

Invesque

COMPANY OVERVIEW

TSX: IVQ.U



Invesque

Invesque at a Glance

MACRO OPPORTUNITY

Massive wave of aging baby boomers will utilize greater health care services and spend more dollars on health care. We are just beginning, and **the real growth is ahead.**

INVESTMENT THESIS

Health care real estate generates long-term, out-paced risk adjusted returns. While any particular asset class may come in and out of favor in any cycle, **long-term, patient investors, will be rewarded.**

STRATEGY

Build a highly diversified portfolio of income generating health care real estate. Diversify by type of asset, geography, payor source and operator. **Operating partners are the key to our success.**



Invesque Portfolio Snapshot



102

Properties



~10 years

Approximate effective age of portfolio



~2.2%

avg. annual rental escalators⁽¹⁾



20

Partnerships with high-quality operators



8,500+

Beds/Suites

577,000

MOB ft²



Triple-net lease and joint venture structure provides **stable cash flow**



~12.5 yrs

Weighted average lease maturity



Geographically diversified across

20 states

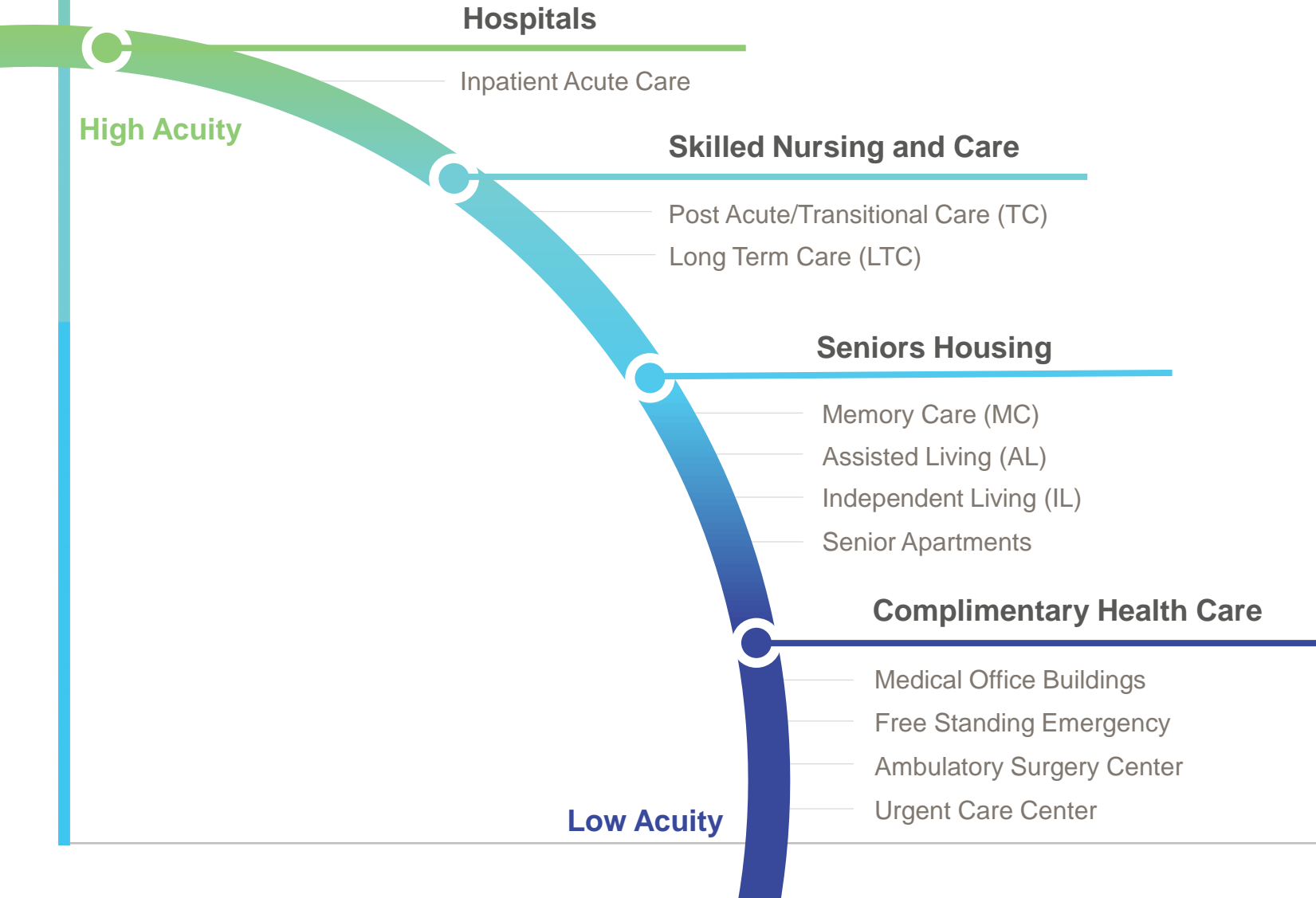
&

2 Canadian Provinces

(1) Triple net lease portfolio



Spectrum of Care



Attractive & Stable Industry Dynamics

Highly fragmented industry focused on a need-driven, cost-effective care model

HIGHLY FRAGMENTED INDUSTRY

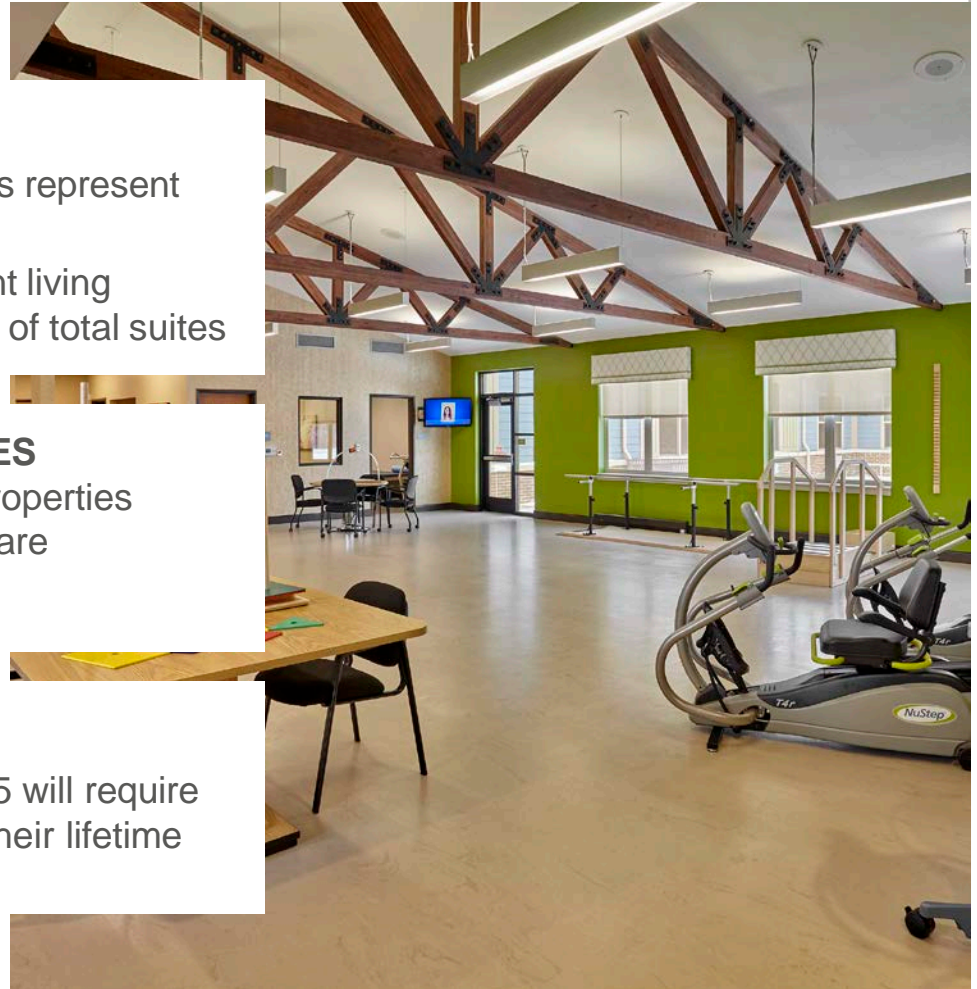
- Top 10 skilled nursing facility owners represent ~17% of total beds
- Top 10 assisted living & independent living community owners represent ~27% of total suites

COST-EFFECTIVE CARE ALTERNATIVES

Transitional Care and Long Term Care properties provide some of the most cost-effective care alternatives for third-party payer sources

NEED-DRIVEN SERVICES

Approximately 70% of people over age 65 will require some type of senior care service during their lifetime

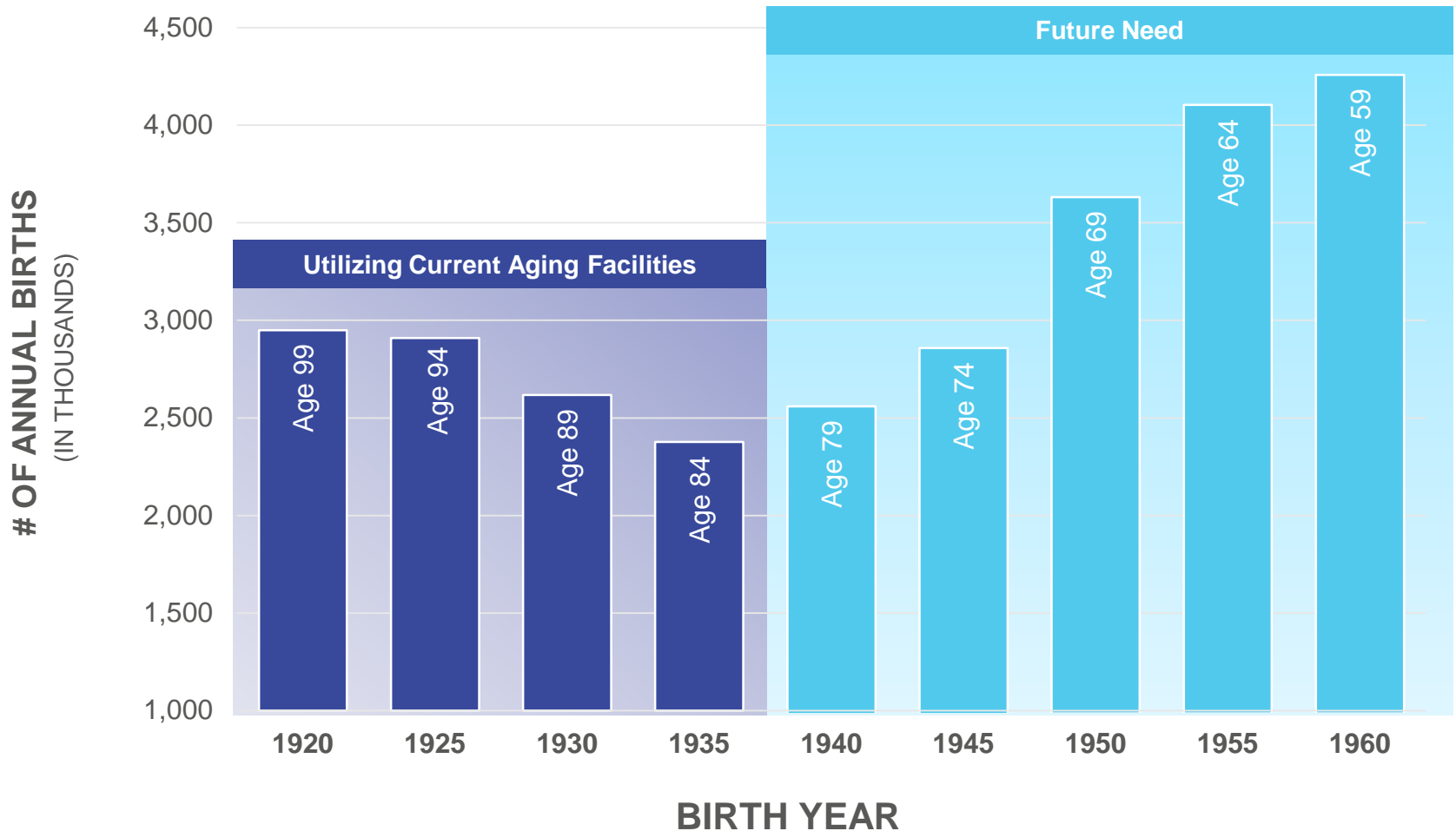


Data Source: National Investment Center for Seniors Housing & Care (NIC)



Preparing for Unprecedented Growth

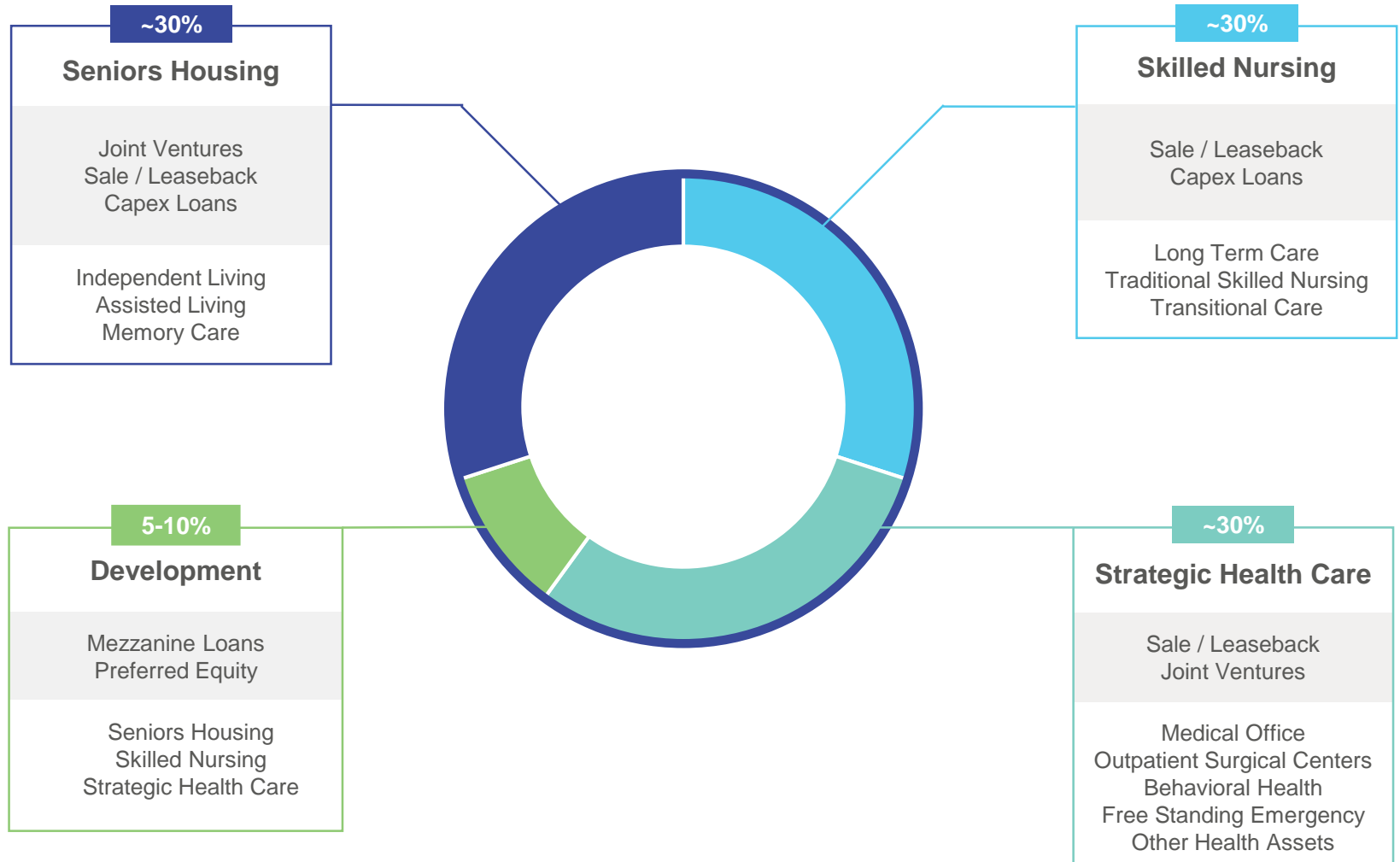
We are at the leading edge of the aging baby boom demographic



Data Source: United States Census Bureau



Building a Diversified Portfolio



Clear Pathway to Growth

Focused, Disciplined and Accretive Growth Strategy



Current Operating Portfolio

Triple-net leases with annual contractual rental escalators of approximately 2.2%

Expansion opportunities with current operating partners



Acquisition Pipeline

Experienced management team with access to unique pipeline of acquisitions from its deep network of owner, operator, developer, lender and broker relationships

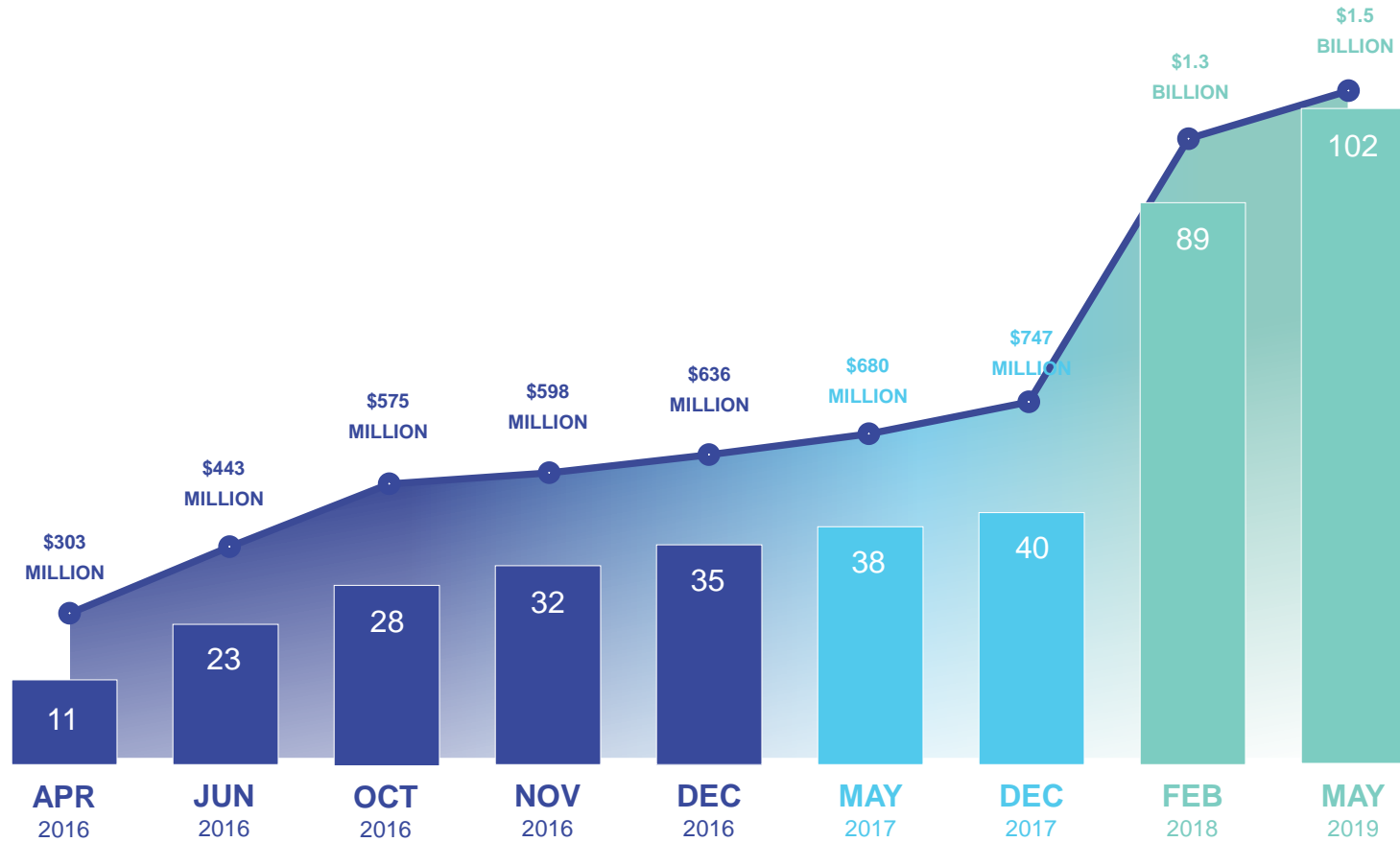


Development Partnerships

Invesque has arrangements with sought after developers to provide development financing in exchange for the right to acquire properties



Building a Strong Platform



Care Investment Trust:

A CASE STUDY IN PORTFOLIO GROWTH & DIVERSIFICATION

In 2018, Invesque closed on the transformative US\$425 million acquisition of Care Investment Trust, comprising a portfolio of 42 high quality seniors housing and care properties across the United States

- Attractive and strategic portfolio acquisition
- Enhances scale and investment platform
- Improves diversification by tenant and geography
- Increases exposure to private pay senior housing
- Attractive acquisition metrics
- Shares issued at \$9.75 validates embedded value in Invesque portfolio
- Accretive to 2018E AFFO per share



Mohawk Medical Properties REIT:

A CASE STUDY OF DIVERSIFICATION AND ESTABLISHING A PLATFORM FOR GROWTH

In 2018, Invesque expanded its portfolio to include medical office buildings with the US\$138 million acquisition of Mohawk Medical Properties REIT. The acquisition was comprised of 14 properties totaling more than 500,000 ft² in Canada and the United States.

- Comprehensive entry into a new asset class
- Solid investment with stable occupancy
- Enhances diversification with addition of strategic properties
- Continue increasing exposure to private pay
- All stock transaction at \$9.75 demonstrating embedded value in portfolio
- Accretive to 2018E AFFO per share

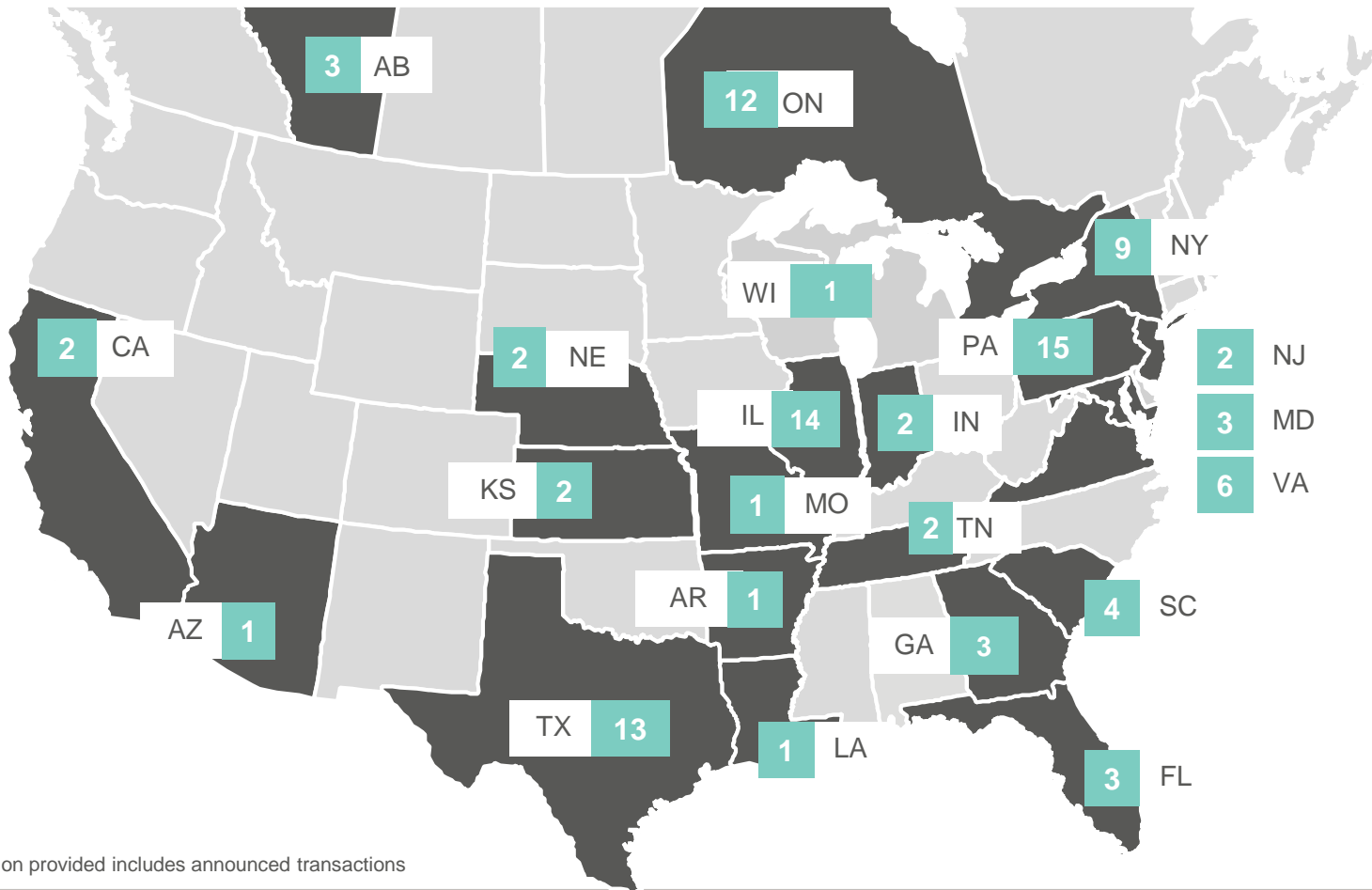


Well-established Industry Leading Operating Partners



Geographically Diverse Footprint

102 Properties **8,500+** Suites & Beds **577,000** MOB ft² **~US\$1.5B** of Investment Properties



All information provided includes announced transactions



Financial Profile & Strategy

CONSERVATIVE DEBT PROFILE

- Prospective targeted debt profile of **50 – 55%** of Total Assets
- **58.8%** as of December 31, 2018, **51.7%** excluding debentures
- **77%** fixed rate / **23%** floating rate

LOW COST OF CAPITAL & CONSERVATIVE PAYOUT RATIO

- Weighted average interest rate of **4.8%** as of December 31, 2018
- **Projected effective cash payout ratio of approximately 75% for 2019**
 - Dividends designated as eligible dividends for Canadian tax purposes, unless otherwise indicated

FLEXIBLE DEBT FUNDING STRUCTURE POSITIONED FOR GROWTH

- \$400 million senior unsecured credit facility which includes a \$200 million term loan and \$200 million revolver
- Average debt maturity of approximately 5 years
- **14% of consolidated debt** rolling over the next 3 years



**CONSERVATIVE FINANCIAL
STRUCTURE WITH ATTRACTIVE
DEBT TERMS**



Investment Highlights

- **Strong yield** with a conservative leverage profile
- **Stable cash flow** from triple-net leases with upside from both contractual rent escalations and JV partnerships
- **Experienced and aligned** management team with a track record of delivering value
- Strong partnerships with **leading operators** and health care providers
- Investment platform and industry positioned for **future growth**
- Attractive asset class supported by **compelling demographics**



Experienced Leadership Team



SCOTT WHITE
Chairman and
Chief Executive Officer

- Previously Executive Vice President of Mainstreet and HealthLease Properties REIT.
- 20+ years of investment banking, accounting, real estate and capital markets experience.
- Former Senior Vice President at Brookfield Asset Management and director at Citigroup.



ADLAI CHESTER
Chief Investment Officer

- Previously Chief Financial Officer of Mainstreet and Chief Financial Officer of HealthLease Properties REIT.
- 15+ years of experience in finance, real estate, investments, development and capital markets.
- Awarded CFO of the Year in 2014 and earned a spot on the 40 under 40 list in 2015 by the Indianapolis Business Journal.



SCOTT HIGGS
Chief Financial Officer

- Previously Senior Vice President – Finance of Mainstreet.
- 15 years of finance and accounting experience in real estate.
- Significant experience working with public companies as a Senior Manager with KPMG, including advising on multiple initial public offerings.
- Nominated for CFO of the Year in 2018 by the Indianapolis Business Journal.





InvesqueTM

211 W. Main Street, Suite 400

Carmel, IN 46032

(317) 643-4017 · Invesque.com