

Mainstreet Health Investments Inc. Announces Agreement to Sell Two Transitional Care Facilities

TORONTO, July 25, 2017 /CNW/ - Mainstreet Health Investments Inc. (TSX:HLP.U) (the "**Company**") announced today that it has entered into a definitive agreement to sell two transitional care facilities located in Wichita, Kansas and Fort Worth, Texas (collectively, the "**Properties**") to Mainstreet Property Group, LLC ("**Mainstreet Property Group**"), for a total sale price of approximately US\$47 million. The transaction is expected to close prior to year-end.

The Company has entered into lease agreements with an affiliate of Mainstreet Property Group to operate the Properties until the transaction closes. The lease agreements are triple-net, with an initial term of 15 years and are at market rates. The rents payable under the lease agreements are equal to the payments currently being made under the income support agreement entered into by Mainstreet Property Group in favour of the Company when the Properties were acquired by the Company. The income support agreement has been terminated concurrently with the parties entering into the lease. Mainstreet Property Group and its affiliate entering into the lease agreements are majority-owned by Zeke Turner, the chairman of the Company.

"This transaction provides these Properties with an operator that will serve the communities well, and demonstrates our continued commitment to working with our partners. We are committed to being supportive of Mainstreet Property Group and its affiliates as they build out their operating company focused on post-acute transitional care" noted Scott White, the Company's Chief Executive Officer. "As part of our disciplined growth strategy, we constantly evaluate our portfolio and deploy capital to create maximum value for our shareholders."

The sale of the Properties will be subject to standard closing conditions, including satisfactory completion of due diligence.

About Mainstreet Health Investments Inc.

Mainstreet Health Investments Inc. is a North American health care real estate company with a growing portfolio of high-quality properties located in the United States and Canada and operated by best-in-class senior living and care operators primarily under long-term leases. Its 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. More particularly and without limitation, this press release contains forward looking statements and information concerning the completion of the sale of the Properties. Such forward-looking statements reflect the Company's current beliefs and are based on information currently available to management. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because the Company can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. These risks and uncertainties include, but are not limited to, the conditions to the acquisition of the Properties not being satisfied or waived. Readers are cautioned not to place undue reliance on this forward-looking information, which is given as of the date hereof and to not use such forward looking information for anything other than its intended purpose. The Company undertakes no obligation to update publicly or revise any forward looking information, whether as a result of new information, future events or otherwise, except as required by law.

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