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**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST  
RELEASES FIRST QUARTER 2017 RESULTS**

TORONTO, May 11, 2017 /CNW/ - NorthWest Healthcare Properties Real Estate Investment Trust (the "REIT") (TSX: NWH.UN), Canada's leading global diversified healthcare real estate investment trust, today announced its results for the three months ended March 31, 2017.

**2017 First Quarter Financial and Operational Highlights:**

For the three months ended March 31, 2017, the REIT delivered strong financial and operating results with key highlights as follows:

- AFFO per unit for the first quarter 2017 of \$0.25 and \$0.98 on an annualized basis (\$0.94 per unit on a normalized basis)
- AFFO payout ratio of 81.6% (85.1% normalized) for the first quarter based on the REIT's annual distribution of \$0.80 per unit;
- Recognition of a \$72.5M fair value gain in the REIT's total investment property portfolio, primarily driven by gains in Brazil and Australasia;
- Normalized net asset value of \$12.55 per unit, an increase of approximately 7.7% from Q4-2016 as a result of positive revaluations and currency appreciation;
- Leverage declined to 39.2% (48.0 % including convertible debentures) on a normalized basis, from 41.5% (51.5% including convertible debentures) at the end of 2016;
- Strong portfolio occupancy of 95.7%, led by the international portfolio occupancy of 98%;
- Weighted average lease expiry of 11.2 years, underpinned by the international portfolio with a weighted average lease expiry of 15.7 years; and
- Cash same property NOI growth of 2.1% and 6.0%, relative to Q4-2016 and Q1-2016, respectively, driven largely by inflation indexation adjustments on leases at the REIT's international assets.
- Completed 46% and 59% of FY budgeted new and renewal leasing in the REIT's MOB portfolio, including the renewal of approximately 50% of Bantrel's space in West Canada.

During the first quarter and subsequent to quarter end, the REIT has continued executing on committed, low-risk development and expansion projects, completing accretive debt and equity financings and pursuing select accretive acquisitions, including the addition of strategic healthcare assets in Australia – one of its core international markets.

Key initiatives include:

- Completed two equity offerings in January and April generating approximately \$180M of net proceeds, improving the REIT's financial profile and providing incremental capital to fund accretive growth;
- Repaid and refinanced approximately \$67M of property level debt with new mortgages totaling \$71M at a lower interest rate including expanding the REIT's credit facility by another \$20M to \$100M;
- Completed \$117M of acquisitions:

- In Australia/New Zealand – acquisitions totaling \$83M highlighted by the REIT's strategic investment in Generation;
- In Canada – 1 acquisition totaling \$2.2M,
- In Germany – acquisition of two properties totaling \$31.4M.
- Acquired additional Generation Healthcare REIT ("Generation") units for \$ 13.4M increasing the REIT's interest to approx. 22.7% from 19.8%, and;
- Subsequent to quarter end, offered to acquire the balance of Generation units that it does not already own for A\$2.30 per unit in an unconditional and board recommended transaction expected to close in Q2-17. As at May 11, 2017, the REIT's ownership interest in Generation has increased by 6.0% to 28.7%

For the balance of 2017 building on these strong results and portfolio improvements, the REIT will continue to drive internal growth through completion of its 8 active value-add development projects while adding accretive growth through \$157M previously announced acquisition and development opportunities. Finally, the REIT will advance ongoing discussions with new institutional partners in each of its international markets as a means to leverage its platform in the continuing consolidation of healthcare real estate globally.

In support of the REITs strategy, healthcare industry trends remain constructive globally.

Paul Dalla Lana, the REIT's CEO noted:

"I am pleased that the NorthWest global team has been able to deliver results at the high end of our guidance range underpinned by an even larger and better portfolio. This strong performance is supported by our long-term, inflation indexed assets and as a result the REIT is even better positioned to deliver stable and growing returns to its unitholders. Further, we continue to be the real estate partner of choice to the healthcare industry which provides exceptional global opportunities to grow accretively and enhance unitholder value."

#### **Selected Financial Information:**

<i>(unaudited)</i>	<i>Three Months Ended</i>	<i>Three Months Ended</i>
<i>(\$000's, except unit and per unit amounts)</i>	<i>March 31,2017</i>	<i>December 31,2016</i>
Number of properties	141	138
Gross leasable area (sf)	9,512,107	9,376,600
Occupancy <sup>(1)</sup>	95.7%	95.6%
Weighted Average Lease Expiry (Years)	11.2	11.1
Net Operating Income	\$52,894	\$63,557
Net (Loss) Income attributable to unitholders	\$49,799	\$77,457
Funds from Operations ("FFO")	\$24,524	\$21,354
Adjusted Funds from Operations ("AFFO")	\$23,083	\$19,184
Debt to Gross Book Value – Declaration of Trust	40.6%	41.5%
Debt to Gross Book Value – Including Convertible Debentures	49.9%	51.5%
<u>Per unit data</u>		

FFO	\$0.26	\$0.24
AFFO	\$0.25	\$0.22
Distributions	\$0.20	\$0.20
AFFO Payout ratio	82%	92%

The REIT invites you to participate in its conference call with senior management to discuss our first quarter 2017 results on Friday, May 12, 2017 at 10:00 AM (Eastern).

The conference call can be accessed by dialing 647-427-7450 or 1-888-231-8191. The conference ID is 18815129.

Audio replay will be available until May 19, 2017 by dialing 416-849-0833 or 1-855-859-2056. The passcode is 18815129.

In conjunction with the release of the REIT's first quarter 2017 financial results, the REIT will post a current investor update presentation to its website where additional information on the REIT's investments and operating performance may be found. Please visit the REIT's website at [www.nwhreit.com/Investors/Presentations](http://www.nwhreit.com/Investors/Presentations)

### **Vital Healthcare Property Trust**

On May 10, 2017, Vital Trust also announced its financial results for the 3 months ended March 31, 2017. Details on Vital Trust's financial results are available on Vital Trust's website at [www.vitalhealthcareproeprty.co.nz](http://www.vitalhealthcareproeprty.co.nz)

### **Generation Healthcare REIT**

On May 18, 2017, Generation announces its financial results for the 3 months ended March 31, 2017. Details on Generation's financial results are available on Generation's website at [www.generationreit.com.au](http://www.generationreit.com.au)

### **About NorthWest Healthcare Properties Real Estate Investment Trust**

NorthWest Healthcare Properties Real Estate Investment Trust (TSX: NWH.UN) (**NorthWest**) is an unincorporated, open-ended real estate investment trust established under the laws of the Province of Ontario. NorthWest provides investors with access to a portfolio of high quality healthcare real estate assets comprised of interests in a diversified portfolio of 142 income-producing properties and 9.5 million square feet of gross leasable area. Its properties are located throughout major markets in Canada, Brazil, Germany, Australia and New Zealand. NorthWest's portfolio of medical office buildings, clinics, and hospitals is characterized by long term indexed leases and stable occupancies. With a fully integrated and aligned senior management team, NorthWest leverages over 180 professionals across 9 offices in 5 countries to serve as a long term real estate partner to leading healthcare operators.

For further information, please contact Paul Dalla Lana, CEO at (416) 366-8300 x 1001.

### **Non-IFRS Measures**

Some financial measures used in this press release, such as FFO, AFFO, Normalized AFFO, Net Asset Value per Unit, portfolio occupancy and weighted average lease expiry, are used by the real estate industry to measure and compare the operating performance of real estate companies, but they do not have any standardized meaning prescribed by IFRS. As such, they are unlikely to be comparable to similar measures presented by other real estate companies. These non-IFRS measures are more fully

defined and discussed in the REIT's Management's Discussion and Analysis ("MD&A") for the first quarter ending March 31, 2017, which is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). Also on SEDAR are the condensed consolidated unaudited interim financial statements of the REIT for the three months ended March 31, 2017.

This press release may contain forward-looking statements with respect to the REIT, its operations, strategy, financial performance and condition. These statements generally can be identified by use of forward-looking words such as "may", "will", "expect", "estimate", "anticipate", "intends", "believe", "normalized", "contracted", "stabilized" or "continue" or the negative thereof or similar variations. The REIT's actual results and performance discussed herein could differ materially from those expressed or implied by such statements. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the transactions contemplated herein are completed. Important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market factors, competition, changes in government regulations and the factors described under "Risks and Uncertainties" in the REIT's Annual Information Form and the risks and uncertainties set out in the MD&A which are available on [www.sedar.com](http://www.sedar.com). These cautionary statements qualify all forward-looking statements attributable to the REIT and persons acting on its behalf. Unless otherwise stated, all forward-looking statements speak only as of the date of this press release, and, except as expressly required by applicable law, the REIT assumes no obligation to update such statements.