



DREAM GLOBAL REIT REPORTS STRONG SECOND QUARTER RESULTS AND STRATEGIC JOINT VENTURE

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, AUGUST 6, 2014 DREAM GLOBAL REIT (DRG.UN-TSX) today reported a 10% year-over-year increase in its Q2 2014 AFFO per unit and announced that it has entered into a long-term joint venture with Public Officials Benefit Association ("POBA"). Dream Global REIT's management team will be holding a conference call tomorrow, August 7, 2014 at 2:00 p.m. (ET).

Joint Venture with POBA

Dream Global REIT has entered into a long-term joint venture with POBA, a South Korean pension fund and one of the most active overseas real estate investors in South Korea. POBA will be acquiring a 50% joint venture interest in seven of Dream Global REIT's properties for a gross proceeds of approximately €221 million (\$322 million). The transaction remains subject to various closing conditions and is expected to close in stages during the third and fourth quarters of 2014.

"We are very excited about the opportunities that this joint venture will provide for both parties involved. Choosing Dream Global REIT as a partner is not only an endorsement of our strong operating platform but also highlights the confidence of POBA in our ability to source accretive acquisitions in the future," said Jane Gavan, President and Chief Executive Officer of Dream Global REIT. "This joint venture offers us the opportunity to diversify our sources of capital, to leverage our REIT operating platform by generating joint venture management income and to continue to take advantage of the attractive investment environment."

Q2 2014 Financial and Operating Results Highlights

- **Q2 2014 AFFO per unit increased by 10% compared to Q2 2013** – basic AFFO per unit was \$0.22 for the quarter and \$0.43 for the first six months of 2014, compared with \$0.20 and \$0.39 respectively for same periods in 2013;
- **Strong leasing activity** – the Trust completed 89,700 square feet of new leases and 133,100 square feet of renewals in Q2 2014, resulting in a retention ratio of 76% and in the seventh quarter of positive net absorption;
- **Comparative portfolio occupancy increases further** – the Trust's comparative portfolio occupancy increased to 87.7%, up 20 basis points during Q2 2014 and 130 basis points since the beginning of 2014;
- **Acquisitions** – subsequent to quarter end, the Trust closed the acquisition of "Officium" in Stuttgart for approximately €46.9 million (\$68.4 million) at a going-in cap rate of 6.6%, increasing year-to-date total acquisitions to approximately \$183 million;
- **Dispositions** – seven properties were disposed during the quarter as part of the Trust's continuing capital recycling program for an aggregate sales price of \$11.9 million, or 103% of the assets' book value, increasing year-to-date total dispositions to approximately \$31.2 million.

KEY PERFORMANCE INDICATORS

	June 30, 2014	March 31, 2014	June 30, 2013
Portfolio			
Number of properties	286	293	299
Gross leasable area ("GLA")	15,679,545	15,820,974	15,404,094
Occupancy rate – including committed ⁽¹⁾ (period-end)	87.9%	87.7%	85.7%
Occupancy rate – in place (period-end)	87.0%	86.9%	84.5%
Average in-place net rent per square foot (period-end)	€ 8.74	€ 8.72	€ 8.14
Market rent above (below) in-place rent (%)	1.8 %	1.5 %	3.5 %
Initial Properties	11.6 %	10.6 %	10.8 %
Acquisition Properties	(6.1)%	(5.8)%	(4.1)%
	Three months ended June 30, 2014 ⁽²⁾	2013 ⁽²⁾	Six months ended June 30, 2014 ⁽²⁾
			2013 ⁽²⁾
Operating results			
Investment properties revenue	\$ 67,514	\$ 54,413	\$ 134,647
Net rental income	47,079	36,191	92,879
Net rental income - Initial Properties	20,732	19,320	42,359
Net rental income - Acquisition Properties	26,347	16,871	50,520
FFO ⁽³⁾	26,079	21,393	50,835
AFFO ⁽⁴⁾	24,199	19,607	47,283
Distributions			
Declared distributions	\$ 22,098	\$ 20,027	\$ 44,104
DRIP participation ratio (for the period)	16.2%	11.6%	17.0%
Per unit amounts			
Distribution rate	\$ 0.20	\$ 0.20	\$ 0.40
Basic: ⁽⁶⁾			
FFO	0.24	0.22	0.46
AFFO	0.22	0.20	0.43
Diluted:			
FFO	0.23	0.21	0.45
Payout ratio (%):			
AFFO (basic)	91.3%	100.0%	93.2%
	June 30, 2014	March 31, 2014	June 30, 2013
Financing			
Weighted average effective interest rate on debt (period-end)	3.68%	3.69%	3.79%
Weighted average face rate of interest on debt (period-end)	3.33%	3.35%	3.35%
Interest coverage ratio ⁽⁵⁾	3.39 times	3.41 times	3.40 times
Net debt-to-adjusted EBITDFV (years) ⁽⁵⁾	9.10	9.00	8.91
Level of debt (net debt-to-gross book value, net of cash) ⁽⁵⁾	56%	56%	51%
Debt – average term to maturity (years)	4.2	4.2	4.9
Unsecured convertible debentures	151,327	150,822	149,360

(1) Occupancy in Q1 and Q2 2014 includes space covered by a headlease that was previously classified as vacant space. The Q2 2013 occupancy rate has not been restated.

(2) Operating results for the three month and six month periods ended June 30, 2014 were converted at \$1.496:€1 and \$1.504:€1, respectively; for the three month and six month periods ended June 30, 2013, operating results were converted at \$1.337:€1 and \$1.335:€1, respectively.

(3) FFO - net income, adjusted for fair value adjustments on investment property and financial instruments, share of income from equity-accounted investments, internal direct leasing costs, loss on sale of investment property, term debt swap settlements, loss on settlement of foreign currency contracts, amortization of lease incentives, deferred income taxes and income taxes on gains on sale.

(4) AFFO – FFO adjusted for amortization of debt costs, deferred unit compensation expense, straight line rent and the Trust's estimates of normalized leasing costs and normalized non-recoverable recurring capital expenditures.

GROWTH INITIATIVES

Joint venture with POBA – POBA is a South Korean pension fund for government officials and one of the most active overseas real estate investors in South Korea. Since it was founded in 1975, POBA has grown from 79,000 members to 235,000 members in 2013. POBA has been building a diversified investment portfolio focused on stable long-term returns, with a global commercial real estate portfolio that includes assets in England, China and Brazil.

“This strategic joint venture and significant acquisition of a high quality office portfolio in Germany allows us to expand into one of the most highly sought-after real estate markets in the world. With Dream, we have found a partner on the ground who is not only an experienced owner and operator of real estate but also understands our unique requirements,” said Eunghan Park, Executive Managing Director of POBA.

The sale of the Trust’s 50% interest in seven properties has a capitalization rate (“cap rate”) of approximately 5.3% and includes ABC Bogen in Hamburg, Löwenkontor in Berlin, Werfthaus and K26 in Frankfurt, doubleU in Düsseldorf, Z-Up in Stuttgart and Marsstrasse 20-22 in Munich. The Trust intends to reinvest the net proceeds from this transaction in high quality office properties in its target markets. Dream Global REIT’s acquisition pipeline remains robust.

“We are excited that we are being recognized for establishing an excellent platform in under three years that provides value to joint venture partners to co-invest with us. We now can grow with equity from the sale of properties from the original portfolio, with partners and with equity from the Canadian capital markets. The opportunities in Germany are plentiful and strategic partners like POBA will help us grow in Germany and potentially elsewhere when we identify appropriate opportunities,” said Michael Cooper, Vice Chair of the Board of Trustees of Dream Global REIT.

Acquisition – on July 31, 2014, the Trust completed the acquisition of “Officium” in Stuttgart, Germany, a multi-tenant property with an excellent tenant roster that includes AXA, Deutsche Sparkassen and Oracle. The acquisition of this €46.9 million (\$68.4 million) property has a cap rate of 6.6% and will add approximately 268,000 square feet of high quality office space in one of the Big 7 office markets in Germany to the Trust’s portfolio. The Trust has negotiated 7.5-year mortgage financing for this property at a loan-to-value of approximately 60% and an interest rate of 1.99%.



FINANCIAL HIGHLIGHTS

Funds from operations – FFO increased to \$26.1 million and \$50.8 million, respectively, for the three and six months ended June 30, 2014, from \$21.4 million and \$37.2 million during the same periods in 2013. On a per unit basis, FFO for the three months and six months ended June 30, 2014 was \$0.24/unit and \$0.46/unit, respectively, compared to \$0.22/unit and \$0.42/unit, respectively, for the same periods in 2013. Positive absorption of space as well as completed acquisitions contributed to the increase in FFO.

Adjusted funds from operations – AFFO increased to \$24.2 million and \$47.3 million, respectively, for the three and six months ended June 30, 2014, from \$19.6 million and \$34.4 million during the same periods in 2013. On a per unit basis, AFFO for the three months and six months ended June 30, 2014 was \$0.22/unit and \$0.43/unit, respectively, compared to \$0.20/unit and \$0.39/unit, respectively, for the same periods in 2013.

CAPITAL INITIATIVES

Equity – On July 31, 2014, the Trust had 110,759,320 units outstanding. At the July 31, 2014 closing price of \$9.06 per unit, the Trust's market capitalization was \$1.0 billion.

Financing – On April 29, 2014, the Trust drew down a mortgage with a principal balance of \$55.8 million at a fixed rate of 2.33% for a seven-year term in connection with the acquisition of connection with the acquisition of My Falkenried in Hamburg which closed in Q1.

CONFERENCE CALL DETAILS

Dream Global REIT's management team will be holding a conference call tomorrow, August 7, 2014 at 2:00 p.m. (ET). To access the conference call, please dial 1-866-229-4144 in Canada and the United States or 416-216-4169 elsewhere and use passcode 8694 191#. A taped replay of the call will be available for ninety days. For access details, please go to Dream Global REIT's website at www.dreamglobalreit.ca and click on the News and Events link, then click on Calendar of Events.

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

Dream Global REIT is an unincorporated, open-ended real estate investment trust that provides investors with the opportunity to invest in commercial real estate exclusively outside of Canada. Dream Global REIT's portfolio currently consists of approximately 15.7 million square feet of gross leasable area of office, industrial and mixed use properties across Germany. For more information, please visit www.dreamglobalreit.ca.

This press release may contain forward-looking information within the meaning of applicable securities legislation. 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 Global REIT's control that 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, global 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 Canadian and German economies remain 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 Global REIT does not undertake to update any such forward-looking information whether as a result of new information, future events or otherwise. Additional information about these assumptions and risks and uncertainties is contained in Dream Global REIT's filings with securities regulators, including its latest annual information form and MD&A. These filings are also available at Dream Global REIT's website at www.dreamglobalreit.ca.

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