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**NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST RELEASES  
STRONG FIRST QUARTER 2019 RESULTS AND ANNOUNCES INSTITUTIONAL JV  
PARTICIPATION IN \$1.2BN AUSTRALIAN HOSPITAL PORTFOLIO ACQUISITION**

TORONTO, May 9, 2019 /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, 2019.

Commenting on the activity, Paul Dalla Lana, CEO of the REIT, said:

"So far in 2019, the REIT has executed on its largest strategic priority, entering into a transaction to acquire 11 high quality Australian hospitals from Healthscope for \$1.2 billion and confirming our existing institutional joint venture partner's commitment to participate. This highly accretive transaction, which is expected to close in the June, solidifies the REIT's position as the dominant player in Australasian healthcare real estate and further strengthens ties with its JV partner. Outside of Australia, the business is similarly firing on all cylinders with momentum in the European platform with five high quality property acquisitions totaling \$150M closed and committed as well as in the capital markets where the REIT completed a \$144M equity financing, broadened its institutional investor base and was added to the S&P/TSX REIT Index.

As we look forward, the opportunities in front of the REIT continue to grow as the trends of healthcare operator consolidation and a shift towards a capital light model play out globally, unlocking high quality real estate opportunities across our platform. With strong relationships, established high quality local operating platforms and strong access to public and increasingly attractively priced private capital, the REIT is well positioned to execute on further strategic transactions."

**2019 First Quarter Financial and Operational Highlights:**

For the three months ended March 31, 2019, the REIT delivered another quarter of strong financial and operating results with key highlights as follows:

- Revenue increased 4.2% in Q1 2019 to \$91.9 million from \$88.2 million in Q1 2018 primarily driven by net acquisition activity;
- Total Operating Income increased by 2.5% to \$73.1 million over Q4 2018;
- Reported and Normalized AFFO per unit for the first quarter 2019 of \$0.20 and \$0.225 respectively;
- Leverage at 46.3% (54.5% including convertible debentures) at the end of Q1 2019. The REIT continues to target a 50% leverage ratio and expects leverage to decline towards that target;

- Net asset value per unit of \$11.65, representing a 5.3% decrease from Q4 2018 primarily driven by currency depreciation and equity dilution but partially offset by valuation gains;
- Source currency and Canadian dollar cash recurring SPNOI growth of 2.5% and (0.9)%, respectively, in Q1 2019 as compared to Q1 2018;
- Strong portfolio occupancy of 96.8% rising 10 bps from Q4 2018 with the international portfolio holding stable above 98% occupancy.

During the first quarter and subsequent to quarter end, the REIT has continued to execute on committed, low-risk development and expansion projects, completing accretive debt and equity financings and pursuing select accretive acquisitions. Significant achievements included:

- **Advancing strategic priorities:** During the quarter, the REIT entered into a \$1.2 billion acquisition of 11 high quality Australian hospitals from Healthscope. The REIT is pleased to announce its existing joint venture (“JV”) partner will participate in the transaction. As a result, the REIT’s JV partner will acquire a 70% interest with NorthWest retaining a 30% interest and providing management.
  - Transaction financing: To finance the transaction, the REIT and its JV partner have arranged a new property-level debt facility for approximately \$769 million (A\$808 million) with an initial interest rate of approximately 3.0%, approximately 130 bp lower than previously forecast. This equates to an equity requirement of approximately \$428 million (A\$450 million) and the REIT has funded its share of approximately \$129 million (A\$135 million) from proceeds of its existing investment in Healthscope and in place deposits.
  - Significant Accretion: The REIT expects the transaction to generate \$0.11 per unit of incremental AFFO in year 1 and an initial \$0.09 per unit on a recurring basis.
- **Acquisitions:** To date, the REIT has closed and/or committed to \$205M of accretive acquisitions at a weighted average cap rate of 5.9% and funded at a blended LTV of 61.0% at a weighted average interest rate of 2.4%.
  - In Australia, the REIT committed to acquire the Waratah Private Hospital in Sydney together with its institutional partner for \$57.3M. As part of the transaction the REIT will sell its existing stake in the ground floor retail units into the JV for \$8.9M and the REIT’s existing loan of \$6.9M will be repaid. The transaction is expected to close in August, and will be a net capital generator for the REIT, and drive incremental management fees.
  - In Europe, the REIT acquired a rehabilitation clinic and MOB for \$64.2M in the quarter and subsequent to quarter-end acquired a second rehabilitation clinic for \$26.7M. The REIT has agreed to acquire two additional properties for \$56.5M that are expected to close in late Q2 and early Q3. The committed acquisitions will be funded from a combination of low-cost mortgages at a weighted average interest rate of approximately 2.0%.
- **Developments:** During the quarter, the REIT progressed its earnings and NAV accretive development projects. On a fully consolidated basis the REIT has approximately \$227M of projects under construction and a further approximately \$143 million of committed projects, expecting to generate incremental stabilized NOI of \$23.7 between Q2 2019 and Q4 2022. This drives an incremental \$42.7M of value creation given the ~75 bps development margin, on a fully consolidated basis.
- **Capital markets:**
  - In Q1, the REIT closed a \$143.8M equity offering (including full exercise of the overallotment option), which was used to repay higher cost debt and reduce leverage by ~120 bps QOQ;

- Enhanced capital market profile; during the quarter the REIT broadened its institutional investor base and was added to the S&P/TSX Composite Index and the S&P/TSX REIT Index.

Looking ahead and building on strong and consistent quarterly operational results, the REIT is focused on further deleveraging consistent with its 50% LTV target as well as continuing to execute on its accretive acquisition and development pipeline. Over the balance of 2019, the REIT will continue to advance ongoing discussions with institutional capital partners in each of its international markets as a means to leverage its platform in the continuing consolidation of healthcare real estate globally.

### Selected Financial Information:

<i>(unaudited)</i> <i>(\$000's, except unit and per unit amounts)</i>	<i>Three months ended March 31, 2019</i>	<i>Three months ended December 31, 2018</i>
Number of properties	158	156
Gross leasable area (sf)	11,922,414	11,244,071
Occupancy <sup>(1)</sup>	96.8%	96.7%
Weighted Average Lease Expiry (Years)	13.0	12.6
Net Operating Income	\$69,092	\$66,802
Net Income (Loss) attributable to unitholders	\$(57,988)	\$72,744
Funds from Operations ("FFO")	\$26,756	\$26,525
Adjusted Funds from Operations ("AFFO")	\$25,045	\$24,569
Debt to Gross Book Value - Declaration of Trust	46.3%	47.8%
Debt to Gross Book Value - Including Convertible Debentures	54.5%	55.7%

The REIT invites you to participate in its conference call with senior management to discuss our first quarter 2019 results on Friday, May 10, 2019 at 10:00 AM (Eastern).

The conference call can be accessed by dialing 416-764-8609 or 1 (888) 390-0605. The conference ID is 74932532.

Audio replay will be available until May 10, 2019 through May 17, 2019 by dialing 416-764-8677 or 1 (888) 390-0541. The reservation number is 932532#.

In conjunction with the release of the REIT's first quarter 2019 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 9, 2019, Vital Trust also announced its financial results for the three months ended March 31, 2019. 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, 2019 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 158 income-producing properties and 11.9 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 in 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 first quarter ending March 31, 2019, 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, 2019.

### **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.