



INVESTOR DAY

San Antonio • TEXAS • September 12-13 • 2017

FORWARD-LOOKING STATEMENTS

This presentation contains forward-looking statements which reflect management’s expectations regarding objectives, plans, goals, strategies, future growth, performance and business prospects and opportunities of Mainstreet Health Investments Inc. (the “Company” or “HLP”). The words “plans”, “expects”, “does not expect”, “scheduled”, “estimates”, “intends”, “anticipates”, “does not anticipate”, “projects”, “believes” or variations of such words and phrases or statements to the effect that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “occur”, “be achieved” or “continue” and similar expressions identify forward-looking statements. Some of the specific forward-looking statements in this presentation include, but are not limited to, statements with respect to the following: the ability of the Company to execute its growth strategies and the expected seniors housing and care industry and demographic trends. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by management of the Company as of the date of this presentation, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The Company’s estimates, beliefs and assumptions, which may prove to be incorrect, include the various assumptions set forth herein, including, but not limited to, the Company achieving its future growth potential, results of operations, future prospects and opportunities, the demographic and industry trends remaining unchanged, no change in legislative or regulatory matters, future levels of indebtedness, the tax laws as currently in effect remaining unchanged, the continual availability of capital and the current economic conditions remaining unchanged. When relying on forward looking statements to make decisions, the Company cautions readers not to place undue reliance on these statements, as forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not the times at or by which such performance or results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, but not limited to, the factors discussed under the heading “Risk Factors” in the Company’s most recent annual information form, which is available at www.sedar.com. The Company assumes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additional information relating to the Company may be found on SEDAR at www.sedar.com.



AGENDA

1. INTRODUCTION

Scott White, Chief Executive Officer

2. ASSET MANAGEMENT

Dennis Dechow, Vice President of Asset Management Services

3. INVESTMENTS

Matt Monson, Vice President of Acquisitions and Business Development

4. FINANCIAL OVERVIEW

Scott Higgs, Chief Financial Officer

5. CLOSING

Scott White, Chief Executive Officer



MISSION

At Mainstreet Health Investments, our focus is to transform health care and create long-term shareholder value. Mainstreet Health Investments acquires high quality health care properties and partners with best-in-class health care providers.

These exceptional partnerships serve the health care consumer, but also provide long-term value to our shareholders. Mainstreet Health Investments hopes to continue to transform health care and provide our shareholders with an investment opportunity that matters.



STRATEGY

Our strategy is to build a diversified portfolio of income-producing health care and senior living properties throughout North America to generate stable and growing cash flows to our investors. We focus on a holistic approach to diversifying our portfolio by geography, operator, property type, age and other considerations.

Our experienced management team seeks to identify potential property and portfolio acquisitions using investment criteria that focus on the quality of the properties, the strength of the underlying operations, market demographics, lease terms, opportunities for expansion, security of cash flows, potential for capital appreciation and potential for increasing value through more efficient asset management of the assets being acquired.



A photograph of a modern, multi-story building with a prominent covered entrance. The building features a mix of materials, including light-colored horizontal siding, dark wood accents, and stone pillars. The entrance is sheltered by a wide, dark roof supported by several columns. In the foreground, there is a paved parking area and a small landscaped area with young trees. A large, solid blue triangle is overlaid on the right side of the image, containing the title text. Two white horizontal lines are positioned above and below the text.

ASSET MANAGEMENT OVERVIEW

PURPOSE

- Monitor Asset Condition
- Key Initiatives
- Communication



ENHANCED DUE DILIGENCE

**COORDINATION
OF INTERNAL
AND 3RD PARTY
SITE VISITS**

**ORDER AND
REVIEW 3RD
PARTY REPORTS**

Environmental Site Assessments (ESAs)
Property Conditions Assessments (PSAs)

**DOCUMENT
REVIEW**

Title Commitment
ALTA Survey
Building Site Plans and Photos
Certificates and Permits

ESAs and PCAs Identify

- ✓ Physical areas of concern
- ✓ Environmental areas of concern
- ✓ Potential improvements
- ✓ Ongoing maintenance expectations



PROFESSIONAL ONBOARDING

FIVE STEPS TO SUCCESS

#1 ACCOUNTABILITY

Asset Manager
assigned to tenant

#2 ESTABLISH RELATIONSHIP

Welcome gift sent to
operator executive
contacts

#3 INITIATE ONBOARDING

Interactive onboarding
packet sent to corporate
and regional contacts

#4 FLOW OF INFO

Contact information
is received via the
onboarding packet
online form

#5 DATA

AM team creates
proper log-ins and
credentials and
loads property
data into
RealPage



FIVE AREAS OF FOCUS



01.

LEASE DATA
MANAGEMENT



02.

COLLECTION AND
TRACKING OF
CRITICAL DATA



03.

ANNUAL ON-SITE
INSPECTIONS



04.

PROPERTY
CONDITION
ASSESSMENTS
("PCA")



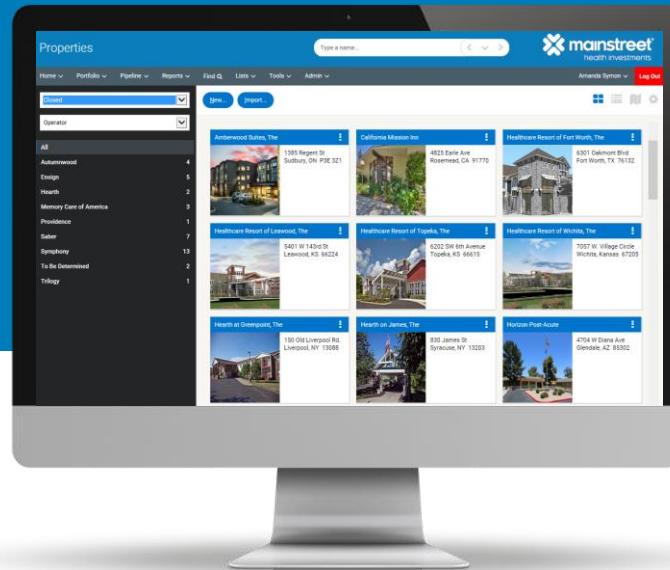
05.

ENVIRONMENTAL
SITE
ASSESSMENTS
("ESA")



REALPAGE PORTAL

Internal and External Connection Point

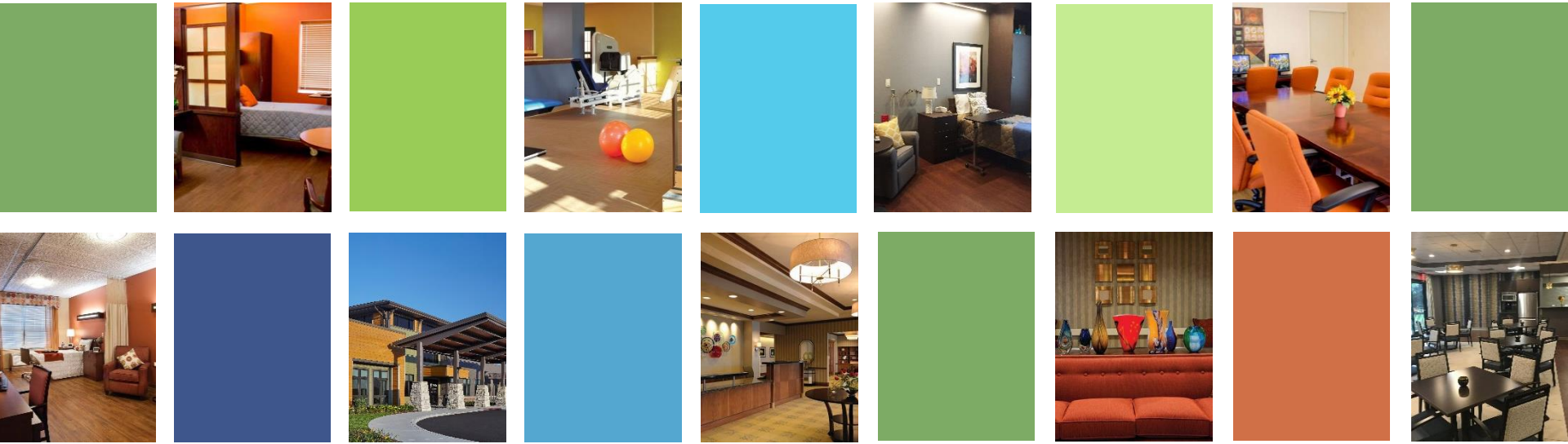


- PIPELINE MANAGEMENT
- PORTFOLIO DATA
- TASK MANAGEMENT
- SITE VISIT RECORDING
- CRITICAL METRICS

- PHOTOS
- CONSISTENT ANALYSIS
- DOCUMENT SHARING
- OPERATING AND FINANCIAL DATA
- CUSTOM REPORTING



CAPEX PROGRAM MANAGEMENT



Project submission packet

Asset Management team completes on-site inspections of work progress, schedule, and impact of operations

Benefits



NEW DEVELOPMENTS



- Review and approval of Project Approval Letter (“PAL”)
- Monthly Monitoring Report completed and submitted to Asset Management team
- On-site inspections every 60-90 days
- Project management consultants hired as needed
- Warranty inspections with operator at 6 and 12 months

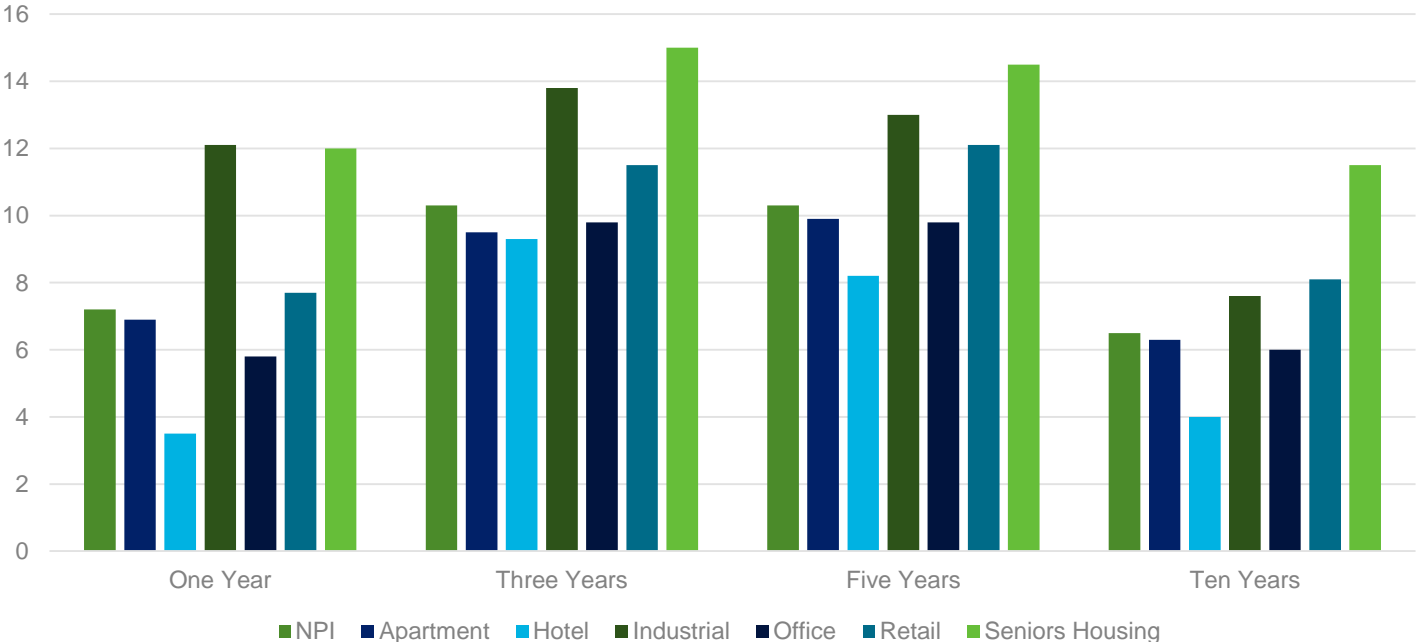




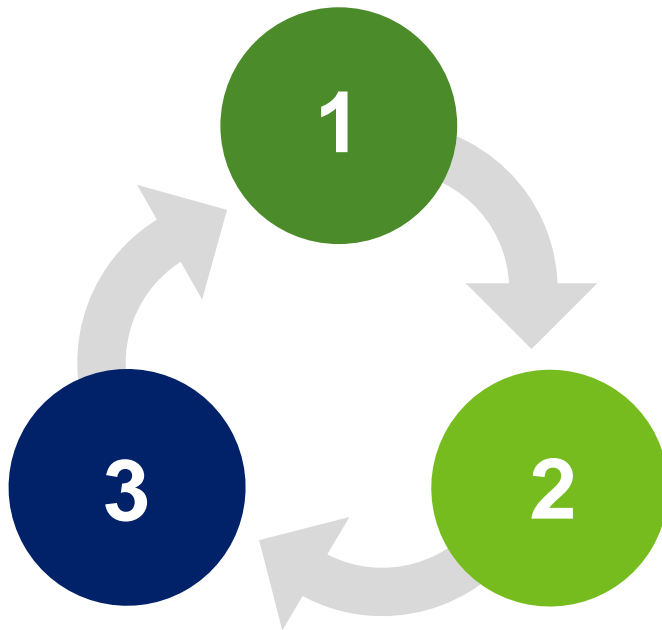
INVESTMENTS

OUTSIZED INDUSTRY PERFORMANCE

NCREIF Annualized Total Returns By Property Type
(Period Ending 3/31/2017)



COMPELLING INDUSTRY APPEAL



1

RESILIENCE

- Robust consumer demand

2

INDUSTRY STRENGTH

- Position in GDP
- Job Growth

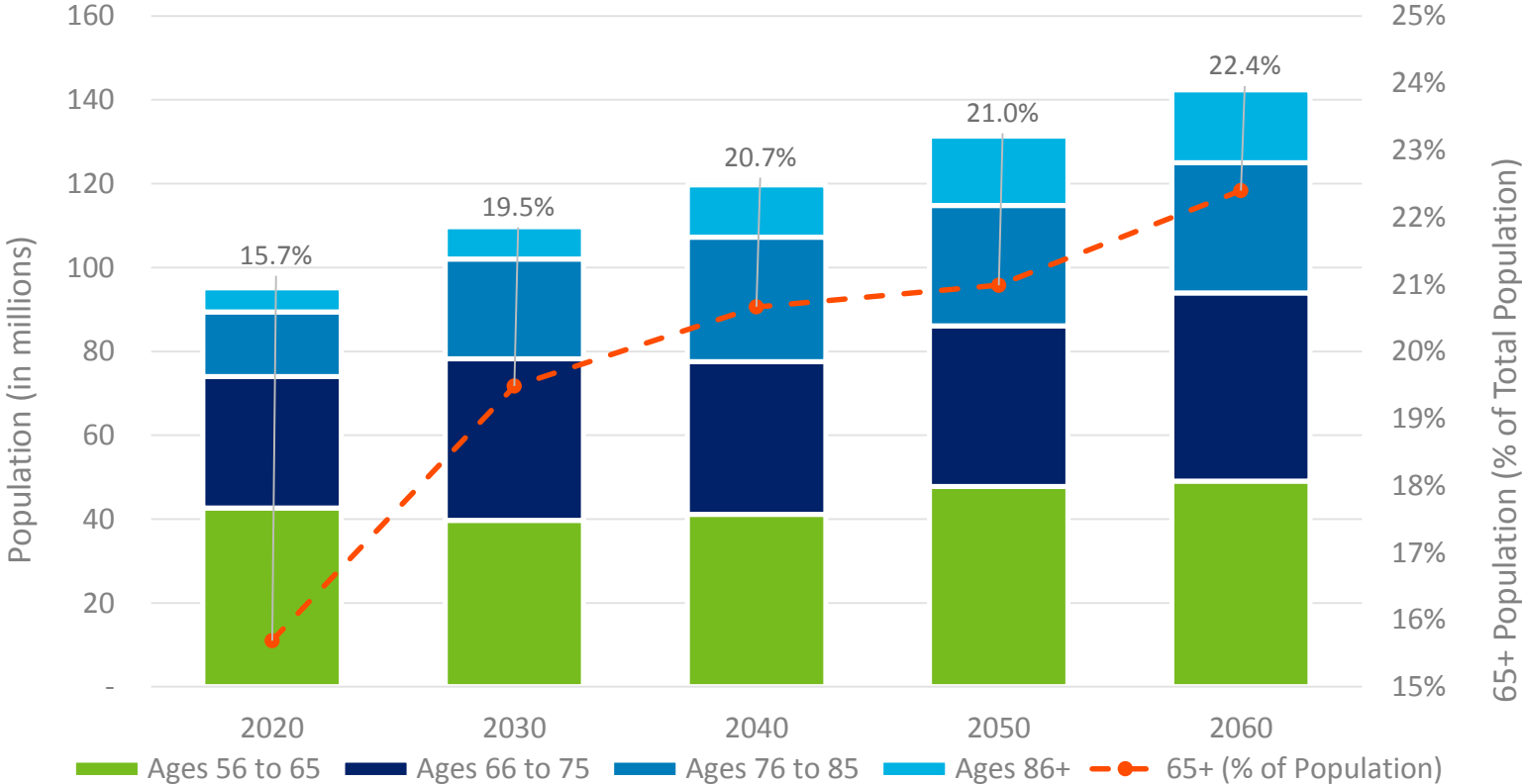
3

PROVIDER FUNDAMENTALS

- Increasing life expectancy
- Population growth
- Consumer preferences
- Cost-efficient care



UNPRECEDENTED OPPORTUNITY DRIVEN BY TARGET POPULATION GROWTH



SNAPSHOT OF CURRENT MARKET ACTIVITY

US MARKETS

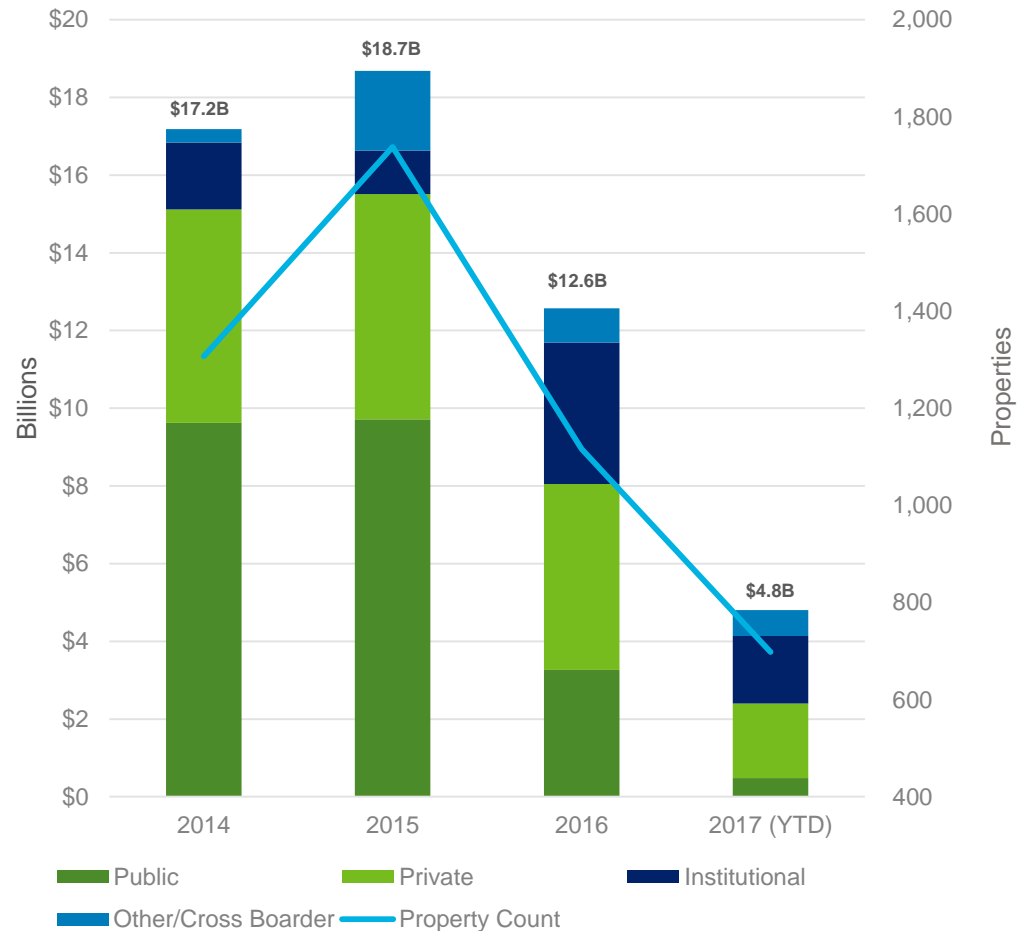
34% decline in transaction volume

66% decrease in public buyer transactions

\$3.6 billion from institutional buyers

31% decrease in total transactions from 2015 to 2016

Transaction Volume by Buyer Type



SNAPSHOT OF MARKET ACTIVITY

Senior Living & Care

Transaction Price Per Unit (year/year)

14.9% increase for seniors housing

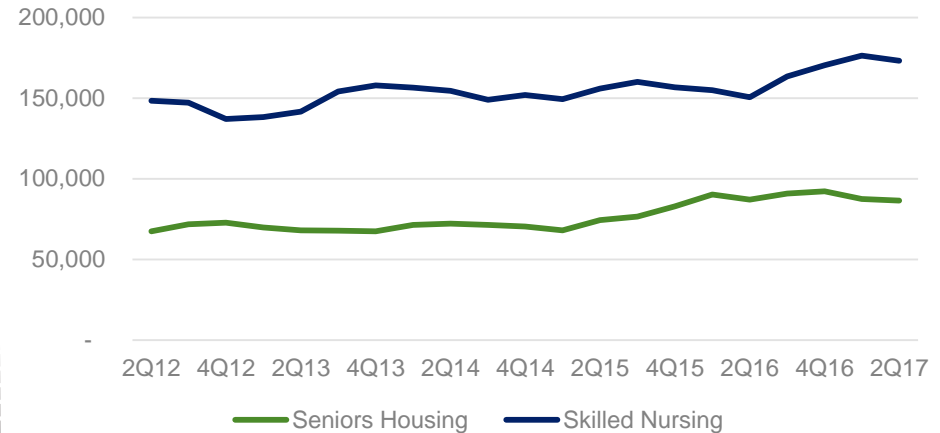
No change for nursing care

Transaction Cap Rates

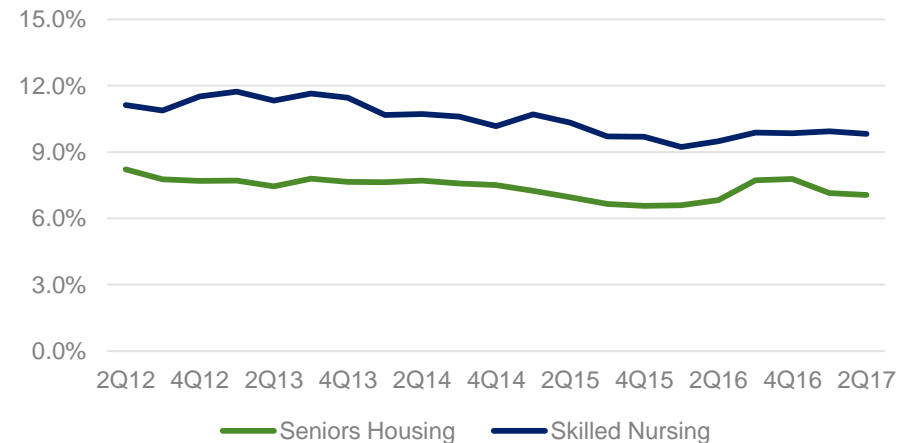
7.4% average for seniors housing

9.9% average for nursing care

Average Price Per Unit/Bed



Average Cap Rates



STRONG FUNDAMENTALS

US MARKETS

Rent Growth (Year/Year)

3.4% increase for seniors housing

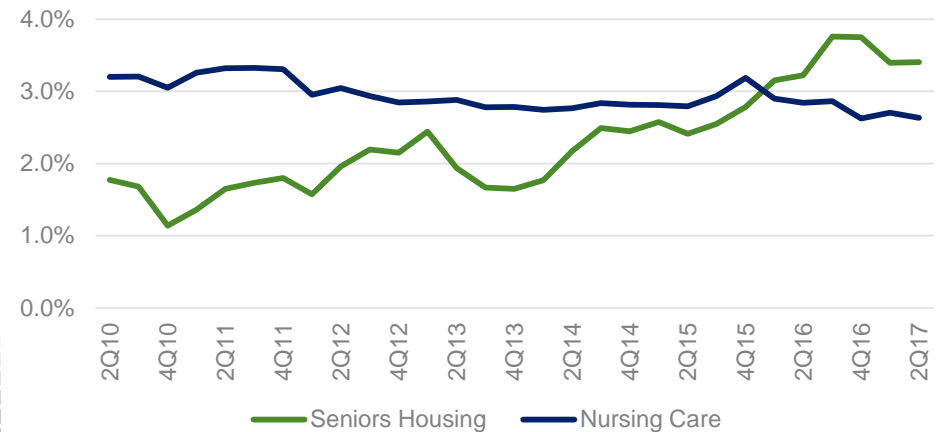
2.6% increase for nursing care

Occupancy (Year/Year)

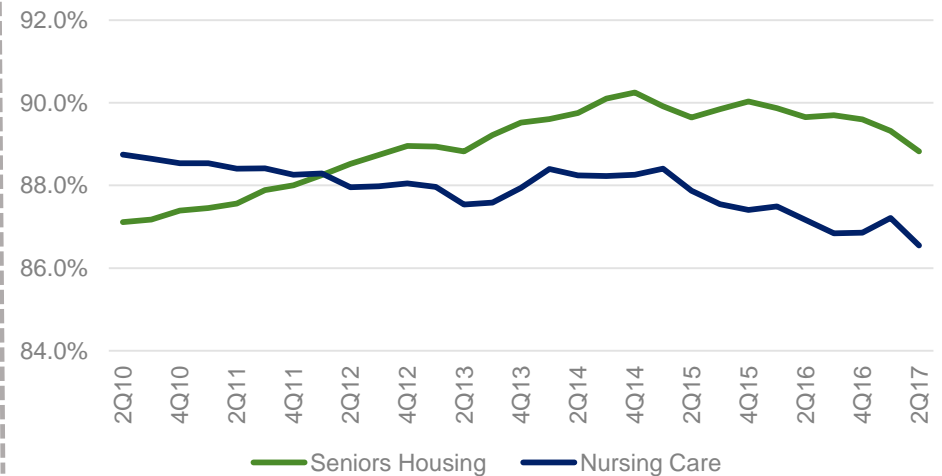
90 bps decrease for seniors housing to 88.8%

70 bps decrease for nursing care to 86.5%

Rental Rates (year/year)



Occupancy Rates



WHAT'S ON THE HORIZON FOR HEALTH CARE REAL ESTATE?



Industry Disruptors

Medical Innovations

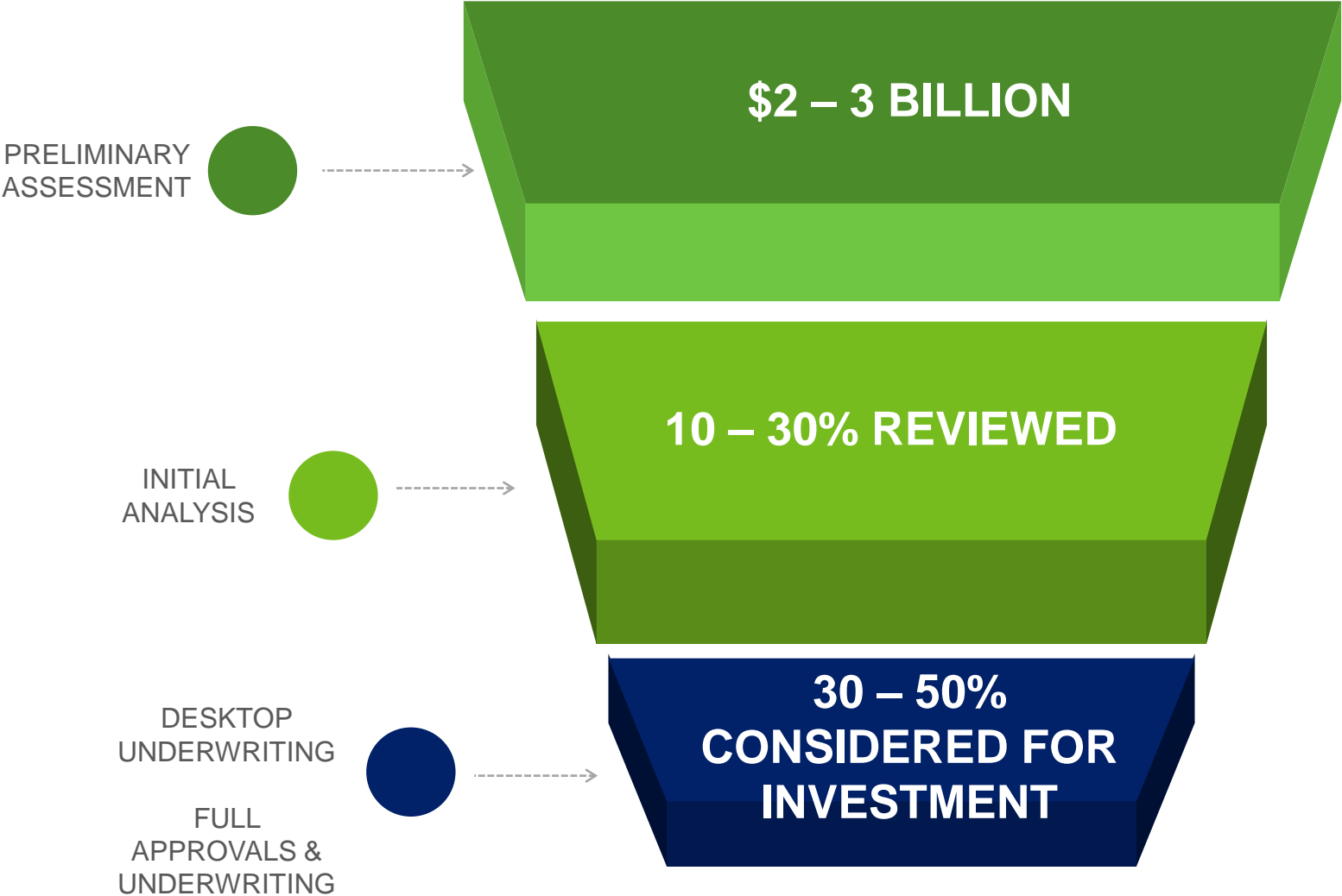
Advances in Transportation

Market & Economic Considerations

Real Estate Investments



VERY ROBUST PIPELINE



DISCIPLINED APPROACH TO UNDERWRITING

INVESTMENT OBJECTIVES

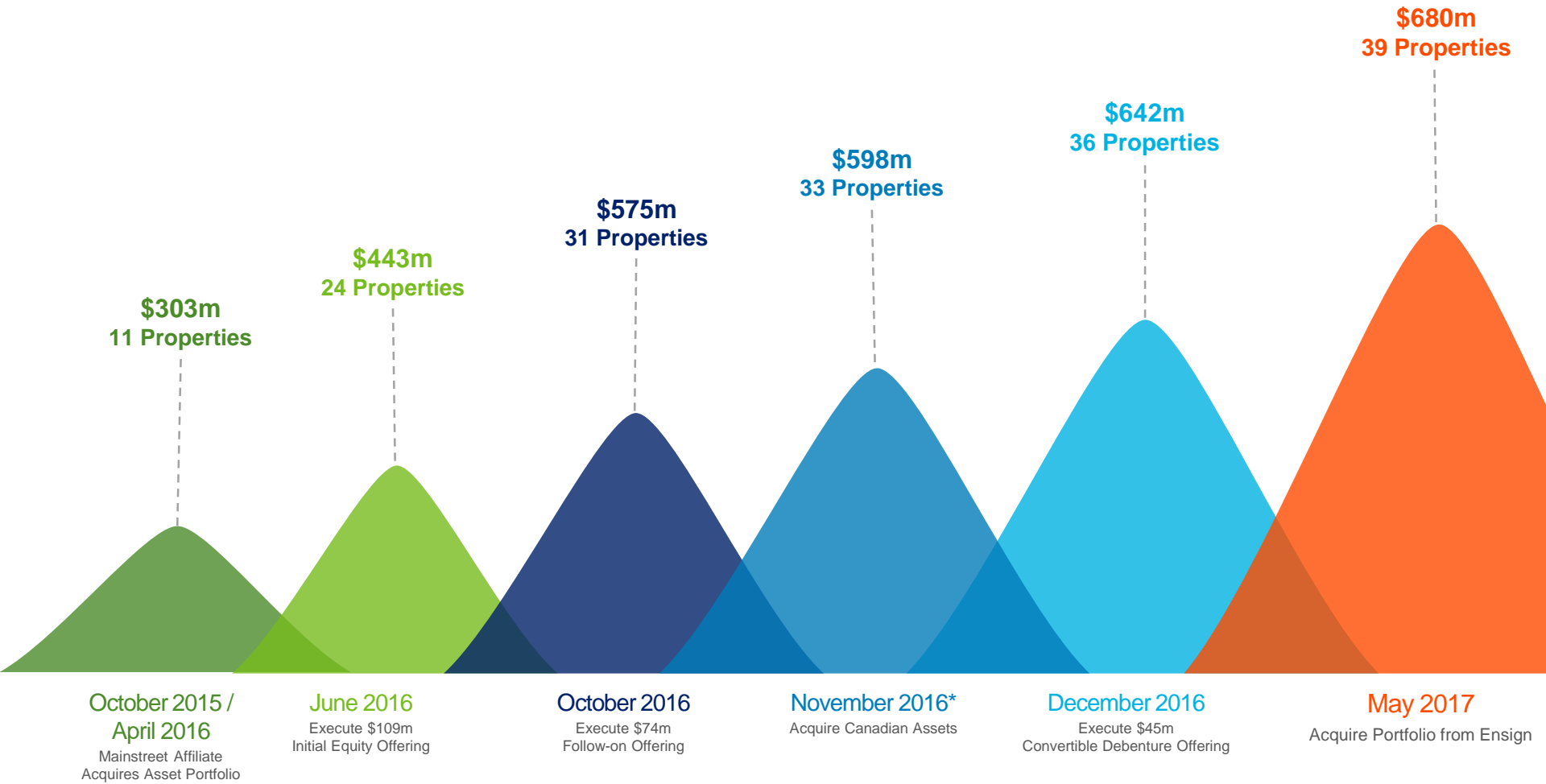
- ✓ **Yield** after impact of any commissions, G&A, and capex
- ✓ **NOI growth** specifically from rent or joint venture income
- ✓ Earnings **volatility**
- ✓ **Unleveraged & leveraged returns**
- ✓ **Risk** considering payment coverage and operating margins
- ✓ Lease **guarantees/security**
- ✓ **Operator** strength
- ✓ **Market** strength
- ✓ **Impact** on portfolio diversification, growth, and returns





FINANCIAL OVERVIEW

SUCCESSFUL GROWTH OF PORTFOLIO



*Internalized management

Note: All figures exclude mezzanine loans made by Mainstreet Health Investments for development projects. HLP has invested \$26m in loans.

2ND QUARTER 2017 FINANCIAL METRICS

GBV | \$ 729m

Debt / GBV (%) | 55.1%

AFFO (Q2) | \$.26/share

Dividend (Q2) | \$.18/share

Payout Ratio | 72%



Structure Provides for Long-term Cash Flow Growth With High Visibility



FOCUS ON DEBT PROFILE AND STRATEGY



Fixed Rate Debt of 82%

Blend of Borrowing Base Credit Facility, Commercial Mortgage Debt, and Agency Debt





STAY IN TOUCH WITH US



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