DREAM UNLIMITED CORP. REPORTS FIRST QUARTER RESULTS & ADDS TO EXCEPTIONAL DEVELOPMENT PIPELINE IN TORONTO

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 14, 2019, 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, 2019. Basic earnings per share ("EPS") for the three months ended March 31, 2019 was $0.17, down slightly from $0.22 in the comparative quarter on a standalone basis, which excludes operational income generated from Dream Hard Asset Alternatives Trust (TSX: DRA.UN) ("Dream Alternatives"). At March 31, 2019, Dream's total equity, on a standalone basis, increased to $9.47 per share, up 8% from $8.75 per share one year ago[1].

"Our underlying operational results were solid for a quarter which is typically our quietest" said Michael Cooper, President & Chief Responsible Officer of Dream. "As a significant portion of our development pipeline is in the planning or pre-development stages, the financial results for 2019 will not easily reflect the progress we are making towards creating and owning best in class assets. Nonetheless, we are extremely pleased with the advancements we are making. Dream is the largest unitholder of both Dream Office REIT and Dream Alternatives, both of which are focused on owning and developing core assets predominately in Toronto. With the execution of a new shared services agreement with Dream Office REIT, we are now developing properties on behalf of Dream Office REIT and Dream Alternatives, which further adds to the exceptional asset pipeline in Toronto. "

A summary of our results for the three months ended March 31, 2019 is included in the table below.

	Three months ended March 31,			
(in thousands of Canadian dollars, except per share amounts)		**2019**		2018
Consolidated Dream (including Dream Alternatives):				
Revenue	**$**	**56,957**	$	59,821
Net margin	**$**	**18,968**	$	15,789
Net margin %[2]		**33.3%**		26.4%
Earnings (loss) before income taxes	**$**	**(36,591)**	$	151,397
Earnings (loss) for the period	**$**	**(33,524)**	$	147,058
Basic earnings (loss) per share[4]	**$**	**(0.31)**	$	1.35
Diluted earnings (loss) per share	**$**	**(0.31)**	$	1.30
Dream Standalone[5]:				
Revenue	**$**	**45,850**	$	49,635
Net margin	**$**	**14,204**	$	11,327
Net margin %[2]		**31.0%**		22.8%
Earnings before income taxes	**$**	**23,690**	$	29,485
Earnings for the period	**$**	**18,466**	$	24,028
EBITDA[3]	**$**	**32,900**	$	37,127
Adjusted EBITDA[3]	**$**	**21,427**	$	14,957
Basic earnings per share[4]	**$**	**0.17**	$	0.22
Diluted earnings per share	**$**	**0.17**	$	0.22

Dream Standalone[5]:		**March 31, 2019**		December 31, 2018
Total assets	**$**	**2,103,258**	$	2,056,028
Total liabilities	**$**	**1,041,950**	$	1,010,776
Total equity (excluding non-controlling interest)[1]	**$**	**1,014,411**	$	1,001,317
Total equity per share[1]	**$**	**9.47**	$	9.33

[(1)] Total equity (excluding non-controlling interests) and total equity per share excludes $46.9 million of non-controlling interest as at March 31, 2019 ($43.9 million as at December 31, 2018) and includes the Company's investment in Dream Alternatives as at March 31, 2019 and December 31, 2018 of $77.2 million and $72.7 million, respectively. For further details refer to pages 23 and 24 in our management's discussion and analysis ("MD&A") for the three months ended March 31, 2019.

[(2)] Net margin % (see the "Non-IFRS Measures" section of our MD&A for the three months ended March 31, 2019) represents net margin as a percentage of revenue.

[(3)] EBITDA and adjusted EBITDA (see the "Non-IFRS Measures" section of our MD&A for the three months ended March 31, 2019) is calculated as earnings before interest, taxes, depreciation, amortization, fair value changes in investment properties and financial instruments, and share of equity accounted earnings from Dream Office REIT offset by distributions received from the Dream Publicly Listed Funds.

[(4)] Basic EPS is computed by dividing Dream's earnings attributable to owners of the parent by the weighted average number of Class A Subordinate Voting Shares and Class B common shares outstanding during the period. Refer to Management's discussion below on consolidated results for the three months ended March 31, 2019.

[(5)] Dream standalone represents the standalone results of Dream, excluding the impact of Dream Alternatives' consolidated results. Refer to the "Non-IFRS Measures" section of our MD&A for further details. Total assets as at March 31, 2019 and December 31, 2018 includes approximately $77.2 million and $72.7 million, respectively, relating to the Company's investment in Dream Alternatives.

In the three months ended March 31, 2019, on a consolidated basis the Company recognized a loss of $33.5 million, down from income of $147.1 million in the comparative prior year period. Results in the comparative period included a one-time net gain on acquisition of Dream Alternatives of $130.0 million. Current period results included fair value losses on the Dream Alternatives trust units of $61.9 million which are fair valued each period under IFRS and were generated as a result of an increase in the Trust's unit price of 15% since December 31, 2018. Excluding these non-cash items, results were more comparable year-over-year.

In the three months ended March 31, 2019, the Company recognized earnings before income taxes on a standalone basis of $23.7 million, a decrease of $5.8 million from the prior year due to increased interest expense of $1.5 million and a one-time net gain on acquisition of Dream Alternatives in the comparative period of $12.6 million. This was partially offset by fair value gains on financial instruments as a result of an increase in the unit price of Dream Global REIT relative to the prior year.

Adjusted EBITDA is calculated on a standalone basis using earnings for the period adjusted for interest and income tax expense, depreciation and amortization, fair value changes and the net distribution component of income from the Company's investment in Dream Office REIT. It is an important measure for the Company as it eliminates the impact of significant non-cash items from earnings. Adjusted EBITDA for the three months ended March 31, 2019 was $21.4 million, an increase of $6.5 million relative to the prior year primarily due to increased contribution from our asset management segment, improved net operating income from Arapahoe Basin, our ski area in Colorado, and growth in distributions from the Dream Publicly Listed Funds due to additional units acquired since the comparative period.

Effective this quarter we have redefined our segment information to better reflect how we view and manage our business. Our operating results have been defined as follows:

- *Asset management and investments in the Dream publicly listed funds* ("asset management") includes managing the publicly listed funds and various development partnerships, in addition to equity interests in Dream Office REIT and Dream Global REIT.
- *Stabilized income generating assets* includes a ski area in Colorado, income producing assets in Western Canada and Toronto, and the ownership of a renewable power portfolio.
- *Urban development - Toronto & Ottawa* includes condominium, purpose-built rental and mixed-use development in the Greater Toronto Area ("GTA") and Ottawa/Gatineau regions.
- *Western Canada community development* includes land, housing and retail/commercial/multi-family development in Saskatchewan and Alberta.
- *Dream Alternatives* includes the operating activity of Dream Alternatives' portfolio of real estate development opportunities and alternative assets.

Asset Management and Investments in Dream Publicly Listed Funds

- In the three months ended March 31, 2019, the asset management division generated net margin of $8.7 million, compared to $7.1 million in the comparative period. The increase in net margin year-over-year was driven by growth in fee-earning assets under management and transactional activity in the period. Our asset management segment is a key source of recurring income for our business. For further details, please see the "Sources of Recurring Income" section of our MD&A.

- As at March 31, 2019, fee-earning assets under management across the Dream Publicly Listed Funds (Dream Global REIT, Dream Industrial REIT and Dream Alternatives) were approximately $7.0 billion, up from $6.7 billion as at December 31, 2018. The increase was primarily driven by acquisition activity in the period by Dream Industrial REIT. Fee-earning assets under management across private institutional partnerships, development partnerships and/or funds were $1.6 billion, relatively consistent with the prior year. Total fee-earning assets under management were approximately $8.6 billion at March 31, 2019.

- In the three months ended March 31, 2019, Dream's share of equity income from its 23% investment in Dream Office REIT was $5.2 million, compared to $6.0 million in the comparative period. Dream Office REIT's net income was generated from net rental income and Dream Office REIT's share of income from the investment in Dream Industrial REIT, which was offset by interest expense, fair value adjustments to financial instruments, and general and administrative expenses. For the three months ended March 31, 2019, comparative properties net operating income ("NOI") increased by 7.6% over the prior year, mainly driven by higher occupancy and rental rates in downtown Toronto, partially offset by lower occupancy and rental rates in other markets. In the current period, the Company's investment in Dream Office REIT generated cash distributions of $3.6 million.

- Subsequent to the quarter, Dream and Dream Office REIT entered into a shared services agreement (the "new shared services agreement") pursuant to which Dream will act as the development manager for Dream Office REIT's future development projects for market fees and Dream Office REIT will act as the property manager for Dream's current and future income properties in Canada. In order to continue to take advantage of economies of scale, the new shared services agreement maintains certain resource sharing arrangements between Dream and Dream Office REIT such as information technology and human resources at cost. Concurrent with the execution of the shared services agreement, Dream and Dream Office REIT terminated the existing Management Services Agreement and administrative services agreement. Under the new shared services agreement, in connection with each future development project, Dream will earn a market development fee equal to 3.75% of the total net revenues of the development or, for rental properties, 3.75% of the IFRS value upon completion, without any promote or other incentive fees. In connection with the property management services provided by Dream Office REIT, Dream will pay a market fee equal to 3.5% of gross revenue of the portfolio. Property management and development management services have a term of five years, with subsequent five-year renewal periods. Dream Office REIT has been an owner manager of its investment properties for over 15 years and has an experienced management team with a track record of delivering quality services to tenants of all sizes in commercial buildings.

- As at March 31, 2019, the total fair value of units held in the Dream Publicly Listed Funds (comprising Dream Global REIT, Dream Alternatives and Dream Office REIT) was $521.9 million, representing 60% of the Company's total market capitalization. Within this total, Dream had $359.0 million at fair value invested in Dream Office REIT (a 23% interest or 25% interest inclusive of units held through Dream's Chief Responsible Officer ("CRO")) and $93.2 million at fair value invested in Dream Alternatives.

- During and subsequent to the three months ended March 31, 2019, Dream acquired 2.2 million units in Dream Alternatives for $15.0 million on the open market for a current ownership of 20% as at May 13, 2019. Subject to market conditions and our investment strategy, the Company intends to further invest in Dream Alternatives and Dream Office REIT on an opportunistic basis as both vehicles refine their portfolios and focus on core Toronto assets, which is aligned with Dream's expanding real estate and development footprint across downtown Toronto and the GTA.

- As announced in February 2019, Dream Alternatives committed to a strategic plan to enhance unitholder value. On April 23, 2019, the Trust announced further details with respect to the plan which includes an update on their unit buyback program and maintaining the current distribution policy at $0.40 per unit on an annual basis. In addition, Dream and Dream Alternatives have agreed to satisfy the management fees payable to Dream Asset Management ("DAM") in units of the Trust, valued at $8.74 per unit until December 2020, which will provide the Trust support for the existing cash distribution policy. Dream Alternatives is currently pursuing the potential sale of its renewable power segment and certain non-core assets. Proceeds raised from the Trust's disposition program are expected to fund the unit buyback program.

Key Results Highlights: Stabilized Income Generating Assets

- Our stabilized income generating assets include: Arapahoe Basin, income producing assets (including the Distillery District) in Toronto and Western Canada, and a 20% investment in Firelight Infrastructure, a renewable power portfolio. Assets in this segment are expected to grow as we develop and hold investment properties in our core markets upon stabilization.

- In the three months ended March 31, 2019, our stabilized income generating assets contributed $11.6 million of net operating income, up slightly from $10.5 million in the comparative period, driven by a $1.2 million increase in NOI from the recently expanded Arapahoe Basin. This was partially offset by the impact of the expropriation of a 73-acre property in Toronto, Ontario in the third quarter of 2018.

- In the three months ended March 31, 2019, Dream, along with Dream Alternatives, invested cash of $2.9 million for an increased interest in its 100 Steeles Ave. West development ("100 Steeles"). 100 Steeles is currently a 62,000 square foot income producing retail property that is 89% leased, located north of Toronto, steps away from the proposed Yonge-North subway extension. Dream and Dream Alternatives have a 50% ownership in the project, split on a 25%/75% basis, respectively. 100 Steeles is planned for much higher density beyond current zoning that would include over 1 million square feet ("sf") of residential and mixed-use development.

Key Results Highlights: Urban Development – Toronto & Ottawa

- As at March 31, 2019, Dream had approximately 12,000 residential units and 3.7 million retail/commercial sf in various stages of planning, pre-development and construction. This included 1,600 residential units and 0.3 million retail/commercial sf which were in inventory, with the remainder included in our development pipeline. Of our condominium projects in inventory which have achieved market launches to date, approximately 99% of these units have been pre-sold, including Riverside Square and Canary Block Commons, which are expected to commence occupancy in 2019. Our pipeline includes: future phases of the West Don Lands, Zibi, the Distillery District, Canary District – Block 13, Port Credit, IVY, Frank Gehry and Lakeshore East. For further details on our project pipeline, refer to the "Urban Development Inventory and Pipeline" section of our MD&A.

- In the three months ended March 31, 2019, Zibi, our 34-acre waterfront development along the Ottawa River in Gatineau, Quebec and Ottawa, Ontario continued to progress with land servicing on both Ontario and Quebec lands. In addition, construction is underway on the project's next residential building, Kanaal, comprising 71 units, which are currently 90% pre-sold as well as the project's first commercial spaces comprising over 93,000 sf of office and retail gross floor area ("GFA"). Our 8-storey, multi-purpose sales centre and event space, "Zibi House", opened to the public on May 1, 2019 and provides birds-eye views of our development, Chaudière Falls and Parliament Hill.

- Construction for Phase 1 of Riverside Square is nearing completion, with first occupancies expected to commence by mid-2019. Riverside Square is a 5-acre, two-phase, mixed-use development located in Toronto's downtown east side on the south side of Queen Street East and immediately east of the Don Valley Parkway. Dream has a 32.5% interest in the project alongside its partners. The first phase of the project consists of 688 residential condominium units, a state-of-the-art multi-level auto-plex and approximately 20,000 sf of retail GFA. The second phase is planned to consist of approximately 36,000 sf of multi-tenant commercial space with a proposed grocery-anchored component together with 224 condominium units.

Key Results Highlights: Western Canada Development

- In the three months ended March 31, 2019, our land and housing division generated a combined $7.2 million of revenue and incurred negative net margin of $2.1 million, with an expected low volume of 32 lot sales and 14 housing occupancies (March 31, 2018 – $14.4 million of revenue and negative net margin of $2.9 million, with 40 lot sales and 41 housing occupancies). The decrease in revenue relative to the comparative period was driven by lower volumes achieved in 2019, consistent with management's expectations. We have been proactive to address economic slowdowns in Western Canada and have right-sized our operating platform accordingly and expect lower overhead commencing in the second quarter of 2019. As of today, assuming no material change in market conditions, we currently expect our margin from the land and housing division to decrease relative to 2018 and increase again as we commence earning income from land sales in Providence, our most valuable land position in Western Canada. For further details on this segment refer to the "Western Canada Development" section of our MD&A.

- In the three months ended March 31, 2019, Dream achieved first tenant occupancies at Hampton Heights, our 27,500 square foot retail development in Saskatoon, Saskatchewan. As a result, the Company transferred the carrying value of the property of $5.9 million to investment properties and recognized a non-cash gain of $2.5 million within fair value changes in investment properties upon transfer. Hampton Heights is 67% leased as at May 13, 2019, including committed leases, with stabilization expected in early 2020.

  We are currently developing and planning 486,100 sf of retail and commercial space and 120 purpose-built rental units across our Western Canada communities.

Strong Liquidity Position, NCIB Activity & Return to Shareholders

- As at March 31, 2019, we had up to $155.9 million of undrawn credit availability on Dream's operating line and margin facility, compared to $179.1 million as at December 31, 2018. The Company is focused on maintaining a conservative debt position and has ample excess liquidity even before considering unencumbered or under-levered assets. As at March 31, 2019, our debt to total asset ratio on a Dream standalone basis was 35.4%, comparable to December 31, 2018.

- In the three months ended March 31, 2019, the Company purchased for cancellation 0.2 million Subordinate Voting Shares for $1.5 million under its normal course issuer bid. Dividends of $2.7 million were declared and paid on its Subordinate Voting Shares and Class B Shares in the period.

Select financial operating metrics for Dream's segments for the three months ended March 31, 2019 are summarized in the table below.

											Three months ended March 31, 2019	
(in thousands of dollars)	Asset management		Stabilized income generating assets		Urban development		Western Canada community development		Corporate and other		Total Dream standalone	
Revenue[1]	**$**	**12,935**	**$**	**24,138**	**$**	**1,269**	**$**	**7,508**	**$**	**—**	**$**	**45,850**
% of total revenue[1]		**28.2%**		**52.6%**		**2.8%**		**16.4%**		**—%**		**100.0%**
Net margin[1]	**$**	**8,742**	**$**	**9,778**	**$**	**(1,659)**	**$**	**(2,657)**	**$**	**—**	**$**	**14,204**
Net margin (%)[2]		**67.6%**		**40.5%**		**n/a**		**n/a**		**n/a**		**31.0%**
% of net margin[1]		**61.5%**		**68.8%**		**(11.7%)**		**(18.6%)**		**—%**		**100.0%**
EBITDA[2]	**$**	**28,163**	**$**	**8,777**	**$**	**(875)**	**$**	**405**	**$**	**(3,570)**	**$**	**32,900**
Adjusted EBITDA[2]	**$**	**16,774**	**$**	**11,234**	**$**	**(837)**	**$**	**(2,114)**	**$**	**(3,630)**	**$**	**21,427**

											As at March 31, 2019	
Segment assets[1]	**$**	**574,346**	**$**	**341,594**	**$**	**376,011**	**$**	**790,633**	**$**	**20,674**	**$**	**2,103,258**
Segment liabilities[1]	**$**	**112,661**	**$**	**133,313**	**$**	**208,071**	**$**	**186,422**	**$**	**401,483**	**$**	**1,041,950**
Segment shareholders' equity[1]	**$**	**461,685**	**$**	**208,281**	**$**	**121,043**	**$**	**604,211**	**$**	**(380,809)**	**$**	**1,014,411**
Book equity per share[2]	**$**	**4.31**	**$**	**1.94**	**$**	**1.13**	**$**	**5.64**	**$**	**(3.55)**	**$**	**9.47**

											Three months ended March 31, 2018	
(in thousands of dollars)	Asset management		Stabilized income generating assets		Urban development		Western Canada community development		Corporate and other		Total Dream standalone	
Revenue[1]	$	10,050	$	22,670	$	2,380	$	14,535	$	—	$	49,635
% of total revenue[1]		20.2%		45.7%		4.8%		29.3%		—%		100.0%
Net margin[1]	$	7,116	$	8,831	$	(933)	$	(3,687)	$	—	$	11,327
Net margin (%)[2]		70.8%		39.0%		n/a		n/a		n/a		22.8%
% of net margin[1]		62.8%		78.0%		(8.2%)		(32.6%)		—%		100.0%
EBITDA[2]	$	35,040	$	9,224	$	(559)	$	(2,998)	$	(3,580)	$	37,127
Adjusted EBITDA[2]	$	12,334	$	8,975	$	(261)	$	(3,080)	$	(3,011)	$	14,957

[1] This metric is calculated on a Dream standalone basis. Refer to the "Non-IFRS Measures" section of our MD&A for further details.

[2] Net margin (%), EBITDA and adjusted EBITDA are non-IFRS measures. Refer to the "Non-IFRS Measures" section of our MD&A for further details, including a reconciliation of EBITDA and adjusted EBITDA to net segment earnings.

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 16, 2019 at 9 a.m. (ET), located at the Hockey Hall of Fame, TSN Theatre (concourse level), Brookfield Place, 30 Yonge Street, 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 over $15 billion of assets under management in North America and Europe. The scope of the business includes asset management and management services for four Toronto Stock Exchange ("TSX") listed trusts and institutional partnerships, condominium and mixed-use development, investments in and management of a renewable power portfolio, commercial property ownership, residential land development, and housing and multi-family development. 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:

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Non-IFRS Measures

Dream's 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: Dream standalone, net margin %, assets under management, fee-earning assets under management, net operating income and debt to total assets ratio, 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, 2019.

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 our objectives and strategies to achieve those objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events, future growth, results of operations, performance, business prospects and opportunities, acquisitions or divestitures, tenant base, future maintenance and development plans and costs, capital investments, financing, the availability of financing sources, income taxes, vacancy and leasing assumptions, litigation and the real estate industry in general; as well as specific statements in respect of our development plans and proposals for future retail and condominium and mixed-use projects and future stages of current retail and condominium and mixed-use projects, including projected sizes, density, uses and tenants; development timelines and anticipated returns or yields on current and future retail and condominium and mixed-use projects, including timing of construction, marketing, leasing, completion, occupancies and closings; anticipated current and future unit sales and occupancies of our condominium and mixed-use projects; our pipeline of retail, commercial, condominium and mixed-use developments projects; development plans and timelines of current and future land and housing projects, including projected sizes, density and uses; anticipated current and future lot and acre sales and housing unit occupancies in our land and housing divisions and the timing of margin contributions from such sales; projected population and density in our housing developments; our ability to increase development on our owned lands and the anticipated returns therefrom; our anticipated ownership levels of proposed investments, including investments in units of Dream Office REIT and Dream Alternatives and other Dream Publicly Listed Funds; the development plans and proposals for Dream Alternatives' current and future projects, including projected sizes, timelines, density, uses and tenants; anticipated levels of development, asset management and other management fees in future periods; and our overall financial performance, profitability and liquidity for future periods and years. 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 14, 2019. 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).*