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**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST  
RELEASES STRONG FIRST QUARTER 2018 RESULTS**

**TORONTO, May 15, 2018** - 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, 2018.

Commenting on the activity in Q1-2018, Paul Dalla Lana CEO of the REIT, said:

"The first quarter of 2018 marked another active period for the REIT, highlighted by the growth of its German portfolio through continued expansion of our MOB platform and entry into the post-acute care space, the integration and rebranding of its Australasian management platforms, and the completion of significant Canadian capital recycling initiatives. Subsequent to quarter-end, the REIT acquired a 10% strategic interest in Healthscope Ltd., Australia's second largest private hospital operator with an objective to acquire its underlying high quality real estate portfolio in conjunction with Vital Trust. In addition, significant progress was made with respect to its planned Australian institutional joint venture initiative targeting finalization later in the second quarter."

**Q1-2018 Financial and Operational Highlights:**

In addition to a very busy transactional quarter, the REIT continued to deliver another stable quarter of financial and operational performance across an expanded 148 property, 10.1 million square foot diversified healthcare real estate portfolio underpinned by long-term inflation indexed leases. For the three months ended March 31, 2018, the REIT delivered strong financial and operating results, illustrated by the following:

- Total revenue has increased 21.8% in Q1 2018 to \$88.2 million from \$72.5 million in Q1 2017 primarily driven by the acquisition of the Australia REIT and net investment activity in Canada, Germany, and Vital Trust;
- Total operating income<sup>1</sup> has increased by 17.9% to \$70.2 million over the first quarter of 2017;
- Reported Net Income of \$14.5 million;
- Reported and Normalized AFFO per unit for the first quarter 2018 of \$0.21 and \$0.23, respectively;
- Source currency weighted adjusted SPNOI growth of 1.8% in Q1 2018 as compared to Q1-2017;
- Recognition of a \$8.0 million fair value gain in the REIT's total investment property portfolio, driven primarily by gains in Australasia and Brazil;
- Leverage of 46.9% (53.1% including convertible debentures) at the end of Q1 2018. The REIT continues to target a 40% leverage ratio and expects leverage to decline towards that target;
- Gross book value has increased by 1.6% from \$4.7 billion to \$4.8 billion;
- Net asset value per unit has increased by 2.7% to \$12.32 primarily driven by portfolio valuation gains and currency appreciation;

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<sup>1</sup> Defined as NOI plus (i) share of profit (loss) from associates; (ii) management fees; and (iii) interest income

- Strong portfolio occupancy of 96.3% rising 40 bps from Q4 2017 and the international portfolio holding stable above 99% occupancy;
- Weighted average lease expiry of 12.7 years increased by 0.6 years from Q4 2017, underpinned by the international portfolio with a weighted average lease expiry of 16.6 years; and
- The percentage of leases subject to annual indexation is 70.7% and serves as a strong base to deliver organic growth and a natural hedge in a rising interest rate environment.

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

#### Key initiatives include:

- Completed \$341M of transactional activity:
  - In Germany acquisitions totaled \$119M;
  - Through its NWH Australia platform acquisitions totaled \$55M; and
  - Capital recycling activities in Canada totaled \$167M.
- Acquired a ~10% strategic stake in Healthscope, Australia's second largest hospital operator; the REIT's objective is to acquire Healthscope's underlying high quality real estate portfolio in conjunction with Vital Trust; and,
- Advanced its A\$2.0 billion Australian institutional joint venture initiative. Subject to completion of financial and legal due diligence and formal documentation, the REIT expects to finalize this initiative late in the second or early third quarter.

For the balance of 2018 building on these strong results and portfolio improvements, the REIT will continue to drive internal growth through completion of its 11 active value-add development projects.

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

#### Selected Financial Information:

<i>(unaudited)</i> <i>(\$000's, except unit and per unit amounts)</i>	<i>Three months ended March 31, 2018</i>	<i>Three months ended December 31, 2017</i>
Number of properties	148	146
Gross leasable area (sf)	10,072,474	10,199,039
Occupancy <sup>(1)</sup>	96.3%	95.9%
Weighted Average Lease Expiry (Years)	12.7	12.1
Net Operating Income	\$66,177	\$63,229
Net Income (Loss) attributable to unitholders	\$958	\$34,384
Funds from Operations ("FFO")	\$23,187	\$23,009
Adjusted Funds from Operations ("AFFO")	\$25,070	\$23,332
Debt to Gross Book Value - Declaration of Trust	46.9%	46.8%
Debt to Gross Book Value - Including Convertible Debentures	53.1%	53.1%

The REIT invites you to participate in its conference call with senior management to discuss our first quarter 2018 results on Wednesday, May 16, 2018 at 5:00 PM (Eastern).

The conference call can be accessed by dialing (647) 427-7450 or 1 (888) 231-8191. The conference ID is 8775329.

Audio replay will be available until May 16, 2018 by dialing 416-849-0833 or 1-855-859-2056. The passcode is 8775329.

In conjunction with the release of the REIT's first quarter 2018 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 11, 2018, Vital Trust also announced its financial results for the period ended March 31, 2018. Details on Vital Trust's financial results are available on Vital Trust's website at [www.vitalhealthcareproperty.co.nz](http://www.vitalhealthcareproperty.co.nz)

### **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. As at March 31, 2018 The REIT provides investors with access to a portfolio of high quality international healthcare real estate infrastructure comprised of interests in a diversified portfolio of 148 income-producing properties and 10.1 million square feet of gross leasable area located throughout major markets in Canada, Brazil, Germany, Australia and New Zealand. The REIT'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, the REIT leverages over 180 professionals across nine offices in five 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 Operating Income, adjusted same-property NOI, 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 fourth 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.

### **Forward-Looking Statements**

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.