

Mainstreet Health Investments Inc. Reports Fourth Quarter and Full Year 2016 Results

TORONTO, March 29, 2017 /CNW/ - Mainstreet Health Investments Inc. (TSX: HLP.U) (the "Company") today announced its results for the three and twelve months ended December 31, 2016.

Fourth Quarter Highlights

- Reported adjusted funds from operations ("AFFO") of \$0.24 per common share
- Acquired interests in nine seniors housing and care facilities located in New York, Texas, Arkansas, Illinois and Kansas
- Expanded portfolio into Canada with the acquisition of interests in four facilities in Ontario
- Completed investments in the development of six new facilities by advancing mezzanine loans with purchase options located in Arizona, Colorado, Nebraska and Missouri
- Internalized management, including executive officers
- Completed a \$74.8 million subscription receipts offering of common shares
- Completed a \$45.0 million public offering of convertible debentures

"We are very excited about the activity and achievement in the fourth quarter," said Scott White, chief executive officer of the Company. "In the short period of time we have been a public company, we have been able to acquire exceptional assets, build strong operating partnerships, raise capital and internalize management. We have continued to execute on our strategy by diversifying our portfolio by geography, operator and facility type. We have a great team and a great opportunity to continue to grow and build long term shareholder value."

Financial Highlights

(in thousands of U.S dollars, except per share values)	Three months ended December 31, 2016	Twelve months ended December 31, 2016
Revenue	\$ 13,849	\$ 40,865
General and administrative expenses	\$ 2,115	\$ 5,178
Finance costs	\$ 3,100	\$ 13,967
Net income	\$ 5,138	\$ 4,877
Funds from operations ("FFO") ⁽¹⁾	\$ 5,803	\$ 14,736
Funds from operations per share	\$ 0.20	\$ 0.91
Adjusted funds from operations ("AFFO") ⁽¹⁾	\$ 7,149	\$ 19,571
Adjusted funds from operations per share	\$ 0.24	\$ 1.21

(1) FFO and AFFO are measures used by management to evaluate operating performance. Please refer to the section "Non-IFRS Measures" in this press release for more information.

Balance Sheet and Portfolio Highlights

(in thousands of U.S. dollars, except number of properties)	December 31, 2016	December 31, 2015
Cash	\$ 7,651	\$ 7,189
Total assets	\$ 677,719	\$ 279,053
Number of owned properties	35	10
Debt	\$ 356,220	\$ 144,692

"In 2016 we tripled our portfolio by facility count and more than doubled our asset value. We executed on a series of accretive transactions, while maintaining our targeted leverage profile, and establishing a strong operating platform to grow from," commented Scott Higgs, chief financial officer for the Company.

Subsequent Events

As previously announced in March, 2017 the Company entered into a definitive agreement for the acquisition of three facilities located in California and Arizona in a sale leaseback transaction with The Ensign Group, Inc. The acquisition exemplifies the Company's further diversification, as these will represent the Company's first acquisition in both California and Arizona.

Please refer to the Recent Activities section of the Company's Annual 2016 MD&A available on the Company's website and on SEDAR at www.sedar.com for more information.

Investor Conference Call

A conference call hosted by the Company's senior management team will be held Thursday, March 30, 2017 at 10:00 AM ET. The telephone numbers for the conference call are: Local: (647) 427-7450 or Toll Free: (888) 231-8191. The passcode for the conference call is: 69576461. The conference will also be available via webcast at <http://www.mainstreethealthinvestments.com/investor-events-presentations/>. Please log on at least 15 minutes before the call commences. The telephone numbers to listen to the call after it is completed (taped replay) are: Local: (416) 849-0833 or Toll Free: (855) 859-2056. The Passcode for the taped replay is 69576461.

About Mainstreet Health Investments

Mainstreet Health Investments Inc. is a health care real estate company with a portfolio of high quality properties located in the United States and Canada. Our properties are operated by best-in-class health care providers primarily under long-term, triple net leases. Our mission is to create long-term shareholder value while providing an investment opportunity that matters. For more information, visit www.mainstreethealthinvestments.com.

Forward-Looking Information

This press release contains forward-looking information that reflects the current expectations of management about the future results and opportunities for the Company. Forward-looking statements generally can be identified by words such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "project", or "continue" or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect the Company's current beliefs and are based on information currently available to management. This forward-looking information represents our views as of the date of this press release and such information should not be relied upon as representing our views as of any date subsequent to the date of this document. We have attempted to identify important factors that could cause actual results or performance to vary from those current expectations or estimates expressed or implied by the forward-looking information. See risk factors highlighted in materials filed with the securities regulatory authorities in Canada from time to time, including, but not limited to, the Company's annual information form available on SEDAR at www.sedar.com.

Non-IFRS Measures

The Company reports its financial results in accordance with International Financial Reporting Standard ("IFRS"). Included in this news release are certain non-IFRS financial measures as supplemental indicators used by management to track the Company's performance. These non-IFRS measures are FFO and AFFO.

The Company believes that these non-IFRS financial measures provide useful information to both management and investors in measuring the financial performance and financial condition of the Company. These measures do not have a standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies, nor should they be construed as an alternative to other financial measures determined in accordance with IFRS. For a full definition of these measures and a reconciliation to net profit for the three and twelve months ended December 31, 2016, please refer to the Financial Measures section of the 2016 MD&A available on the Company's website and on SEDAR at www.sedar.com.

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<http://invesque.mediaroom.com/2017-03-29-Mainstreet-Health-Investments-Inc-Reports-Fourth-Quarter-and-Full-Year-2016-Results>