 365-5145
mcooper@dream.ca

Pauline Alimchandani
Chief Financial Officer
(416) 365-5992
palimchandani@dream.ca

Non-IFRS Measures

Dream'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, Dream discloses and discusses certain non-IFRS financial measures, including: internal rate of return (IRR), assets under management, fee earning assets under management and debt-to-total assets as well as other measures discussed elsewhere in this release. 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. Dream 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 comparable metrics determined in accordance with IFRS as indicators of Dream's performance, liquidity, cash flow, and profitability. 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-IFRS Measures" section in Dream's MD&A for the three months ended March 31, 2016.

Forward Looking Information

This press release may contain forward-looking information within the meaning of applicable securities legislation, including, but not limited to, statements regarding expected GLA of retail developments, timing of leasing or commencement of future retail developments, future residential and commercial densities, development plans of future stages of the Canary District and performance of the land development and housing development divisions. 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's control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These assumptions include, but are not limited to: the nature of development lands held and the development potential of such lands, our ability to bring new developments to market, anticipated positive general economic and business conditions, including low unemployment and interest rates, positive net migration, oil and gas commodity prices, our business strategy, including geographic focus, anticipated sales volumes, performance of our underlying business segments and conditions in the Western Canada land and housing markets. Risks and uncertainties include, but are not limited to, general and local economic and business conditions, employment levels, regulatory risks, mortgage rates and regulations, environmental risks, consumer confidence, seasonality, adverse weather conditions, reliance on key clients and personnel and competition. All forward looking information in this press release speaks as of May 9, 2016. Dream does not undertake to update any such forward looking information whether as a result of new information, future events or otherwise, except as required by law. Additional information about these assumptions and risks and uncertainties is disclosed in filings with securities regulators filed on SEDAR (www.sedar.com).