

UNDERWRITING AGREEMENT

May 6, 2014

NorthWest International Healthcare Properties Real Estate Investment Trust
284 King Street East, Suite 100
Toronto, Ontario
M5A 1K4

Attention: Paul Dalla Lana, Chief Executive Officer

Ladies and Gentlemen:

National Bank Financial Inc. and GMP Securities L.P. (together, the "**Lead Underwriters**"), BMO Nesbitt Burns Inc., Canaccord Genuity Corp., Scotia Capital Inc., Dundee Securities Ltd., Manulife Securities Incorporated., Raymond James Ltd., Desjardins Securities Inc., Laurentian Bank Securities Inc. and All Group Financial Services Inc. (together, with the Lead Underwriters, the "**Underwriters**") understand that NorthWest International Healthcare Properties Real Estate Investment Trust (the "**REIT**") desires to issue and sell to the Underwriters, or to substituted purchasers in the United States who agree to make such purchases in the place of the Underwriters, an aggregate of 9,756,098 trust units in the capital of the REIT (the "**Offered Units**"), at a price of \$2.05 per Offered Unit (the "**Offering Price**") for an aggregate purchase price of \$20,000,000 (the "**Aggregate Purchase Price**"), subject to the terms and conditions set out below.

The Underwriters propose to distribute the Offered Units in Canada pursuant to the Prospectus (as hereinafter defined) and offer and sell the Offered Units in the United States and other offshore jurisdictions on a private placement basis, all in the manner contemplated by this Agreement.

Upon and subject to the terms and conditions set forth herein, the Underwriters severally, in respect of the percentages set forth in paragraph 12.1 of this Agreement, and not jointly, agree to act as underwriters and to purchase from the REIT, and by its acceptance hereof, the REIT agrees to sell to the Underwriters the Offered Units on the Closing Date at the Offering Price for the Aggregate Purchase Price.

Subject to any required regulatory approval, the REIT hereby grants to the Underwriters an over-allotment option (the "**Over-Allotment Option**") for the purpose of satisfying over-allotments, if any, by the Underwriters and for market stabilization purposes. The Over-Allotment Option shall entitle the Underwriters to purchase, or to arrange for substituted purchasers in the United States to purchase, from the REIT, up to an additional 1,463,415 units of the REIT (the "**Over-Allotment Units**"), at a price per Over-Allotment Unit equal to the Offering Price. Each Underwriter may purchase, or arrange for substituted purchasers in the United States to purchase, its percentage, as set forth in paragraph 12.1 hereof, of Over-Allotment Units in respect of which the Over-Allotment Option is being exercised. The Over-Allotment Option shall be exercisable until 12:00 noon (Toronto time) on the 30th day following the Closing Date (as hereinafter defined) (the "**Over-Allotment Expiry Date**") and may be exercised in whole or in part at any time and from time to time prior to the Over-Allotment

Expiry Date by delivery of written notice of the Lead Underwriters, on behalf of the Underwriters, to the REIT specifying the number of Over-Allotment Units in respect of which the Over-Allotment Option is at such time being exercised. The Over-Allotment Units and the Offered Units are collectively referred to as the "**Units**".

The Offered Units and the Over-Allotment Units will have the material attributes described in and contemplated by the Prospectus.

To the extent that substituted purchasers purchase Offered Units at the Closing Time (as hereinafter defined) or Over-Allotment Units at the Over-Allotment Closing Time (as hereinafter defined), the obligations of the Underwriters to do so will be reduced by the amount of Offered Units or Over-Allotment Units, as applicable, purchased from the REIT by such substituted purchasers. Any reference in this Agreement to "the purchasers" will be taken to be a reference to the Underwriters, as the initial committed purchasers, and to the substituted purchasers, if any.

The Underwriters will be entitled to appoint a soliciting dealer group consisting of other registered dealers reasonably acceptable to the REIT for the purposes of arranging for purchasers of the Units.

In consideration of the Underwriters' services to be rendered in connection with the Offering (as hereinafter defined), including the agreement of the Underwriters to: (a) purchase the Units and to offer them to the public pursuant to the Prospectus; (b) arrange for substituted purchasers; or (c) act as placement agent for the Units in the United States, the REIT agrees to pay to the Underwriters at the Closing Time a cash commission (the "**Underwriting Fee**") equal to 5% of the gross proceeds realized by the REIT in respect of the sale of the Units. For greater certainty, the services provided by the Underwriters in connection herewith will not be subject to Goods and Services Tax provided for in the *Excise Tax Act* (Canada) and taxable supplies will be incidental to the exempt financial services provided.

We further understand that the REIT has agreed:

- (a) to prepare and file a preliminary short form prospectus no later than May 6, 2014 with respect to the Units in each of the Qualifying Jurisdictions (as defined herein); and
- (b) to prepare and file a (final) short form prospectus and all necessary and related documents in order to qualify the Units for distribution in the Qualifying Jurisdictions.

Terms and Conditions

1. Definitions and Interpretation

1.1 Whenever used in this Agreement:

"**Aggregate Purchase Price**" has the meaning given to that term in the preamble;

"**Agreement**" means this underwriting agreement as the same may be amended, supplemented or otherwise modified in accordance with the terms hereof;

"**Asset Management Agreement**" means the asset management agreement dated November 16, 2012 between the REIT, NWI LP and NWI Asset Management Inc., an affiliate of NWVP;

"**Auditors**" means KPMG LLP, the auditors of the REIT;

"**Brazilian Properties**" means, collectively, (i) the Sabará Children's Hospital Building located at Avenida Angelica, no. 1987, in the 7th Sub-district-Consolacao, in the City of Sao Paolo, State of Sao Paolo; (ii) the Hospital Brasil Property; and (iii) the Rede D'Or Properties;

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which chartered banks are not open for business in Toronto, Ontario;

"**Claims**" has the meaning given to that term in paragraph 8.1;

"**Closing Date**" means May 21, 2014 (or such other date as the REIT and the Lead Underwriters may mutually agree upon in writing, but in any event no later than the date that is 42 days after the date that the Final Receipt is issued);

"**Closing Time**" means 8:30 a.m. (Toronto time) on the Closing Date, or any other time on the Closing Date as may be agreed to by the REIT and the Lead Underwriters;

"**Continuing Underwriters**" has the meaning given to that term in paragraph 12.2;

"**Declaration of Trust**" means the amended and restated declaration of trust of the REIT dated as of November 16, 2012, as amended, supplemented or restated from time to time;

"**Defaulted Units**" has the meaning given to that term in paragraph 12.2;

"**Development Agreement**" means the development agreement dated November 16, 2012 between the REIT, NWI LP and NWI Development Management Inc., an affiliate of NWVP;

"**Engagement Letter**" means the engagement letter dated April 30, 2014 entered into between the REIT and the Lead Underwriters in respect of the Offering;

"**Environment**" means the environment, including, without limitation, the soil (including land surface, subsurface strata), air (including ambient air above or below-ground), water (including surface, ground, underground water, coastal, inland or water within any natural or man-made-structure), flora and fauna (including their habitats) and man;

"**Environmental Laws**" means any Laws relating to the Environment, its protection or enhancement, transportation of dangerous goods, disposal of Hazardous Substances, occupational health and safety, planning, building, energy efficiency and neighbourhood Laws;

"**Environmental Permits**" means any permits, licenses, registrations, other approvals and notifications required pursuant to Environmental Laws;

"**Environmental Reports**" means those environmental site assessment reports, technical consultant reports relating to the environmental condition of the Properties or the German MOB Properties made available to the Underwriters or other reports or information in writing relating to the environmental condition of the Properties or the German MOB Properties delivered to the Underwriters, their environmental consultant or their counsel by or on behalf of the REIT;

"**Exchange Agreement**" means the exchange agreement dated November 16, 2012 among the REIT, the REIT GP, NWI LP, NWVP and NWVP GP;

"**Final Receipt**" means a receipt for the Prospectus issued in accordance with the Passport System;

"**Financial Information**" has the meaning given to that term in paragraph 4.2.1;

"**Fulda Property**" means a medical office complex located at Flemingstraße 3-5, 36041, Fulda, Germany;

"**German MOB Acquisition**" means the proposed acquisition by the REIT of the German MOB Properties pursuant to the German MOB Acquisition Agreements;

"**German MOB Acquisition Agreements**" means (i) the contract for the acquisition of property with conveyance dated December 27, 2013 among agapia Medical Office Berlin GmbH & Co. KG, agapia Medical Office Zweite Berlin GmbH & Co. KG, Immobilie Marburger Straße GmbH & Co. KG, agapia Medical Offices Berlin GmbH & Co. KG, NWI Berlin I GmbH & Co. KG, NWI KW 2 GmbH & Co. KG, NWI Bayern I GmbH & Co. KG, NWI Sachsen I GmbH & Co. KG, NWI Property GP GmbH and the REIT, as guarantor; and (ii) the contract for the acquisition of property with conveyance dated December 31, 2013 among Ärztehaus Rudolf Virchow Arztpraxen Gesellschaft mbH & Co. KG, Ärztehaus Rudolf Virchow Investitionsgesellschaft I mbH & Co. KG, Ärztehaus Rudolf Virchow Investitionsgesellschaft II mbH & Co. KG, NWI Berlin III GmbH & Co. KG and NWI Property GP GmbH;

"**German MOB Properties**" means the 16 medical office buildings comprising an aggregate of approximately 500,000 square feet located in Berlin, Ingolstadt and Leipzig in respect of which certain of the REIT Entities entered into the German MOB Acquisition Agreements;

"German Properties" means, collectively, (i) Adlershof 1, Albert-Einstein-Str. 2 Treptow, Berlin, Germany (Folio: 25269N; Plot 2, Sub-Plot 6811); (ii) Aldershof 2, Albert-Einstein Str. 4 12489, Treptow, Berlin, Germany (Folio: 27252N; Plot 2, Sub-Plot 6812); (iii) Neukölln-Berlin, Reuterstr. 77, Karl Marx Str. 27, Neukölln, Berlin, Germany (Folio: 11129; Plot 109, Sub-Plot 53); (iv) Königs Wusterhausen 1, Schlossplatz 8, Königs Wusterhausen, Germany ((Folio: 3810; Plot 9, Sub-Plot 53/1 and 54/1)(Folio: 4012; Plot 9, Sub-Plot 85)(Folio 4111: Plot 9; Sub-Plots 55, 57 and 58)); and (v) the Fulda Property;

"Governmental Authority" has the meaning given to that term in paragraph 6.1.39;

"Hazardous Substance" means any chemical, pollutant, contaminant, waste, toxic substance, hazardous substance or other substance or material defined in or regulated pursuant to Environmental Laws;

"Hospital Brasil Lease" means the lease agreement dated December 26, 2012 between the REIT and Rede D'Or in respect of the Hospital Brasil Property;

"Hospital Brasil Property" means the Hospital e Maternidade Brasil building located at Rua Cel. Fernando Prestes, no. 1.177, in the city of Santo André, State of Sao Paolo;

"including" means including, without limitation;

"Indemnified Parties" has the meaning given to that term in paragraph 8.1;

"Internalization" means the proposed internalization of the REIT's asset, property and development management services currently provided by affiliates of NWVP, and the acquisition of all of the rights and obligations relating to the management of Vital Trust, in accordance with the terms of the Internalization LOI;

"Internalization LOI" means the letter of intent, dated May 5, 2014 between the REIT and NWVP with respect to the Internalization;

"Knowledge" means information to the best of the knowledge, after due inquiry, of Paul Dalla Lana, Teresa Neto and Shailen Chande;

"labour representatives" has the meaning given to that term in paragraph 6.1.27;

"Laws" means any and all applicable national, federal, state, provincial, municipal or local laws in Canada, the United States, the Federal Republic of Germany, Brazil, Australia, New Zealand, Luxembourg and Gibraltar including all statutes, codes, ordinances, decrees, rules, regulations, by-laws, orders in council, Environmental Permits, governmental, judicial, arbitral, administrative, ministerial or departmental, agency or regulatory judgments, orders, decisions,

decrees, directives, policies, guidelines, rulings, awards and general principles of common and civil law and equity in each case, only to the extent legally binding;

"**Lead Underwriters**" has the meaning given to that term in the preamble;

"**Marketing Materials**" means, collectively, the template versions of any marketing materials (as defined in NI 41-101) used in respect of the Offering;

"**Material Agreements**" means any and all contracts, commitments, agreements (written or oral), instruments, leases or other documents to which the REIT or any of its subsidiaries are a party or are otherwise bound, and which is material to the REIT;

"**Misrepresentation**" means a misrepresentation for the purposes of the Securities Laws or any of them or, where undefined under the applicable Securities Laws of a jurisdiction, means (i) an untrue statement of a material fact, or (ii) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made;

"**NI 41-101**" means National Instrument 41-101 – *General Prospectus Requirements*;

"**NI 44-101**" means National Instrument 44-101 – *Short Form Prospectus Distributions*;

"**NI 51-102**" means National Instrument 51-102 – *Continuous Disclosure Obligations*;

"**NWHP REIT**" means Northwest Healthcare Properties Real Estate Investment Trust, an unincorporated open-ended real estate investment trust formed on January 1, 2010 under the laws of the Province of Ontario;

"**NWI LP**" means NWI Healthcare Properties LP, the limited partnership formed under the laws of Ontario, pursuant to the NWI LP Agreement;

"**NWI LP Agreement**" means the amended and restated limited partnership agreement of NWI LP dated November 16, 2012 among the REIT, the REIT GP, NWVP and NWVP GP;

"**NWVP**" means NorthWest Value Partners Inc.;

"**NWVP GP**" means NWVP (NWI LP) GP Inc., a general partner of NWI LP;

"**Offered Units**" has the meaning given to that term in the preamble;

"**Offering**" means the offering of Offered Units, and if applicable, the Over-Allotment Units, under the Offering Documents;

"**Offering Documents**" means, collectively, the Preliminary Prospectus, Prospectus and any Supplementary Material;

"**Offering Price**" has the meaning given to that term in the preamble;

"**Over-Allotment Closing Time**" has the meaning given to that term in paragraph 7.4;

"**Over-Allotment Expiry Date**" has the meaning given to that term in the preamble;

"**Over-Allotment Option**" has the meaning given to that term in the preamble;

"**Over-Allotment Units**" has the meaning given to that term in the preamble;

"**Passport System**" means the passport system procedures provided for under Multilateral Instrument 11-102 – *Passport System* and National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

"**Person**" includes any individual, general partnership, limited partnership, limited liability partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, joint stock company, association, trust, trust company, bank, pension fund, trustee, executor, administrator or other legal personal representative, regulatory body or agency, Governmental Authority or other organization or entity, whether or not a legal entity, however designated or constituted;

"**Preliminary Prospectus**" means the preliminary short form prospectus of the REIT dated May 6, 2014 filed in each Qualifying Jurisdiction with respect to the proposed distribution of the Offered Units and Over-Allotment Units (in both the English and French languages unless the context indicates otherwise) and, for greater certainty, shall include any Supplementary Material relating thereto and all documents incorporated therein by reference (including, without limitation, any Marketing Materials);

"**Properties**" mean, collectively, the Brazilian Properties and the German Properties;

"**Property Management Agreement**" means the master property agreement dated November 16, 2012 between the REIT, NWI LP and NWI Property Management Inc., an affiliate of NWVP;

"**Prospectus**" means the (final) short form prospectus of the REIT, which will qualify the distribution of the Offered Units and Over-Allotment Units in each of the Qualifying Jurisdictions (in both the English and French languages unless the context indicates otherwise) and, for greater certainty, shall include any Supplementary Material relating thereto and all documents incorporated therein by reference (including, without limitation, any Marketing Materials);

"**Qualifying Jurisdictions**" means, collectively, each of the provinces and territories of Canada, or any of them;

"**Rede D'Or**" means Rede D'Or Sao Luiz S.A.;

"**Rede D'Or Properties**" means, collectively, the Santa Luzia private hospital and the Coracao private hospital and the Caxias private hospital located in Brasilia and the Caxias private hospital located in Rio de Janeiro, Brazil, each of which is operated by Rede D'Or;

"**Refusing Underwriter**" has the meaning given to that term in paragraph 12.2;

"**REIT**" means NorthWest International Healthcare Properties Real Estate Investment Trust, an unincorporated open-ended real estate investment trust formed on October 13, 2010 under the laws of the Province of Ontario;

"**REIT Entities**" means, collectively, the REIT and each of the corporations and partnerships directly or indirectly controlled by the REIT, but for clarity, does not include Vital Trust and its subsidiaries or NWHP REIT and its subsidiaries;

"**REIT GP**" means NWI Healthcare GP Inc., a general partner of NWI LP;

"**Reports**" mean, collectively, the property condition assessment reports prepared for the Properties or the German MOB Properties;

"**SEC**" means the United States Securities and Exchange Commission;

"**Securities Commission**" means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

"**Securities Laws**" means, collectively, and, as the context may require, the applicable securities laws of each of the Qualifying Jurisdictions as the context may require, and the respective regulations and rules made under those securities laws together with all applicable policy statements, instruments, blanket orders and rulings of the Securities Commissions and all discretionary orders or rulings, if any, of the Securities Commissions made in connection with the transactions contemplated by this Agreement together with applicable published policy statements of the Canadian Securities Administrators, as the context may require;

"**Selling Firms**" has the meaning given to that term in paragraph 2.1;

"**Special Voting Units**" means the special voting units of the REIT;

"**Standard Listing Conditions**" has the meaning given to that term in paragraph 4.2.3;

"**Supplementary Material**" means, collectively, any amendment to the Preliminary Prospectus or Prospectus, any amendment or supplemental

prospectus or ancillary materials that may be filed by or on behalf of the REIT under the Securities Laws relating to the qualification for distribution of the Offered Units and the Over-Allotment Units under the Securities Laws;

"**Tax Act**" means the *Income Tax Act* (Canada) and regulations thereunder, as amended;

"**Taxes**" means: (a) all taxes, levies, duties, assessments, reassessments and other charges of any nature whatsoever, whether direct or indirect, imposed by any authority, domestic or foreign, including, without limitation, income tax, profits tax, gross receipts tax, corporations tax, sales and use tax, harmonized sales tax, wage tax, payroll tax, worker's compensation levy, deductions at source, capital tax, occupation tax, stamp duty, real and personal property tax, transfer tax, customs or excise duty, excise tax, turnover or value added tax, goods and services tax, *ad valorem* tax, license, lease, severance, franchise tax, customs duties, employment tax, school tax, property tax, withholding tax, social security and employment insurance charges or retirement contributions, Canada Pension Plan and provincial pension plan contributions, and any interest, fines, additions to tax and penalties thereon; and (b) any liability for the payment of any amounts of the type described in clause (a) above as a result of any express or implied obligation to indemnify any other Person or as a result of any obligations under any agreements or arrangements with any other Person with respect to such amounts;

"**TMX Group**" has the meaning given to that term in paragraph 23;

"**TSXV**" means the TSX Venture Exchange;

"**Underwriters**" has the meaning given to that term in the preamble;

"**Underwriters' Disclosure**" means disclosure in respect of the Underwriters provided to the REIT by or on behalf of an Underwriter in writing for inclusion in the applicable disclosure document;

"**Underwriting Fee**" has the meaning given to that term in the preamble;

"**Units**" has the meaning given to that term in the preamble; and

"**Vital Trust**" means Vital Healthcare Property Trust.

1.2 Whenever used in this Agreement, the terms "associate", "distribution", "misrepresentation", "material fact", "material change" and "subsidiary" shall, except to the extent modified herein or as the context requires, have the meanings given to such terms, and "distribution" shall include a "distribution to the public" as defined, under applicable Securities Laws and the securities laws of the United States.

1.3 Whenever used in this Agreement, words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender.

1.4 All references to monetary amounts in this Agreement are to the lawful money of Canada unless otherwise indicated.

2. Distribution and Certain Obligations of the Underwriters

The Underwriters covenant with the REIT that:

2.1 during the course of the distribution of the Units to the public by or through the Underwriters, the Underwriters will offer the Units for sale to the public on behalf of the REIT, directly and through other investment dealers and brokers (the Underwriters, together with such investment dealers and brokers, are referred to herein as the "**Selling Firms**") in the Qualifying Jurisdictions only as permitted by and in accordance with applicable Securities Laws which, for greater certainty, shall include delivery by the Underwriters of a copy of the Prospectus and any Supplementary Material to each purchaser of Units from the Underwriters, and, subject as hereinafter provided, as permitted by the laws of the United States, only upon the terms and conditions set forth in the Preliminary Prospectus and this Agreement and that they will not, directly or indirectly, offer Units for sale in any jurisdiction, other than the Qualifying Jurisdictions, that would require the filing of a prospectus, registration statement, offering memorandum or similar document or would result in the REIT having any reporting or other obligation in such jurisdiction, including, without limitation, the United States, and they shall ensure that each Selling Firm (other than the Underwriters), prior to its appointment as such, has delivered to the Underwriters an undertaking to the foregoing effect. For the purposes of this paragraph 2.1, the Underwriters shall be entitled to assume that the Units may be lawfully offered for sale and sold in the Qualifying Jurisdictions if the Final Receipt has been issued evidencing that a receipt for the Prospectus has been issued by the Securities Commissions of each of the Qualifying Jurisdictions.

Notwithstanding the foregoing provisions of this paragraph 2.1, no Underwriter will be liable to the REIT with respect to a default by another Underwriter under this paragraph 2.1;

2.2 they will complete and will use their commercially reasonable efforts to cause their Selling Firms, if any, to complete the distribution of Units as promptly as possible after the Closing Time or Over-Allotment Closing Time, as applicable, and will notify the REIT when, in the Underwriters' opinion, the distribution of Units shall have ceased and will provide the REIT with a breakdown of the number of Units, if any, on a consolidated basis, distributed in each Qualifying Jurisdiction where such breakdown is required for the purpose of calculating fees payable to, or reimbursable by, a Securities Commission or other securities regulatory authority including, without limitation, the SEC, provided that such

breakdown shall be provided no later than 30 days following the date on which the distribution of the Offered Units or Over-Allotment Units, as applicable, shall have ceased;

- 2.3 they will not make any representations or warranties with respect to the REIT or the Units other than as set forth in this Agreement, the Preliminary Prospectus, the Prospectus, any Supplementary Material or otherwise with the approval of the REIT;
- 2.4 provided that they are satisfied, in their sole discretion, acting reasonably, that it is responsible for them to do so, they will execute and deliver to the REIT the certificates required to be executed by the Underwriters under applicable Securities Laws in connection with the Prospectus and any Supplementary Material; and
- 2.5 the obligations of the Underwriters under this Agreement are several and not joint and several, and no Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by any other Underwriter.

3. Covenants of the REIT

- 3.1 The REIT covenants and agrees with the Underwriters that:
 - 3.1.1 the Units will be duly and validly created, authorized and issued on the payment therefor and such Units will have attributes corresponding in all material respects to the descriptions thereof in this Agreement and in the Preliminary Prospectus, the Prospectus and any Supplementary Material;
 - 3.1.2 the REIT shall have prepared and filed the Preliminary Prospectus in both the English and French languages in accordance with the Passport System with the Ontario Securities Commission in its capacity as the principal regulator under the Passport System and will use commercially reasonable efforts to obtain a receipt for the Preliminary Prospectus from the principal regulator on behalf of the Securities Commissions in each of the Qualifying Jurisdictions not later than 5:00 p.m. (Toronto time) on May 6, 2014;
 - 3.1.3 the REIT shall prepare and file the Prospectus in each of the Qualifying Jurisdictions with Securities Commissions under the Securities Laws, and will use commercially reasonable efforts to obtain the Final Receipt not later than 5:00 p.m. (Toronto time) on May 13, 2014, or such later time as may be agreed upon by the REIT and the Lead Underwriters, on behalf of the Underwriters, acting reasonably, and will have taken all other commercially reasonable steps and proceedings that may be necessary in order to qualify the Units for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a

category permitting them to distribute the Units under the Securities Laws and who comply with Securities Laws;

- 3.1.4 until the completion of the distribution of the Units, it shall allow and assist the Underwriters to participate fully in the preparation of the Prospectus and any Supplementary Material and shall allow the Underwriters to conduct all "due diligence" investigations which the Underwriters may reasonably require to fulfill the Underwriters' obligations as underwriters and to enable the Underwriters responsibly to execute any certificate required to be executed by the Underwriters in any such documentation;
- 3.1.1 it shall cause the Marketing Materials, if any, as approved by the REIT and the Lead Underwriters, to be filed with the Securities Commissions, in the manner contemplated by applicable Securities Laws, not later than the day on which such Marketing Materials are first provided to a potential investor in connection with the Offering. Any comparables (as defined in NI 41-101) and all disclosure relating to such comparables shall be redacted from the Marketing Materials so filed;
- 3.1.2 it will comply with section 57 of the *Securities Act* (Ontario) and with the comparable provisions of the other applicable Securities Laws and during the period from the date of signing the Preliminary Prospectus to the date of completion of distribution of the Units, will promptly notify the Underwriters in writing of the full particulars of: (i) any material change, actual, anticipated or, to the Knowledge of the REIT, threatened, in the assets, business, operations or financial condition of the REIT (on a consolidated basis); (ii) any material fact which has arisen or has been discovered and would have been required to have been stated in any Offering Document had that fact arisen or been discovered on, or prior to, the date of any of the Offering Documents; or (iii) any change in any material fact contained or referred to in any of the Offering Documents, whether any event or state of facts has occurred after the date of this Agreement, which, in any case, is or may be of such a nature as to render any of the Offering Documents untrue, false or misleading in any material respect or result in a Misrepresentation in any of the Offering Documents. The REIT shall, to the satisfaction of the Underwriters and their counsel, acting reasonably, promptly comply with all applicable filing and other requirements under the Securities Laws in the Qualifying Jurisdictions (and any other applicable securities laws) as a result of such change. The REIT shall, in good faith, first discuss with the Lead Underwriters any change in circumstances (actual, proposed or, to the REIT's Knowledge, threatened) which is of such a nature that there is reasonable doubt whether notice need be given to the Underwriters pursuant to this paragraph 3.1.4 and, in any event, prior to making any filing referred to in this paragraph 3.1.4. For greater certainty but not so as to limit the generality of the foregoing, it is understood and agreed that, during the

period from the date of signing the Preliminary Prospectus to the date of completion of the distribution of the Units, if the Underwriters reasonably determine, after consultation with the REIT, that a material change or change in a material fact has occurred which makes untrue or misleading any statement of a material fact contained in any Offering Document, or which may result in a misrepresentation, the REIT will:

- 3.1.2.1 prepare and file promptly any Supplementary Material which in its opinion, acting reasonably, may be necessary or advisable, after consultation with the Underwriters; and
 - 3.1.2.2 contemporaneously with filing the Supplementary Material under the applicable laws of the Qualifying Jurisdictions, deliver to the Underwriters:
 - 3.1.2.2.1 a copy of the Supplementary Material, signed as required by the Securities Laws;
 - 3.1.2.2.2 a copy of all documents relating to the proposed distribution of the Units and filed with the Supplementary Material under the applicable Securities Laws; and
 - 3.1.2.2.3 such other documents as the Underwriters may reasonably require; and
 - 3.1.3 it will ensure that, when issued, the Units issuable hereunder will be conditionally approved for listing on the TSXV, subject only to compliance with Standard Listing Conditions.
- 3.2 During the period commencing on the date hereof and ending on the date the Underwriters notify the REIT of the completion of the distribution of the Units, the REIT will promptly inform the Underwriters of the full particulars of:
- 3.2.1 any request of any Securities Commission for any amendment to the Prospectus or any Supplementary Material or for any additional information in connection with the Offering;
 - 3.2.2 the issuance by any Securities Commission, the TSXV or any other Governmental Authority of any order to cease or suspend trading of any securities of the REIT or of the institution or threat of institution of any proceedings for that purpose; and
 - 3.2.3 any notice or other correspondence received by any of them from any Governmental Authority requesting information, meeting or hearing or commencing or threatening any investigation into any of them or their business that could reasonably be expected to have a material adverse

effect on the assets, business, operations or financial condition of the REIT (on a consolidated basis) or the completion of the Offering.

- 3.3 The REIT will apply the net proceeds from the issue and sale of the Offered Units substantially in accordance with the disclosure set forth under the heading "Use of Proceeds" in the Prospectus.
- 3.4 The REIT shall use its best efforts to complete the Internalization, substantially upon the terms set out in the Internalization LOI, effective no later than December 31, 2014.
- 3.5 The REIT shall apply to the Toronto Stock Exchange to graduate the listing of the REIT's trust units from the TSXV to the Toronto Stock Exchange and shall use its commercially reasonable efforts to complete the graduation to the Toronto Stock Exchange on or before July 1, 2014.

4. Deliveries

The REIT shall cause to be delivered to the Underwriters:

- 4.1 contemporaneously with the filing thereof with the Securities Commissions in each of the Qualifying Jurisdictions, copies in the English language and in the French language of the Prospectus and any Supplementary Material, a copy of any other document required to be filed (in the English or French language, as applicable) by the REIT under the Securities Laws in connection therewith, in each case, signed, where applicable, as required by the Securities Laws;
- 4.2 at the time of the delivery to the Underwriters pursuant to this paragraph 4 of the Prospectus or any Supplementary Material:
 - 4.2.1 an opinion of the REIT's counsel in Quebec, dated the date of such document, and reasonably acceptable in form and substance to the Underwriters' counsel, that except for any financial statements and notes thereto, Auditors' reports and consents, financial forecast and notes thereto, summary and selected financial information, management's discussion and analysis of financial condition and results of operations, consolidated capitalization and other numerical data (collectively the "**Financial Information**") contained, or incorporated by reference, in such document, the document in the French language in all material respects is a complete and proper translation of the English version thereof;
 - 4.2.2 an opinion of the Auditors, dated the date of such document, and reasonably acceptable in form and substance to the Underwriters' counsel, that the Financial Information filed in the French language by the REIT under the Securities Laws in connection with such document and contained, or incorporated by reference, in such document in all material respects is a complete and proper translation of the English version thereof; and

- 4.2.3 evidence satisfactory to the Underwriters of the approval of efforts used to obtain the listing and posting for trading on the TSXV of the Units subject only to satisfaction by the REIT of the conditions imposed by the TSXV in the letter of the TSXV granting conditional listing approval (the "**Standard Listing Conditions**"); and
- 4.3 at the Closing Time and at the time of the delivery to the Underwriters pursuant to this paragraph 4 of the Prospectus or any Supplementary Material, a comfort letter of the Auditors dated the Closing Date or the date of the Prospectus or Supplementary Material, as the case may be, and addressed to the Underwriters and the board of trustees of the REIT, in form and substance reasonably satisfactory to the Underwriters, acting reasonably, relating to the financial information contained, or incorporated by reference, in the Prospectus or Supplementary Material, as the case may be, and matters involving changes or developments since the respective dates of which the financial information is given to a date not more than two Business Days prior to the date of such letter, which letter shall be in addition to the Auditors' report in the Prospectus or Supplementary Material.
- 4.4 The REIT shall also cause to be delivered to the Underwriters, without charge, at those delivery points in the Qualifying Jurisdictions as the Underwriters may reasonably request, as soon as practicable and in any event to the City of Toronto no later than 12:00 noon (local time) on the first Business Day (and to other cities no later than 12:00 noon (local time) on the second Business Day) after issuance of a Final Receipt by the Ontario Securities Commission, in its capacity as the principal regulator in respect of the Prospectus, and thereafter from time to time during the distribution of the Units, as many commercial copies of the Prospectus in the English language and French language, including copies of any document or information incorporated by reference therein, as the Underwriters may reasonably request. The REIT shall similarly cause to be delivered to the Underwriters, without charge, commercial copies of any Supplementary Material in the English and French languages, but only to the extent that, under applicable Securities Laws, copies thereof may be required to be delivered to purchasers or prospective purchasers of the Units.

5. Representations and Warranties - Prospectus

- 5.1 The delivery to the Underwriters of the documents referred to in paragraphs 4.1 and 4.4 hereof shall constitute the representation and warranty of the REIT to the Underwriters that: (i) each such document at the time of its respective delivery fully complied with the requirements of the Securities Laws pursuant to which it was or is prepared, and, as applicable, filed and that all the information and statements contained therein (except for information and statements relating solely to Underwriters' Disclosure) are at the respective dates thereof, true and correct, contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the REIT and its subsidiaries, taken together, and the Units as required by applicable Securities Laws and, as applicable, the

securities laws of the United States, and (ii) no material fact or information has been omitted therefrom (except for facts and information relating solely to Underwriters' Disclosure) which is necessary to make the statements contained therein not misleading in light of the circumstances in which they were made.

5.2 The REIT consents to the use by the Underwriters of the documents referred to in paragraphs 4.1 and 4.4 hereof in connection with the distribution of the Units in the Qualifying Jurisdictions or the private placement of Units in the United States in compliance with the provisions of this Agreement.

6. Representations and Warranties – General

6.1 The REIT represents and warrants to the Underwriters, and acknowledges that each Underwriter is relying on such representations and warranties, that:

6.1.1 the REIT is a trust validly existing under the laws of the Province of Ontario, its trustees have been duly elected or appointed and through its trustees it has all requisite power and authority to carry on its activities and to indirectly own or lease and to indirectly operate its properties, assets and related business and operations, and to execute, deliver and carry out its obligations hereunder;

6.1.2 each of the REIT Entities (other than the REIT) is a corporation or partnership incorporated or created and existing and, in respect of each such corporation only, is validly subsisting under the laws of its jurisdiction of incorporation, and each such REIT Entity has the corporate or other power and authority to carry on its business or activities and to own or lease and to operate its assets;

6.1.3 the ownership structure of the REIT Entities is consistent in all material respects with that set out in the Preliminary Prospectus, and, other than as disclosed in the Preliminary Prospectus, all securities of the REIT Entities (excluding the REIT) held by other REIT Entities are held free and clear of all liens, charges, encumbrances and any other rights of others;

6.1.4 other than as set out in the Preliminary Prospectus and any Supplementary Material, there is no agreement to which any REIT Entity or, to the Knowledge of the REIT, any other person is a party in force or effect which in any manner affects or will affect the voting or control of any of the securities of the REIT Entities;

6.1.5 the REIT is the beneficial owner of 4,345,900 trust units of NWHP REIT and 7,551,546 Class B limited partnership units of NHP Holdings Limited Partnership Units, each of which Class B limited partnership units is exchangeable into one trust unit of NWHP REIT;

6.1.6 the REIT is (a) the beneficial owner (through NWI LP) of 81,659,865 units of Vital Trust;

- 6.1.7 the REIT is a reporting issuer or the equivalent in each of the Qualifying Jurisdictions and is not in default under the Securities Laws of any such jurisdiction;
- 6.1.8 the REIT has made all filings required to be made under Securities Laws and the rules and policies of the TSXV. The REIT is in compliance in all material respects with its continuous disclosure obligations under Securities Laws and the rules and policies of the TSXV, there are no filings that have been made on a confidential basis and all of such filings comply in all material respects with the requirements of applicable Securities Laws. None of the public disclosure record documents filed by the REIT under the Securities Laws, including the documents and information incorporated or deemed to be incorporated by reference in the Preliminary Prospectus or the Prospectus, contained a Misrepresentation as at its date of filing;
- 6.1.9 without limiting the generality of the foregoing, the REIT has, or will, prior to filing the Prospectus, have filed a business acquisition report in respect of each acquisition for which a filing is required under Securities Laws;
- 6.1.10 no order preventing, ceasing or suspending trading in any securities of the REIT or prohibiting the issue and sale of securities by the REIT has been issued and no proceedings for either of such purposes have been instituted or, to the best of the knowledge of the REIT, are pending, contemplated or threatened;
- 6.1.11 the records and minute books of the REIT made available to legal counsel for the Underwriters in connection with their due diligence investigation of the REIT have been maintained in all material respects in accordance with all applicable Laws and are complete and accurate in all material respects. The financial books and records and accounts of the REIT set out and disclose all material financial transactions of the REIT and such transactions have been accurately recorded in such books and records;
- 6.1.12 the REIT is and has always had the status of a "mutual fund trust" under the Tax Act and, to the Knowledge of the REIT, no circumstances exist which could jeopardize such status;
- 6.1.13 the REIT does not have Knowledge of any unpaid Taxes, including realty Taxes, payable by any of the REIT Entities;
- 6.1.14 the REIT expects to qualify as a "real estate investment trust" for purposes of the Tax Act for its 2014 taxation year and for future years;
- 6.1.15 the REIT makes monthly cash distributions to REIT unitholders of record on the last business day of each month. Distributions are paid within 15

days following the end of each month. The current indicated monthly cash distribution is \$0.0183 (annualized approximately \$0.22) per Unit;

- 6.1.16 the REIT is eligible to file short form prospectuses pursuant to NI 44-101;
- 6.1.17 to the Knowledge of the REIT, each of the REIT Entities has conducted and is conducting its affairs or business as contemplated in the Preliminary Prospectus in compliance in all material respects with all applicable Laws (including Environmental Laws) and each of the REIT Entities is licensed, registered or qualified and has all necessary licences and permits (including Environmental Permits) in all jurisdictions in which it carries on its affairs or business to enable its affairs or business to be conducted in all material respects as contemplated in the Preliminary Prospectus to be carried on and to enable it to own or lease and operate its property and assets, and all such licences, registrations, qualifications and permits are valid and existing and in good standing in all material respects and none of them contains any term, provision, condition or limitation which has or could reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.18 the REIT has no Knowledge of any Environmental Laws currently in force or proposed to be brought into force by any Governmental Authority with which any REIT Entity would be unable to comply or for which compliance would result in a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.19 no written notice has been received of any pending or, to the Knowledge of the REIT, threatened, administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices, non-compliances or violations, investigations or proceedings relating to the actual or alleged breach of any Environmental Law by any of the REIT Entities;
- 6.1.20 other than as disclosed in the Environmental Reports or in the Preliminary Prospectus and any Supplementary Material, to the Knowledge of the REIT, there are no facts, events or circumstances that might reasonably be expected to form the basis of a governmental order for clean-up or remediation, monitoring or other response action, nor is there any action, suit or proceeding by any private party or governmental body or agency, with respect to any of the Properties or the German MOB Properties relating to the presence or release of Hazardous Substances and/or the actual or alleged breach of any Environmental Laws;
- 6.1.21 except as disclosed in the Environmental Reports or in the Preliminary Prospectus and any Supplementary Material, neither a REIT Entity nor, to the REIT's Knowledge, any tenant in any Property or any of the German

MOB Properties has filed any notice or report pursuant to any Environmental Law or otherwise indicating past or present treatment, storage or disposal of a Hazardous Substance or reporting a spill, release or discharge of Hazardous Substance into the Environment involving any of the Properties or the German MOB Properties other than those which have been fully remediated in accordance with all applicable Environmental Laws;

- 6.1.22 except as disclosed in the Environmental Reports or in the Preliminary Prospectus and any Supplementary Material, to the Knowledge of the REIT, other than in material compliance with Environmental Laws and as disclosed in the Environmental Reports, none of the Properties or the German MOB Properties has been used as a waste storage site or a waste disposal site or has been used to operate a waste management system or business;
- 6.1.23 except as disclosed in the Environmental Reports or in the Preliminary Prospectus and any Supplementary Material, to the Knowledge of the REIT, no REIT Entity has any contingent liability in connection with any spill, discharge or release of any Hazardous Substance on or into the Environment in connection with any of the Properties or the German MOB Properties;
- 6.1.24 the REIT has no Knowledge of any legislation, regulation, by-law or other lawful requirement currently in force or proposed to be brought into force by any Governmental Authority with which the REIT Entities will be unable to comply and/or which could reasonably be expected to materially and adversely affect the business, financial condition, assets, liabilities (contingent or otherwise) or results of operations of the REIT Entities (taken as a whole); no written notice has been received by any REIT Entity of any pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, non-compliances or violations, investigations or proceeding relating to the actual or alleged breach of any licences, permits, legislation, regulations, by-laws or other requirements to which any REIT Entity or Properties are or will be subject which could reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.25 the REIT believes it has a reasonable basis for drawing the conclusions or making the forward-looking statements (as such forward-looking statements are described in the Preliminary Prospectus under the caption "Notice Concerning Forward-Looking Statements") included in the Preliminary Prospectus;
- 6.1.26 insurance coverage against such risks and in such amounts as are reasonable for prudent owners of businesses similar to that to be carried

on, indirectly, by the REIT, has been arranged with responsible insurers and that coverage will be in full force and effect as of the Closing Time; none of the REIT Entities is in default with respect to any of the provisions contained in policies of insurance of the REIT or in respect of the Properties or has failed to give any notice or pay any premium or present any claim under any such insurance policy that could reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);

- 6.1.27 no REIT Entity is or will be immediately following the Closing Time a party to or bound by any contract with or commitment to any trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent (collectively called "**labour representatives**") and no REIT Entity has or will have immediately following the Closing Time conducted negotiations with respect to any such future contracts or commitments, no labour representatives hold bargaining rights with respect to any employees of any REIT Entity, no strike, lock out or other labour action currently exists or, to the Knowledge of the REIT, is contemplated or threatened;
- 6.1.28 each of the REIT Entities is in compliance with all Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where such non-compliance could not reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.29 the REIT has conducted and is conducting its business and affairs in compliance in all material respects with the terms and provisions of the Declaration of Trust;
- 6.1.30 except as set forth in the Preliminary Prospectus and any Supplementary Material (i) all of the Properties are beneficially owned 100%, indirectly, by the REIT; (ii) there are no co-ownership or joint venture arrangements in place or options in favour of third parties with respect to any of the Properties; and (iii) any and all material agreements (including the Material Agreements and the German MOB Acquisition Agreements) pursuant to which any REIT Entity has acquired and holds any Properties are valid and subsisting agreements in full force and effect, enforceable by the applicable REIT Entity in accordance with their respective terms, except where enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity where equitable remedies are sought and except as rights to indemnity and contribution may be limited by applicable laws;

- 6.1.31 the REIT Entities have sufficient right, title and interest in and to all assets necessary to carry out their activities as described in the Preliminary Prospectus and any Supplementary Material and to comply in all material respects with the Material Agreements and the German MOB Acquisition Agreements to which they are a party except where such failure could not reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.32 the REIT anticipates that it will complete the German MOB Acquisition in the manner contemplated by the Preliminary Prospectus;
- 6.1.33 all property condition assessment reports and Appraisals that are available to the REIT relating to the German MOB Acquisition have been delivered to the Underwriters;
- 6.1.34 to the Knowledge of the REIT, each of the German MOB Properties is in a satisfactory state of repair as at the date hereof, reasonable wear and tear excepted;
- 6.1.35 to the Knowledge of the REIT, the tenants of each of the German MOB Properties are in satisfactory financial condition and the REIT does not have any reason to believe such tenants will not be able to meet their obligations under their respective leases;
- 6.1.36 each of the Material Agreements described in the Preliminary Prospectus conforms with the description thereof in the Preliminary Prospectus in all material respects;
- 6.1.37 none of the REIT Entities is in default or in breach of the Material Agreements or the German MOB Acquisition Agreements except where such default or breach would not have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole), and the execution and delivery of this Agreement by the REIT, the performance and compliance with the terms of this Agreement and the issue and sale of the Units, will not result in any breach of, or be in conflict with or constitute a default under, any term or provision of the Declaration of Trust, any resolution of the trustees (or any sub-committee thereof) or unitholders of the REIT, or any material mortgage, note, indenture, contract, agreement, written or oral, instrument, lease or other document to which any of the REIT Entities is a party (including the Material Agreements and the German MOB Acquisition Agreements) or by which any of the REIT Entities or their property is bound or any judgment, decree, order, statute, rule or regulation applicable to any of the REIT Entities;

- 6.1.38 any and all material agreements (including the Material Agreements and the German MOB Acquisition Agreements) pursuant to which the REIT Entities carry on, directly or indirectly, their business are valid and subsisting agreements in full force and effect, enforceable against the relevant REIT Entities in accordance with their respective terms, except where enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity where equitable remedies are sought and except as rights to indemnity and contribution may be limited by applicable laws, and the Properties are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situate, except where the failure to be in good standing would not have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole); other than as disclosed in the Preliminary Prospectus and any Supplementary Material, all mortgages against such Properties and related assets are in good standing in all material respects and there is no default under any such mortgages except where any such default would not have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole) and all realty, property or other taxes required to be paid with respect to such assets have been paid except, in each case, where any such default or deficiency would not have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.39 there is (i) other than as disclosed in the Preliminary Prospectus and any Supplementary Material, no litigation or governmental or other proceeding or investigation at law or in equity before any court or before or by any federal, provincial, state, municipal, local or other governmental or public department, commission, board, bureau, agency, instrumentality or body, domestic or foreign, any subdivision or authority of any of the foregoing or any quasi-governmental, self-regulatory organization or private body exercising any regulatory, planning, building, environmental law, expropriation or taxing authority under or for the account of its members or any of the above (collectively, "**Governmental Authority**"), pending or, to the Knowledge of the REIT, threatened against, or involving the Properties; or (ii) no matter under discussion with any Governmental Authority relating to Taxes, governmental charges or assessments asserted by any such authority in respect of any REIT Entity, or the Properties which, in each case, if determined adversely, could reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.40 the trademarks and trade mark applications, business names and domain names used by the REIT Entities in respect of the Properties and the REIT are solely owned or licensed by the applicable REIT Entity and, to the Knowledge of the REIT, such entity has the right to use them. To the

Knowledge of the REIT, the conduct by the REIT Entities in respect of the Properties and the business thereat does not infringe upon the intellectual property of any other Person and no such infringement has been alleged by any Person. To the Knowledge of the REIT, no other Person is materially infringing upon the intellectual property of the REIT Entities in respect of the Properties;

- 6.1.41 the REIT, through its trustees in their capacity as such, has all requisite power and authority in compliance with the terms and provisions of the Declaration of Trust to: (i) enter into this Agreement; (ii) issue and deliver the Units in accordance with the provisions of this Agreement; and (iii) carry out all the terms and provisions of this Agreement;
- 6.1.42 this Agreement has been duly authorized, executed and delivered by the REIT (or by one or more trustees, each acting in his or her capacity as trustee of the REIT) and constitutes a legal, valid and binding obligation of the REIT, enforceable against it in accordance with its terms, except where enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity where equitable remedies are sought and except as rights to indemnity and contribution may be limited by applicable laws;
- 6.1.43 the REIT is authorized to issue an unlimited number of Units and Special Voting Units, of which, as of the date hereof, there are 57,275,652 Units and 92,215,202 Special Voting Units issued and outstanding;
- 6.1.44 as of the date hereof, there are: (i) \$22,600,000 principal amount of 6.50% convertible unsecured subordinated debentures of the REIT issued and outstanding, which debentures were issued pursuant to a (final) short form prospectus dated March 18, 2013; and (ii) \$17,500,000 principal amount of 7.50% convertible unsecured subordinated debentures of the REIT issued and outstanding, which debentures were issued pursuant to a (final) short form prospectus dated August 23, 2013;
- 6.1.45 the outstanding Units of the REIT are listed on the TSXV;
- 6.1.46 prior to the filing of the Prospectus, the TSXV will have conditionally approved for listing the Units on the TSXV, subject only to the fulfillment of the Standard Listing Conditions;
- 6.1.47 except as disclosed in the Preliminary Prospectus and any Supplementary Material, none of the REIT Entities has, or at the Closing Time will have, securities outstanding which are convertible into or exchangeable or exercisable for Units or Special Voting Units of the REIT and there are no outstanding options on or rights to subscribe for any of the unissued Units or Special Voting Units;

- 6.1.48 except as disclosed in the Preliminary Prospectus and any Supplementary Material, no person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such under which any REIT Entity is, or may become, obligated to issue any of its securities or for the purchase of any security of a REIT Entity or, to the Knowledge of the REIT, for the purchase of any of the Properties or an interest therein;
- 6.1.49 the financial statements included or incorporated by reference in the Prospectus have been prepared in accordance with International Financial Reporting Standards applied on a basis consistent with prior periods (except as disclosed in such financial statements) and applicable Securities Laws and present fairly in all material respects the consolidated financial position or pro forma financial position, as the case may be, of the REIT and/or the relevant Properties, in each case as at their respective dates;
- 6.1.50 KPMG LLP is independent with respect to the REIT within the meaning of the rules of professional conduct of the Institute of Chartered Accountants of Ontario;
- 6.1.51 there has not been any reportable event (within the meaning of NI 51-102) with the Auditors since the respective dates of formation or incorporation, as the case may be, of the REIT Entities or in respect of the Properties;
- 6.1.52 to the Knowledge of the REIT, there are no outstanding audits or reviews by a Governmental Authority of any of the Tax returns of (i) any REIT Entity or (ii) any entity that owns the Properties as such audits or reviews relate to the Properties that, in the case of (ii) only, could reasonably be expected to have a material adverse effect on the assets, business, operations or financial condition of the REIT Entities (taken as a whole);
- 6.1.53 at the Closing Time, all necessary action will have been taken by the REIT to carry out its obligations hereunder and to allot and authorize the issuance of the Offered Units and the Over-Allotment Units. The attributes of the Units are consistent in all material respects with the description thereof in the Preliminary Prospectus. The Offered Units and the Over-Allotment Units will be, if and when issued, duly created and, when issued, delivered and paid for in full, will be validly issued as fully paid Units of the REIT, and will not have been issued in violation of any preemptive rights or contractual rights to purchase securities of any REIT Entity;
- 6.1.54 other than as disclosed in the Preliminary Prospectus, neither the REIT nor its agents acting on its behalf, have approved or entered into any agreement in respect of (i) the purchase of any real property or the sale, transfer or other disposition of any real property to be owned, directly or indirectly, by the REIT, whether by asset sale, transfer of shares, or

otherwise, in each case that would be material to the REIT; or (ii) the sale of all or substantially all of the REIT's assets;

6.1.55 other than as disclosed in the Preliminary Prospectus and any Supplementary Material:

6.1.55.1 no REIT Entity has incurred any material obligation or liability, direct, contingent or otherwise; and

6.1.55.2 no transactions of a nature material to the REIT Entities (taken as a whole) have been entered into or approved by any REIT Entity;

6.1.56 other than as may be required under the Securities Laws and the rules and by-laws of the TSXV, and other than the waiver of NWVP waiving its pre-emptive right under the Exchange Agreement in connection with the Offering (which has been obtained) no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority or other third party is required for the creation, issue or sale of the Units as contemplated by this Agreement;

6.1.57 there is no legal or governmental action, proceeding or investigation pending or, to the Knowledge of the REIT, threatened, which would question the validity of the creation, issuance or sale of the Units or the validity of any action taken or to be taken by the REIT in connection with this Agreement;

6.1.58 Computershare Investor Services Inc. has been duly appointed as the registrar and transfer agent of the REIT with respect to the Units; and

6.2 The parties acknowledge and agree that no representations and warranties are being provided by the REIT in respect of the businesses operated by Vital Trust and NWHP REIT.

7. Closing of the Offering

7.1 The closing of the purchase and sale of the Offered Units provided for in this Agreement shall be completed at the offices of Goodmans LLP in Toronto, Ontario at the Closing Time.

7.2 The following are conditions precedent to the obligations of the Underwriters under this Agreement, which conditions may be waived in writing in whole or in part by the Lead Underwriters, on behalf of the Underwriters:

7.2.1 receipt by the Underwriters of the following:

7.2.1.1 a favourable legal opinion, dated the Closing Date, from the REIT's Canadian counsel, Goodmans LLP, in form and

substance satisfactory to the Underwriters and their counsel, acting reasonably, with respect to the following matters: the creation and existence of the REIT as a trust under the laws of the Province of Ontario, its power and capacity to own and lease property and assets and carry on business as described in the Prospectus and its ability to execute, deliver and perform its obligations under this Agreement; the creation, authorization, issue, sale and distribution of the Units; that, upon the REIT receiving payment of the Offering Price for the Offered Units and Over-Allotment Units, respectively, the Units will be outstanding as fully paid units of the REIT; that the attributes of the Units are consistent in all material respects with the descriptions thereof in the Prospectus; that the Offered Units and the Over-Allotment Units have been conditionally approved for listing by the TSXV, subject only to the fulfillment of the Standard Listing Conditions; the appointment of Computershare Investor Services Inc. as registrar and transfer agent for the Units; the statements concerning tax matters under the heading "Eligibility for Investment" in the Prospectus are accurate, and the summary contained in the Prospectus under the heading "Certain Canadian Federal Income Tax Considerations" fairly describes the principal Canadian federal income tax considerations as at the date thereof generally applicable under the Tax Act to prospective purchasers of Units, in each case subject to the restrictions, qualifications and assumptions set out therein; and that all necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled by the REIT under the applicable securities laws of the Qualifying Jurisdictions to qualify the Units for distribution and sale to the public in each of the Qualifying Jurisdictions through investment dealers registered under the applicable securities laws of the Qualifying Jurisdictions who have complied with the relevant provisions of such securities laws; it being understood that such counsel may rely on the opinions of local counsel as to matters governed by the laws of jurisdictions other than Canada and the Province of Ontario and may rely, to the extent appropriate in the circumstances, as to matters of fact, on certificates of the REIT's officers;

- 7.2.1.2 a favourable legal opinion of the REIT's counsel in Quebec, BCF Avocats, dated the Closing Date and acceptable in form and substance to the Underwriters' counsel, acting reasonably, as to compliance with the laws of the Province of Quebec relating to the use of the French language in connection with the distribution of the Units;

7.2.1.3 in the event that a United States Purchaser has agreed to purchase Units, a favourable legal opinion, dated the Closing Date, from the REIT's United States counsel, Hodgson Russ LLP, to the effect that no registration of the Units will be required under the United States *Securities Act of 1933*, as amended, in connection with the offering of the Units for sale in the United States;

7.2.1.4 a certificate dated the Closing Date and signed by those trustees and those senior officers of the REIT as may be acceptable to the Underwriters, acting reasonably, in form and substance satisfactory to the Underwriters, acting reasonably, with respect to:

- (i) the constating documents of the REIT;
- (ii) the resolutions of the trustees of the REIT relevant to the allotment, issue and sale, as the case may be, of the Units and the authorization of this Agreement; and
- (iii) the incumbency and signatures of signing officers of the REIT;

7.2.1.5 a certificate dated the Closing Date and signed by the chief executive officer and the chief financial officer of the REIT, or such other officers of the REIT as may be acceptable to the Underwriters, certifying on behalf of the REIT, each without personal liability:

- (i) that the REIT has complied with all terms and conditions of this Agreement to be complied with thereby at or prior to the Closing Time;
- (ii) that the representations and warranties of the REIT contained herein are true and correct as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated hereby; provided, however, references in such representations and warranties to "Preliminary Prospectus" shall be to "Prospectus";
- (iii) that no order, ruling or determination having the effect of ceasing or suspending trading in the Units has been issued and no proceedings for such purpose are pending or, to the best of the knowledge, information and belief of the persons signing such certificate, are contemplated or threatened;

- (iv) since the respective dates of the Prospectus and any Supplementary Material there has been no material adverse change, financial or otherwise, in the assets, business, operations or financial condition of the REIT or the REIT Entities (taken as a whole), from that disclosed in the Prospectus or any Amendment, as the case may be; and
- (v) since the date of this Agreement, no transaction or agreement has been entered into by any REIT Entity which is material to the REIT Entities (taken as a whole) other than as described in the Prospectus or any Supplementary Material;

and all of those matters will in fact be true and correct as at the Closing Time;

7.2.1.6 the comfort letters from the Auditors required to be delivered at the Closing Time pursuant to paragraph 4.3;

7.2.1.7 evidence satisfactory to the Underwriters that the REIT has obtained all necessary approvals for the listing of the Offered Units and Over-Allotment Units on the TSXV, subject to the Standard Listing Conditions;

7.2.1.8 evidence satisfactory to the Underwriters that the trustees of the REIT have authorized and approved the issuance of the Units, and all matters relating thereto;

7.2.1.9 one or more definitive or global certificates (or at the election of the Lead Underwriters either in physical or book entry only form) representing the Offered Units registered in the name of CDS & Co. and/or in such name or names as the Lead Underwriters may direct, against payment to the REIT, or as the REIT may direct, of the Aggregate Purchase Price net of the Underwriting Fee and Underwriters' expenses as contemplated in paragraph 9 by wire transfer payable in Toronto; and

7.2.1.1 written undertakings of each of the senior officers and trustees of the REIT as contemplated by paragraph 15.2 hereof,

all in form and substance satisfactory to the Underwriters, acting reasonably; and

7.2.2 the Underwriters not having previously terminated their obligations pursuant to paragraph 10 of this Agreement.

7.3 It shall be a condition precedent to the REIT's obligations to issue the Offered Units, that:

7.3.1 the Underwriters shall have delivered or caused to be delivered to the REIT's Canadian counsel, in trust, a wire transfer representing the Aggregate Purchase Price net of the Underwriting Fee and Underwriters' expenses as contemplated by paragraph 9 payable by the Underwriters for the Offered Units;

7.3.2 the Underwriters shall have complied with the covenants and satisfied all terms and conditions herein contained to be complied with and satisfied by them at or prior to the Closing Time; and

7.3.3 no order shall have been made and no proceedings for such purpose being pending or threatened which restricts in any manner the distribution of the Units.

7.4 The Over-Allotment Option shall be exercisable, in whole or in part, until the Over-Allotment Expiry Date. The Over-Allotment Option may be exercised by the Lead Underwriters, on behalf of the Underwriters, by delivery of written notice to the REIT confirming the number of Over-Allotment Units in respect of which the Over-Allotment Option is being exercised. Upon exercise of the Over-Allotment Option, the REIT shall become obligated to issue and sell and the Underwriters shall become severally obligated to purchase the total number of Over-Allotment Units as to which the Underwriters are exercising the Over-Allotment Option in accordance with their respective percentages set out in paragraph 12 hereof. The Over-Allotment Option closing time (the "**Over-Allotment Closing Time**") shall be determined by the Lead Underwriters on behalf of the Underwriters but, unless otherwise agreed between the Lead Underwriters and the REIT, shall not be earlier than three Business Days or later than five Business Days after the exercise of the Over-Allotment Option and, in any event, shall not be earlier than the Closing Date nor later than five Business Days after the Over-Allotment Expiry Date.

If the Over-Allotment Option is exercised as to all or any portion of the Over-Allotment Units, certificates in definitive or global form (or at the election of the Lead Underwriters in book entry only form) for such Over-Allotment Units and payment therefor, shall be delivered at the Over-Allotment Closing Time in the manner, and upon the terms and conditions, set forth in paragraphs 7.1, 7.2.1.9 and 7.4 except that reference therein to the Offered Units and Closing Time shall be deemed, for the purposes of this paragraph 7.4, to refer to such Over-Allotment Units and Over-Allotment Closing Time, respectively, and the amount payable by the Underwriters to the REIT in respect of the exercise of the Over-Allotment Option shall be equal to the number of Over-Allotment Units in respect of which the Over-Allotment Option is exercised multiplied by the Offering Price, less the applicable Underwriting Fee and the expenses of the Underwriters in connection with the Over-Allotment Option pursuant to paragraph 9.

If the Over-Allotment Option is exercised, the obligations of the Underwriters to purchase the Over-Allotment Units shall be conditional on the delivery by the REIT of the certificate referred to in paragraph 7.2.1.4 as of the Over-Allotment Closing Time as if references therein to Closing Time were references to Over-Allotment Closing Time and such other certificates, opinions or other documents in form and substance satisfactory to the Underwriters as they may reasonably request.

The obligation of the Underwriters to close the exercise of the Over-Allotment Option at the Over-Allotment Closing Time shall be conditional on the Underwriters not having previously terminated their obligations pursuant to paragraph 10 of this Agreement, with reference therein to "Closing Time" being deemed, for the purposes hereof, to refer to the Over-Allotment Closing Time.

8. Indemnity

8.1 The REIT shall indemnify and hold harmless each of the Underwriters and their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, shareholders and agents (collectively, the "**Indemnified Parties**") from and against all losses (other than losses of profit in connection with the distribution of the Units), claims, reasonable costs, reasonable expenses, actions (including unitholder actions), damages and liabilities (joint and several), including, without limitation, the reasonable fees and expenses of their counsel on a substantial indemnity basis, all amounts paid to settle Claims (as defined below) if settled in accordance with the terms hereof or satisfy judgments or awards, and other reasonable out-of-pocket expenses incurred in investigating and defending any pending or threatened action, suit, proceeding, investigation or claim that may be made or threatened against any of the Indemnified Parties or in enforcing this indemnity (collectively, the "**Claims**"), to which any of the Indemnified Parties may become subject or otherwise involved in any capacity insofar as the Claims arise out of, result from, are based upon, or arise directly or indirectly by reason of:

8.1.1 any information or statement (except any information or statement relating to Underwriters' Disclosure) contained in the Prospectus, or any Supplementary Material, being or being alleged to be a Misrepresentation or untrue, or any omission or alleged omission to state therein any fact or information (except facts or information relating solely to Underwriters' Disclosure) required to be stated therein or necessary to make any of the statements therein not misleading in light of the circumstances in which they were made; or

8.1.2 any order made or any inquiry, investigation or proceeding announced, commenced or threatened by any court, securities regulatory authority, stock exchange or by any other competent authority, based upon any untrue statement, omission or Misrepresentation or alleged untrue statement, omission or Misrepresentation (except a statement, omission or

Misrepresentation relating solely to Underwriters' Disclosure) in the Prospectus, or any Supplementary Material, (except any document or material delivered or filed solely by the Underwriters) preventing or restricting the trading in or the sale or distribution of the Units in any of the Qualifying Jurisdictions or in the United States; or

- 8.1.3 any breach or default under any representation, warranty, covenant or agreement of the REIT in this Agreement or any other documents to be delivered pursuant hereto or the failure of the REIT to comply with any of its obligations hereunder or thereunder; or
 - 8.1.4 the REIT failing to comply with any requirement of any Securities Laws relating to the Offering or the securities laws of the United States in relation to the private placement of Units.
- 8.2 If any Claim contemplated by this paragraph 8 shall be asserted against any of the Indemnified Parties, or if any potential Claim contemplated by this paragraph 8 shall come to the knowledge of any of the Indemnified Parties, the Indemnified Party concerned shall notify the REIT, as soon as practicable of the nature of such Claim (provided that any failure or delay to so notify shall not, except to the extent of actual prejudice to the REIT therefrom, affect the REIT's liability under this paragraph 8), and the REIT, shall, subject as hereinafter provided, promptly assume the defence on behalf of the Indemnified Party of any suit brought to enforce such Claim. Any such defence shall be through legal counsel acceptable to the Indemnified Party (acting reasonably), and the REIT shall pay the reasonable fees and disbursements of such counsel relating to such matter, and no admission of liability or settlement shall be made by the REIT without, in each case, the prior written consent of the Indemnified Parties, such consent not to be unreasonably withheld. An Indemnified Party shall have the right to employ separate counsel in any such suit and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless: (i) the REIT fails to assume the defence of such suit on behalf of the Indemnified Party within ten Business Days of receiving notice of such suit; (ii) the employment of such counsel has been authorized by the REIT; or (iii) the named parties to any such suit include both the Indemnified Party and the REIT, and the Indemnified Party shall have been advised in writing by counsel that there may be one or more legal defences available to the Indemnified Party which are different from or in addition to those available to the REIT or the Indemnified Party is advised by counsel that there is an actual or potential conflict in the REIT's and its respective interests (in each of which cases neither of the REIT shall have the right to assume the defence of such suit on behalf of the Indemnified Party, and the REIT shall be liable to pay the reasonable fees and expenses of the counsel for the Indemnified Party); provided that the Indemnifying Party shall be liable for the fees and expenses of only one separate law firm for all Indemnified Parties in any particular jurisdiction. It is the intention of the REIT to constitute the Underwriters as trustees for the Underwriters' subsidiaries and affiliates and their respective directors, officers,

employees, shareholders and agents of the covenants of the REIT under this paragraph 8 and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

- 8.3 If for any reason the indemnification provided for in paragraph 8.1 is unavailable or unenforceable, in whole or in part, to or by an Indemnified Party in respect of any losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) for which indemnity is provided in paragraph 8.1, and subject to the restrictions and limitations referred to therein (including the scope of the indemnity of the Indemnifying Party in paragraph 8.1), the Indemnifying Party and the Underwriters shall contribute to the amount paid or payable (or, if such indemnity is unavailable only in respect of a portion of the amount so paid or payable, such portion of the amount so paid or payable) by such Indemnified Party as a result of such losses (other than losses of profits, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the REIT on the one hand and the Underwriters on the other hand from the sale of the Units as well as their relative fault; provided, however, that each of the Indemnified Parties shall not in any event be liable to contribute, in the aggregate, any amount in excess of that Indemnified Party's portion of the Underwriting Fee actually received under this Agreement.

The relative benefits received by the REIT on the one hand and the Underwriters on the other hand shall be deemed to be in the proportion that the total proceeds received from the sale of the Units and (net of the Underwriting Fee (or any portion thereof) actually received) is to the Underwriting Fee (or any portion thereof) actually received. The amount paid or payable by an Indemnified Party as a result of such losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) referred to above shall be deemed to include any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending any such losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof), whether or not resulting in any such Claim.

- 8.4 The Underwriters shall not be entitled to the rights of indemnity and contribution contained in this paragraph 8 if the REIT has complied with the provisions of paragraph 3.1.4 and the person asserting any Claim for which indemnity would otherwise be available was not delivered a copy of the Prospectus or was not provided with a copy of any Supplementary Material which corrects any Misrepresentation contained in the Prospectus which is the basis for such Claim and which Prospectus or Supplementary Material is required under Securities Laws or this Agreement to be delivered to such person by the Underwriters or members of any Selling Firm.
- 8.5 If and to the extent that a court of competent jurisdiction in a final judgment that has become non-appealable determines that a Claim has resulted from the negligence, dishonesty or willful misconduct of the Indemnified Party claiming

indemnity, such Indemnified Party shall promptly reimburse to the REIT any funds advanced to the Indemnified Party in respect of such Claim and the indemnity provided for in this paragraph 8 shall cease to apply to such Indemnified Party in respect of such Claim. For greater certainty, the REIT and the Underwriters agree that they do not intend that any failure by the Underwriters to conduct such reasonable investigation as necessary to provide the Underwriters with reasonable grounds for believing the Prospectus or any Supplementary Material contained no Misrepresentation shall, in and of itself, constitute negligence or willful misconduct for purposes of this paragraph 8 or otherwise disentitle the Underwriters from indemnification hereunder.

8.6 The indemnity herein shall be in addition to, and not in derogation or substitution for, any other liability that any party may have, or any right that any of the Indemnified Parties may have, apart from that indemnity. The rights of contribution provided in this paragraph 8 are in addition to and not in derogation or substitution of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law.

8.7 Notwithstanding the foregoing, the REIT shall not, without the Underwriters' prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes an unconditional release of such Indemnified Party from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by any Indemnified Party.

8.8 The REIT hereby waives any right it may have of first requiring an Indemnified Party to proceed against, enforce any other right, power, remedy or security or claim payment from, any other person before claiming against it under this paragraph 8.

9. Expenses

9.1 The REIT will pay all reasonable expenses and fees (including all applicable Taxes) in connection with the Offering, whether completed or not, including, without limitation: (i) all reasonable expenses of or incidental to the creation, issue, sale or distribution of the Units and the filing of the Preliminary Prospectus and the Prospectus, including any Supplementary Material; (ii) the fees and expenses of the REIT's legal counsel; (iii) the reasonable fees and expenses of the Underwriters' Canadian legal counsel, subject to a maximum of \$105,000 (exclusive of applicable Taxes), (iv) the fees and expenses of the Underwriters' German legal counsel, subject to a maximum of \$25,000 (exclusive of applicable Taxes); (v) all reasonable out of pocket expenses incurred by the Underwriters on their behalf; and (vi) all reasonable costs incurred in connection with the preparation of documentation relating to the Offering.

10. Termination

- 10.1 In addition to any other remedies which may be available to the Underwriters, any Underwriter shall be entitled, at the Underwriter's option, to terminate and cancel, without any liability on the Underwriter's part, that Underwriter's obligations under this Agreement if, prior to the Closing Time:
- 10.1.1 any inquiry, investigation or other proceeding is commenced or any order (other than an order referred to in paragraph 10.1.4) is issued under or pursuant to any statute of Canada or of any province or territory of Canada or otherwise (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Underwriters or the Selling Firms), or there is any change of law, or the interpretation or administration thereof, which in the reasonable opinion of the Underwriter operates to prevent or restrict the trading or the distribution of the Units, by giving the REIT and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time;
- 10.1.2 there shall occur or come into existence any material change in the financial condition, assets, liabilities, business, affairs or operations of the REIT Entities (taken as a whole) or any change in any material fact contained or referred to in the Prospectus or any Supplementary Material, or there shall exist any material fact which is, or may be, of such a nature as to render the Prospectus or any Supplementary Material, untrue, false or misleading in any material respect or result in a misrepresentation (other than a change or fact related solely to the Underwriters or the Selling Firms), which in the reasonable opinion of the Underwriter could be expected to have a material adverse effect on the market price or value of the Units, by giving the REIT and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time;
- 10.1.3 there should be announced, develop, occur or come into effect or existence any event, action, state or condition or any law, regulation or inquiry including, without limitation, terrorism, accident, major financial, political or economic occurrence of national or international consequence which, in the reasonable opinion of the Underwriter, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada or the United States, or the business, operations or affairs of the REIT Entities (taken as a whole), or the market price or value of the Units, by giving the REIT and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time;
- 10.1.4 an order shall have been made by any securities regulatory authority which restricts in any manner the distribution of the Units or trading in the Units which remains outstanding for a sufficient length of time such that, in the reasonable opinion of the Underwriter, such order has materially adversely affected or would reasonably be expected to materially

adversely affect the ability of the Underwriter to offer or to continue to offer the Units for sale in the Qualifying Jurisdictions, by giving the REIT and, if applicable, the Lead Underwriters, written notice to that effect not later than the Closing Time; or

10.1.5 there shall have been, or have been announced by a Governmental Authority, any change or any proposed change in the Tax Act or other applicable domestic or foreign tax legislation, the regulations thereunder, current administrative decisions or practices or court decisions or any other applicable rules which, in the opinion of the Underwriter, might reasonably be expected to have a material adverse effect on the market price or value of the Units, by giving the REIT and, if applicable, the Lead Underwriters, written notice to that effect not later than the Closing Time.

10.2 If an Underwriter terminates its obligations hereunder pursuant to this paragraph 10, the REIT's liability hereunder to that Underwriter shall be limited to the REIT's obligations under paragraph 8 and payment of expenses referred to in paragraph 9 hereof.

10.3 The right of the Underwriters or any of them to terminate their respective obligations under this Agreement is in addition to all other remedies as they may have in respect of any default, act or failure to act of the REIT in respect of any of the matters contemplated by this Agreement. A notice of termination given by one Underwriter under this Section 10 will not be binding upon the other Underwriters.

11. Reliance on the Lead Underwriters

Except as otherwise expressly provided herein, all steps or other actions which must or may be taken by the Underwriters in connection with this Agreement shall be taken by the Lead Underwriters, with the exception of the matters contemplated by paragraphs 8, 10, 12 and 13 on the Underwriters' behalf, and the execution of this offer by the Underwriters shall constitute the authority of the REIT for accepting notification of any such steps or other actions from the Lead Underwriters.

12. Underwriters' Obligation to Purchase Units

12.1 The Underwriters' obligation to purchase the Offered Units at the Closing Time (or, if applicable, Over-Allotment Units at the Over-Allotment Closing Time) shall be several and not joint, and the Underwriters' respective obligations in this regard shall be as to the following percentages of the Offered Units (or, if applicable, Over-Allotment Units) to be purchased at that time:

| | |
|------------------------------|-------|
| National Bank Financial Inc. | 19.5% |
| GMP Securities L.P. | 19.5% |
| BMO Nesbitt Burns Inc. | 11.0% |
| Canaccord Genuity Corp. | 11.0% |
| Scotia Capital Inc. | 11.0% |

| | |
|-----------------------------------|------|
| Dundee Securities Ltd. | 7.0% |
| Manulife Securities Incorporated | 7.0% |
| Raymond James Ltd. | 5.0% |
| Desjardins Securities Inc. | 4.0% |
| Laurentian Bank Securities Inc. | 4.0% |
| All Group Financial Services Inc. | 1.0% |

Each Underwriter may arrange for substituted purchasers to purchase from the REIT some or all of such Underwriter's purchase obligation in respect of the Offered Units or Over-Allotment Units, as applicable, contained in this paragraph 12.1.

- 12.2 If an Underwriter (a "**Refusing Underwriter**") does not complete the purchase and sale of the Offered Units (or, if applicable, the Over-Allotment Units) which that Underwriter has agreed to purchase under this Agreement, other than in accordance with Section 10, (such Offered Units or Over Allotment Units that are not purchased being the "**Defaulted Units**"), the Lead Underwriters may delay the Closing Date or the Over-Allotment Option Closing Date, as applicable, for not more than ten (10) days in order to find one or more substitute Underwriters to purchase the Defaulted Units, or the remaining Underwriters (the "**Continuing Underwriters**") will be entitled, at their option, to purchase all but not less than all of the Defaulted Units pro rata according to the number of Offered Units or Over Allotment Units to have been acquired by the Continuing Underwriters under this Agreement or in any proportion agreed upon, in writing, by the Continuing Underwriters. If no such arrangement has been made, and the number of Defaulted Units to be purchased by the Refusing Underwriter(s) does not exceed 10% of the Offered Units or Over-Allotment Units, as applicable, the Continuing Underwriters will be obligated to purchase the Defaulted Units on the terms set out in this Agreement in proportion to their obligations under this Agreement or in any other proportion agreed upon by the Continuing Underwriters. If the number of Defaulted Units to be purchased by the Refusing Underwriters exceeds 10% of the Offered Units or Over-Allotment Units, as applicable, the Continuing Underwriters will not be obliged to purchase the Defaulted Units and, if the Continuing Underwriters do not elect to purchase the Defaulted Units: (a) the Continuing Underwriters will not be obliged to purchase any of the Offered Units or Over-Allotment Units, as applicable; and (b) the REIT will be entitled to terminate its obligations under this Agreement arising from their acceptance of this Agreement, in which event there will be no further liability on the part of the REIT, except pursuant to Sections 8 and 9.

13. Conditions

All of the terms and conditions contained in this Agreement to be satisfied by the REIT and the Underwriters prior to the Closing Time (or, if applicable, Over-Allotment Closing Time) shall be construed as conditions, and any breach or failure by a party to comply with any of such terms and conditions shall entitle the other parties to terminate their obligations hereunder by written notice to that effect given prior to the Closing Time (or, if applicable, Over-

Allotment Closing Time). It is understood and agreed that any party may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to such party's rights in respect of any such terms and conditions or any other or subsequent breach or non-compliance; provided, however, that to be binding, any such waiver or extension must be in writing and signed by such party. If a party elects to terminate its obligations hereunder the obligations of the other parties hereunder shall be limited to the indemnity referred to in paragraph 8 hereof and the payment of expenses referred to in paragraph 9 hereof.

14. Survival

All warranties, representations, covenants and agreements of the REIT herein contained shall survive the purchase by the Underwriters of the Units and shall continue in full force and effect for the period hereinafter described, regardless of any investigation which the Underwriters may carry out or which may be carried out on behalf of the Underwriters or otherwise and notwithstanding any subsequent disposition by the Underwriters of the Units. Such warranties, representations, covenants and agreements of the REIT shall survive for such maximum period of time as the Underwriters may be entitled to commence an action, or exercise a right of rescission, with respect to a misrepresentation contained in the Prospectus or any Supplementary Material or both of them, pursuant to applicable Securities Laws in any of the Qualifying Jurisdictions.

15. Securities Sales

15.1 15.1 The REIT agrees not to issue, offer, sell, secure, pledge, grant any option, right or warrant to purchase or otherwise lend, transfer or dispose of (or agree to do any of such things or announce any intention to do any of such things) any units or other equity or voting securities of the REIT or any securities convertible into, or exchangeable or exercisable for, equity or voting securities of the REIT, or announce any intention to do so, until 60 days after the Closing Date without the prior consent of the Lead Underwriters, such consent not to be unreasonably withheld, other than:

- (a) pursuant to the grant of options or other securities under any existing equity incentive plan of the REIT;
- (b) pursuant to the exercise of the Over-Allotment Option; and
- (c) pursuant to the rights and obligations of the REIT under outstanding securities or agreements as of the date hereof.

15.2 It shall be a condition of Closing that each of the senior officers and each of the trustees of the REIT agree in writing to the Underwriters not to sell, or enter into any agreement to sell (or announce any of the foregoing) any securities of the REIT held by each of them (or their respective affiliates), in each case, for a period of 90 days after the Closing Date without the prior written consent of the Lead Underwriters, such consent not to be unreasonably withheld. Notwithstanding the foregoing, nothing shall prevent any of the senior officers or trustees of the REIT from transferring securities of the REIT (a) to an affiliate, (b)

in connection with an internal reorganization, (c) for tax planning purposes or in connection with charitable activities, or (d) pursuant to a pledge as security for indebtedness owing to a bona fide lender and/or any sale of the securities upon such lender realizing on such security.

16. Notice

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be personally delivered or sent by facsimile or other electronic format on a Business Day to the following addresses:

in the case of the REIT:

284 King Street East
Suite 100
Toronto, Ontario
M5A 1K4

Attention: Paul Dalla Lana, Chief Executive Officer
Fax Number: 416-366-6886

with a copy to:

Goodmans LLP
333 Bay Street
Suite 3400
Toronto, Ontario
M5H 2S7

Attention: Stephen Pincus / Brad Ross
Fax Number: 416-979-1234

in the case of the Lead Underwriters:

National Bank Financial Inc.
130 King Street West, Suite 3200
Toronto, ON
M5X 1J9

Attention: Andrew Wallace, Director
Fax Number: 416-869-6411

GMP Securities L.P.
145 King Street West, Suite 300
Toronto, ON
M5H 1J8

Attention: Andrew Kiguel, Managing Director
Fax Number: 416-943-6160

with a copy to:

Bennett Jones LLP
3400 One First Canadian Place
PO Box 130
Toronto, ON
M5X 1A4

Attention: Georges Dubé
Fax Number: 416-863-1716

The REIT or any of the Lead Underwriters may change its address by notice given in the manner aforesaid. Any such notice or other communication shall be deemed to have been given on the day on which it was delivered or sent by facsimile if received during normal business hours; otherwise it shall be deemed to have been received by 9:00 a.m. on the next Business Day.

17. Time of Essence

Time shall be of the essence of this Agreement.

18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the courts of Ontario shall have non-exclusive jurisdiction over any dispute hereunder.

19. Counterparts

This Agreement may be executed in several counterparts, including by facsimile or other electronic transmission, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

20. Publicity

Neither the REIT nor the Underwriters shall make any public announcement concerning the appointment of the Underwriters or the Offering without the consent of the other parties, acting reasonably, and any public announcements shall be made in compliance with applicable Securities Laws. After completion of the Offering, the Underwriters shall be entitled

to place advertisements in financial and other newspapers and journals at their own expense describing their services hereunder.

21. Acknowledgement by the Underwriters

The Underwriters acknowledge that this Agreement, as executed by the REIT, shall be conclusively taken to have been executed by, or by an officer of the REIT on behalf of, the trustees of the REIT only in their capacity as trustees under the Declaration of Trust. The Underwriters hereby disavow any liability upon and waive any claim against holders of units of the REIT and any annuitants or beneficiaries of a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, deferred profit sharing plan, tax-free savings accounts or registered disability savings plans or under plans of which holders of such units act as trustee and the obligations created hereunder are not personally binding upon, nor shall resort be had to, nor shall recourse or satisfaction be sought from, the private property of any trustee of the REIT or any holder of units of the REIT or such annuitant or beneficiary, but the property of the REIT from time to time or a specific portion thereof only shall be bound. It is agreed that the benefit of this provision is restricted to the trustees of the REIT, each holder of units of the REIT and such annuitants or beneficiaries and, solely for that purpose, the undersigned trustee or signing officer of the REIT has entered into this provision as agent and trustee for and on behalf of the trustees of the REIT, each holder of units of the REIT and each such annuitant or beneficiary.

22. Acknowledgement by the REIT

The REIT hereby acknowledges that: (i) the purchase and sale of the Units pursuant to this Agreement, including the determination of the Offering Price, is an arm's-length commercial transaction between the REIT, on the one hand, and each of the Underwriters and any affiliate through which it may be acting, on the other; (ii) each of the Underwriters is acting as principal and not as an agent or fiduciary of the REIT; (iii) the engagement by the REIT of each of the Underwriters in connection with the offering and sale of the Units and the process leading up to the offering and sale thereof is as independent contractors and not in any other capacity; and (iv) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the Offering and the REIT has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate. Furthermore, the REIT agrees that it is solely responsible for making its own judgments in connection with the offering and sale of the Units (irrespective of whether any of the Underwriters has advised or is currently advising either the REIT on related or other matters) and no Underwriter has any obligation to the REIT with respect to the Offering except the obligations expressly set forth in this Agreement. The REIT agrees that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owes an agency, fiduciary or similar duty to the REIT in connection with the offering and sale of the Units.

23. Underwriters' Activities

The REIT acknowledges that the Underwriters and their affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading

in financial products as agent or principal. It is possible that the Underwriters and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this agreement and effect transactions in those securities for their own account or for the account of their respective clients. The REIT agrees that these divisions and entities may hold such positions and effect such transactions without regard to the REIT's interest under this Agreement. Each of National Bank Financial Inc., Dundee Securities Ltd., Scotia Capital Inc., Desjardins Securities Inc. and Manulife Securities Incorporated, or affiliates thereof, owns or controls an equity interest in TMX Group Limited ("**TMX Group**") and/or has a nominee director serving on the TMX Group's board of directors. Consequently, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the Toronto Stock Exchange, the TSXV and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliate as a condition of any such dealer supplying or continuing to supply a product or service.

24. Entire Agreement

This Agreement constitutes the entire agreement among the Underwriters and the REIT relating to the subject matter of this Agreement and supersedes all prior agreements (including, without limitation, the Engagement Letter (other than the indemnity provisions thereof)) among the REIT and any of the Underwriters with respect to their respective rights and obligations in respect of the transactions contemplated under this Agreement.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this letter at the place indicated and returning the same to the Lead Underwriters on behalf of the undersigned.

Yours very truly,

NATIONAL BANK FINANCIAL INC.

Per: "Andrew Wallace"
Andrew Wallace
Director

GMP SECURITIES L.P.

Per: "Andrew Kiguel"
Andrew Kiguel
Managing Director

BMO NESBITT BURNS INC.

Per: "Onorio Lucchese"
Onorio Lucchese
Managing Director

CANACCORD GENUITY CORP.

Per: "Justin Bosa"
Justin Bosa
Managing Director

SCOTIA CAPITAL INC.

Per: "Bryce Stewart"
Bryce Stewart
Director

DUNDEE SECURITIES LTD.

Per: "Brad Cutsey"
Brad Cutsey
Managing Director

**MANULIFE SECURITIES
INCORPORATED.**

Per: "David MacLeod"
David MacLeod
Vice President

RAYMOND JAMES LTD.

Per: "Lucas Atkins"
Lucas Atkins
Managing Director

DESJARDINS SECURITIES INC.

Per: "Mark Edwards"
Mark Edwards
Managing Director

LAURENTIAN BANK SECURITIES INC.

Per: "Tyler Wirvin"
Tyler Wirvin
Vice President

ALL GROUP FINANCIAL SERVICES INC.

Per: "James Moon"
James Moon
President &CEO

Accepted and agreed to as of the date first above written.

**NORTHWEST INTERNATIONAL
HEALTHCARE PROPERTIES REAL ESTATE
INVESTMENT TRUST**

By: "Paul Dalla Lana"

Name: Paul Dalla Lana

Title: Chief Executive Officer