



## NEWS RELEASE

### **Summit Industrial Income REIT Enters Into Agreement to be Acquired by GIC in Partnership With Dream Industrial REIT in C\$5.9 Billion Transaction**

- GIC and Dream Industrial REIT to acquire Summit Industrial Income REIT in an all-cash transaction
- Summit unitholders to receive cash consideration of \$23.50 per unit by way of a special distribution and a redemption of units
- After receiving the unanimous recommendation of the special committee of the Board of Trustees of Summit, composed of independent trustees, the Board of Trustees of Summit has unanimously determined that the transaction is in the best interest of the REIT and REIT unitholders, is fair to REIT unitholders, and is unanimously recommending that unitholders vote in favour of the transaction
- The trustees and executive officers of the REIT, who as of the date hereof collectively hold approximately 6.9% of the issued and outstanding units, have entered into voting and support agreements to vote in favour of the transaction

**SINGAPORE/TORONTO, 07 November 2022** – Summit Industrial Income REIT ("Summit" or the "REIT") (TSX: SMU.UN), GIC and Dream Industrial REIT ("DIR") (TSX: DIR.UN) today announced that they have entered into an agreement (the "Arrangement Agreement") under which a joint venture (the "Joint Venture") between GIC and DIR will acquire Summit in an all-cash transaction valued at approximately C\$5.9 billion, including the assumption of certain debt (the "Transaction").

Under the terms of the Arrangement Agreement, Summit unitholders will receive \$23.50 per unit in cash by way of a special distribution and a redemption of units, which represents a premium of 31.1% to Summit's closing unit price on November 4, 2022, a premium of 33.4% to the REIT's 20-day volume weighted average price through November 4, 2022, and a 19.5% premium to Summit's current equity research consensus Net Asset Value estimate of \$19.66 per unit.

"We are pleased to provide an immediate and certain premium value to our unitholders through this all-cash transaction with GIC and Dream," said **Paul Dykeman, Chief Executive Officer and Trustee of Summit**. "The entire Board of Trustees and management team are proud to have executed on our strategy to develop and aggregate an attractive, diversified portfolio with a team that is dedicated to delivering best-in-class services to our tenants, and this value optimization transaction represents a successful culmination of these efforts. We are confident this transaction is in the best interest of the REIT and unitholders."

"We are pleased to bring GIC's expertise in real estate investing together with Dream's 25 years of experience as a world-class real estate developer, owner and asset manager. Through our partnership, Summit's assets will be positioned for continued success," said **Lee Kok Sun, Chief Investment Officer of Real Estate, GIC**.

"Summit has a premier portfolio of industrial properties defined by strong sector fundamentals, resilient cash flows, and stable market rent growth in key markets across Canada," said **Adam Gallistel, Head of Americas Real Estate, GIC**. "This is another strong addition to GIC's global real estate portfolio."



"We have been impressed by Summit and their continued strong execution and we are thrilled to welcome an exceptional team to Dream," said **Michael Cooper, Founder, Dream Group of Companies, and Trustee, Dream Industrial REIT**. "Summit's business fits perfectly with Dream's experience and management expertise, and we look forward to partnering with GIC."

Summit will release financial results for its third quarter ended September 30, 2022, on November 9, 2022, but, as a result of today's announcement, Summit will not host a conference call and webcast to discuss financial results and operations for the third quarter.

### **Transaction Details**

The Transaction, expected to close in the first quarter of 2023, is subject to customary conditions, including Summit unitholder, court, and regulatory approvals, and will occur via a plan of arrangement under the Canada Business Corporations Act, pursuant to which the Joint Venture will acquire all of the assets and assume all of the liabilities of the REIT and Summit will pay a special distribution and redeem all of its units for \$23.50 per unit in cash. The Arrangement Agreement contains customary terms and conditions, including deal protections. Summit unitholders of record as of October 31, 2022 will receive the previously declared monthly distribution for October that will be paid on November 15, 2022, following which Summit has agreed to suspend its monthly distribution through closing.

The foregoing summary is qualified in its entirety by the provisions of the Arrangement Agreement, a copy of which will be filed under the REIT's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The REIT expects to hold a special meeting of unitholders to consider and vote on the Transaction in mid-December 2022. The REIT will mail a management information circular and certain related documents to unitholders in connection with such meeting, copies of which will be filed on SEDAR at [www.sedar.com](http://www.sedar.com).

### **Additional Details on the Joint Venture and Transaction Financing**

GIC and DIR have formed a limited partnership (the "Purchaser") with an ownership structure of 90% and 10%, respectively.

A subsidiary of Dream Unlimited Corporation ("Dream") (TSX: DRM) will be the asset manager for the Joint Venture and DIR will provide property management, accounting, construction management, and leasing services to the Joint Venture at market rates. DIR and Dream intend to continue employing the majority of Summit employees post-closing of the Transaction.

Concurrent with closing of the Transaction, the Purchaser will assume Summit's \$925 million of outstanding unsecured debentures as successor entity to Summit, in accordance with the trust indenture. In addition, the Purchaser also intends to assume Summit's existing mortgages. The Joint Venture has arranged committed financing through TD Securities to backstop any mortgages where the lender does not provide consent to the assumption. In addition, The Toronto-Dominion Bank has fully underwritten a \$400 million committed revolving credit facility for future liquidity requirements, which is expected to be largely undrawn at closing. No other incremental debt will be used by the Joint Venture to finance the acquisition of Summit. The Transaction financing has been structured with the intent of the Purchaser maintaining Summit's current DBRS Limited "BBB" credit rating with a positive trend.

### **Advisors**



BMO Capital Markets is acting as exclusive financial advisor to Summit and has provided the Board of Trustees with a fairness opinion in respect of the Transaction. McCarthy Tétrault LLP is acting as legal counsel to Summit.

TD Securities is acting as exclusive financial advisor to the Joint Venture and Osler, Hoskin & Harcourt LLP and Stikeman Elliott LLP are acting as legal counsel to DIR and GIC, respectively. CBRE is acting as real estate advisor to the Joint Venture. Skadden, Arps, Slate, Meagher & Flom LLP is acting as legal counsel to GIC. King & Spalding LLP is acting as US legal counsel to DIR in connection with the Joint Venture arrangements.

Scotiabank is acting as financial advisor and Goodmans LLP is acting as legal counsel to DIR's special committee.

Morrow Sodali is acting as strategic unitholder advisor and proxy solicitation agent.

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### **About Summit Industrial Income REIT**

Summit Industrial Income REIT is an unincorporated open-ended trust focused on growing and managing a portfolio of light industrial properties in key markets across Canada. Summit's units are listed on the Toronto Stock Exchange and trade under the symbol SMU.UN. For more information, please visit [www.summitireit.com](http://www.summitireit.com).

### **About GIC**

GIC is a leading global investment firm established in 1981 to secure Singapore's financial future. As the manager of Singapore's foreign reserves, GIC takes a long-term, disciplined approach to investing, and is uniquely positioned across a wide range of asset classes and active strategies globally. These include equities, fixed income, real estate, private equity, venture capital, and infrastructure. The firm's long-term approach, multi-asset capabilities, and global connectivity enable them to be an investor of choice. GIC seeks to add meaningful value to its investments. Headquartered in Singapore, GIC has a global talent force of over 1,900 people in 11 key financial cities and has investments in over 40 countries. Further information is available at [www.gic.com.sg](http://www.gic.com.sg).

### **About Dream Industrial Real Estate Investment Trust**

Dream Industrial REIT is an unincorporated, open-ended real estate investment trust. As at September 30, 2022, Dream Industrial REIT owns, manages and operates a portfolio of 258 industrial assets totaling approximately 46.5 million square feet of gross leasable area in key markets across Canada, Europe, and the U.S. Dream Industrial REIT's objective is to continue to grow and upgrade the quality of its portfolio which primarily consists of distribution and urban logistics properties and to provide attractive overall returns to its unitholders. For more information, please visit [www.dreamindustrialreit.ca](http://www.dreamindustrialreit.ca).

### **About Dream Unlimited Corp.**

Dream is a leading developer of exceptional office and residential assets in Toronto, owns stabilized income generating assets in both Canada and the U.S., and has an established and successful asset management business, inclusive of \$17 billion of assets under management across four Toronto Stock Exchange listed trusts, a private asset management business and numerous partnerships. Dream also develops land and residential assets in Western Canada. Dream expects to generate more recurring income in the future as its urban development properties are completed and held for the long term. Dream has a proven track record for being innovative and for its ability to source, structure and execute on compelling investment opportunities. For more information please visit: [www.dream.ca](http://www.dream.ca).

### **Caution Regarding Forward Looking Information**

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "goal" and similar expressions are intended to identify forward-looking information or statements. More particularly and without limitation, this news release contains forward looking statements and information concerning the Transaction and the terms thereof; the anticipated closing of the Transaction*



*including the timing thereof; the release third quarter financial results of Summit; the expected October monthly distribution and the suspension of distribution thereof of Summit. There can be no assurance that the proposed Transaction will be completed or that it will be completed on the terms and conditions contemplated in this news release. The proposed Transaction could be modified, restructured or terminated in accordance with its terms. Forward-looking statements are based on information available at the time they are made, underlying estimates and assumptions made by management and management's good faith belief with respect to future events, performance and results. Such assumptions include, without limitation, expectations and assumptions concerning the market price of the Units, the anticipated benefits of the Transaction to unitholders, the receipt in a timely manner of regulatory, court, unitholder and other approvals for the Transaction, and the availability of cash flow from operations to meet monthly distributions. Although Summit, DIR and Dream each believe that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because neither Summit nor DIR nor Dream can give assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed, and given the impact of the COVID-19 pandemic and government measures to contain it, as well as the current geopolitical environment, there is inherently more uncertainty associated with the REIT's assumptions as compared to prior periods. These risks and uncertainties include, but are not limited to, in ability to satisfy the conditions applicable to the Transaction, tenant risks, interest rate risk, inflation risks; current economic environment, including disputes between nations, war and international sanctions, environmental matters and general insured and uninsured risks. A discussion of other risks that impact Summit, DIR and Dream can also be found in their public reports and filings which are available under their respective profiles at [www.sedar.com](http://www.sedar.com). Summit, DIR and Dream undertake no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.*

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