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**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST  
RELEASES STRONG THIRD QUARTER 2018 RESULTS AND CONTINUED EXECUTION  
ON STRATEGIC PRIORITIES**

**TORONTO, November 9, 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 and nine months ended September 30, 2018.

Commenting on recent developments at the REIT, Paul Dalla Lana, CEO, said:

"The third quarter of 2018 was another active period for the REIT highlighted by the acquisition of Hospital Morumbi in Brazil and the successful closing of the Seed Portfolio into the REIT's \$2.0 billion (debt & equity) institutional joint venture (the "JV"). During this particularly active moment in Australasian healthcare real estate, closing the JV is an important milestone, as it adds a deep new source of capital to allow the REIT to leverage its market leading platform to execute upon the extensive near-term pipeline of growth opportunities. Meanwhile in the REIT's other global markets, it continues to see significant opportunities to capitalize on its differentiated healthcare real estate platform to grow, particularly in Europe and increasingly within Brazil as the REIT looks to leverage the relative strength of the Canadian dollar to accretively deploy capital. To fully exploit the opportunity, the REIT anticipates attracting additional fee bearing institutional capital to support its growth pipeline. Taken together, these initiatives provide the REIT with significant runway and resources to continue to scale its business in both the near and long-term."

**Q3-2018 Financial and Operational Highlights:**

In addition to a very busy transactional quarter, the REIT continued to deliver stable financial and operational performance across an expanded 153 property (including subsequent events), 10.8 million square foot diversified healthcare real estate portfolio underpinned by long-term inflation indexed leases. Although the relative strength of the Canadian dollar in all of our international regions negatively impacted third quarter results, strong source currency SP NOI and higher ANZ management fees have resulted in a stable operating result, which is expected to translate into future growth given natural portfolio hedges including inflation indexation.

For the three months ended September 30, 2018, the REIT delivered strong financial and operating results, illustrated by the following:

- Total revenue increased 3.7% in Q3 2018 to \$87.0 million from \$83.9 million in Q3 2017 primarily driven by net acquisition in Germany, the Netherlands, Canada and Vital Trust;
- Total operating income<sup>1</sup> has increased by 11.8% to \$70.9 million over the third quarter of 2017;
- Reported Net Loss of \$28.5 million was driven by a one-time adjustment to write-off of \$50.1 million of Goodwill related to the sale of the Seed Portfolio;
- Reported and Normalized AFFO per unit for the third quarter 2018 of \$0.20 and \$0.22 respectively;
- Source currency adjusted SPNOI growth of 4.0% in Q3 2018 as compared to Q3 2017;
- Recognition of a \$43.5 million fair value gain in the REIT's total investment property portfolio, driven primarily by gains in Canada and Germany;

- Leverage of 49.4% (55.7% including convertible debentures) at the end of Q3 2018. The REIT continues to target a 40% leverage ratio and expects leverage to decline towards that target over the mid-term;
- Net asset value per unit of \$11.09, representing a 7.6% decrease over Q2 2018 primarily driven by currency depreciation. Adjusting for currency appreciation post quarter end, September 30, 2018 NAV per unit would increase to \$11.45;
- 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 12.5 years increased by 0.4 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<sup>2</sup> is 72.5% and serves as a strong base to deliver organic growth and a natural hedge in a rising interest rate environment.

During both the third quarter and subsequent to quarter-end, the REIT has continued executing on its committed, low-risk development pipeline, completing accretive debt refinancing and pursuing select accretive acquisitions, including the addition of Hospital Morumbi in Brazil.

**Key initiatives include:**

- Completed \$308 million of transactional activity:
- C\$88 million acquisition of Hospital Morumbi in Brazil from Rede D'Or, Brazil's leading private hospital operator. As part of the transaction the REIT agreed to acquire the hospital administration building at the REIT's existing HMB property the ongoing development of a new out-patient care building onsite for a combined \$30M along with a renewed 25 year lease for the entire project upon completion. The acquisition of the hospital administration building is subject to normal course conditions and is expected to close in the first half of 2019;
- C\$12 million acquisition of Australian development lands;
- C\$208 million sale of a 70% interest in three high quality income producing Australian healthcare assets and one development property to the REIT's institutional JV partner.

For the balance of 2018 and building upon strong YTD results and portfolio improvements, the REIT will continue to drive internal growth through completion of its 9 active value-add development projects as well as execute on strategic growth initiatives in each of its regions. In support of the REIT's strategy, healthcare industry trends remain constructive globally with increasing levels of institutional investment validating the sector's defensive characteristics and growth opportunities.

**Selected Financial Information:**

<i>(unaudited)</i> <i>(\$000's, except unit and per unit amounts)</i>	<i>Three months ended September 30, 2018</i>	<i>Three months ended June 30, 2018</i>
Number of properties	153	152
Gross leasable area (sf)	10,841,260	10,607,298
Occupancy <sup>(1)</sup>	96.3%	96.4%
Weighted Average Lease Expiry (Years)	12.5	12.3
Net Operating Income	\$65,213	\$65,254
Net Income (Loss) attributable to unitholders	\$(29,290)	\$21,303
Funds from Operations ("FFO")	\$24,504	\$24,601
Adjusted Funds from Operations ("AFFO")	\$24,294	\$24,392
Debt to Gross Book Value - Declaration of Trust	49.4%	50.2%
Debt to Gross Book Value - Including Convertible Debentures	55.7%	56.1%

The REIT invites you to participate in its conference call with senior management to discuss our third quarter 2018 results on Monday, November 12, 2018 at 9:00 AM (Eastern).

Investors are invited to access the call by dialing 416-764-8609 or toll-free 1 (888) 390-0605, conference ID# 79678048. A recording of this call will be made available Monday, November 12, 2018 beginning at 12:45 pm (ET) through to Monday, November 19, 2018. To access the recording, please call 1 (888) 390-0541 or (416) 764-8677 and use the reservation number 75382771.

The conference call can be accessed by dialing (416) 764-8609 or toll-free 1 (888) 390-0605. The conference ID is 75382771.

Audio replay will be available until November 16, 2018 by dialing (416) 764-8677 or 1 (888) 390-0541. The passcode is 678048#.

In conjunction with the release of the REIT's third 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 November 9, 2018, Vital Trust also announced its 2018 first quarter results for the three months ended September 30, 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 September 30, 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 153 income-producing properties and 10.8 million square feet of gross leasable area located throughout major markets in Canada, Brazil, Europe, 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 third quarter ending September 30, 2018, 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 September 30, 2018.

### **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.