EARLY WARNING REPORT

Item 1 – Security and Reporting Issuer

1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.

This report relates to the units ("**Units**") of Dream Residential Real Estate Investment Trust (the "**Issuer**"), an unincorporated open-ended real estate investment trust established under the laws of the Province of Ontario and Class B units ("**Class B Units**") of DRR Holdings LLC ("**Holdco LLC**"), a Delaware limited liability company and the operating subsidiary of the Issuer.

The Class B Units are, in all material respects, economically equivalent to the Units and are redeemable under certain circumstances by the holder thereof for cash or, as determined by Holdco LLC and as directed by the Issuer in its sole discretion, Units (on a one-for-one basis).

The address of the Issuer is:

Dream Residential Real Estate Investment Trust
30 Adelaide Street East, Suite 301
Toronto, Ontario, M5C 3H1

1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.

Not applicable. See Item 2.2 below.

Item 2 – Identity of the Acquiror

2.1 State the name and address of the acquiror.

Dream Unlimited Corp. ("**Dream**")
30 Adelaide Street East, Suite 301
Toronto, Ontario, M5C 3H1

Dream and its joint actors described in Item 2.3 are referred to collectively as the "**Dream Group**".

2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.

On May 6, 2022, the Issuer completed an initial public offering (the "**Offering**") pursuant to a final long form prospectus of the Issuer dated April 29, 2022 (the "**Prospectus**") and completed the indirect acquisition (the "**Acquisition**") of a portfolio of 16 multi-family residential properties located in the United States (the "**Initial Portfolio**").

Pursuant to the Offering and the Acquisition: (i) DAM (as defined below) committed to purchase 576,923 Units in the Offering; (ii) in recognition of advisory services provided to the Issuer by Dream Asset Manager (as defined below), 169,230 Units were issued to Dream Asset Manager LP (as defined below) at the offering price; and (iii) an aggregate of 38,461 Units and 1,548,921 Class B Units were issued to DAM USCo (as defined below) in connection with the Acquisition of the Initial Portfolio.

In connection with the closing of the Offering and the Acquisition, the Dream Group acquired beneficial ownership of, or control or direction over, an aggregate of 784,614 Units and 1,548,921 Class B Units (collectively, the "**Subject Units**") at a price of US$13.00 per unit. Further details regarding the transactions pursuant to which the Dream Group acquired beneficial ownership of, or control or direction over Units and Class B Units are set forth in the Prospectus.

2.3 State the names of any joint actors.

Dream Asset Management Corporation ("**DAM**")
Dream DRR Asset Management LLC ("**Dream Asset Manager**")
Dream DRR Asset Management LP ("**Dream Asset Manager LP**")
Dream DRR US Holdings Inc. ("**DAM USCo**")
Michael J. Cooper

Item 3 – Interest in Securities of the Reporting Issuer

3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file this report and the change in the acquiror's security holding percentage in the class of securities.

Immediately prior to the completion of the Offering and the Acquisition, the Dream Group did not have beneficial ownership of, or control or direction over any Units or Class B Units.

Immediately following the completion of the Offering and the Acquisition, the Dream Group beneficially owns, or has control or direction over, an aggregate of 784,614 Units and 1,548,921 Class B Units, together representing an aggregate approximate 11.8% effective ownership interest in the Issuer (determined as if all of the Class B Units are redeemed for Units). Further details regarding the securities held by the Dream Group are set forth in the Prospectus under the heading "Principal Unitholders".

3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file this report.

See Item 2.2 and Item 3.1.

3.3 If the transaction involved a securities lending arrangement, state that fact.

Not applicable.

3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.

See Item 3.1.

3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which

(a) the acquiror, either alone or together with any joint actors, has ownership and control,

See Item 3.1.

(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and

Not applicable.

(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Not applicable.

3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.

Not applicable.

3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.

Not applicable.

State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.

Not applicable.

3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.

Not applicable.

Item 4 – Consideration Paid

4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.

The Subject Units were valued at a price per share of US$13.00 on the closing of the Offering, or aggregate consideration of approximately US$30.3 million (C$16.67 per unit or aggregate consideration of approximately C$38.9 million based on the rate of exchange posted by the Bank of Canada on May 5, 2022 for conversion of U.S. dollars into Canadian dollars of US$1.00 = C$1.2822).

4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.

See Item 4.1.

4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.

See Item 2.2.

Item 5 – Purpose of the Transaction

State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:

(a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;

(b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;

(c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;

(d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;

(e) a material change in the present capitalization or dividend policy of the reporting issuer;

(f) a material change in the reporting issuer's business or corporate structure;

(g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;

(h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;

(i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;

(j) a solicitation of proxies from securityholders;

(k) an action similar to any of those enumerated above.

The Units held by the Dream Group are held for investment purposes. The Dream Group intends to evaluate its investment in Units on a continuing basis and either may acquire Units or decrease its holdings of Units in the future. Dream is controlled by Mr. Michael Cooper, President and Chief Responsible Officer. Michael Cooper holds an approximate 49% economic interest and 88% voting interest in Dream. A subsidiary of Dream will act as the asset manager for the Issuer. The Dream Group have no current intention, but depending on market conditions, general economic and industry conditions, the Issuer's business and financial condition and/or other relevant factors, the Dream Group may in the future form an intention, with respect to one or more of the transactions or matters referred to in paragraphs (b) through (k) above.

Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Each of DAM USCo and Dream Asset Manager LP entered into a lock-up agreement with the underwriters in respect of the Offering, pursuant to which DAM USCo and Dream Asset Manager LP agreed that they will not directly or indirectly, without the prior written consent of TD Securities Inc., on behalf of the underwriters, such consent not to be unreasonably withheld or delayed: (i) offer, sell, contract to sell, secure, pledge, grant or sell any option, right or warrant to purchase, or otherwise lend, transfer or dispose of any Units or securities exercisable, convertible, exchangeable or redeemable for Units, including the Class B Units; (ii) make any short sale, engage in any hedging transaction, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Units or securities exercisable, convertible, exchangeable or redeemable for Units, whether any such transaction is to be settled by delivery of Units, other securities, cash or otherwise; or (iii) publicly announce any intention to do any of the foregoing, except in conjunction with: (a) the acceptance of a *bona fide* take-over bid made to all Unitholders or similar acquisition transactions; (b) in the case of an individual who owns Units or Class B Units, any transfer resulting from or following the death, long-term incapacity or as contractually or legally required as a result of the change in marital status of such individual, provided, in each case, the terms of such transfer expressly prohibits the transferee party thereto from selling, transferring or otherwise disposing of, directly or indirectly, the transferred securities during the lock-up period; (c) a pledge of Units or Class B Units as collateral for a bona fide loan if the terms of such pledge expressly prohibit the party to which the pledge is granted from selling, directly or indirectly, the pledged securities during the lock-up period; (d) any transfer of Units or Class B Units among certain retained interest holders or any securityholder thereof. Further details regarding the lock-up arrangements are set forth in the Prospectus under the heading "Retained Interest – Lock-Ups".

DAM has also entered into a similar lock-up agreement pursuant to which it agreed with the underwriters in respect of the Offering to hold the Units purchased by DAM in connection with the Offering for a period commencing on the date of closing of the Offering and ending on the date that is 180 days after the closing of the Offering.

Item 7 – Change in Material Fact

If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

Item 8 – Exemption

If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

Item 9 – Certification

I, as the acquiror, certify, or I, as the agent filing this report on behalf of an acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Date: May 6, 2022.

DREAM UNLIMITED CORP.

By: *"Robert Hughes"*
Name: Robert Hughes
Title: General Counsel and Corporate Secretary