

**Northwest Healthcare
Properties Real Estate
Investment Trust**
Condensed Consolidated
Interim Financial Statements
(in Canadian dollars)

For the three and six months
ended June 30, 2021
(unaudited)



NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Condensed Consolidated Interim Balance Sheets**

(in thousands of Canadian dollars)

Unaudited

As at	Note	June 30, 2021	December 31, 2020
Assets			
Investment properties	5	\$ 5,655,704	\$ 5,262,063
Equity accounted investments	6	321,975	297,993
Intangible assets		47,280	47,309
Goodwill		41,671	41,671
Financial instruments	7	36,226	541
Other assets	8	165,817	41,862
Accounts receivable		17,471	9,652
Cash and cash equivalents	16	56,313	144,147
Total assets		\$ 6,342,457	\$ 5,845,238
Liabilities			
Mortgages and loans payable	9	\$ 2,502,771	\$ 2,495,413
Convertible debentures	10	214,199	292,821
Deferred unit plan liability	11	28,162	24,277
Class B exchangeable units	12	21,768	21,546
Deferred tax liability		319,370	287,820
Financial instruments	7	61,920	62,405
Income tax payable		18,510	21,216
Accounts payable and accrued liabilities	17	87,159	92,340
Distributions payable		14,351	11,732
Total liabilities		\$ 3,268,210	\$ 3,309,570
Unitholders' Equity			
Unitholders' equity	13	2,112,270	1,638,419
Non-controlling interests	14	961,977	897,249
Total liabilities and unitholders' equity		\$ 6,342,457	\$ 5,845,238

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(in thousands of Canadian dollars)
Unaudited

	Note	For the three months ended June 30,		For the six months ended June 30,	
		2021	2020	2021	2020
Net Property Operating Income					
Revenue from investment properties	15	\$ 90,092	\$ 90,293	\$ 182,691	185,887
Property operating costs		20,266	20,391	42,301	43,339
		69,826	69,902	140,390	142,548
Other Income					
Interest and other	8	1,402	512	1,756	1,132
Development revenue	4	1,312	—	3,165	—
Management fees		5,496	2,346	9,052	3,769
Share of profit (loss) of equity accounted investments	6	41,342	4,100	47,487	11,618
		49,552	6,958	61,460	16,519
Expenses and other					
Mortgage and loan interest expense		22,647	23,798	45,758	48,650
General and administrative expenses		11,239	7,824	21,396	14,843
Transaction costs		11,640	10,760	13,433	27,173
Development costs	4	924	—	2,229	—
Foreign exchange (gain) loss		(1,187)	5,789	(13,647)	13,254
		45,263	48,171	69,169	103,920
Income before finance costs, fair value adjustments and net gain (loss) on financial instruments		74,115	28,689	132,681	55,147
Finance costs					
Amortization of financing costs	9	(4,683)	(2,635)	(8,740)	(3,881)
Amortization of mark-to-market adjustment	9	112	217	209	508
Class B exchangeable unit distributions	12	(342)	(342)	(684)	(2,817)
Fair value adjustment of Class B exchangeable units	12	342	(1,949)	(222)	86,402
Accretion of financial liabilities	9	(904)	140	(4,986)	(2,562)
Fair value adjustment of convertible debentures	10	(1,185)	(12,368)	1,465	13,842
Net gain (loss) on financial instruments	7	(939)	(1,016)	14,550	(14,836)
Fair value adjustment of investment properties	5	148,329	(7,906)	170,649	(13,140)
Fair value adjustment of deferred unit plan liability	11	49	(1,806)	(550)	2,086
Income before taxes		214,894	1,024	304,372	120,749
Current tax expense (recovery)		3,391	(11,888)	6,192	5,253
Deferred tax expense (recovery)		28,250	(25,637)	41,338	(39,113)
Income tax expense (recovery)		31,641	(37,525)	47,530	(33,860)
Net income		\$ 183,253	\$ 38,549	\$ 256,842	\$ 154,609
Net income attributable to:					
Unitholders		\$ 81,090	\$ 35,962	\$ 134,047	150,679
Non-controlling interests		102,163	2,587	122,795	3,930
		\$ 183,253	\$ 38,549	\$ 256,842	\$ 154,609

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss) (cont.)****(in thousands of Canadian dollars)****Unaudited**

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Net income	\$ 183,253	\$ 38,549	\$ 256,842	\$ 154,609
Other comprehensive income (loss) ("OCI"):				
Items that have been or may be reclassified subsequently to income (loss):				
Foreign currency translation adjustment	\$ (1,250)	\$ 44,764	\$ (109,372)	\$ (51,180)
Realized foreign exchange gains/(losses) on hedges	9	—	42,418	—
Fair value gain (loss) on net investment hedges	9	(4,293)	(42,318)	(2,937)
Deferred taxation (expense)/recovery	—	1,202	6,475	823
Current taxation (expense)/recovery	—	—	(6,298)	—
Other comprehensive income (loss), net of tax	(1,250)	41,673	(109,095)	(53,294)
Total comprehensive income (loss) for the year	\$ 182,003	\$ 80,222	\$ 147,747	\$ 101,315
Total comprehensive income (loss) attributable to:				
Unitholders	\$ 102,080	\$ 29,078	\$ 73,418	\$ 80,657
Non-controlling interests	79,923	51,144	74,329	20,658
	\$ 182,003	\$ 80,222	\$ 147,747	\$ 101,315

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Statements of Unitholders' Equity
(in thousands of Canadian dollars)
Unaudited

	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 14)	Total Equity
Balance, December 31, 2020		\$ 1,694,810	\$ 39,724	\$ (503,156)	\$ (181,456)	\$ 588,497	\$ 1,638,419	\$ 897,249	\$ 2,535,668
Public offering of units		397,938	—	—	—	—	397,938	1,883	399,821
Private placement of units	13	5,000	—	—	—	—	5,000	—	5,000
Units issued through distribution reinvestment plan		11,813	—	—	—	—	11,813	3,959	15,772
Units issued on exercise of deferred units	13	457	—	—	—	—	457	—	457
Conversion of convertible debentures into units	13	63,322	—	—	—	—	63,322	—	63,322
Distributions		—	—	(78,097)	—	—	(78,097)	(15,444)	(93,541)
Foreign currency translation adjustments		—	—	—	(60,701)	—	(60,701)	(48,671)	(109,372)
Other comprehensive income (loss)		—	—	—	72	—	72	206	278
Net income		—	—	—	—	134,047	134,047	122,795	256,842
Balance, June 30, 2021		\$ 2,173,340	\$ 39,724	\$ (581,253)	\$ (242,085)	\$ 722,544	\$ 2,112,270	\$ 961,977	\$ 3,074,247

	Note	Unitholders' Equity	Contributed Surplus	Cumulative Distributions	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Unitholders' Equity	Non-Controlling Interests (note 14)	Total Equity
Balance, December 31, 2019		\$ 1,510,245	\$ 39,724	\$ (364,595)	\$ (140,209)	\$ 274,142	\$ 1,319,307	\$ 756,812	\$ 2,076,119
Public offering of units		24,494	—	—	—	—	24,494	—	24,494
Units issued through distribution reinvestment plan		5,609	—	—	—	—	5,609	2,485	8,094
Units issued on exercise of deferred units	13	810	—	—	—	—	810	—	810
Cancellation of REIT units under normal course issuer bid		(7,196)	—	—	—	—	(7,196)	—	(7,196)
Disposition of investment in subsidiary		—	—	—	—	—	—	(54,705)	(54,705)
Conversion of Class B LP exchangeable units	12	106,387	—	—	—	—	106,387	—	106,387
Conversion of convertible debenture into units	13	51,483	—	—	—	—	51,483	—	51,483
Distributions		—	—	(68,236)	—	—	(68,236)	(13,759)	(81,995)
Foreign currency translation adjustments		—	—	—	(69,496)	—	(69,496)	18,316	(51,180)
Other comprehensive income (loss)		—	—	—	(526)	—	(526)	(1,588)	(2,114)
Net income (loss)		—	—	—	—	150,679	150,679	3,930	154,609
Balance, June 30, 2020		\$ 1,691,832	\$ 39,724	\$ (432,831)	\$ (210,231)	\$ 424,821	\$ 1,513,315	\$ 711,491	\$ 2,224,806

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Condensed Consolidated Interim Statements of Cash Flows
(in thousands of Canadian dollars)
Unaudited

		For the three months ended June 30,		For the six months ended June 30,	
	Note	2021	2020	2021	2020
Cash provided by (used in):					
Operating activities					
Net income (loss)		\$ 183,253	\$ 38,549	\$ 256,842	\$ 154,609
Adjustments for:					
Income tax expense		31,641	(37,525)	47,530	(33,860)
Income taxes paid		(2,612)	74	(9,240)	(6,643)
Amortization		364	392	728	799
Mortgage and loan interest accrued		22,647	23,798	45,758	48,650
Mortgage and loans interest paid		(25,761)	(25,269)	(48,203)	(49,685)
Finance costs	16	6,660	16,937	12,958	(91,492)
Interest income		(1,402)	(512)	(1,756)	(1,132)
Share of (profit)/loss of equity accounted investments	6	(41,342)	(4,100)	(47,487)	(11,618)
Unrealized foreign exchange loss (gain)		(1,167)	5,826	(16,443)	13,268
Amortization of finance leases receivable/payable, net		—	(22)	—	(44)
Fair value adjustment of investment properties	5	(148,329)	7,906	(170,649)	13,140
Fair value loss on financial instruments	7	939	1,016	(14,550)	14,836
Transaction costs		11,640	10,760	13,433	27,173
Fair value adjustment of deferred unit plan liability		(49)	1,806	550	(2,086)
Unit-based compensation expense	11	3,383	3,966	5,041	5,040
Redemption of units issued under deferred unit plan		176	(386)	(1,196)	(1,463)
Changes in non-cash working capital balances	16	(291)	(6,428)	(1,487)	11,934
Cash provided by (used in) operating activities		39,750	36,788	71,829	91,426
Investing activities					
Acquisitions of investment properties	3	(287,202)	(327)	(344,416)	(246,026)
Additions to investment properties	5	(42,272)	(29,043)	(78,659)	(68,154)
Net proceeds on disposal of investment properties	4	9,406	119	44,908	103,537
Investment in equity accounted investments	6	—	—	(7,143)	(10,340)
Investment in financial asset	8	(110,272)	—	(110,272)	—
Net investment in financial instruments	7	(12,618)	—	(18,495)	—
Transaction costs attributable to investment activities		(24,310)	(10,760)	(30,013)	(27,173)
(Acquisitions) disposition of subsidiaries		(1,717)	63,863	(1,717)	63,863
Cash transferred upon disposition of subsidiary		—	(4,345)	—	(4,345)
Taxes paid related to disposition		—	(11,077)	—	(11,077)
Distributions from equity accounted investments	6	6,794	2,287	13,508	5,260
Cash interest received		284	338	583	817
Additions to furniture and fixtures		(58)	(33)	(118)	(94)
Receipts (payments) from foreign exchange contracts		13	(68)	2	114
Net decrease (increase) to restricted cash		(5)	—	(1)	(1)
Cash provided by (used in) investing activities		(461,957)	10,954	(531,833)	(193,619)
Financing activities					
Mortgage and loan proceeds	9	673,330	169,896	812,271	573,103
Repayment of mortgages	9	(377,176)	(150,383)	(738,562)	(428,896)
Repurchase of units under normal course issuer bid	13	—	(5,502)	—	(7,196)
Redemption of convertible debentures	10	(13,835)	—	(13,835)	(44,568)
Proceeds from issuance of units, net of issuance costs	13, 14	197,470	(447)	404,821	24,494
Financing fees paid		(13,459)	(975)	(16,605)	(2,166)
Distributions paid		(32,830)	(33,853)	(63,665)	(61,144)
Class B exchangeable units distributions paid	12	(342)	(342)	(684)	(2,817)
Distributions paid to non-controlling interests		(5,560)	(5,289)	(11,685)	(11,252)
Cash provided by (used in) financing activities		427,598	(26,895)	372,056	39,558
Net change in cash and cash equivalents		5,391	20,847	(87,948)	(62,635)
Effect of foreign currency translation		(1,600)	13,379	112	1,097
Net change in cash and cash equivalents		3,791	34,226	(87,836)	(61,538)
Cash and cash equivalents, beginning of period		52,479	96,386	144,106	192,150
Cash and cash equivalents, end of period		\$ 56,270	\$ 130,612	\$ 56,270	\$ 130,612

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

NorthWest Healthcare Properties Real Estate Investment Trust (the "REIT"), is a Canadian open-end trust created pursuant to an amended and restated Declaration of Trust dated May 15, 2015. The registered office of the REIT is 180 Dundas Street West, Suite 1100, Toronto, Ontario, M5G 1Z8. The principal business of the REIT is to invest in and manage healthcare real estate globally.

1. Basis of Preparation and Statement of Compliance

The condensed consolidated interim financial statements of the REIT have been prepared by management in accordance with International Accounting Standard ("IAS") 34: Interim Financial Reporting as issued by the International Accounting Standards Board. Certain information and note disclosure included in the annual consolidated financial statements based on accounting policies and practices in accordance with International Financial Reporting Standards ("IFRS") have been omitted in these condensed consolidated interim financial statements. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the REIT's audited consolidated financial statements for the year ended December 31, 2020. These condensed consolidated interim financial statements were approved by the Board of Trustees of the REIT on August 12, 2021.

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for investment properties and financial assets and liabilities including, convertible debentures, derivative financial instruments, Class B exchangeable units and deferred units under the deferred unit plan ("DUP"), which are measured at fair value.

The condensed consolidated interim financial statements are presented in thousands of Canadian dollars, except per unit amounts which are presented in Canadian dollars. The Canadian dollar is the REIT's functional currency.

2. Significant Accounting Policies

All significant accounting policies have been applied on a basis consistent with those followed in the most recent audited annual consolidated financial statements of the REIT for the year ended December 31, 2020.

COVID-19 Pandemic

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19" in early 2020 was declared a pandemic by the World Health Organization. This has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel restrictions, self-imposed quarantine periods, temporary closures or restrictions of non-essential businesses, limitations on public gatherings, and social distancing guidelines, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity and capital markets have also experienced significant volatility and weakness. The governments have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. It is not possible to forecast with certainty the duration and full scope of the economic impact of the pandemic and other consequential changes to the REIT's business and operations, both in the short term and in the long term.

In the preparation of these unaudited condensed consolidated interim financial statements, the REIT has incorporated the potential impact of COVID-19 into its estimates and assumptions that affect the carrying amounts of its assets and liabilities, and the reported amount of its results using the best available information as of June 30, 2021. Actual results could differ from those estimates. The estimates and assumptions that the REIT considers critical and/or could be impacted by COVID-19 include those underlying the valuation of investment properties, the estimate of any expected credit losses on its accounts receivable or loans and mortgages receivable and determining the values of financial instruments for disclosure purposes.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

3. Investment Property Acquisitions

During the six months ended June 30, 2021, the following investment property acquisitions were completed:

Region	Acquisition Cost ⁽ⁱ⁾	Property specific debt
Europe	\$ 213,566	\$ 100,685
Canada	15,588	10,000
Australasia	115,262	—
Total	\$ 344,416	\$ 110,685

- i. Total acquisition costs includes transaction costs totaling \$18.5 million incurred with respect to acquiring the investment property assets.

4. Investment Property Dispositions

During the six months ended June 30, 2021, the REIT disposed of the following investment properties:

Region	Gross Proceeds	Property specific debt settled or sold
Europe ⁽ⁱ⁾	\$ 25,789	\$ —
Canada	19,119	2,071
	\$ 44,908	\$ 2,071

- i. In Q1 2021, the REIT disposed of four investment properties in the Netherlands in the amount of \$23.5 million to the European JV (note 6), a related party, including two properties under development. The sales and purchase agreement of the two development properties consisted of two parts; the sale of the properties amounting to \$9.1 million and a fixed price development arrangement where revenue will be recognized by the REIT on percentage of completion basis relative to the costs incurred as compared to the total costs of the development, which are also fixed. The amount is payable by the European JV at the completion of the development, which is expected to be by Q2 2022. The REIT recognized the disposition of both development properties during the quarter ended March 31, 2021 and separately recognized net development profit of \$0.4 million and \$0.9 million for the three and six months ended June 30, 2021, respectively. As at June 30, 2021, the REIT has recorded in accounts receivable \$4.4 million relating to the development revenue owing from the European JV.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

5. Investment Properties

As at	June 30, 2021	December 31, 2020
Balance, beginning of period	\$ 5,262,063	\$ 4,928,111
Acquisition of investment properties (note 3)	344,416	807,648
Disposition of investment properties (note 4)	(44,908)	(841,016)
Additions to investment properties	78,659	167,257
Increase in straight line rents	1,373	3,101
Right of use asset addition	108	1,714
Fair value gain	170,649	174,415
Foreign currency translation	(156,656)	20,833
Balance, end of period	\$ 5,655,704	\$ 5,262,063

Investment properties are measured at their estimated fair value. The investment properties are re-measured to fair value at each reporting date, determined either on internal valuation models incorporating available market evidence, or on valuations performed by independent third-party appraisers.

The fair values of the investment properties at June 30, 2021 and December 31, 2020 were determined using internal valuation models incorporating available market evidence and the results of valuations performed by independent third party appraisers. Significant assumptions and a number of methods are used by the REIT in determining the fair value of the investment properties, including capitalization rates, terminal capitalization rates, discount rates and future cash flows that incorporate inflation rates, vacancy rates, market rents, property level capital expenditures, and net operating income. The REIT reviewed its future cash flow projections and the valuation of its properties in light of the COVID-19 pandemic during the three and six months ended June 30, 2021. The carrying value for the REIT's investment properties reflects its best estimate for the highest and best use as at June 30, 2021.

It is not possible to forecast with certainty the duration and full scope of the economic impact of COVID-19 and other consequential changes it will have on the REIT's business and operations, both in the short term and in the long term. In a long term scenario, certain aspects of the REIT's business and operations that could potentially be impacted include rental income, occupancy, tenant inducements, future demand for space, and market rents, which all impact the underlying valuation of investment properties. Consequently, the REIT has provided a wider range of measurement uncertainty scenarios with respect to the impact on the valuation of investment properties using a range of discount and capitalization rates below.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

The key valuation metrics for investment properties by region are set out in the following table:

	As at June 30, 2021			
	Canada	Brazil	Europe	Australasia
Discount rate - range	5.3% - 8.5%	6.5% - 7.8%	4.8% - 7.0%	5.3% - 9.6%
Discount rate - weighted average	7.2%	7.1%	5.7%	6.2%
Terminal capitalization rate - range	4.8% - 7.8%	6.3% - 7.3%	4.3% - 7.5%	4.5% - 7.8%
Terminal capitalization rate - weighted average	6.6%	6.6%	5.1%	5.2%
Overall capitalization rate - range	3.3% - 9.9%	6.3% - 7.4%	3.5% - 7.2%	4.3% - 8.8%
Overall capitalization rate - weighted average	6.4%	6.8%	5.1%	4.9%
	As at December 31, 2020			
	Canada	Brazil	Europe	Australasia
Discount rate - range	5.3% - 8.5%	6.5% - 7.8%	4.8% - 6.3%	5.8% - 9.3%
Discount rate - weighted average	7.3%	7.1%	5.6%	6.6%
Terminal capitalization rate - range	4.8% - 7.8%	6.3% - 7.3%	4.3% - 7.8%	5.1% - 8.0%
Terminal capitalization rate - weighted average	6.6%	6.6%	5.0%	5.7%
Overall capitalization rate - range	3.1% - 10.0%	6.3% - 7.4%	3.5% - 8.7%	4.8% - 10.7%
Overall capitalization rate - weighted average	6.6%	6.8%	5.1%	5.3%

The following table summarizes fair value sensitivity for the portion of the REIT's investment properties which are most sensitive to changes in capitalization rates:

Capitalization rate sensitivity increase/ (decrease)	Weighted average overall capitalization rate	Estimated fair value of investment properties	Fair value variance	% Change
(0.75)%	4.78 %	\$ 6,789	\$ 1,133	20.0 %
(0.50)%	5.03 %	\$ 6,371	\$ 716	13.0 %
(0.25)%	5.28 %	\$ 5,996	\$ 340	6.0 %
— %	5.53 %	\$ 5,656	—	— %
0.25 %	5.78 %	\$ 5,346	(\$ 309)	(5.0)%
0.50 %	6.03 %	\$ 5,063	(\$ 592)	(10.0)%
0.75 %	6.28 %	\$ 4,804	(\$ 852)	(15.0)%

The REIT engages independent third-party appraisers to appraise its investment properties such that approximately one-third of the portfolio is independently appraised annually and every property is appraised at least once over a five-year period. The internal valuation models incorporate the results of valuations performed by independent third-party appraisers. During the three and six months ended June 30, 2021, investment properties with an aggregate estimated fair value of \$2.4 billion and \$2.5 billion, respectively (for the three and six months ended June 30, 2020 - \$1.9 billion and \$2.1 billion, respectively) were valued by independent third party appraisers.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

6. Equity Accounted Investments

The REIT has entered into joint venture arrangements with third parties for the purpose of jointly developing, owning and operating investment properties. In each arrangement, the co-owners are equally entitled to their proportionate share of ownership.

As at June 30, 2021, the total equity commitment to the Australian and European joint ventures is approximately \$3.4 billion and \$2.9 billion, respectively, less funding to date, including 30% participation by the REIT.

Equity Accounted Investments	Ownership Interest	Location
NWI Galaxy JV GmbH & Co. KG ("European JV")	30%	Europe
NorthWest Australia HSO Trust	30%	Australia
NorthWest Australia Hospital Investment Trust	30%	Australia
Northwest Healthcare Properties Australia REIT ("AREIT")	30%	Australia

The Australian arrangements are all governed under the same investment framework, including sharing a common third-party joint venture partner, owning assets that are in a similar asset class and geographical region, and have similarly structured investment management terms. Accordingly, the REIT has combined all Australian joint venture arrangements for disclosure purposes in the following table which shows the changes in the REIT's carrying value of its equity accounted investments:

June 30, 2021		Australia		Europe		Total
Balance, beginning of period	\$	224,347	\$	73,646	\$	297,993
Cash contributions		—		7,143		7,143
Share of profit for the period		42,822		4,665		47,487
Distributions		(9,998)		—		(9,998)
REIT's share of interest and management fees		(1,396)		(2,705)		(4,101)
Foreign exchange		(12,265)		(4,284)		(16,549)
Balance, end of period	\$	243,510	\$	78,465	\$	321,975

The following tables summarized financial information of the REIT's interests in equity accounted investments:

		June 30, 2021			
		Australia		Europe	Total
Total assets	\$	1,889,683	\$	513,632	\$ 2,403,315
Total liabilities		1,020,105		266,581	1,286,686
Net assets		869,578		247,051	1,116,629
Less: Non-controlling interests		58,838		—	58,838
Net assets less non-controlling interests		810,740		247,051	1,057,791
Ownership Interest		30.0%		30% to 33.6%	30% to 33.6%
Equity Accounted Investments	\$	243,510	\$	78,465	\$ 321,975

Included in total assets is cash of \$11.1 million and \$7.3 million in Australia and Europe respectively (December 31, 2020 - \$19.1 million and \$6.7 million).

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

Three months ended June 30,	2021			2020		
	Australia	Europe	Total	Australia	Europe	Total
Revenue	\$ 24,013	\$ 7,814	\$ 31,827	\$ 17,214	\$ —	\$ 17,214
Interest income	1,284	—	1,284	1,507	—	1,507
Total revenue	\$ 25,297	\$ 7,814	\$ 33,111	\$ 18,721	\$ —	\$ 18,721
Expenses and fair value adjustments						
Operating costs	2,131	1,171	3,302	\$ 882	\$ —	\$ 882
Mortgage and loan interest expense	3,390	1,174	4,564	3,771	—	3,771
General and administrative expenses	107	862	969	(3)	—	(3)
Other	169	—	169	123	—	123
Fair value (gain) loss	(105,763)	(11,618)	(117,381)	279	—	279
Income tax expense	—	3,232	3,232	—	—	—
Net income (loss)	\$ 125,263	\$ 12,993	\$ 138,256	\$ 13,669	\$ —	\$ 13,669
Non-controlling interests	1,115	—	1,115	—	—	—
Net profit attributable to owners	124,148	12,993	137,141	13,669	—	13,669
Weighted average share of profits (loss)	30.0%	30% to 33.6%	30% to 33.6%	30 %		30.0%
REIT's share of income (loss)	\$ 37,244	\$ 4,098	\$ 41,342	\$ 4,100	\$ —	\$ 4,100
Six months ended June 30,						
	2021			2020		
	Australia	Europe	Total	Australia	Europe	Total
Revenue	\$ 50,476	\$ 15,587	\$ 66,063	\$ 34,793	\$ —	\$ 34,793
Interest income	2,602	—	2,602	1,550	—	1,550
Total revenue	\$ 53,078	\$ 15,587	\$ 68,665	\$ 36,343	\$ —	\$ 36,343
Expenses and fair value adjustments						
Operating costs	5,976	2,516	8,492	\$ 2,527	\$ —	\$ 2,527
Mortgage and loan interest expense	6,863	2,394	9,257	8,016	—	8,016
General and administrative expenses	210	2,266	2,476	106	—	106
Other	339	—	339	235	—	235
Fair value (gain) loss	(105,061)	(9,828)	(114,889)	(13,268)	—	(13,268)
Income tax expense	—	3,873	3,873	—	—	—
Net income (loss)	\$ 144,751	\$ 14,366	\$ 159,117	\$ 38,727	\$ —	\$ 38,727
Non-controlling interests	2,012	—	2,012	—	—	—
Net profit attributable to owners	142,739	14,366	157,105	38,727	—	38,727
Weighted average share of profit (loss)	30.0%	30% to 33.6%	30% to 33.6%	30 %		30.0%
REIT's share of income (loss)	\$ 42,822	\$ 4,665	\$ 47,487	\$ 11,618	\$ —	\$ 11,618

Fair value (gain) loss relate to fair value movements in investment properties which are determined using the same valuation methodology as the REIT.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

7. Financial Instruments

As at	June 30, 2021	December 31, 2020
Financial assets:		
Option contracts ⁽ⁱ⁾	36,014	—
Foreign exchange contracts	212	541
Total financial assets	36,226	541
Financial liabilities:		
Option contracts ⁽ⁱ⁾	21,989	—
Interest rate swaps ⁽ⁱⁱ⁾	39,931	62,405
Total financial liabilities	\$ 61,920	\$ 62,405

- (i) On December 24, 2020, the REIT entered into a call and put agreement on behalf of itself and for its Australian JV partner, to purchase 16% unconditional economic interest in Australian Unity Healthcare Property Trust ("AUHPT"). As the REIT directly acquired a 5.1% stake in AUHPT (note 8), during the three months ended June 30, 2021, the derivative agreement was amended to reduce the underlying investment stake to 11.1% and to reflect a price per unit at A\$2.55.

For the three and six months ended June 30, 2021, the REIT's investment into the call and put agreement of \$32.4 million and \$47.5 million, respectively, were recognized as a derivative financial instrument. The arrangement between the REIT and its Australian JV partner has been recognized as a separate derivative under financial liabilities from the call/put option. The derivative financial asset and derivative financial liability have been recorded in accordance with IFRS 9. For the three and six months ended June 30, 2021, the REIT recognized reimbursement income on the condensed statement of income (loss) under management fees from its Australian JV partner of \$2.2 million with respect to transaction costs incurred by the REIT.

For the three and six months ended June 30, 2021, the REIT recorded fair value loss related to the derivative financial instruments of \$2.9 million and \$4.3 million, respectively.

During the three months ended June 30, 2021 and subsequent to quarter end, the REIT entered into incremental put and call arrangements with various third parties, where no premiums were paid, to acquire approximately 10.0 million units at A\$2.70 per wholesale unit (or A\$2.76 per retail unit and A\$1.69 per Class A unit) for total consideration of \$22.5 million. The put and call arrangements can be exercised from July 19, 2021 to January 31, 2022. As of the reporting date, approximately 0.8 million units have been acquired for consideration of \$1.9 million.

- (ii) The REIT has entered into interest rate swap contracts during the three and six months ended June 30, 2021 with respect to certain Canadian and German mortgages, and portions of the Vital Healthcare Property Trust ("Vital Trust") facility for a total of \$578.3 million (note 9). The interest rate derivatives mature over the next 1 to 10 years and have fixed interest rates ranging from 1.38% to 4.32%.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

The components of the gain/(loss) on derivative financial instruments are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Fair value adjustment - interest rate swaps	\$ 2,623	\$ (580)	\$ 19,479	\$ (14,769)
Receipts/(payments) under transaction hedging foreign exchange contracts	13	(68)	2	114
Fair value adjustment - foreign exchange contracts	—	(368)	—	(181)
Fair value adjustment - option contracts	(2,910)	—	(4,266)	—
Fair value adjustment - financial asset	(665)	—	(665)	—
	\$ (939)	\$ (1,016)	\$ 14,550	\$ (14,836)

8. Other Assets

As at	June 30, 2021	December 31, 2020
Investment in financial asset (note 7) (i)	\$ 110,012	\$ —
Commodity taxes recoverable (ii)	11,478	3,828
Acquisition and financing costs (iii)	10,845	7,767
Loans and mortgages receivable carried at amortized cost (iv)	10,351	10,925
Prepaid expenses and deposits	9,618	5,892
Finance lease receivable (v)	6,776	7,060
Right-of-use lease assets (vi)	4,189	3,723
Furniture and office equipment	2,401	2,661
Other	147	6
	\$ 165,817	\$ 41,862

- i. On May 28, 2021, the REIT directly acquired 43,793,046 units in AUHPT at AUD\$2.55 for total consideration of \$104.2 million ("the Agreement"). The terms of the Agreement require the REIT to pay to the seller an escalation premium if there is a price difference between the price paid to purchase the units and any future offers to acquire additional AUHPT units. As at June 30, 2021, the REIT had made a premium cash offer at AUD\$2.70 per unit to unitholders of AUHPT which resulted in an escalation premium payable liability of \$6.1 million that has been recorded under accounts payable and accrued liabilities, and was paid and settled subsequent to period end. The REIT has accounted for the AUHPT units as a financial instrument under IFRS 9 and accordingly adjusted the fair value to reflect the increased price as at June 30, 2021. For the period ended June 30, 2021, the REIT recognized \$1.1 million of distribution income under interest and other income in the statement of comprehensive income (loss) related to the AUHPT units. As at June 30 the REIT's direct investment represents approximately a 4.6% stake in AUHPT.
- ii. Commodity taxes recoverable includes \$7.8 million of sales tax recoverable on the purchase price of the two Australasian properties acquired during the three months ended June 30, 2021.
- iii. Acquisition and financing costs relate to potential acquisitions and debt refinancing which are currently undergoing due diligence and/or negotiation.
- iv. Loans and mortgages receivable carried at amortized cost relates to an interest-bearing loan secured by an Australian investment property maturing in April 2023.
- v. Finance lease receivable relates to a long-term lease of land that is a finance lease, bearing a discount rate of 6.5% and remaining term of 67 years.
- vi. Right-of-use lease assets are net of accumulated amortization of \$2.2 million (December 31, 2020 - \$2.0 million).

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NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

9. Mortgages and Loans Payable

As at	June 30, 2021	December 31, 2020
Mortgage payable, net of financing costs	\$ 832,070	\$ 952,882
Term debt, net of financing costs	1,223,379	1,083,664
Credit facilities, net of financing costs	434,529	446,480
Lease liabilities	12,793	12,387
Total Mortgages and loans payable	\$ 2,502,771	\$ 2,495,413
Less: Current portion	406,798	744,434
Non-current debt	\$ 2,095,973	\$ 1,750,979

Mortgages

All mortgages are secured by first or second charges on specific investment properties in Canada and Europe, with a carrying value of \$1.5 billion as at June 30, 2021 (December 31, 2020 - \$1.8 billion).

Term debt

As at June 30, 2021, the term debt balance includes:

- Brazilian debt secured by related investment property of \$175.7 million (December 31, 2020 - \$175.6 million);
- Australian term debt of \$96.1 million (December 31, 2020 - \$101.4 million), \$22.0 million (December 31, 2020 - \$23.3 million) of which is secured by related investment property of \$39.5 million (December 31, 2020 - \$41.7 million);
- New Zealand term debts of \$807.6 million (December 31, 2020 - \$675.4 million) secured by Vital Trust's security trust deed and by a first mortgage ranking over the respective investment properties held by Vital Trust; and
- Australasian secured term financing of \$151.6 million (December 31, 2020 - \$137.9 million) secured by 114,462,050 units (December 31, 2020 - 111,923,175 units) of Vital Trust held by the REIT.

In March 2021, Vital Trust amended and refinanced tranches of the New Zealand term debts noted above. Facility limits of \$362.8 million, of which \$362.8 is drawn as at June 30, 2021, have been secured from new banks, over terms of 4 to 5 years, resulting in a weighted average facility term to maturity increasing from 1.3 to 2.9 years. Vital Trust had previously designated the loans outstanding denominated in Australian dollars as a partial foreign exchange hedge of its net investment in an Australian subsidiary. As a result of the refinancing, Vital Trust ceased the hedging relationship and recognized a realized foreign exchange gain of \$42.4 million in the statement of other comprehensive income (loss), representing the effective hedging relationship that had been previously recorded as fair value gain (loss) on the loan balance that was designated as a net investment hedge in prior periods.

Credit facilities

The revolving credit facility is secured by first and second charges on certain Canadian and European investment properties with an estimated fair value of \$922.8 million, as well as the terms of a general security agreement.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

Lease liabilities

The lease of land on which one of the REIT's investment properties is built is accounted for as a finance lease. The remaining term of the lease at June 30, 2021 was 67 years. In addition, as part of the transition to IFRS 16 in the prior year, the REIT recognized lease liabilities for leases where the REIT acts as a lessee. Minimum payments under the lease and their present values are as follows:

As at	June 30, 2021	December 31, 2020
Minimum lease payments payable:		
Not later than one year	\$ 1,748	\$ 1,626
Later than one year and not later than five years	5,559	5,395
Later than five years	30,476	31,842
	37,783	38,863
Future finance charges	(24,990)	(26,476)
Present value of minimum lease payments	\$ 12,793	\$ 12,387
Present value of minimum lease payments:		
Not later than one year	1,721	1,581
Later than one year and not later than five years	4,774	4,716
Later than five years	6,298	6,090
	\$ 12,793	\$ 12,387

As at June 30, 2021, the scheduled principal repayments and debt maturities are as follows:

	Mortgage Debt	Term Debt	Credit Facilities	Finance Lease	Total
2021 (remainder)	\$ 15,487	\$ 34,592	\$ —	\$ 978	\$ 51,057
2022	141,947	299,262	437,367	1,685	880,261
2023	115,453	403,403	—	1,586	520,442
2024	144,544	18,972	—	1,168	164,684
2025	222,080	78,056	—	723	300,859
2026 & thereafter	196,317	396,644	—	6,653	599,614
	\$ 835,828	\$ 1,230,929	\$ 437,367	\$ 12,793	\$ 2,516,917
Financing costs	(4,684)	(7,550)	(2,838)	—	(15,072)
Mark-to-market adjustment	926	—	—	—	926
Total	\$ 832,070	\$ 1,223,379	\$ 434,529	\$ 12,793	\$ 2,502,771

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

A summary of the maturity and the weighted average interest rates relating to the mortgages and loans payable, including term debt and credit facilities, outstanding at June 30, 2021 are as follows:

	Maturity	Weighted Average Interest Rate	Carrying Value	Available to be Drawn
Fixed rate				
Mortgage debt	August 2021 - June 2030	2.70 %	\$ 835,828	\$ —
Term debt	July 2022 - June 2031	4.68 %	571,118	65,383
Total fixed rate debt			\$ 1,406,946	\$ 65,383
Variable Rate				
Term debt	July 2022 - October 2023	1.41 %	659,811	73,495
Credit facilities	January 2022 - November 2022	3.42 %	437,367	154,131
Total variable rate debt			\$ 1,097,178	\$ 227,626
Total debt excluding the following:			\$ 2,504,124	\$ 293,009
Finance lease			12,793	—
Financing costs			(15,072)	—
Mark-to-market adjustment			926	—
Total debt			\$ 2,502,771	\$ 293,009

The table below summarizes the movements in the REIT's mortgages and loans during the six months ended June 30, 2021:

	Mortgage Debt	Term Debt	Credit Facilities	Total
Opening balance, January 1, 2021	\$952,882	\$1,083,664	\$446,480	\$2,483,026
Repayments	(326,044)	(7,784)	(404,734)	(738,562)
Advances	218,664	194,207	399,400	812,271
Additional financing fees incurred	(11,790)	(2,635)	(2,180)	(16,605)
Amortization of finance fees	5,827	1,696	1,217	8,740
Amortization of mark-to-market	(209)	—	—	(209)
Inflation adjustment	—	4,986	—	4,986
Foreign exchange adjustment	(7,260)	(50,755)	(5,654)	(63,669)
Ending balance, June 30, 2021	\$832,070	\$1,223,379	\$434,529	\$2,489,978

The REIT has entered into interest rate swap contracts to limit its exposure to fluctuations in the interest rates on its \$578.3 million variable rate mortgage debt as at June 30, 2021 (December 31, 2020 - \$617.8 million). The interest rate swaps terminate between 2022 and 2030, refer to note 7.

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NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

10. Convertible Debentures

The movements in fair value of convertible debentures were as follows:

As at	June 30, 2021	December 31, 2020
Balance, beginning of period	\$ 292,821	\$ 391,201
Conversion to REIT units (note 13)	(63,322)	(51,483)
Convertible debentures cash redemptions	(13,835)	(44,567)
Change in fair value of convertible debentures	(1,465)	(2,330)
Balance, end of period	\$ 214,199	\$ 292,821

On May 10, 2021, \$60.9 million of the \$74.7 million principal amount 5.25% NWH.DB.E convertible debenture series were converted by the debenture holders into 4,818,001 Trust Units (note 13). The REIT fully repaid the remaining \$13.8 million principal balance outstanding in cash.

The fair values of convertible debentures outstanding, determined on the basis of the closing market price as at the reporting date, are as follows:

As at	June 30, 2021	December 31, 2020
NWH.DB.E	—	76,601
NWH.DB.F	80,474	83,720
NWH.DB.G	133,725	132,500
Fair Value	\$ 214,199	\$ 292,821
Current	80,474	160,321
Non-Current	133,725	132,500
	\$ 214,199	\$ 292,821

Debentures Series	Conversion price per Unit (\$)	Maturity	Interest rate	Interest payment	Interest payment dates
NWH.DB.F	\$12.80	December 31, 2021	5.25%	Semi-annual	June 30 and December 31
NWH.DB.G	\$13.35	December 31, 2023	5.50%	Semi-annual	June 30 and December 31

11. Deferred Unit Plan ("DUP") Liability

The REIT's DUP became effective in March 2010 and was re-approved at the annual general meeting of Unitholders in 2019. The DUP is administered by the Compensation, Governance and Nominating Committee. The purpose of the DUP is to promote a greater alignment of interests between the Trustees, officers and certain other participants of the REIT and the Unitholders. Under the plan, the maximum number of units authorized for issuance shall not exceed 5% of the units issued and outstanding at any given time. The deferred units can be settled at the holders' option in units or cash subject to the REIT's approval and are treated as a financial liability until redeemed.

Deferred unit plan liabilities also exist with respect to a plan administered by NorthWest Healthcare Properties Management Limited (the "Global Manager") and are related to deferred units of Vital Trust, a consolidated subsidiary.

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

(a) Liability:

As at		June 30, 2021		December 31, 2020
Balance, beginning of year	\$	24,277	\$	19,656
Unit based compensation expense		8,644		7,374
Exercised and paid in cash		(4,799)		(2,215)
Exercised and settled in Trust Units		(457)		(2,275)
Fair value adjustment		550		1,673
Foreign exchange		(53)		64
Balance, end of year	\$	28,162	\$	24,277

The balance of the DUP liability at June 30, 2021 consists of \$27.7 million related to the REIT's DUP and \$0.4 million related to Vital Trust's DUP (December 31, 2020 - \$22.8 million related to the REIT's DUP and \$1.5 million related to Vital Trust's DUP).

Unit-based compensation expense is measured on grant at the service commencement date, based on the fair market value of a REIT unit or Vital Trust unit, as applicable, and amortized over the applicable vesting period. At June 30, 2021, 1,384,047 unvested deferred units are expected to vest between 2021 and 2025. Unit-based compensation does not qualify as an equity award and is classified as a liability. The awards are re-measured at fair value each reporting period, based on the fair market value of a REIT unit or Vital Trust unit, as applicable, and the change in fair value is recognized as part of compensation expense for the period.

(b) Units outstanding under the deferred unit plans:

As at June 30, 2021	REIT	Vital Trust
Balance, beginning January 1, 2021	2,259,611	585,878
Granted	827,937	—
Exercised and paid in cash	(290,913)	(377,392)
Exercised and paid in REIT units	(35,053)	—
Forfeited	(17,637)	—
Distribution entitlement	77,231	5,371
Balance, as at June 30, 2021	2,821,176	213,857
Units vested but not exercised	1,588,210	62,545

For the three and six months ended June 30, 2021, the REIT granted 812,593 and 827,937 DUP units with a grant-date fair value of \$10.6 million and \$10.8 million, respectively (for the three and six months ended months ended June 30, 2020 - 18,954 and 688,031 DUP units with a fair value of \$0.2 million and \$6.7 million, respectively).

12. Class B Exchangeable Units

The Class B exchangeable units are economically equivalent to REIT units and are entitled to receive distributions equal to those provided to holders of REIT units. The fair value of the Class B exchangeable unit liability is determined with reference to the market price of the REIT's units at the reporting date.

Distributions declared on the Class B exchangeable units of NorthWest International Healthcare Properties LP ("NWI LP") totaled \$0.3 million and \$0.7 million for the three and six months ended June 30, 2021 (for the three and six months ended months ended June 30, 2020 - \$2.5 million and \$2.8 million) and have been accounted for as finance costs in profit or loss.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

The following table shows the continuity of the Class B exchangeable units:

	Units	Amount
Balance, December 31, 2020	1,710,000 \$	21,546
Fair value adjustment	—	222
Balance, June 30, 2021	1,710,000 \$	21,768

13. Unitholders' Equity

The REIT is authorized to issue two categories of equity: (a) REIT units; and (b) special voting units attached to the exchangeable Class B exchangeable units of NWI LP, a subsidiary of the REIT.

The REIT is authorized to issue an unlimited number of REIT units without par value. Each unit represents a single vote at any meeting of unitholders and entitles the unitholder to receive a pro rata share of all distributions. The unitholders have the right to require the REIT to redeem their units on demand. Upon receipt of the redemption notice by the REIT, all rights to and under the units tendered for redemption shall be surrendered and the holder thereof shall be entitled to receive a price per unit ("Redemption Price"), as determined by a market formula.

The Redemption Price will be paid in accordance with the conditions provided for in the Declaration of Trust.

The special voting units are only issued in tandem with Class B exchangeable units and are not transferable separately from the Class B exchangeable units to which they are attached. As Class B exchangeable units are exchanged or surrendered for REIT units, the corresponding special voting units will be cancelled for no consideration. Special voting units have no economic entitlement in the REIT, however, it entitles the holder to one vote per special voting unit at any meeting of the unitholders. The REIT's Trustees have discretion in declaring distributions.

The following table shows the changes in REIT units:

	REIT units	Amount
Balance, December 31, 2020	175,977,780 \$	1,694,810
Units issued through distribution reinvestment plan (i)	937,355	11,813
Units issued on conversion of convertible debentures (note 10)	4,906,463	63,322
Units issued under deferred unit plan (note 11)	35,053	457
Units issued pursuant to equity offering (iii)	33,400,257	421,714
Units issuance costs	—	(18,776)
Balance, June 30, 2021	215,256,908 \$	2,173,340

- (i) The REIT has established a distribution reinvestment plan ("DRIP") for its unitholders, which allows participants to reinvest their monthly cash distributions in additional units at an effective discount of 3%. On March 24, 2020, in response to market volatility caused by the COVID-19 pandemic the Board approved the elimination of the 3% bonus distribution under the DRIP, commencing with the April 2020 distribution. On November 12, 2020, the REIT announced the reinstatement of the DRIP, which had previously been suspended on March 24, 2020. For the three and six months ended June 30, 2021 the REIT's DRIP participation rate was 15.8% (three and six months ended months ended June 30, 2020 - 13.5%).
- (ii) On March 24, 2020 the TSX approved the REIT's application to proceed with a normal course issuer bid ("NCIB") for a portion of its Trust Units from time to time. Trust Units representing up to 10% of the REIT's public float may be purchased for cancellation under the NCIB, subject to certain maximum daily amounts, over the next 12 months. During the six months ended June 30, 2021, the REIT did not purchase any units under the NCIB.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

- (iii) On February 22, 2021, the REIT completed a public offering of 17,020,000 units at a price of \$12.65 per unit for gross proceeds of \$215.3 million, which included partial exercise of the over-allotment option granted to the underwriters, whereby an additional 1,200,000 units were issued at a price of \$12.65 per unit. In connection with the public offering, on April 9, 2021 the REIT closed a private placement of 395,257 Trust Units to NWVP for gross proceeds of approximately \$5.0 million.

On June 18, 2021, the REIT completed a public offering of 15,985,000 units at a price of \$12.60 per unit for gross proceeds of \$201.4 million, which included the full exercise of an over-allotment option granted to the underwriters, whereby an additional 2,085,000 units were issued at a price of \$12.60 per unit.

14. Non-Controlling Interests

The following tables present summarized accounts for Vital Trust and two investment properties Divine, and Fritz-Lang-Platz 6, held by Australia REIT and NWI Gesundheitsimmobilien GmbH & Co. KG, respectively, where a non-controlling or partial interest is owned by a third party. On June 30, 2020, the REIT sold a 70% interest in its Australia REIT subsidiary, and as a result the non-controlling interests balance related to Divine is no longer consolidated by the REIT.

The net assets and income (loss) attributable to the non-controlling interests and the REIT are as follows:

As at June 30, 2021	Vital Trust		Fritz-Lang-Platz 6		Total
REIT's ownership interest	26.0 %		94.9 %		
Total assets	\$	2,300,404	\$	26,088	\$ 2,326,492
Total liabilities		991,995		9,025	1,001,020
Net assets	\$	1,308,409	\$	17,063	\$ 1,325,472
Attributable to:					
Unitholders of the REIT		346,955		16,540	363,495
Non-controlling interests		961,454		523	961,977
	\$	1,308,409	\$	17,063	\$ 1,325,472

	For the three months ended June 30, 2021			For the three months ended June 30, 2020			
	Vital Trust	Fritz-Lang-Platz 6	Total	Vital Trust	Divine	Lang-Platz 6	Total
Revenue from investment properties	\$ 27,892	\$ 419	\$ 28,311	\$ 24,674	\$ 1,967	\$ 388	\$ 27,029
Net income attributable to:							
Unitholders of the REIT	39,264	17,220	56,484	630	822	202	1,654
Non-controlling interests	102,155	8	102,163	1,902	674	11	2,587
Net income	\$ 141,419	\$ 17,228	\$ 158,647	\$ 2,532	\$ 1,496	\$ 213	\$ 4,241
Total comprehensive income attributable to:							
Unitholders of the REIT	31,281	(29)	31,252	15,445	3,677	(58)	19,064
Non-controlling interests	79,916	7	79,923	46,524	4,618	2	51,144
Total comprehensive income (loss)	\$ 111,197	\$ (22)	\$ 111,175	\$ 61,969	\$ 8,295	\$ (56)	\$ 70,208
Distributions attributable to non-controlling interests	\$ 7,683	\$ —	\$ 7,683	\$ 6,460	\$ 168	\$ —	\$ 6,628

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

	For the six months ended June 30, 2021			For the six months ended June 30, 2020			
	Vital Trust	Fritz-Lang-Platz 6	Total	Vital Trust	Divine	Fritz-Lang-Platz 6	Total
Revenue from investment properties	\$ 56,464	\$ 855	\$ 57,319	\$ 48,642	\$ 3,810	\$ 768	\$ 53,220
Net income (loss) attributable to:							
Unitholders of the REIT	46,261	17,404	63,665	860	1,667	361	2,888
Non-controlling interests	122,776	19	122,795	2,595	1,316	19	3,930
Net income (loss)	\$ 169,037	\$ 17,423	\$ 186,460	\$ 3,455	\$ 2,983	\$ 380	\$ 6,818
Total comprehensive income (loss) attributable to:							
Unitholders of the REIT	29,282	(322)	28,960	5,934	1,257	101	7,292
Non-controlling interests	74,342	(13)	74,329	17,829	2,785	44	20,658
Total comprehensive income (loss)	\$ 103,624	\$ (335)	\$ 103,289	\$ 23,763	\$ 4,042	\$ 145	\$ 27,950
Distributions attributable to non-controlling interests	\$ 15,444	\$ —	\$ 15,444	\$ 12,875	\$ 884	\$ —	\$ 13,759

	For the three months ended June 30, 2021			For the three months ended June 30, 2020			
	Vital Trust	Fritz-Lang-Platz 6	Total	Vital Trust	Divine	Fritz-Lang-Platz 6	Total
Cash flow activities:							
Operating	\$ 6,611	\$ 105	\$ 6,716	\$ 11,834	\$ 912	\$ 185	\$ 12,931
Investing	(127,189)	(1)	(127,190)	(24,390)	—	—	(24,390)
Financing	118,970	(128)	118,842	12,217	(12)	(170)	12,035
Effect of foreign currency translation	513	1	514	(948)	(1,805)	1	(2,752)
Net change in cash	\$ (1,095)	\$ (23)	\$ (1,118)	\$ (1,287)	\$ (905)	\$ 16	\$ (2,176)

	For the six months ended June 30, 2021			For the six months ended June 30, 2020			
	Vital Trust	Fritz-Lang-Platz 6	Total	Vital Trust	Divine	Fritz-Lang-Platz 6	Total
Cash flows from (used in):							
Operating	\$ 15,542	\$ 310	\$ 15,852	\$ 19,339	\$ 2,645	\$ 411	\$ 22,395
Investing	(186,883)	(1)	(186,884)	(50,702)	—	—	(50,702)
Financing	167,964	(334)	167,630	31,757	(1,659)	(428)	29,670
Effect of foreign currency translation	3,562	1	3,563	(358)	(1,793)	—	(2,151)
Net change in cash	\$ 185	\$ (24)	\$ 161	\$ 36	\$ (807)	\$ (17)	\$ (788)
Cash ending balance	\$ 5,959	\$ (5)	\$ 5,954	\$ 5,902	\$ 1,533	\$ (37)	\$ 7,398

The REIT is subject to restrictions over the extent to which it can access funds of Vital Trust and Fritz-Lang-Platz 6 in the form of cash distributions, or use of assets and access to debt and credit facilities as a result of borrowing arrangements, regulatory restrictions and the REIT's economic interests in Vital Trust and Fritz-Lang-Platz 6, being limited to approximately 26.0% and 94.9%, respectively.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

15. Rental Revenue

The components of rental revenue are as follows:

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Rental income	\$ 70,292	\$ 71,266	\$ 141,316	\$ 143,946
Operating cost recoveries	12,956	13,308	27,342	28,308
Tax and insurance recoveries	5,221	4,942	10,859	10,714
Other revenue	1,623	777	3,174	2,919
Rental revenue	\$ 90,092	\$ 90,293	\$ 182,691	\$ 185,887

16. Supplemental Cash Flow Information

(i) Cash, cash equivalents and restricted cash

As at	June 30, 2021	December 31, 2020
Cash and cash equivalents	\$ 56,270	\$ 144,106
Restricted cash	43	41
Total cash, cash equivalents and restricted cash	\$ 56,313	\$ 144,147

Restricted cash represents cash held in the REIT's designated bank accounts pledged as collateral for the Brazil term debt (note 9).

(ii) Changes in Non-Cash Working Capital Balances

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Accounts receivable	\$ (5,940)	\$ (7,330)	\$ (12,405)	\$ (1,697)
Other assets	(3,139)	(1,049)	(5,419)	7,283
Accounts payable and accrued liabilities	8,788	1,951	16,337	6,348
Changes in non-cash working capital balances	\$ (291)	\$ (6,428)	\$ (1,487)	\$ 11,934

(iii) Non-Cash Financing and Investing Activities

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Non cash distributions to Unitholders under the DRIP (note 13)	\$ 6,285	\$ 1,313	\$ 11,813	\$ 5,609
Units issued under deferred unit plan (note 11)	416	365	457	810
Non-cash conversion of convertible debentures	63,322	—	63,322	51,483
Non-cash conversion of Class B exchangeable units (note 12)	—	—	—	106,387

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NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

(iv) Finance costs

	For the three months ended June 30,		For the six months ended June 30,	
	2021	2020	2021	2020
Distributions on Exchangeable Units	\$ 342	\$ 342	\$ 684	\$ 2,817
Accretion of financial liabilities	904	(140)	4,986	2,562
Amortization of deferred financing costs	4,683	2,635	8,740	3,881
Amortization of marked to market adjustment	(112)	(217)	(209)	(508)
Fair value adjustment of Convertible Debentures	1,185	12,368	(1,465)	(13,842)
Fair value adjustment of Class B exchangeable units	(342)	1,949	222	(86,402)
Total finance costs	\$ 6,660	\$ 16,937	\$ 12,958	\$ (91,492)

17. Related Party Transactions

- (a) As at June 30, 2021, Northwest Value Partners Inc. and affiliates ("NWVP") indirectly owned approximately 12.7% of the REIT through a combination of Trust Units of the REIT and Class B exchangeable units of NWI LP, approximately 11.8% on a fully diluted basis assuming conversion of the REIT's convertible debentures and redemption of its deferred units (as at December 31, 2020 - 15.3% and 13.5%, respectively). Paul Dalla Lana, Chairman of the Board of Trustees and Chief Executive Officer ("CEO") of the REIT, is the sole shareholder, sole director and President of NWVP.

On April 9, 2021 and in connection with the February 22, 2021 public offering, the REIT completed a private placement of 395,257 Trust Units to NWVP for gross proceeds of approximately \$5.0 million.

During the three months ended June 30, 2021, the REIT granted 134,093 deferred units with a total grant-date fair value of \$1.8 million to Paul Dalla Lana. As at June 30, 2021, 89,935 unvested deferred units are expected to vest between 2022 and 2026.

- (b) As at June 30, 2021, the REIT had a payable owing to NWVP of \$0.3 million (December 31, 2020 - \$0.7 million) that is included in accounts payable and accrued liabilities.

The REIT incurred charges to NWVP during the three months ended June 30, 2021, of \$1.6 million, including: (i) compensation for CEO management services for the year ending December 31, 2021 of \$1.4 million that has been expensed by the REIT on a pro-rata basis over course of the period and (ii) the cost of NWVP personnel seconded to the REIT totaling \$0.1 million and expense reimbursements of \$0.1 million. The aforementioned charges were recorded as part of general and administrative expenses and transaction costs.

The REIT incurred charges to NWVP during the six months ended June 30, 2021, of \$1.7 million, including: (i) compensation for CEO management services for the year ending December 31, 2021 of \$1.4 million that has been expensed by the REIT on a pro-rata basis over course of the period and (ii) the cost of NWVP personnel seconded to the REIT totaling \$0.2 million and expense reimbursements of \$0.1 million. The aforementioned charges were recorded as part of general and administrative expenses and transaction costs.

During the three and six months ended June 30, 2021, the REIT made total payments to NWVP of \$1.4 million and \$2.1 million, respectively, settle outstanding and current period charges.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

- (c) At June 30, 2021, included in accounts payable and accrued liabilities are Class B exchangeable unit distributions payable to NWVP and affiliates in the amount of \$0.1 million (December 31, 2020 - \$0.1 million), which were settled subsequent to period end.

18. Segmented Information

The REIT operates in one industry segment being the real estate industry segment; however the REIT monitors and operates its European, Brazilian, Canadian, and Australasian operations separately. The CEO assesses the performance of each of the operating segments based on a measure of operating income (loss). The accounting policies for each of the segments are the same as those for the REIT. The REIT's general and administrative expenses are managed centrally in Canada and are not allocable to operating segments, however certain operating segments incur general and administrative expenses specific to their segment and are included in the segment results reported.

During the three and six months ended June 30, 2021, two tenants in Brazil accounted for 11% (for the three and six months ended June 30, 2020 - 12%), and one tenant in Australasia accounted for 6% (for the three and six months ended months ended June 30, 2020 - 15%) of the total revenue from investment properties.

As at June 30, 2021	Europe	Brazil	Australasia	Canada	Total
Investment properties	\$1,316,228	\$ 683,606	\$2,447,901	\$1,207,969	\$5,655,704
Mortgages and loans payable	\$ 327,178	\$ 171,702	\$ 906,387	\$1,097,504	\$2,502,771
As at December 31, 2020	Europe	Brazil	Australasia	Canada	Total
Investment properties	\$1,172,476	\$ 648,226	\$2,236,504	\$1,204,857	\$5,262,063
Mortgages and loans payable	\$ 468,208	\$ 170,415	\$ 781,116	\$1,075,674	\$2,495,413
For the three months ended June 30, 2021	Canada	Brazil	Europe	Australasia	Total
Operating Income (Loss)					
Revenue from investment properties	\$ 30,429	\$ 10,243	\$ 18,535	\$ 30,885	\$ 90,092
Property operating costs	14,063	—	2,946	3,257	20,266
Net property operating income	16,366	10,243	15,589	27,628	69,826
Interest and other	20	64	2	1,316	1,402
Development revenue	—	—	1,312	—	1,312
Management fee	—	—	514	4,982	5,496
Share of profit of from equity accounted investment	—	—	4,098	37,244	41,342
	20	64	5,926	43,542	49,552
Mortgage and loan interest expense	10,781	1,786	2,980	7,100	22,647
General and administrative expenses	5,584	302	1,521	3,832	11,239
Transaction costs	1,638	—	4,640	5,362	11,640
Development costs	—	—	924	—	924
Foreign exchange (gain) loss	(1,427)	(5)	(25)	270	(1,187)
	16,576	2,083	10,040	16,564	45,263
Operating income (loss)	\$ (190)	\$ 8,224	\$ 11,475	\$ 54,606	\$ 74,115

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NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST
Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

For the three months ended June 30, 2020	Canada	Brazil	Europe	Australasia	Total
Operating Income (Loss)					
Revenue from investment properties	\$ 29,493	\$ 10,945	\$ 18,140	\$ 31,715	\$ 90,293
Property operating costs	13,704	—	3,404	3,283	20,391
Net property operating income	15,789	10,945	14,736	28,432	69,902
Interest and other	10	87	—	415	512
Management fee	—	—	—	2,346	2,346
Share of profit from equity accounted investment	—	—	—	4,100	4,100
	10	87	—	6,861	6,958
Mortgage and loan interest expense	11,305	2,068	2,540	7,885	23,798
General and administrative expenses	4,303	350	632	2,539	7,824
Transaction costs	2,170	—	600	7,990	10,760
Foreign exchange (gain) loss	1,756	5	(7)	4,035	5,789
	19,534	2,423	3,765	22,449	48,171
Operating income (loss)	\$ (3,735)	\$ 8,609	\$ 10,971	\$ 12,844	\$ 28,689
For the six months ended June 30, 2021	Canada	Brazil	Europe	Australasia	Total
Operating Income					
Revenue from investment properties	\$ 62,606	\$ 20,516	\$ 36,964	\$ 62,605	\$ 182,691
Property operating costs	29,936	—	5,589	6,776	42,301
Net property operating income	32,670	20,516	31,375	55,829	140,390
Interest and other	87	94	—	1,575	1,756
Development revenue	—	—	3,165	—	3,165
Management fee	—	—	1,397	7,655	9,052
Share of income from equity accounted investment	—	—	4,665	42,822	47,487
	87	94	9,227	52,052	61,460
Mortgage and loan interest expense	22,940	3,591	5,928	13,299	45,758
General and administrative expenses	9,953	623	3,399	7,421	21,396
Transaction costs	2,640	—	5,083	5,710	13,433
Development costs	—	—	2,229	—	2,229
Foreign exchange (gain) loss	(15,112)	—	29	1,436	(13,647)
	20,421	4,214	16,668	27,866	69,169
Operating income (loss)	\$ 12,336	\$ 16,396	\$ 23,934	\$ 80,015	\$ 132,681

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NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

For the six months ended June 30, 2020	Canada	Brazil	Europe	Australasia	Total
Operating Income					
Revenue from investment properties	\$ 62,060	\$ 23,808	\$ 34,571	\$ 65,448	\$ 185,887
Property operating costs	29,248	—	6,599	7,492	43,339
Net property operating income	32,812	23,808	27,972	57,956	142,548
Other income					
Interest and other	103	148	20	861	1,132
Management fee	—	—	—	3,769	3,769
Share of income from equity accounted investment	—	—	—	11,618	11,618
	103	148	20	16,248	16,519
Mortgage and loan interest expense	22,802	4,597	4,872	16,379	48,650
General and administrative expenses	6,862	702	1,773	5,506	14,843
Transaction costs	11,700	213	600	14,660	27,173
Foreign exchange (gain) loss	10,027	10	(38)	3,255	13,254
	51,391	5,522	7,207	39,800	103,920
Operating income (loss)	\$ (18,476)	\$ 18,434	\$ 20,785	\$ 34,404	\$ 55,147

19. Commitments and Contingent Liabilities

- a. The REIT obtains letters of credit to support its obligations with respect to construction work on its investment properties and satisfying mortgage financing requirements. As at June 30, 2021, the REIT has a total of \$6.2 million in outstanding letters of credit, under the REIT's secured revolving floating rate credit facility, related to construction work that is being performed on investment properties. The REIT does not expect that any of these standby letters of credit are likely to be drawn upon.
- b. Pursuant to the disposition of the REIT's 70% interest in AREIT units during the year ended December 31, 2020, the REIT indemnified the joint venture partner for potential tax liabilities related to AREIT's investment properties. The indemnity expires if the properties are not sold within 15 years of settlement. Given that the disposition of properties is dependent on uncertain future events not within the control of the REIT, and that the taxable outcome of the disposition is not estimable due to the variables involved, the REIT has not recognized a provision related to the indemnification.
- c. Pursuant to the vend-in of European investment properties to the European JV in 2020, the REIT has indemnified its joint venture partner for potential tax liabilities related to the investment properties. Given that the eventual disposition of properties is dependent on uncertain future events not within the control of the REIT, and that the taxable outcome of the disposition is not estimable due to the variables involved, the REIT has not recognized a provision related to the indemnification.
- d. The REIT has entered into acquisition and construction agreements on development properties and is committed to associated costs of \$193.9 million as at June 30, 2021 (December 31, 2020 - \$271.0 million), of which \$11.3 million relates to the committed development expenditures for properties contributed and sold to the European JV (note 4).
- e. The REIT indemnifies individuals who have acted at the REIT's request to be a trustee and/or director and/or officer of the REIT (and/or one or more of its direct and indirect subsidiaries), to the extent permitted by law, against any and all damages, liabilities, costs, charges or expenses suffered by or incurred by the individuals as a result of their service. The claims covered by such indemnifications are subject to statutory and other legal limitation periods. The nature of the indemnification agreements prevents the REIT from making a reasonable estimate of the maximum potential amount it could be required to pay to beneficiaries of such indemnification agreements.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

- f. The REIT is subject to legal and other claims in the normal course of business. Management and the REIT's legal counsel evaluate all claims. In the opinion of management these claims are generally covered by the REIT's insurance policies and any liability from such claims would not have a significant effect on the REIT's consolidated financial statements.

20. Fair Values

Estimated fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The REIT uses a fair value hierarchy to categorize the inputs used in valuation techniques to measure fair value of financial instruments and investment properties. The classifications are as follows: the use of quoted market prices for identical assets or liabilities (Level 1), internal models using observable market information as inputs (Level 2) and internal models without observable market information as inputs (Level 3).

The REIT determined the estimated fair value of each investment property using the discounted cash flow method. The discounted cash flow method discounts the expected future cash flows, generally over a term of 10 years, including a terminal value based on the application of a capitalization rate to estimate cash flows beyond the term of 10 years. Note 5 outlines the key assumptions used by the REIT in determining fair value of its investment properties.

Derivatives instruments are valued using a valuation technique with market-observable inputs (Level 2) and include the forward contract and the interest rate swaps. The most frequently applied valuation technique includes forward pricing models, using present value calculations. The models incorporate various inputs including forward rates and interest rate curves. The call and put option instruments and shares in AUHPT are valued using an internal model without observable market information as inputs (Level 3).

As allowed under IFRS 13, if an asset or a liability measured at fair value has a bid and an ask price, the price within the bid-ask spread that is the most representative of fair value in the circumstances shall be used to measure fair value. The REIT has chosen to use closing market price (Level 1) as a practical expedient for fair value measurement for its Class B exchangeable units, DUP liability and convertible debentures.

The fair value of the REIT's mortgages and loans payable are determined using present value calculations based on market-observable interest rates for mortgages and loans with similar terms and conditions (Level 2). The carrying values of the REIT's financial assets, which include accounts receivable, other assets, and cash and restricted cash, as well as financial liabilities, which includes accounts payable and accrued liabilities, distributions payable approximate their recorded fair values due to their short-term nature.

The fair value hierarchy of assets and liabilities measured at fair value on the consolidated statement of financial position or disclosed in the notes to the consolidated financial statements as at June 30, 2021 is as follows:

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST

Notes to Condensed Consolidated Interim Financial Statements

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

	Carrying value	Fair Value		
		Level 1	Level 2	Level 3
Assets measured at fair value:				
Investment properties	\$ 5,655,704	\$ —	\$ —	\$ 5,655,704
Financial instruments	36,226	—	212	36,014
Investment in AUHPT	110,012	—	—	110,012
Assets recorded at amortized cost:				
Loans receivable	10,351	—	—	10,351
Liabilities measured at fair value:				
Financial instruments	61,920	—	39,931	21,989
Convertible debentures	214,199	214,199	—	—
Class B LP exchangeable units	21,768	21,768	—	—
Deferred unit plan liabilities	28,162	28,162	—	—
Financial liabilities recorded at amortized cost:				
Mortgage and loans payable	2,502,771	—	2,498,880	—

21. Capital Management

The REIT considers its capital to be its unitholders' equity, Class B exchangeable units, and debt. The REIT is free to determine the appropriate level of capital in context with its cash flow requirements, overall business risks and potential business opportunities. As a result of this, the REIT will make adjustments to its capital based on its investment strategies and changes to economic conditions.

The REIT's strategy is also driven by policies as set out in the Declaration of Trust. The requirements of the REIT's operating policies as outlined in the Declaration of Trust include the requirement that the REIT will not incur or assume indebtedness which would cause the total indebtedness of the REIT to exceed 65% of Gross Book Value as defined. Indebtedness as defined in the Declaration of Trust excludes deferred revenue, Class B exchangeable units, and unsecured debt which includes convertible debentures.

At June 30, 2021, the REIT is in compliance with its debt to gross book value ratio of the Declaration of Trust at 39.7% (December 31, 2020 - 42.9%).

As at	June 30, 2021	December 31, 2020
Debt		
Gross value of debt excluding convertible debentures ⁽¹⁾	\$ 2,516,917	\$ 2,510,310
Gross value of total debt ⁽²⁾	2,731,116	2,803,131
Gross Book Value of Assets		
Total assets	\$ 6,342,457	\$ 5,845,238
Debt-to-Gross Book Value (Declaration of Trust)	39.7 %	42.9 %
Debt-to-Gross Book Value (including convertible debentures)	43.1 %	48.0 %

(1) represents the principal balance of mortgages, credit facilities, term debt and finance lease.

(2) represents the principal balance of mortgages, credit facilities, term debt, finance lease and convertible debentures (at fair value).

The REIT's capital management is also impacted by various financial covenants in certain loan agreements. As at June 30, 2021, the REIT is in compliance with all such financial covenants.

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NORTHWEST HEALTHCARE PROPERTIES REAL ESTATE INVESTMENT TRUST**Notes to Condensed Consolidated Interim Financial Statements**

(in thousands of Canadian dollars, unless otherwise stated)

For the three and six months ended June 30, 2021 and 2020

Unaudited

22. Risk Management

In the normal course of business, the REIT is exposed to a number of risks that can affect its operating performance. These risks and the actions taken to manage them are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended December 31, 2020.

23. Subsequent Events

- i. In connection with a public offering of units in June 18, 2021, the REIT closed a private placement of 1,985,000 Trust Units to NWVP on July 22, 2021, for gross proceeds of approximately \$25.0 million.
- ii. On May 28, 2021, the REIT together with a capital partner called a meeting of AUHPT unitholders to vote on a proposal to acquire all of the outstanding units of AUHPT at a price of A\$2.70 per wholesale unit. This offer has now been withdrawn by the REIT.

In addition to the meeting proposal, on June 15, 2021, the REIT together with its capital partner offered to acquire up to \$375 million of AUHPT units at A\$2.70 per wholesale unit, A\$2.76 per retail unit and A\$1.69 per Class A unit (the "Premium Cash Offer"). As at the Premium Cash Offer closing date of July 23, 2021, the REIT received applications for 12.9 million units, amounting to approximately \$32.3 million. Incrementally, the REIT entered into put and call arrangements to acquire approximately 10.0 million units for total consideration of \$22.5 (see note 7). The REIT anticipates to close the purchase of units by the third quarter of fiscal 2021.

- iii. On August 6, 2021, the REIT completed the acquisition of Aspen Healthcare UK Limited ("Aspen Group") for an equity purchase price of approximately \$38.0 million. The Aspen Group is an independent healthcare provider situated in the UK and was tenant of the REIT at four of its UK investment properties immediately prior to the acquisition. The acquisition was funded using existing liquidity.

As result of the transaction, the REIT will assume Aspen Group's interest in two hospital properties located in Sheffield and Edinburgh. The REIT will also obtain control over the operations of eight hospitals located throughout the UK.

Since the acquisition was completed after the end of the reporting period but before the financial statements were authorized for issue, the initial accounting for the acquisition was not complete by the issuance date of these condensed consolidated interim financial statements.

- iv. On July 15, 2021, the REIT announced a distribution of \$0.06667 per REIT unit to unitholders of record on July 30, 2021, and paid on August 13, 2021.



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