NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST REPORTS STRONG SECOND QUARTER RESULTS AND CONTINUED PROGRESS ON STRATEGIC INITIATIVES

TORONTO, August 11, 2022 /CNW/ - NorthWest Healthcare Properties Real Estate Investment Trust (the "REIT") (TSX: NWH.UN), today announced its results for the three and six months ended June 30, 2022.

NorthWest's inflation indexed $10.2 billion, 232 property portfolio performed well in the second quarter of 2022 and the REIT delivered strong financial results, highlighted by AFFO per unit of $0.20 (see Exhibit 2) and year over year NAV per unit growth of 8.0% (see Exhibit 4). These results are underpinned by the REIT's foundational pillars including:

Defensive Real Estate Portfolio:

The REIT's high-quality and defensive portfolio delivered strong operational results including 3.6% same property NOI growth which is up 120 bp from last quarter as leases that pass the annual rent review dates begin to roll at higher rates. The REIT continues to have market leading cash flow stability with portfolio occupancy at 97%, a weighted average lease expiry of 14.1 years and 82% of the portfolio subject to rent indexation.

Capital Formation:

The REIT completed a series of important initiatives during the quarter including supporting Vital's $175 million (NZ$200 million) equity offering that closed on May 6, 2022 with an approximately $50 million (NZ$55.0 million) lead order to maintain its pro-rata ownership. This investment will support the next leg of Vital's growth which is underpinned by approximately $240 million (NZ$293 million) of committed development projects along with a potential future development pipeline of approximately $1.5 billion (NZ$1.8 billion), both of which are key drivers of the REIT's management fee income.

Following on the success of its initial Australian Institutional joint venture with GIC, Singapore's sovereign wealth fund, on May 10, 2022 the REIT entered into a joint venture agreement to form a second Australian Core Hospital Joint Venture with a total initial commitment of $2.1 billion (A$2.4 billion) to continue the successful relationship in Australia.

Additionally, the REIT's UK and US joint venture initiatives continue to progress at pace despite macro-economic uncertainty. The REIT is actively engaged with a short list of qualified partners and is working towards finalizing terms and completing these initiatives by year-end.

Building on its experience investing in healthcare precincts, the REIT is working on a new $5 billion Global Healthcare Precinct Fund focusing on the development of new generation assets at the intersection of healthcare, research and education. The REIT is in early-stage discussions with institutional investors and has identified a seed portfolio with which to launch the fund.

Funds Management:

In-place capital commitments and deployed fee bearing capital total $10.8 billion and $5.6 billion, respectively. The REIT's funds management business continues to rapidly scale up and on completion of the UK and US joint ventures is expected to have deployed and committed capital of $14.1 billion and $7.3 billion, respectively. At a target ownership level of between 20% - 30% across its capital platforms the REIT anticipates generating market leading growth in both AFFO and NAV on a per unit basis as a result of leveraging its capital light model and internally generated capital to fund growth.

Growth:

In Q2, the REIT completed acquisitions totaling approximately $870 million ($934 million YTD) including its initial US acquisition for $775 million (US$602 million) that closed April 14, 2022. While the rising interest rate environment is resulting in lower near-term transaction volume, the REIT remains constructive on the long-term demand factors that drive value creation in healthcare real estate. With a growing investment pipeline the REIT continues to evaluate new investment opportunities within its fee bearing capital vehicles on an opportunistic basis while remaining disciplined in its capital allocation strategies.

Balance Sheet Initiatives

Year-to-Date the REIT has refinanced or extended more than 93% of its 2022 maturing debt and has increased its weighted average term to maturity (“WATM”) to 3.3 years.

With proportionate debt outstanding of $3.6 billion, a 54.2% LTV ratio and 64% of its debt at floating rates, the REIT expects leverage to decrease to approximately 45% and exposure to floating rate to decline by 34 percentage points to 30% of the REIT’s total debt upon completion of both the UK and US JV initiatives.

Commenting on NorthWest’s strong results and progress on key strategic initiatives Paul Dalla Lana, Chairman and CEO said:

> “We are pleased with portfolio’s performance with occupancy and WALE holding at market leading levels but more important is that same-property NOI growth has increased which demonstrates the value of the REIT’s indexed cash flows in an inflationary environment.”

2022 Second Quarter Financial and Operational Highlights:

For the three and six months ended June 30, 2022, the REIT delivered strong financial and operational performance with an increasingly conservative balance sheet across an expanded 232 property, 18.5 million square foot defensive acute healthcare real estate portfolio underpinned by long-term inflation indexed leases. Key highlights are as follows:

- Q2 2022 revenue of $111.8M, growth of 24% year over year;
- Q2 2022 AFFO of $0.20 per unit is down 6.8% from the previous quarter (see **Exhibit 2**);
- Year to date AFFO payout ratio of 100% based on the REIT's $0.80 annualized distribution;
- Same Property NOI growth of 3.6% in Q2 2022 as compared to Q2 2021, driven primarily by annual rent indexation (see **Exhibit 3**);
- Strong portfolio occupancy of 97% stable quarter over quarter with the international portfolio holding stable at 98.4%;
- Weighted average lease expiry of 14.1 years is underpinned by the international portfolio’s Hospital and Health Care Facility Assets’ weighted average lease expiry of 17.2 years;
- Total assets under management (“AUM”) increased 22.9% year over year to $10.2 billion;

- Total capital deployed in fee bearing vehicles is $5.6 billion up 14.3% year over year. Undeployed capital in existing fee bearing vehicles totals $4.4 billion;
- Net asset value ("NAV") per unit increased by 8% year over year to $14.19 driven primarily by fair value gains resulting from the execution of the REIT's UK asset management initiatives (see **Exhibit 4**);
- Debt to Gross Book Value - Including Convertible Debentures of 46.4% has increased 330 bps, year over year, and is expected to decrease by a further 880 bp through the seeding of the new UK JV as well as the conversion of in the money convertible debentures.

Selected Financial Information:

(unaudited) *($000's, except unit and per unit amounts)*	*Three months ended June 30, 2022*	*Three months ended June 30, 2021*
Number of properties	232	190
Gross leasable area (sf)	18,519,707	16,086,368
Occupancy	97 %	97 %
Weighted Average Lease Expiry (Years)	14.1	14.2
Net Operating Income	$88,883	$69,826
Net Income (Loss) attributable to unitholders	$69,625	$81,090
Funds from Operations ("FFO") (1)	$46,090	$42,293
Adjusted Funds from Operations ("AFFO") (1)	$46,814	$43,236
Debt to Gross Book Value - Declaration of Trust (1)	44.8 %	39.7 %
Debt to Gross Book Value - Including Convertible Debentures (1)	46.4 %	43.1 %

(1) See **Performance Measurement** in the REIT's MD&A.

Q2 2022 Conference Call:

The REIT invites you to participate in its conference call with senior management to discuss our second quarter 2022 results on Friday, August 12, 2022 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 01667744#.

Audio replay will be available from August 12, 2022 through August 19, 2022 by dialing 416-764-8677 or 1 (888) 390-0541. The reservation number is 667744#.

In conjunction with the release of the REIT's second quarter 2022 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

Vital Healthcare Property Trust

On August 12, 2022 Vital Trust also announced its financial results for the fiscal year ended June 30, 2022. Details on Vital Trust's financial results are available on Vital Trust's website at 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 June 30, 2022, 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 232 income-producing properties and 18.5 million square feet of gross leasable area located throughout major markets in Canada, The United States, 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 250 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 Financial Measures

Some financial measures used in this press release, such as SPNOI, Constant Currency SPNOI, FFO, FFO per Unit, AFFO, AFFO per Unit, AFFO Payout Ratio, NAV, NAV 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 exhibits to this news release and in the REIT's Management's Discussion and Analysis ("MD&A") for the three and six months ended June 30, 2022, in the ”Performance Measurement” and “Results from Operations” sections. The MD&A is available on the SEDAR website at www.sedar.com.

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", or "continue" or the negative thereof or similar variations. Examples of such statements in this press release may include statements concerning the REIT’s position as a leading healthcare real estate asset manager globally, geographic expansion, ESG initiatives, expanding AUM, balance sheet optimization arrangements, the proposed U.K. joint venture and potential acquisitions, dispositions and other transactions, including a potential UK joint venture and a potential transaction involving Australian Unity. The REIT's actual results and performance discussed herein could differ materially from those expressed or implied by such statements. The forward-looking statements contained in this press release are based on numerous assumptions which may prove incorrect and which could cause actual results or events to differ materially from the forward-looking statements. Such assumptions include, but are not limited to (i) assumptions relating to completion of anticipated acquisitions, dispositions, development, joint venture, deleveraging and other transactions (some of which remain subject to completing documentation) on terms disclosed; (ii) the REIT’s properties continuing to perform as they have recently, (iii) the REIT successfully integrating past and future acquisitions, including the realization of synergies in connection therewith; (iv) various general economic and market factors, including exchange rates remaining constant, local real estate conditions remaining strong, interest rates remaining at current levels, the impacts of COVID-19 on the REIT’s business ameliorating or remaining stable; and (vii) the availability of equity and debt financing to the REIT. Such forward-looking 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. 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.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Condensed Consolidated Interim Statements of Income (Loss)

(in thousands of Canadian dollars)

Unaudited

	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	**2022**	2021
Net Property Operating Income				
Revenue from investment properties	**$ 111,826**	$ 90,092	**$ 214,503**	$ 182,691
Property operating costs	**22,943**	20,266	**48,553**	42,301
	88,883	69,826	**165,950**	140,390
Other Income				
Interest and other	**2,472**	1,402	**4,038**	1,756
Development revenue	**1,182**	1,312	**3,746**	3,165
Management fees	**10,404**	5,496	**16,451**	9,052
Share of profit (loss) of equity accounted investments	**16,570**	41,342	**23,730**	47,487
	30,628	49,552	**47,965**	61,460
Expenses and other				
Mortgage and loan interest expense	**34,524**	22,647	**57,911**	45,758
General and administrative expenses	**12,830**	11,239	**23,139**	21,396
Transaction costs	**6,519**	11,640	**12,118**	13,433
Development costs	**1,082**	924	**3,430**	2,229
Foreign exchange (gain) loss	**(4,005)**	(1,187)	**(4,599)**	(13,647)
	50,950	45,263	**91,999**	69,169
Income before finance costs, fair value adjustments, and net gain (loss) on financial instruments	**68,561**	74,115	**121,916**	132,681
Finance costs				
Amortization of financing costs	**(2,746)**	(4,683)	**(4,967)**	(8,740)
Amortization of mark-to-market adjustment	**329**	112	**419**	209
Class B exchangeable unit distributions	**(342)**	(342)	**(684)**	(684)
Fair value adjustment of Class B exchangeable units	**2,924**	342	**2,958**	(222)
Accretion of financial liabilities	**(1,473)**	(904)	**(10,046)**	(4,986)
Fair value adjustment of convertible debentures	**6,875**	(1,185)	**9,725**	1,465
Net gain (loss) on financial instruments	**20,463**	(939)	**49,433**	14,550
Fair value adjustment of investment properties	**50,826**	148,329	**133,167**	170,649
Fair value adjustment of deferred unit plan liability	**3,405**	49	**3,616**	(550)
Income before taxes from continuing operations	**148,822**	214,894	**305,537**	304,372
Current tax expense	**7,234**	3,391	**14,427**	6,192
Deferred tax expense (recovery)	**24,859**	28,250	**51,046**	41,338
Income tax expense (recovery)	**32,093**	31,641	**65,473**	47,530
Net income from continuing operations	**$ 116,729**	$ 183,253	**$ 240,064**	$ 256,842
Net income (loss) from discontinued operations	**—**	—	**—**	—
Total net income	**$ 116,729**	$ 183,253	**$ 240,064**	$ 256,842
Net income attributable to:				
Unitholders	**$ 69,625**	$ 81,090	**$ 157,879**	$ 134,047
Non-controlling interests	**47,104**	102,163	**82,185**	122,795
	$ 116,729	$ 183,253	**$ 240,064**	$ 256,842

Financial Exhibits

Exhibit 1 – Funds From Operations Reconciliation

FFO is a supplemental non-IFRS industry wide financial measure of a REIT's operating performance. The REIT calculates FFO based on certain adjustments to net income (computed in accordance with IFRS) as detailed below. FFO is more fully defined and discussed in the REIT's MD&A (see "**Performance Measurement**" and "**Funds From Operations**").

FUNDS FROM OPERATIONS (1)

Expressed in thousands of Canadian dollars, except per unit amounts	Three months ended June 30,			Six months ended June 30,		
	2022	2021	Variance	2022	2021	Variance
Net income (loss) attributable to unitholders	**$ 69,625**	**$ 81,090**	**$ (11,465)**	**$ 157,879**	**$ 134,047**	**$ 23,832**
Add / (Deduct):						
(i) Fair market value losses (gains)	(84,493)	(146,596)	62,103	(198,899)	(185,892)	(13,007)
Less: Non-controlling interests' share of fair market value losses (gains)	49,142	110,470	(61,328)	86,701	130,132	(43,431)
(ii) Finance cost - Exchangeable Unit distributions	342	342	—	684	684	—
(iii) Revaluation of financial liabilities	1,473	904	569	10,046	4,986	5,060
(iv) Unrealized foreign exchange loss (gain)	(4,202)	(1,167)	(3,035)	(2,385)	(16,443)	14,058
Less: Non-controlling interests' share of unrealized foreign exchange loss (gain)	(1)	(2)	1	(172)	1,402	(1,574)
(v) Deferred taxes	24,859	28,250	(3,391)	51,046	41,338	9,708
Less: Non-controlling interests' share of deferred taxes	(8,971)	(13,020)	4,049	(16,872)	(18,507)	1,635
(vi) Transaction costs	6,624	15,003	(8,379)	12,321	19,248	(6,927)
Less: Non-controlling interests' share of transaction costs	(41)	—	(41)	262	(167)	429
(vii) Net adjustments for equity accounted investments	(8,741)	(34,090)	25,349	(8,501)	(32,846)	24,345
(viii) Internal leasing costs	544	658	(114)	1,450	1,503	(53)
(ix) Net adjustment for discontinued operations	—	—	—	—	—	—
(x) Net adjustment for lease amortization	(70)	(2)	(68)	(142)	(86)	(56)
(xi) Other FFO adjustments	—	453	(453)	—	1,224	(1,224)
Funds From Operations ("FFO") (1)	**$ 46,090**	**$ 42,293**	**$ 3,797**	**$ 93,418**	**$ 80,623**	**$ 12,795**
FFO per Unit - Basic	$ 0.19	$ 0.21	$ (0.02)	$ 0.40	$ 0.42	$ (0.02)
FFO per Unit - fully diluted (3)	$ 0.19	$ 0.21	$ (0.02)	$ 0.40	$ 0.41	$ (0.01)
Adjusted weighted average units outstanding (2)						
Basic	239,660,302	201,034,657	38,625,645	233,029,149	192,738,298	40,290,851
Diluted (3)	251,977,578	219,242,308	32,735,270	245,020,957	210,706,528	34,314,429

<u>**Notes**</u>

(1) FFO is not a measure recognized under IFRS and does not have standardized meanings prescribed by IFRS. See **Performance Measurements** section in the REIT's MD&A.

(2) Under IFRS the REIT's Class B LP Units are treated as a financial liability rather than equity. The REIT has chosen to present an adjusted basic and diluted per unit measure that includes the Class B LP Units in basic and diluted units outstanding/weighted average units outstanding. There were 1,710,000 Class B LP Units outstanding as at March 31, 2022 and 1,710,000 outstanding as at March 31, 2021.

(3) Diluted units includes vested but unissued deferred trust units and the conversion of the REIT's Convertible Debentures that would have a dilutive effect upon conversion at the holders' contractual conversion price. Convertible Debentures are dilutive if the interest (net of tax and other changes in income or expense) per unit obtainable on conversion is less than the basic per unit measure.

Exhibit 2 – Adjusted Funds From Operations Reconciliation

AFFO is a supplemental non-IFRS financial measure of a REIT's operating performance and is intended to reflect a stabilized business environment. The REIT calculates AFFO as FFO, plus/minus certain adjustments as detailed below. AFFO is more fully defined and discussed in the REIT's MD&A (see "**Performance Measurement**" and "**Adjusted Funds From Operations**").

ADJUSTED FUNDS FROM OPERATIONS (1)						
Expressed in thousands of Canadian dollars, except per unit amounts	**Three months ended June 30,**			**Six months ended June 30,**		
	2022	**2021**	**Variance**	**2022**	**2021**	**Variance**
FFO (1)	**$ 46,090**	**$ 42,293**	**$ 3,797**	**$ 93,418**	**$ 80,623**	**$ 12,795**
Add / (Deduct):						
(i) Amortization of marked to market adjustment	(329)	(112)	(217)	(419)	(209)	(210)
(ii) Amortization of transactional deferred financing charges	1,642	217	1,425	2,974	976	1,998
(iii) Straight-line revenue	(297)	519	(816)	236	956	(720)
Less: non-controlling interests' share of straight-line revenue	(513)	(466)	(47)	(940)	(874)	(66)
(iv) Leasing costs and non-recoverable maintenance capital expenditures	(3,337)	(2,875)	(462)	(6,074)	(5,490)	(584)
Less: non-controlling interests' share of actual capex and leasing costs	178	381	(203)	284	511	(227)
(v) DUP Compensation Expense	3,557	3,383	174	5,205	5,041	164
(vi) Debt repayment costs	—	—	—	—	30	(30)
(vii) Net adjustments for equity accounted investments	(177)	(104)	(73)	(420)	(304)	(116)
Adjusted Funds From Operations ("AFFO") (1)	**$ 46,814**	**$ 43,236**	**$ 3,578**	**$ 94,264**	**$ 81,260**	**$ 13,004**
AFFO per Unit - Basic	$ 0.20	$ 0.22	$ (0.02)	$ 0.40	$ 0.42	$ (0.02)
AFFO per Unit - fully diluted (3)	$ 0.19	$ 0.21	$ (0.02)	$ 0.40	$ 0.41	$ (0.01)
Distributions per Unit - Basic	$ 0.20	$ 0.20	$ —	$ 0.20	$ 0.20	$ —
Adjusted weighted average units outstanding: (2)						
Basic	239,660,302	201,034,657	38,625,645	233,029,149	192,738,298	40,290,851
Diluted (3)	251,977,578	219,242,308	32,735,270	245,020,957	210,706,528	34,314,429

Notes

(1) FFO and AFFO are not measures recognized under IFRS and do not have standardized meanings prescribed by IFRS. See **Performance Measurement** section in the REIT's MD&A.

(2) Under IFRS the REIT's Class B LP Units are treated as a financial liability rather than equity. The REIT has chosen to present an adjusted basic and diluted per unit measure that includes the Class B LP Units in basic and diluted units outstanding/weighted average units outstanding. There were 1,710,000 Class B LP Units outstanding as at March 31, 2022 and 1,710,000 outstanding as at March 31, 2021.

(3) Distributions per units is a non-IFRS ratio calculated as sum of the distributions on the REIT's units and finance costs on Class B LP Units. Management does not consider finance costs on Class B LP units to be an financing cost of the REIT but rather component of the REIT's total distributions. Distributions is not defined by IFRS and does not have a standard meaning and may not be comparable with similar measures presented by other issuers.

Exhibit 3 – Constant Currency Same Property NOI

Constant Currency Same Property NOI, sometimes also presented as"Same Property NOI" or "SPNOI", is a non-IFRS financial measure, defined as NOI for investment properties that were owned for a full reporting period in both the current and comparative year, subject to certain adjustments including: (i) straight-line rental revenue recognition; (ii) amortization of operating leases; (iii) lease termination fees; and (iv) non-recurring transactions that are not expected to recur (v) excluding properties held for redevelopment and (vi) excluding impact of foreign currency translation by converting the foreign currency denominated SPNOI from comparative period at current period average exchange rates. Management considers. SPNOI is more fully defined and discussed in the REIT's MD&A (see "**Performance Measurement**").

SAME PROPERTY NOI

In thousands of CAD	Three months ended June 30,			Six months ended June 30,		
	2022	**2021**	**Var %**	**2022**	**2021**	**Var %**
Same property NOI (1)						
Americas	$ 29,222	$ 27,603	5.9 %	$ 56,874	$ 54,274	4.8 %
Europe	13,970	14,476	(3.5)%	28,247	29,283	(3.5)%
Australasia	24,006	22,789	5.3 %	48,071	46,033	4.4 %
Same property NOI (1)	**$ 67,198**	**$ 64,868**	**3.6 %**	**$ 133,192**	**$ 129,590**	**2.8 %**
Impact of foreign currency translation on Same Property NOI	—	1,150		—	2,776	
Straight-line rental revenue recognition	(233)	109		(310)	367	
Amortization of operating leases	(49)	(83)		(104)	(167)	
Lease termination fees	—	—		—	31	
Other transactions	352	(9)		198	(183)	
Developments	3,692	2,809		7,500	5,976	
Acquisitions	17,957	431		25,187	563	
Dispositions	(452)	83		(542)	560	
Intercompany/Elimination	418	468		829	877	
NOI	**$ 88,883**	**$ 69,826**	**27.3 %**	**$ 165,950**	**$ 140,390**	**18.2 %**

Notes:
(1) Same property NOI is a non-IFRS measure, defined and discussed in the REIT's MD&A.
(2) NOI is an additional IFRS measure presented on the consolidated statement of income (loss) and comprehensive income (loss). NOI is defined and discussed in the REIT's MD&A.

Exhibit 4 – Net Asset Value (‘NAV’) per Unit

“NAV per Unit” or sometimes presented as “NAV/unit” is an extension of NAV and defined as NAV divided by the number of units outstanding at the end of the period. NAV and NAV/unit is more fully defined and discussed in the REIT's MD&A (see “**Performance Measurement**” and “**Part IX – Net Asset Value**”).

Expressed in thousands of Canadian dollars, except per unit amounts

		Q2 2022		Q4 2021
Total Assets		**$ 8,123,898**		**$ 7,064,401**
less: Total liabilities		(4,343,602)		(3,540,827)
less: Non-controlling interests		(1,254,189)		(1,131,443)
Unitholders' equity		**2,526,107**		**2,392,131**
Add/(deduct):				
Goodwill		(36,999)		(41,671)
Deferred unit plan liability		26,533		26,223
Deferred tax liability	422,865		374,845	
less NCI	(103,598)	319,267	(91,052)	283,793
Financial instruments - net	(26,498)		22,602	
less NCI	11,638	(14,860)	(15,363)	7,239
Exchangeable Units		20,623		23,581
Global Manager valuation adjustment		576,318		576,318
Other		—		—
Net Asset Value ("NAV")		**$ 3,416,989**		**$ 3,267,614**
Adjusted Units Outstanding (000s)- period end (1)		240,760		225,837
NAV per Unit		**$ 14.19**		**$ 14.47**

Notes

(1) Under IFRS the REIT’s Class B LP Units are treated as a financial liability rather than equity. The REIT has chosen to present an adjusted basic per unit measure that includes the Class B LP Units in basic units outstanding/weighted average units outstanding

Exhibit 5 – Proportionate Management Fees

“Proportionate Management Fees” is a non-IFRS financial measure defined as the REIT's total management fees earned from third parties adjusted to be reflected on a proportionately consolidated basis at the REIT’s ownership percentage (see “**Performance Measurement**” “**PART III – RESULTS FROM OPERATIONS – NET INCOME**”).

GLOBAL MANAGER FEES

Expressed in thousands of Canadian dollars	Three months ended June 30,			Six months ended June 30,		
	2022	**2021**	**Variance**	**2022**	**2021**	**Variance**
Base fee	$ 7,893	$ 6,715	$ 1,178	$ 27,645	$ 23,158	$ 4,487
Incentive and performance fee	4,799	6,917	(2,118)	17,155	5,324	11,831
Trustee fees	269	226	43	944	828	116
Project and Acquisition fees	3,293	1,920	1,373	14,485	10,888	3,597
Other fees	3,118	—	3,118	4,411	—	4,411
Total Management Fees	**$ 19,372**	**$ 15,778**	**$ 3,594**	**$ 64,640**	**$ 40,198**	**$ 24,442**
less: inter-company elimination (1)	(13,325)	(12,222)	(1,103)	(48,095)	(28,532)	(19,563)
Consolidated Management Fees (2)	**$ 6,047**	**$ 3,556**	**$ 2,491**	**$ 16,545**	**$ 11,666**	**$ 4,879**
add: fees charged to non-controlling interests	8,852	8,246	606	32,133	19,011	13,122
Proportionate Management Fees (3)	**$ 14,899**	**$ 11,802**	**$ 3,097**	**$ 48,678**	**$ 30,677**	**$ 18,001**

Notes

(1) Management fees charged to Vital Trust and to the JVs are eliminated on consolidation as an inter-company transaction.

(2) Represents the reported consolidated management fees.

(3) See **Performance Measurements** in the REIT's MD&A.