DREAM GLOBAL REIT ANNOUNCES TRANSFORMATIONAL ACQUISITION IN THE NETHERLANDS FOR $903 MILLION AND $300 MILLION PUBLIC OFFERING OF UNITS

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Transaction Highlights

- Immediately accretive to FFO and AFFO per unit by over 10%
- Purchase price of €622.1 million ($903.0 million) represents a going in capitalization rate of 8.0% for 135 properties
- Strategic exposure to attractive and growing Netherlands office market
- Immediate scale in the European industrial real estate market
- Fully-integrated, experienced management team with track record of delivering growth and value creation
- Improved tenant diversification with the addition of leading European companies
- Concurrent $300 million bought deal public offering of units
- Inaugural offering of €375 million of senior unsecured notes in Europe

TORONTO, JULY 17, 2017 DREAM GLOBAL REIT ("Dream Global" or the "REIT") (TSX:DRG.UN, FRA:DRG) today announced that it has entered into a binding sale and purchase agreement (the "Transaction Agreement") relating to a portfolio of 135 office and light industrial properties located in the Netherlands (the "Transaction Portfolio" or the "Dutch Assets"), expanding the REIT's geographic presence in Europe and establishing a sizeable new real estate platform for the REIT with an experienced management team. The total purchase price for the transaction (the "Transaction") is approximately €622.1 million ($903.0 million)[1], representing a going in capitalization rate of 8.0%. The vendors for the Transaction (the "Vendors") are TPG Real Estate, TPG Sixth Street Partners, and Patron Capital Partners. The Dutch Assets are currently operated under the name "Merin".

The purchase price for the Transaction and related transaction costs will be satisfied in cash and in units of the REIT. The cash portion of the purchase price is to be funded by the proceeds of a $300 million bought deal public offering of units in Canada (the "Equity Offering"), €375 million ($544.3 million) in committed debt financing through an inaugural offering of senior unsecured notes in Europe by a subsidiary of the REIT (the "European Debt Offering") and drawings on the REIT's revolving credit facility in the amount of $0.9 million, as further described below under "Financing of the Transaction". The REIT will satisfy €60 million ($87.1 million) of the purchase price through the issuance of units to the Vendors, on a private placement basis, subject to Toronto Stock Exchange approval. The purchase price will be subject to a post-closing adjustment for working capital and certain other items. Closing of the Transaction is anticipated to occur on July 27, 2017, and is subject to conditions relating to the financing of the Transaction.

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[1] In this press release, references to the purchase price for the Transaction and other amounts presented in Euros with a Canadian dollar equivalent amount have been converted into the Canadian dollar equivalent amount using an exchange rate of $1.4515 per Euro as of July 14, 2017, unless otherwise indicated.

Transaction Highlights

- **Immediately accretive to FFO and AFFO per unit:** The Transaction, with a going in capitalization rate of 8.0% for 135 properties, is expected to be accretive by over 10% to both the REIT's estimated 2018 FFO per unit and estimated 2018 AFFO per unit.[2] The Transaction is expected to reduce the REIT's payout ratio, and enhance the REIT's long-term growth profile. Greater retained cash flow would provide additional capital to execute on future growth initiatives and reduce the REIT's leverage.

- **Strategic exposure to the Netherlands office market:** The Transaction Portfolio includes approximately €502 million ($728.7 million) of office real estate (the "Office Portfolio"). The Office Portfolio consists of 101 properties, totalling over 4.8 million square feet of gross leasable area ("GLA"), of which approximately 68% is located in the Randstad, which constitutes the Netherlands' largest urban regions and primary office markets, and includes Amsterdam, Rotterdam, the Hague and Utrecht. The Transaction represents a compelling opportunity for the REIT to enter the Netherlands, one of the largest and growing office real estate markets in Europe, at an attractive point in the real estate cycle. The majority of the Office Portfolio offers the REIT stable cash flows from a diverse roster of high-quality tenants. It also includes some value-add properties which are currently being repositioned and are expected to be a source of growth for the REIT.

- **Immediate scale in European industrial real estate market:** The Transaction Portfolio includes approximately €120 million ($174.2 million) of light industrial real estate (the "Industrial Portfolio"). The Industrial Portfolio consists of 34 properties, totalling approximately 2.9 million square feet of GLA, that are primarily located in the Netherlands' five largest industrial hubs. Given the strong fundamentals supporting the European industrial real estate market, the REIT believes that investment in this sector is highly desirable. The Transaction offers the REIT an opportunity to achieve immediate scale in what has historically been a difficult segment to enter. The Industrial Portfolio offers the REIT stable, high-quality cash flows, with the potential to provide further strategic benefits in the future.

- **Fully-integrated, experienced management team:** The Transaction will result in an enhanced real estate platform for the REIT, with the addition of a highly regarded and experienced real estate management team (the "Merin Management Team"). The Merin Management Team, led by Bas van Holten, has extensive experience in the Dutch real estate market, where it has built a strong track record of delivering growth and value creation through the repositioning of properties. The REIT intends to leverage the Merin Management Team's expertise and local relationships, which are complementary to the REIT's existing platform, to capitalize on growth opportunities across the REIT's existing portfolio and the Transaction Portfolio.

- **Improved tenant diversification:** The Transaction Portfolio will further diversify the REIT's tenant base, with the addition of leading European companies such as KLM Royal Dutch Airlines, ABN AMRO and Rabobank to its existing roster of tenants. Following the completion of the Transaction, Deutsche Post's contribution to the gross rental income ("GRI") of the REIT's overall portfolio is expected to decline from approximately 19% of total GRI as at March 31, 2017 to approximately 11% of total GRI on a pro forma basis, with no other single tenant representing more than 2.5% of GRI on a pro forma basis.

- **Investment grade credit rating enables senior unsecured note offering in Europe:** In the fourth quarter of 2016, the REIT received an investment grade long-term issuer credit rating of Baa3 with a stable outlook from Moody's Investors Service. This rating reflected the REIT's well-managed,

[2] "FFO" and "AFFO" are non-GAAP measures. See the end of this press release.

good quality and geographically diversified portfolio that is located in markets with strong office sector fundamentals. In order to partially finance the purchase price for the Transaction, the REIT has received committed financing from Morgan Stanley and will launch an expected €375 million ($544.3 million) European offering of senior unsecured notes with an expected term of 4.4 years.

"In creating Dream Global in 2011, we saw an opportunity to enter Germany and to acquire quality real estate at a very good time in the real estate cycle. Over the past six years, we have created a valuable portfolio, established a skilled management team and built local relationships," said Jane Gavan, CEO of Dream Global REIT. "We are now leveraging that experience and track record to strategically expand our European presence into the Netherlands at what we believe to be an opportune time in their real estate cycle. We are entering a market that has good office fundamentals and growth potential, and we will have a sizeable Dutch real estate management team that has a successful track record of increasing occupancy and achieving NOI[3] growth. We believe that this transaction is a meaningful milestone for Dream Global REIT on the path to becoming the premier European REIT for capital market investors."

Transaction Portfolio Overview

The Transaction Portfolio consists of 135 properties (approximately 7.7 million square feet of GLA) that are complementary to the REIT's existing portfolio and are well-diversified by asset type, geography and size. The Office Portfolio consists of 101 properties, or approximately 4.8 million square feet of GLA, and the Industrial Portfolio consists of 34 properties, or approximately 2.9 million square feet of GLA.

The Transaction Portfolio has a total property gross asset value of approximately €622.1 million ($903.0 million), of which approximately €502 million ($728.7 million) of gross asset value consists of the Office Portfolio and approximately €120 million ($174.2 million) of gross asset value consists of the Industrial Portfolio.

The overall occupancy of the Transaction Portfolio is currently 82%, and the Transaction Portfolio currently includes 734 tenants with a weighted average lease term of 4.1 years. The majority of the Transaction Portfolio, by gross asset value, consists of core assets which are expected to provide the REIT with long-term stable and growing cash flows (the "Core Portfolio"). The Core Portfolio includes both office and light industrial properties with in-place occupancy of 92% and a weighted average lease term of 4.4 years. The balance of the Transaction Portfolio consists of value-add properties that are being repositioned to drive NOI growth and increase value through occupancy and rental rate increases. In addition, the REIT has identified certain properties which it intends to sell over the next 12 to 18 months. The REIT will target the disposition of approximately €100 million of non-core assets over that time period. Net proceeds from the sale of these properties will be reinvested into acquisitions of high quality assets in the REIT's core markets.

Tenants in the Transaction Portfolio represent a diverse mix of large, blue chip companies, small and medium enterprises, governments and non-governmental organizations. The tenants operate in a wide range of industries and service sectors, including IT services, logistics/transport and finance. No single tenant currently represents more than 2.8% of the GRI of the Transaction Portfolio. Management of the REIT believes that gradual lease expiries in the Transaction Portfolio will provide the potential to capture rental growth in an improving market.

Experienced Management Team Focused on Value Creation

The Merin Management Team, led by Bas van Holten, is complementary to the REIT's existing European platform and will add scale and expertise across the real estate value chain.

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[3] "NOI" is a non-GAAP measure. See the end of this press release.

Mr. van Holten joined Merin as its CEO in January 2013 and was instrumental in transforming Merin to become one of the top performing and innovative real estate companies in the Netherlands. He has more than 23 years of experience in the Dutch real estate sector, including eight years at OVG Real Estate, one of the largest Dutch commercial real estate developers, where he was General Manager of the Netherlands and Chief Operating Officer for Germany. Previously, Mr. van Holten spent 11 years at Jones Lang LaSalle, with his last position there being manager of the Netherlands and Benelux and a member of the Dutch board. Mr. van Holten will be joined by Mr. Roel de Weerd, who oversees Merin's finance and accounting team, and the rest of the Merin Management Team, to work with the REIT to proactively manage and maximize the performance of the Transaction Portfolio.

The Merin Management Team includes over 40 professionals in five offices located across the Netherlands and is fully integrated with in-house facility, property and asset management capabilities. The Merin Management Team has an extensive background in development and asset repositioning, with a focus on asset management and value creation. The REIT believes that the Merin Management Team has a track record of increasing NOI and occupancy.

The Merin Management Team manages the entire real estate value chain, including tenant origination and leasing, investment underwriting, property management, asset repositioning, and property conversions. The platform is scalable and provides full coverage over value-add initiatives. The Merin Management Team has a strong focus on customer service and tenant satisfaction and has implemented customized information technology solutions targeted to improve tenant retention and increase revenue. The REIT intends to leverage the Merin Management Team's knowledge base to capitalize on inherent opportunities across the entire Dream Global platform.

Netherlands Real Estate Market

The Netherlands is located in Central Western Europe, sharing borders with both Germany and Belgium. It has the highest population density in Europe[4] and is the second largest exporter in the Eurozone with a robust infrastructure network. The Dutch economy is the sixth largest in the European Union and is closely linked to the economy of Germany, which serves as the Netherlands' largest trading partner. The Dutch economy has performed well in recent years, with gross domestic product (GDP) growth of 2.0% and 2.2% in 2015 and 2016[5], respectively, outperforming the Eurozone, including Germany over the same two periods. GDP growth in the Netherlands continued to accelerate in Q1 2017, achieving year over year growth of 3.2%, outpacing the Eurozone and Germany. The Netherlands' unemployment rate has also experienced significant improvement over the last few years, having declined from 7.4% in 2014 to 5.6%[6] in 2017, comparing favourably to the Eurozone average unemployment rate of 8.3%[7].

Following the financial crisis, the Dutch office market experienced a period of oversupply and higher vacancy which peaked at approximately 16.9% in 2014. However, the office market has and continues to recover. Vacancy levels are currently approximately 14.6% nationwide and continue to decrease, driven by accelerating market absorption due to the combination of steady demand, minimal new supply, and the removal or conversion of large amounts of obsolete office space. New office development in the Netherlands has decreased since peaking in 2007. Annual new supply is projected to be approximately 300,000 square metres of space per year, representing approximately 0.6% of total existing inventory.[8] This compares

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[4] For countries with over one million people

[5] Source: Bloomberg

[6] Source: International Labour Organization

[7] Source: International Labour Organization

[8] Source: Savills

favourably to new office development in Canada and Germany's top five office markets, which are currently at 2.2% and 1.9% of existing inventory, respectively.[9]

"We believe that the Netherlands is a compelling real estate market supported by an economic backdrop that is experiencing above average GDP growth and declining unemployment levels," said Alex Sannikov, SVP of Commercial Properties. "The Transaction Portfolio represents an appealing opportunity to enter the Dutch real estate market at an attractive price, with significant potential for growth in NOI and value."

Dream Global Pro Forma Combined Portfolio

The following table highlights certain of the REIT's key portfolio metrics: (i) as at March 31, 2017, (ii) as at March 31, 2017, adjusted for acquisitions completed and under contract since March 31, 2017, dispositions completed in the second quarter of 2017 and lease renewals with Deutsche Post for 2018 recently announced by the REIT, and (iii) as at March 31, 2017, on a pro forma basis after giving effect to the those adjustments and the completion of the Transaction.

Portfolio Metrics	**As at March 31, 2017(1)**	**As at March 31, 2017 Adjusted(2)**	**Pro Forma**
Number of properties(3)	169	169	304
Gross leasable area (thousands of square feet – owned share)	12,918	13,522	21,226
Number of tenants	1,060	1,076	1,810
Occupancy rate (including committed occupancy)	90.1%	90.7%	87.6%
Average remaining lease term (years)	4.3	5.4	5.0
Gross asset value (millions – owned share)	€2,119(4)	€2,304	€2,926

Notes:

(1) See Q1 2017 MD&A.
(2) As at March 31, 2017, adjusted to give effect to the Airport Plaza and Bollwerk acquisitions announced during Q2 2017, completed dispositions through Q2 2017 and the Deutsche Post 2018 lease renewals announced during Q2 2017.
(3) Excludes REIT assets held for sale.
(4) Gross asset value consists of the REIT's investment properties as of March 31, 2017, adjusted for the REIT's owned share of joint ventures and associates.

Financing of the Transaction

A description of the sources and uses of funds relating to the Transaction and transaction costs is set out in the table below. Certain amounts below are estimated and are subject to change.

Sources (millions):		**Uses (millions):**	
Proceeds from the Equity Offering (assuming no exercise of the over-allotment option)(1)(3)	$300.0 (€206.7)	Purchase price for the Transaction(5)	$903.0 (€622.1)
Proceeds from the European Debt Offering(2)(3)	$544.3 (€375.0)		
Units to be issued to the Vendors under the Transaction Agreement(4)	$87.1 (€60.0)	Transaction costs	$29.3 (€20.2)
Drawings on revolving credit facility	$0.9 (€0.6)		
Total Sources:	**$932.3 (€642.3)**	**Total Uses:**	**$932.3 (€642.3)**

[9] Source: CBRE and BNP Paribas Real Estate

Notes:

(1) See "Equity Offering" below.
(2) See "European Debt Offering" below.
(3) The REIT will use the net proceeds of the European Debt Offering, together with a portion of the net proceeds of the Equity Offering, to make loans to certain entities held by Merin Group Holding B.V. in order for those entities to repay third party indebtedness outstanding with respect to the Dutch Assets and certain costs associated with such repayment.
(4) See "Vendor Units" below.
(5) The purchase price is approximate and is subject to a post-closing adjustment for working capital and certain other items. Accordingly, the final purchase price may be higher or lower than this amount.

The following table highlights certain of the REIT's key performance indicators: (i) as at March 31, 2017, (ii) as at March 31, 2017, adjusted for acquisitions completed and under contract since March 31, 2017 and dispositions completed in the second quarter of 2017, and (iii) as at March 31, 2017, on a pro forma basis after giving effect to the those adjustments and the completion of the Transaction, the Equity Offering and the European Debt Offering.

	As at March 31, 2017(1)	**As at March 31, 2017 Adjusted(2)**	**Pro forma(4)**
Market capitalization (millions)(3)	\$1,513	\$1,513	\$1,900
Total assets (millions)(5)	\$3,190	\$3,394	\$4,329
Debt - average term to maturity (years)	5.8	6.1	5.7
Debt-to-gross book value	49.2%	52.7%	53.5%
Debt-to-gross book value, net of cash(6)	48.0%	52.3%	52.9%
Unencumbered assets (millions)	\$0	\$0	\$887
Unencumbered assets as a percentage of total assets	Nil	Nil	20.5%

Notes:

(1) See Q1 2017 MD&A.
(2) As at March 31, 2017, adjusted to give effect to the Airport Plaza and Bollwerk acquisitions announced during Q2 2017 and completed dispositions through Q2 2017.
(3) Based on units outstanding as at March 31, 2017 and a unit price of \$10.93. Pro forma gives effect to units to be issued in connection with the Transaction, but does not include units issued pursuant to the over-allotment option for the Equity Offering described below.
(4) Pro forma Adjusted amounts are presented as at March 31, 2017 and have been calculated, where applicable, using an exchange rate on March 31, 2017 of €1.00 equals C\$1.4251. Pro forma Adjusted amounts do not include the impact of additional borrowings (and related interest thereon) under the REIT`s revolving credit facility that may be required to satisfy the purchase price for the Transaction solely due to the appreciation of the Euro against the Canadian dollar since March 31, 2017, and do not account for post-closing adjustments to the purchase price.
(5) Using an exchange rate on March 31, 2017 of €1.00 equals C\$1.4251.
(6) Assumes no exercise of the over-allotment option for the Equity Offering described below.

Equity Offering

In order to provide partial funding for the Transaction, the REIT has entered into an agreement to sell, on a bought deal basis, in each of the provinces of Canada, 28,575,000 units of the REIT at a price of \$10.50 per unit, to a syndicate of underwriters, led by TD Securities Inc. The total gross proceeds of the Equity Offering will be \$300 million. The REIT has granted the underwriters an over-allotment option to purchase up to an additional 4,286,250 units, exercisable, in whole or in part, for a period of 30 days following the closing of the Equity Offering. If the over-allotment option is exercised in full, the gross proceeds of the Equity Offering will total approximately \$345 million.

The REIT expects to file, on July 19, 2017, with the securities commissions or other securities regulatory authorities in each of the provinces of Canada, a shelf prospectus supplement to the REIT's short form shelf prospectus dated June 15, 2017, relating to the offering of units. Closing of the Equity Offering is subject to customary conditions, including the approval of the Toronto Stock Exchange. Closing of the Equity Offering will also be conditional on the contemporaneous closing of the Transaction, and the units of the REIT will only be issued on closing of the Transaction.

European Debt Offering

The REIT has obtained committed financing from Morgan Stanley, and will launch an expected €375 million ($544.3 million) European offering of senior unsecured notes (the "Notes"). The Notes will have a fixed interest rate and an expected term of 4.4 years. The Notes will be issued by a finance subsidiary of the REIT and will be guaranteed by the REIT. The final terms of the Notes, including the interest rate and the issue price, will be announced following the conclusion of bookbuilding. The REIT has appointed Morgan Stanley as the underwriter and sole lead manager for the offering of the Notes.

Vendor Units

Pursuant to the Transaction Agreement, the REIT has agreed to satisfy €60 million ($87.1 million) of the purchase price for the Transaction through the issuance of units to the Vendors, on a private placement basis, at an agreed upon value equal to the closing price per unit on the date of this announcement. The Vendors have agreed not to sell any units of the REIT for a period of six months from the closing of the Transaction. The issuance of units to the Vendors is subject to the approval of the Toronto Stock Exchange.

"We believe this transaction will meaningfully improve the REIT's payout ratio and capital structure," said Tamara Lawson, CFO of Dream Global REIT. "The term of the unsecured debt offering complements our existing debt maturities very well and the all-in coupon rate is expected to compare favourably to the unsecured debenture rates for REITs in Canada."

Investor Presentation

To learn more about this transformational transaction, the management platform and the assets, please see the REIT's management presentation which is posted on the REIT's website at www.dreamglobalreit.ca under the section "Investors – Investor Presentations".

Conference Call

The REIT's management team will be holding a conference call at 4:30 p.m. ET today to provide an overview of the Transaction. Given the concurrent Equity Offering, there will not be a question and answer session following the presentation. 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 8325023#.

This news release does not constitute an offer to sell securities, nor is it a solicitation of an offer to buy securities, in any jurisdiction. This news release does not constitute an offer of securities for sale in the United States and the securities referred to in this news release may not be offered or sold in the United States absent registration or an exemption from registration.

About Dream Global REIT

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 13.6 million square feet of gross leasable area of office, industrial and mixed-use properties across Germany, Austria and Belgium. For more information, please visit www.dreamglobalreit.ca.

Forward-looking information

This press release contains forward-looking information within the meaning of applicable securities legislation. Forward-looking information generally can be identified by the use of forward-looking terminology such as “outlook”, “objective”, “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “plans”, or “continue”, or similar expressions suggesting future outcomes or events. Some of the specific forward-looking information may include, among other things, the REIT’s expectations regarding the Transaction, including the going in capitalization rate and the extent to which the Transaction is expected to be accretive to FFO and AFFO per unit, the expected effects of the Transaction on the REIT’s payout ratio and the REIT’s long-term growth profile, the manner in which the Transaction will be financed, including by use of the net proceeds of the Equity Offering and European Debt Offering, drawings on the REIT’s revolving credit facility and issuance of units on a private placement basis and the expected sources and uses of funds, the anticipated timing of completion of the Transaction, the Equity Offering and the European Debt Offering, expectations regarding the stability and growth of cash flows from the Transaction Portfolio, expectations that the Transaction Portfolio will diversify the tenant base of the REIT’s portfolio and the timing and amount of non-core assets targeted for disposition over the next 12 to 18 months. 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; and with respect to the Transaction referred to in this news release, the failure to satisfy or waive any conditions to the closing of the Transaction or to realize the expected benefits from the Transaction, as well as the risk that the properties may not perform as anticipated. Our objectives and forward-looking statements are based on certain assumptions, including that the Canadian and European 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 except as required by law. 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.

Non-GAAP Measures

The REIT’s consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”). This presentation contains references to financial measures, including “AFFO”, “FFO”, “NOI”, “debt-to-gross book value” and “debt-to-gross book value, net of cash”. These measures do not have a standardized meaning under IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. We have presented such non-GAAP measures as management believes they are relevant measures of our underlying operating performance and debt management. Non-GAAP measures should not be considered as alternatives to net income, total comprehensive income, cash generated from (utilized in) operating activities or comparable metrics determined in accordance with IFRS as indicators of Dream Global REIT’s performance, liquidity, cash flow, and profitability. For a full description of certain of these measures and, where applicable, a reconciliation to the most directly comparable measure calculated in accordance with IFRS, please refer to “Non-GAAP Measures and Other Disclosures” in the REIT’s most recent Management’s Discussion and Analysis.

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