

# INVESTOR PRESENTATION

November 13, 2017



**GLOBAL  
MEDICAL REIT**

## Capital Partners to Health Care Providers

# DISCLAIMER



*This presentation is for informational purposes only and does not constitute an offer to sell, or a solicitation of offers to purchase, Global Medical REIT Inc. (the “Company’s”; or “GMR’s”) securities. The information contained in this presentation does not purport to be complete and should not be relied upon as a basis for making an investment decision in the Company’s securities. This presentation also contains statements that, to the extent they are not recitations of historical fact, constitute “forward-looking statements.” Forward-looking statements are typically identified by the use of terms such as “may,” “should,” “expect,” “could,” “intend,” “plan,” “anticipate,” “estimate,” “believe,” “continue,” “predict,” “potential” or the negative of such terms and other comparable terminology. The forward-looking statements included herein are based upon the Company’s current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the Company’s control. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company’s actual results and performance could differ materially from those set forth in the forward-looking statements due to the impact of many factors including, but not limited to, those discussed under “Risk Factors” in the Company’s Annual Report on Form 10-K/A filed with the Securities and Exchange Commission on May 5, 2017 and Quarterly Reports on Form 10-Q and any prospectus or prospectus supplement filed with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any such information for any reason after the date of this presentation, unless required by law.*

## STOCK INFORMATION \*

---

- Market Capitalization: \$200.7 million
- Common shares outstanding: 21.6 million
- Series A preferred shares outstanding: \$75 million, 7.50%

## KEY BUSINESS POINTS

---

- \$441 million gross investment
- Healthcare REIT focused on the acquisition and sale-leaseback of healthcare facilities
- Substantial pipeline of high quality, purpose-built facilities
- Experienced management with deep relationships in sector
- Attractive industry tailwinds, recession-resistant asset class

## BALANCE SHEET HIGHLIGHTS

---

- Well-positioned to execute on pipeline acquisitions using revolving credit facility
- Addition of recently-announced ATM program provides acquisition financing optionality

\* Data is as of November 10, 2017

# LEADERSHIP



## **JEFFREY BUSCH**, *Chairman, Chief Executive Officer and President*

- Over 20 years of experience in healthcare, real estate development, management and investment
- Former assistant to the U.S. Secretary of Housing & Urban Development
- United States Special Representative to United Nations in Geneva
- Developed large-scale residential, commercial, hospitality and retail properties

## **ROBERT KIERNAN**, *Chief Financial Officer and Treasurer*

- Over 30 years of experience in financial accounting, reporting and management, including extensive experience in SEC reporting and Sarbanes-Oxley compliance
- Served as the Senior Vice President, Controller and Chief Accounting Officer of FBR & Co. ("FBR" NASDAQ: FBRC) beginning in October 2007
- Prior role as Senior Vice President, Controller and Chief Accounting Officer of Arlington Asset Investment Corp. (NYSE: AI)
- Previously Senior Manager in the assurance practice at Ernst & Young

## **ALFONZO LEON**, *Chief Investment Officer*

- Over 17 years of experience in real estate finance and has completed \$3 billion of transactions
- Prior experience as principal at investment advisor to pension funds and investment banker representing healthcare systems, developers and REITs
- Healthcare real estate investment banker for Cain Brothers

## **DANICA HOLLEY**, *Chief Operating Officer*

- Management and business development experience spans more than 18 years
- More than a decade of experience managing multinational teams for complex service delivery across disciplines
- More than 8 years in healthcare programs and infrastructure as Executive Director of Safe Blood International

## **JAMIE BARBER**, *General Counsel and Corporate Secretary*

- More than a decade of experience with SEC compliance and reporting matters, corporate governance, investment banking and REIT-related capital markets
- Served as Associate General Counsel of FBR (NASDAQ: FBRC) beginning in July 2012
- Prior role as Senior Associate – REIT Capital Markets at Hunton & Williams LLP, where he represented public REITs in conjunction with their SEC compliance requirements, corporate governance matters, offerings of equity and debt securities and merger and acquisition transactions
- Previously with Sullivan & Cromwell LLP and KPMG

## **ALLEN WEBB**, *Senior Vice President, SEC Reporting and Technical Accounting*

- Over 25 years of experience in SEC reporting and compliance
- Previously worked within the SEC's Division of Corporation Finance, Real Estate industry group.
- Previously served as manager in the assurance practice of Arthur Andersen, focused primarily on Real Estate industry clients

# COMPANY OVERVIEW

*Healthcare REIT focused on the acquisition and leasing of high-quality, purpose-built healthcare facilities*

## Focus on high-quality medical office buildings (MOB), outpatient and licensed medical facilities

- Target the “factory” where core medical procedures are delivered
- Lease to strong medical providers with leading local market share
- Focus on single tenant, net lease real estate

## Current portfolio of 53 facilities net leased to 41 tenants

- Approximately 1,259,761 square feet of leasable area
- 9 years average lease term remaining
- 10 years average age of portfolio

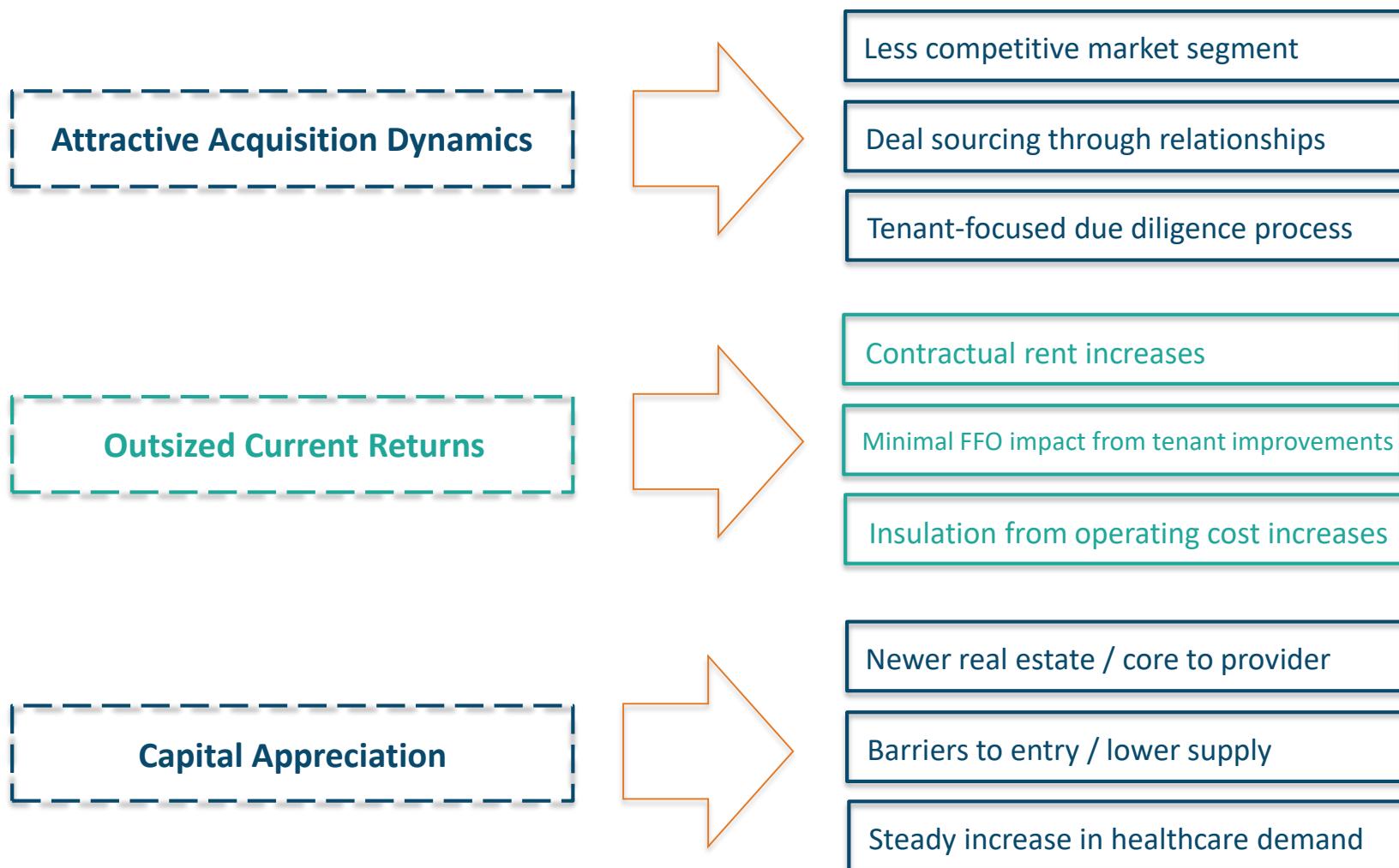
## Pipeline primed for growth

- Large and increasing acquisition pipeline under review
- Focus on relationships and off-market transactions



# STRATEGY TO OUTPERFORM

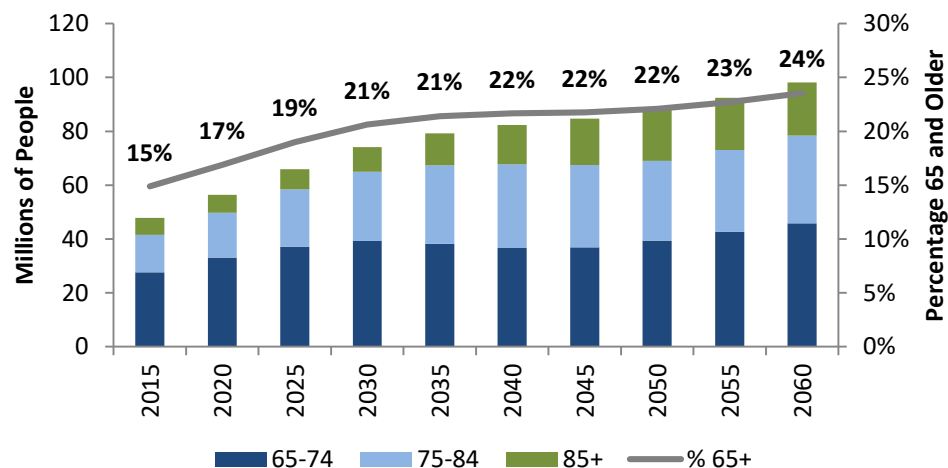
*Creating attractive returns by leveraging management expertise and differentiated investment strategy*



# ATTRACTIVE INDUSTRY TRENDS

*Demographic shifts and changing consumer preferences spurring healthcare industry growth*

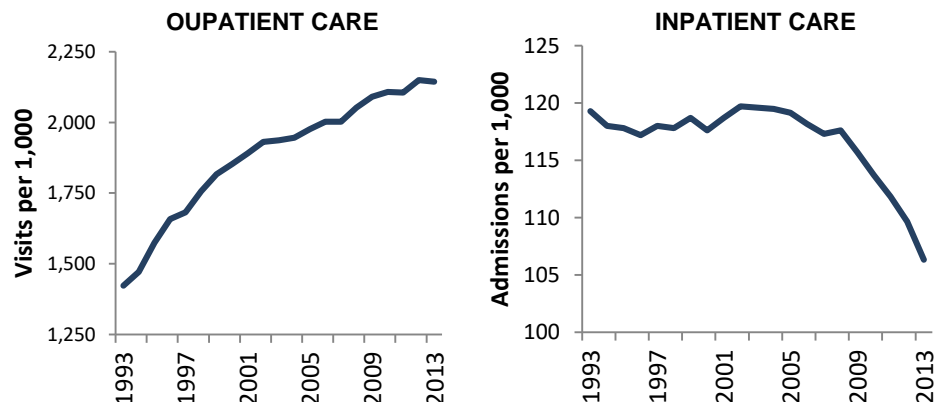
## PROJECTED AGING OF US POPULATION



- 65+ age group expected to double between 2015 and 2060
- 85+ age group expected to triple between 2015 and 2060
- Use of healthcare dramatically increases with age
- GMR targets practice types frequently utilized by older demographics: cardiovascular treatment, cosmetic plastic surgery, eye surgery, gastroenterology, oncology treatment and orthopedics

Source: Centers for Medicare & Medicaid Services, Office of the Actuary

## CHANGING CONSUMER PREFERENCES ARE A MAJOR FACTOR IN GMR'S PROPERTY SELECTION



- Consumer preference shifting to outpatient care
- 50.8% growth in outpatient visits from 1993-2013
- 10.9% decrease in inpatient admissions from 1993-2013
- Need for more outpatient facilities
- Preference for smaller, specialized and efficient hospitals

Source: American Hospital Association Annual Survey, for community hospitals



## FOCUS ON TENANT OPERATIONS

- ✓ Excellent medical practice groups with sustainable practices
- ✓ Single, long-term tenants = no vacancy rate
- ✓ Existing, long-standing provider
- ✓ Strong and diversified payor mix

## STRATEGIC LOCATIONS

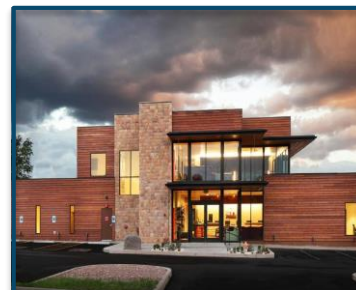
- ✓ Positioned to take advantage of decentralization trends
- ✓ Identifiable, predictable, and historical market demand
- ✓ Proximity to related resources for reliable patient flow
- ✓ Barriers to entry/competition

## HIGH-QUALITY FACILITIES

- ✓ Facilities recently built or renovated
- ✓ Facilities core to provider business model
- ✓ Functionality, reusability, and conversion value

## PROVIDERS CRITICAL TO LOCAL POPULATIONS

- ✓ Dominant specialty group practices; regional sole providers
- ✓ Regional specialty hospitals
- ✓ Long-term practice success / proven hospital management history



# MARKET LEADING TENANTS

## ESTABLISHED PROVIDER

## CLINICAL EXPERTISE

## STRONG CREDIT

### What we seek to acquire:

- Demonstrated clinical leaders
- Going concern history
- High market share
- Stable and competent management
- Robust and durable payor contracts

### Competitive advantages:

- Predictable, stable rents
- Strong and diversified payor mix
- Higher barrier to entry for competitors

### What we seek to acquire:

- Prominent local physicians
- Board credentials
- Strong peer reviews
- Academic identity
- Age-related procedure expertise

### Competitive advantages:

- Newer, purpose-built real estate
- Patient loyalty and strong market share
- Focus on the future of healthcare

### What we seek to acquire:

- Strong EBITDARM / rent coverage
- Operators with regional or national footprint

### Competitive advantages:

- Rent coverage in excess of peers
- Implicit credit stronger than peers



# PROPERTY PORTFOLIO\*



Property	Location	# of Buildings	Facility Type	Net Leasable Square Feet	Lease Years Remaining	Year Built/Renovated	Annualized Rent <sup>(1)</sup>	Annualized Rent Per Square Foot <sup>(1)</sup>	Tenant/Guarantor <sup>(2)</sup>
Alliance Medical Plaza	Fort Worth, TX	1	MOB	17,793	11.25	2016	\$431,325	\$24.24	Texas Digestive Disease Consultants
Albertville Medical Building	Albertville, MN	1	MOB	21,486	11.00	2007	\$481,072	\$22.39	Stellis Health
Heartland Clinic	Moline, IL	1	MOB/ASC	34,020	16.00	1994/2004	\$891,601	\$26.21	Heartland Clinic
Central Texas Rehabilitation Hospital	Austin, TX	1	ASC	59,258	9.48	2012	\$2,884,649	\$48.68	CTRH, LLC / Kindred Health
Urology Center of the South	Germantown, TN	1	MOB/ASC	33,777	6.67	2002	\$1,459,024	\$43.20	Urology Center of the South/Physician guarantees
Lubbock Heart Hospital	Lubbock, TX	1	MOB	27,280	12.00	2004	\$600,160	\$22.00	Lubbock Heart Hospital/Surgery Partners, Inc.
Carrus Hospital	Sherman, TX	1	IRF/LTAC	69,352 <sup>(3)</sup>	19.92	2010	\$2,346,140	\$33.83	SDB Partners, LLC
USPI/Lonestar Endoscopy	Flower Mound, TX	1	ASC	10,062	9.17	2014	\$294,129	\$29.23	Lonestar Endoscopy Center, LLC
Unity Family Medicine	Brockport, NY	1	MOB	29,497	13.23	2011	\$620,653	\$21.04	Unity Hospital of Rochester
Great Bend Regional Hospital	Great Bend, KS	1	Hospital	63,978	14.68	2000	\$2,143,750	\$33.51	Great Bend Regional Hospital, LLC/ Nueterra Holdings, LLC, physician guarantees
OCOM	Oklahoma City, OK	3	Surgical Hospital	96,596	8.58	2002	\$3,535,294	\$36.60	Oklahoma Center for Orthopedic & Multi-Specialty Surgery/INTEGRIS; USPI; physician guaranty

## PROPERTY PORTFOLIO - CONTINUED\*



Property	Location	# of Buildings	Facility Type	Net Leasable Square Feet	Lease Years Remaining	Year Built/ Renovated	Annualized Rent <sup>(1)</sup>	Annualized Rent Per Square Foot <sup>(1)</sup>	Tenant/Guarantor <sup>(2)</sup>
Orlando Health, South Lake Hospital	Clermont, FL	1	MOB	18,152	3.58	2014	\$368,716	\$20.31	Orlando Health, Southlake Hospital, Vascular Specialists of Central Florida
Thumb Butte Medical Center	Prescott, AZ	1	MOB	12,000	9.09	2016	\$370,800	\$30.90	Thumb Butte Medical Center/Physician Guaranty
Las Cruces Orthopedic Associates	Las Cruces, NM	1	MOB	15,761	11.51	1987/1992/2012	\$354,623	\$22.50	Las Cruces Orthopedic Associates
Southwest Florida Neurosurgical Associates	Cape Coral, FL	1	MOB	25,814	9.51	2007	\$529,187	\$20.50	Southwest Florida Neurosurgical Associates
Geisinger Health	Lewisburg, PA	1	MOB/Img	28,480	5.76	2008	\$542,501	\$19.05	Geisinger Health
HealthSouth Mechanicsburg	Mechanicsburg, PA	1	IRF	78,836	3.78	1986	\$1,877,298	\$23.81	HealthSouth
HealthSouth Altoona	Altoona, PA	1	IRF	70,007	3.78	1986	\$1,671,760	\$23.88	HealthSouth
HealthSouth Mesa	Mesa, AZ	1	IRF	51,903	7.26	2009	\$1,761,936	\$33.95	HealthSouth
Piedmont Mountanside Hospital, Inc	Ellijay, GA	3	MOB	44,162	8.92	2005/2012/2015	\$364,224	\$8.25	Piedmont Mountanside Hospital, Inc.
Carson Medical Group	Carson City, NV	2	MOB	20,632	6.26	1991	\$354,320	\$17.17	Carson Medical Group
Northern Ohio Medical Specialists	Sandusky, OH	8	MOB	55,760	10.26	2015, 2016, 2017, 1999	\$863,544	\$15.49	Northern Ohio Medical Specialists
Prospect Medical Group Holdings	East Orange, NJ	1	MOB	60,442	9.17	1998	\$961,753	\$15.91	Prospect Medical Holdings, Inc.
Brown Clinic	Watertown, SD	4	MOB	46,884	14.17	2016	\$721,310	\$15.38	Brown Clinic

## PROPERTY PORTFOLIO - CONTINUED\*



Property	Location	# of Buildings	Facility Type	Net Leasable Square Feet	Lease Years Remaining	Year Built/Renovated	Annualized Rent <sup>(1)</sup>	Annualized Rent Per Square Foot <sup>(1)</sup>	Tenant/Guarantor <sup>(2)</sup>
Berks Physicians & Surgeons	Wyomissing, PA	2	MOB/ASC	23,500	8.98	2001, 1992/2008	\$690,045	\$29.36	Berks Physicians & Surgeons, Ridgewood Surgery Associates
First Choice Healthcare Solutions	Melbourne, FL	1	MOB/Img	75,899	8.68	1994/2005	\$1,104,675	\$14.55	Marina Towers, LLC/First Choice Healthcare Solutions, Inc.
Surgical Institute of Michigan	Detroit, MI	1	ASC	15,018	8.68	1974/2002/2009	\$389,500	\$25.94	Surgical Institute of Michigan/Surgical Management Professionals
Star Medical Center, LLC/Lumin Health	Plano, TX	1	Surgical Hospital	24,000	18.50	2013	\$1,278,000	\$53.25	Star Medical Center/Lumin Health
Gastroenterology Center of the MidSouth	Memphis, TN	6	MOB/ASC	52,266	10.43	2001,2003, 1984,2011, 2009,2006	\$1,300,000	\$24.87	Gastroenterology Center of the MidSouth
Associates in Ophthalmology	West Mifflin, PA	1	MOB/ASC	27,193	13.16	2007	\$783,653	\$28.82	Associates Surgery Centers, LLC, Associates in Ophthalmology, Ltd.
Orthopedic Surgery Center of Asheville	Asheville, NC	1	ASC	8,840	4.61	1981/2002	\$237,621	\$26.88	Orthopedic Surgery Center of Asheville/Surgery Partners
Select Specialty	Omaha, NE	1	LTAC	41,113	4.93	2008	\$1,762,512	\$42.87	Select Specialty Hospital – Omaha, Inc./Select Medical Corporation
Total Portfolio/Average		53		1,259,761	9.30	2008 <sup>(4)</sup>	\$33,975,775	\$26.97	

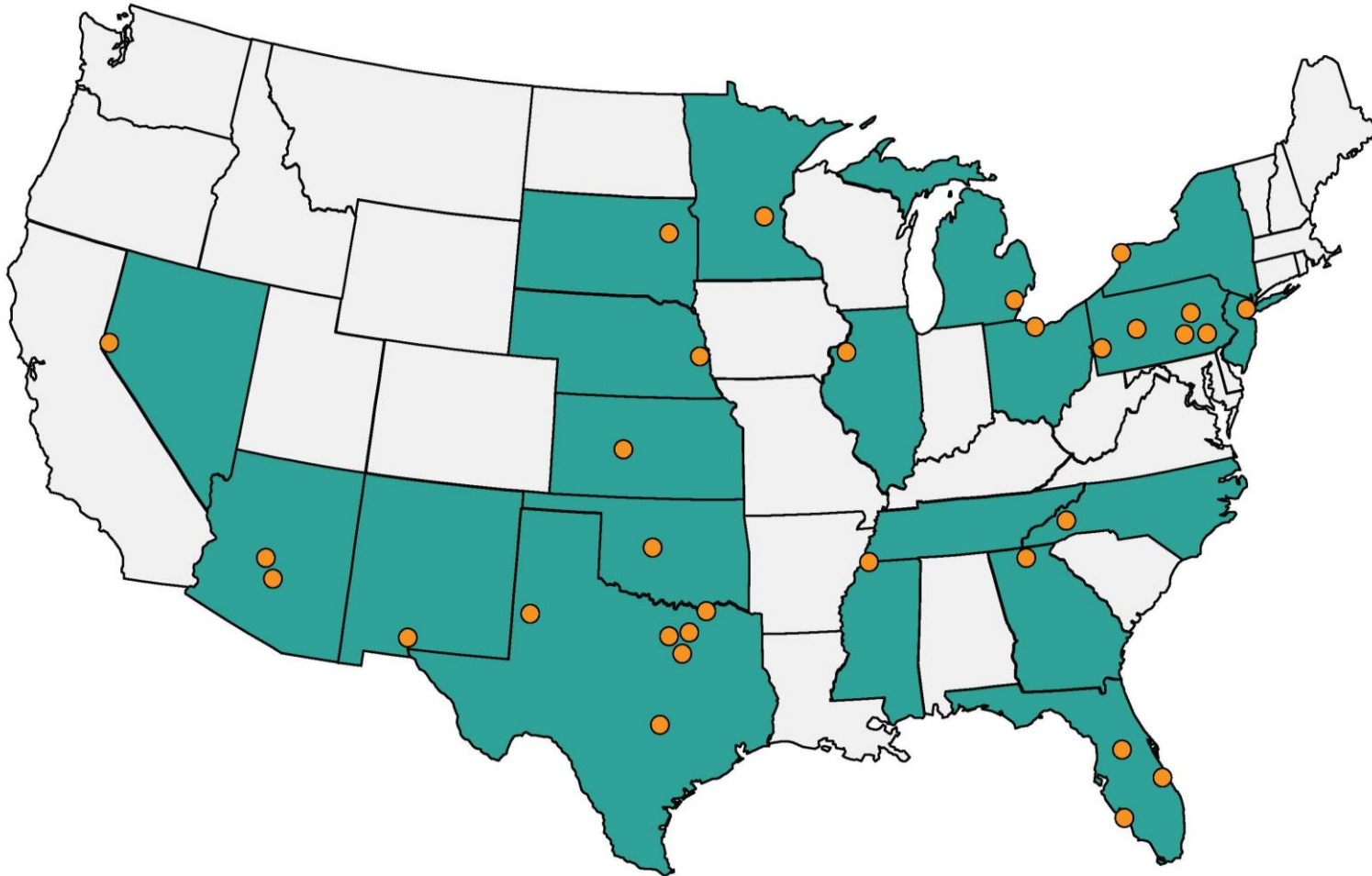
(1) Annualized rent calculated by multiplying (a) actual monthly rent for the month of November 2017, by (b) 12. Accordingly, this methodology produces an annualized amount as of a point in time but does not take into account future contractual rental rate increases.

(2) Certain guarantees are for less than 100% of the contractual rental payments.

(3) Does not include 12,000 square feet of shell space.

(4) Based on the last year of renovation

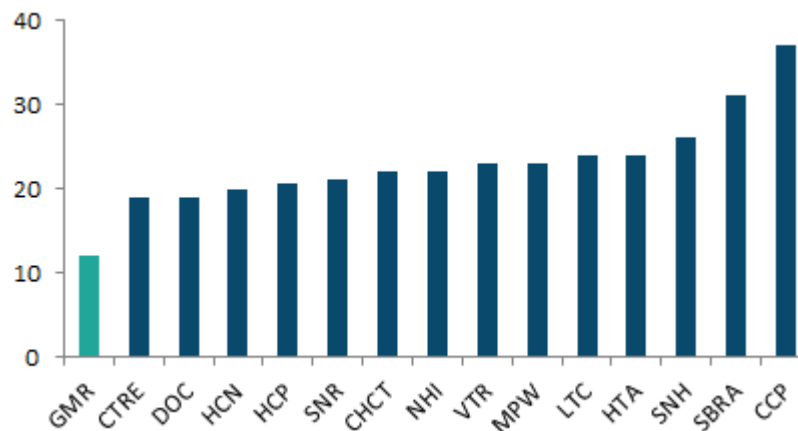
## PROPERTY PORTFOLIO MAP\*



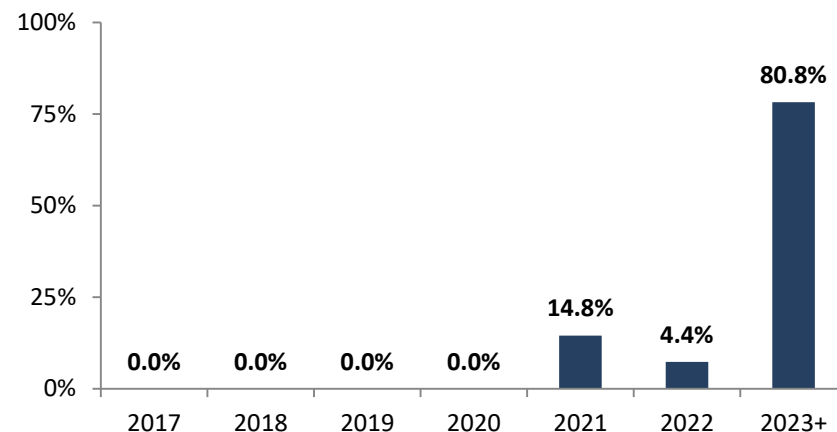
# PORTFOLIO METRICS

*Portfolio metrics reflecting newer buildings, dominant tenants and long term leases*

## AVERAGE ASSET AGE



## LEASE MATURITY – SQ. FT. EXPIRING



## PREMIUM PORTFOLIO FUNDAMENTALS

- Youngest assets of listed healthcare REIT peers
- Average lease term remaining of 9.3 years
- 100% net lease
- \$26.97 average annual rent per square foot

Year of Expiration	Number of Tenants	Base Rent \$ at Purchase	Current Rent \$	% of Total Portfolio Rent	Annual Rent per SF	Annual Increase %
2017	0	0	0	0	0	-
2018	0	0	0	0	0	-
2019	0	0	0	0	0	-
2020	0	0	0	0	0	-
2021	3	3,834,814	3,902,347	14.5%	\$23.37	2% – 4%
2022	2	1,783,426	1,948,797	7.3%	\$39.01	3%
2023+	30	21,043,333	21,043,333	78.2%	\$26.02	1.5% - 3.0%

## KEY STATISTICS

Asset Type	Surgery Center and Medical Office Building
Gross Leasable Area	27,193
Year Built	2007
EBITDARM / Rent	7x at lease inception*
Leased Occupancy	100%
Lease Expiration	9/25/2030
Transaction Value	\$11.4M

## TOP FACILITIES AND CREATIVE LEASE

- The building contains state of the art equipment used diagnosis and treatment of cataracts, glaucoma, diabetic eye care and macular degeneration
- The building is accredited by the Accreditation Association for Ambulatory Health Care (AAAHC)
- Profitable operator provides high, 7x rent coverage\*
- NNN Lease with annual rent increases of 2%
- The Company secured a new 15-year lease at closing with four (4) five (5) year renewal options
- Lease is protected by a strong corporate guarantor
- Associates in Ophthalmology (AIO) subordinates profits before distributions to physicians, to rent payments

\*Source: tenant-provided calculations based upon tenant's financial statements.

## STATE OF THE ART FACILITY



## LOCALLY DOMINANT TENANT

- The facility is operated by Associates in Ophthalmology (AIO) and Associates Surgery Centers (ASC) respectively via two separate lease agreements that expire in 2030
- Located in the Pittsburgh market, the facility can draw from a population of 764,000 within a 10-mile radius of the property.
- 32% of the regional population is over the age of 55, a key demographic for AIO services
- 34 doctor practice provides highest quality care
- Market-leading ophthalmology practice with 11+ physicians and 7 locations

## KEY STATISTICS

Asset Type	Inpatient Rehab Hospitals
Gross Leasable Area	200,746 square feet
Asset Quality	Class A-/B+ Assets
EBITDARM/Rent	6x average at purchase
Leased Occupancy	100%
Lease Expiration	5/2021 (PA) & 11/2024 (AZ)
Transaction Value	\$68.1 million

## SERVING CONTEMPORARY TRENDS

- Although each facility has a different overall layout, the buildings are purpose built to provide a complete compliment of care
- Sustainable Design Elements such as the use of sunshade devices on windows
- Centrally Located Nursing Stations
- Comforts amenities such as ample Lounge areas and parking for family visits
- Care enhancement services like on-site Pharmacies to properly obtain and administer prescriptions to patients.

## STATE OF THE ART FACILITIES



Altoona, PA



Mesa, AZ



Mechanicsburg, PA

## MARKET DOMINANT TENANT

- HealthSouth is the leading U.S. provider of post-acute healthcare services, offering both facility-based and home-based post-acute services.
- Operates in 30 plus states and Puerto Rico through network home health agencies, and hospice agencies.
- HealthSouth had \$3.1 billion in revenue in 2015 and \$4.6 billion in total assets as of the end of 2015.
- The inpatient rehabilitation (IRF) industry is highly fragmented, and HealthSouth has no single, large competitor

## STEADY PORTFOLIO GROWTH

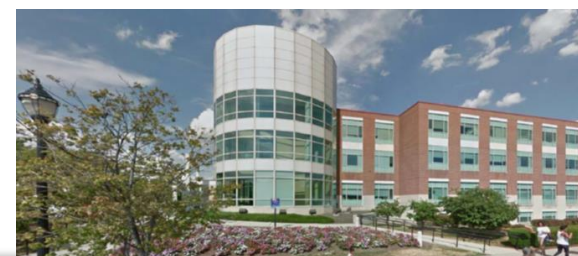
- GMR's portfolio exceeded \$441 million of gross investment with leasable square feet of approximately 1,259,760
- Q4 acquisition pipeline consists of 9 properties, comprised of approximately 195,480 square feet and a total value of over \$64 million

## PIPELINE CHARACTERISTICS

- Long-term leases
- Market leading tenants
- Facilities core to provider business model
- Class A, recently built assets

## SOURCING

- Originating deals directly from owners of multiple properties
- Focus on relationships and off-market transactions



# INVESTMENT HIGHLIGHTS

**Attractive Industry Trends**

**High Quality Portfolio**

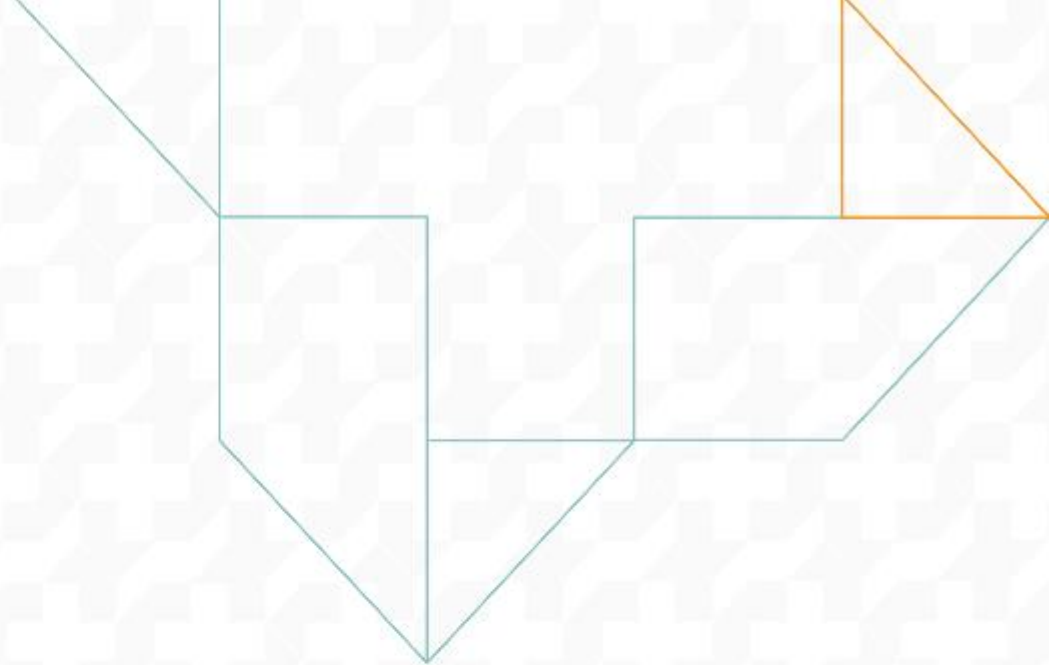
**Market Leading Tenants**

**Substantial Pipeline of High Quality Assets**

**Management Team with Public REIT Experience**



# APPENDIX



# INDEPENDENT DIRECTORS



*Majority independent Board with strong backgrounds in healthcare, real estate and capital markets*

## HENRY COLE (LEAD INDEPENDENT DIRECTOR)

- President of Global Development International, providing development support and oversight for initiatives in medical and healthcare programs (e.g. Instant Labs Medical Diagnostics, MedPharm & MPRC Group)
- Former President and Founder of international programs at The Futures Group International, a healthcare consulting firm
- Director of International Health and Population Programs for GE's Center for Advanced Studies
- Yale (B.S.); Johns Hopkins (MA)

## MATTHEW CYPHER, Ph.D.

- Professor at Georgetown University's McDonough School of Business as the director of the Real Estate Finance Initiative
- Former director at Invesco Real Estate (NYSE: IVR) where he was responsible for oversight of the Underwriting Group, which acquired \$10.2 billion worth of institutional real estate
- Underwrote \$1.5 billion of acquisitions and oversaw the Valuations group, which marked to market Invesco's more than \$13 billion North American portfolio
- Penn State University (B.S.); Texas A&M University (M.S. and Ph.D.)

## KURT HARRINGTON

- Over 40 years experience in managing financial functions for large and small publicly traded companies
- Previously CFO of three public companies, Arlington Asset Investment Corp., FBR Capital Markets and Jupiter National, Inc.
- Director of Wheeler Real Estate Investment Trust (NASDAQ: WHLR) and trustee and treasurer of Nichols College
- Nichols College (B.S.); CPA (inactive)

## RONALD MARSTON

- Founder and CEO of Health Care Corporation of America (HCCA) Management Company, originally a subsidiary of Hospital Corporation of America (HCA)
- 30+ years in international healthcare focused on healthcare systems with prior experience developing the Twelfth Evacuation Hospital in Vietnam
- Tennessee Technological University (B.S.); California Western University (Ph.D.)

## DR. ROSCOE MOORE

- Rear Admiral (Retired) and Chief Veterinary Medical Officer of United States Public Health Service
- Former Assistant United States Surgeon General, point person for global development support with a focus on less developed countries
- Epidemic Intelligence Service Officer with the U.S. Centers for Disease Control and Prevention (CDC)
- Chief epidemiologist with the Centers of Devices and Radiological Health in the US Food and Drug Administration (FDA)
- Tuskegee University (B.S. & DVM); University in Michigan (M.P.H.); Johns Hopkins University (Ph.D.)

# INTERESTED DIRECTORS

## JEFFREY BUSCH, *Chairman, CEO and President*

- Over 20 years of experience in healthcare, real estate development, management and investment
- Former assistant to the U.S. Secretary of Housing & Urban Development
- United States Special Representative to United Nations in Geneva
- Developed large-scale residential, commercial, hospitality and retail properties

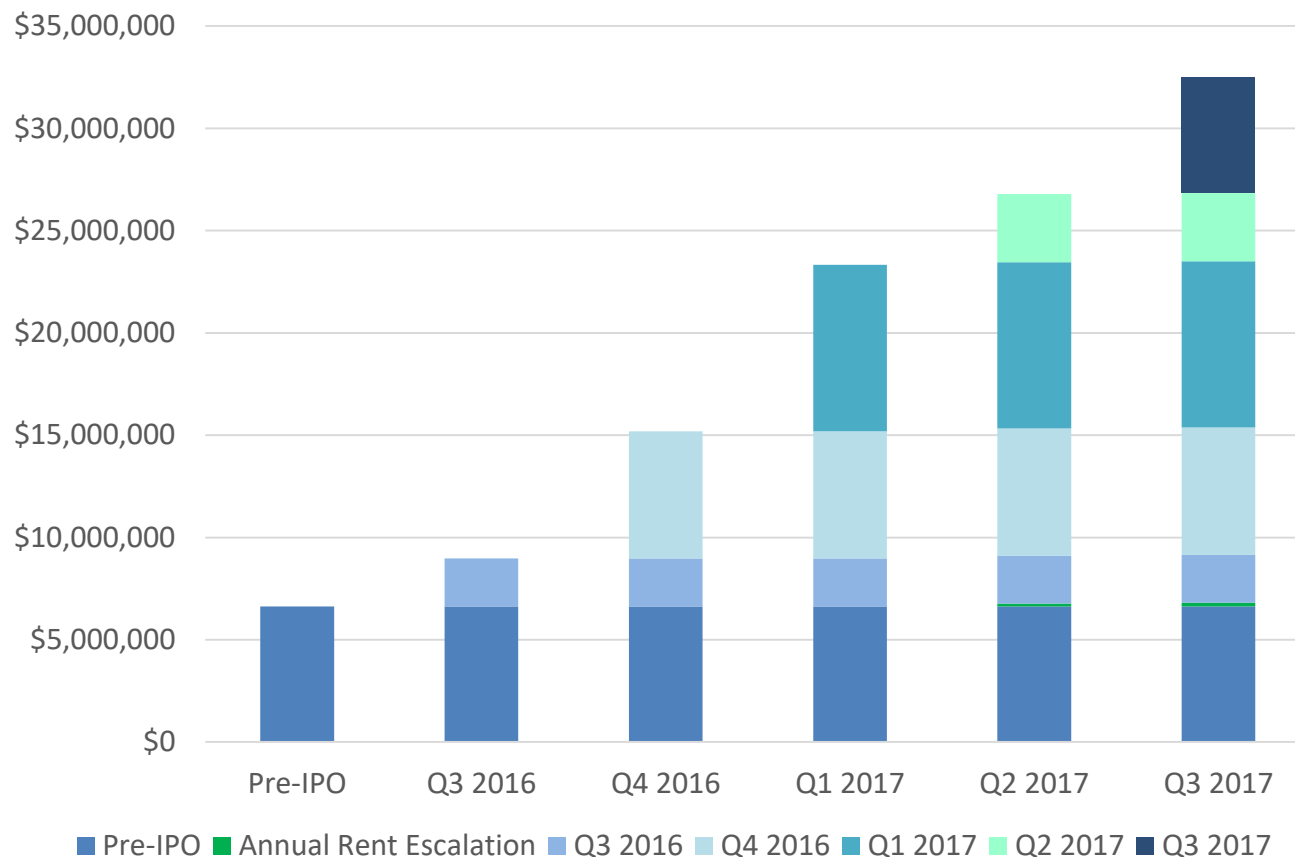
## ZHANG JINGGUO, *Director*

- Approximately 20 years experience in real estate development in China
- Serves as President of Henan Real Estate Chamber of Commerce
- Co-founder of Henan Zensun Real Estate, one of the top 100 property development companies in China
- Honored with many awards as an outstanding developer and contributor to the Henan real estate industry

## ZHANG HUIQI, *Director*

- Supervisor for Henan Hongguang Real Estate Limited, a company engaged in property development in China
- Supervisor for Henan Zensun Corporate Development Company Limited, a company engaged in construction and management in China
- University College London (B.S); Beijing Forestry University (B.S); University of Leicester (MA);

# ANNUALIZED RENT GROWTH BY QUARTER



Most Recent Four Quarters:  
Average Annualized Rent Added  
Per Quarter = **\$5.67 million**

# NET INCOME (LOSS) OR STATEMENT OF OPERATIONS



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
<b>Revenue</b>				
Rental revenue	\$ 7,921,913	\$ 1,932,425	\$ 19,217,710	\$ 4,994,172
Expense recoveries	443,816	-	1,141,455	-
Other income	23,134	70,225	111,502	93,196
Total revenue	<u>8,388,863</u>	<u>2,002,650</u>	<u>20,470,667</u>	<u>5,087,368</u>
<b>Expenses</b>				
Acquisition fees	651,645	-	2,130,187	-
Acquisition fees – related party	-	-	-	754,000
General and administrative	989,526	1,720,651	4,418,115	2,962,730
Operating expenses	464,514	1,025	1,234,247	15,685
Management fees – related party	803,804	627,147	2,059,325	807,147
Depreciation expense	2,175,668	585,449	5,372,308	1,528,281
Amortization expense	523,487	-	1,326,395	-
Interest expense	2,174,683	1,051,204	5,265,262	3,443,113
Total expenses	<u>7,783,327</u>	<u>3,985,476</u>	<u>21,805,839</u>	<u>9,510,956</u>
Net income (loss)	\$ 605,536	\$ (1,982,826)	\$ (1,335,172)	\$ (4,423,588)
Less: Preferred stock dividends	(258,750)	-	(258,750)	-
Less: Net loss attributable to noncontrolling interest	34,482	-	34,482	-
<b>Net income (loss) attributable to common stockholders</b>	<u>\$ 381,268</u>	<u>\$ (1,982,826)</u>	<u>\$ (1,559,440)</u>	<u>\$ (4,423,588)</u>
Net income (loss) attributable to common stockholders per share – basic and diluted	\$ 0.02	\$ (0.11)	\$ (0.08)	\$ (0.68)
Weighted average shares outstanding – basic and diluted	21,522,251	17,371,743	18,938,367	6,514,230

# BALANCE SHEET



	As of	
	September 30, 2017 (unaudited)	December 31, 2016
<b>Assets</b>		
Investment in real estate:		
Land	\$ 36,839,127	\$ 17,785,001
Building	349,041,480	179,253,398
Site improvements	3,992,974	1,465,273
Tenant improvements	5,095,651	1,186,014
Acquired lease intangible assets	27,308,632	7,187,041
	<u>422,277,864</u>	<u>206,876,727</u>
Less: accumulated depreciation and amortization	(10,142,823)	(3,366,680)
Investment in real estate, net	<u>412,135,041</u>	<u>203,510,047</u>
Cash	6,776,501	19,671,131
Restricted cash	2,040,026	941,344
Tenant receivables	616,741	212,435
Escrow deposits	1,297,665	1,212,177
Deferred assets	2,923,494	704,537
Deferred financing costs, net	2,977,981	927,085
Other assets	160,214	140,374
Total assets	<u>\$ 428,927,663</u>	<u>\$ 227,319,130</u>
<b>Liabilities and Stockholders' Equity</b>		
Liabilities:		
Revolving credit facility	\$ 126,100,000	\$ 27,700,000
Notes payable, net of unamortized discount of \$963,184 and \$1,061,602 at September 30, 2017 and December 31, 2016, respectively	38,511,716	38,413,298
Notes payable to related parties	-	421,000
Accounts payable and accrued expenses	2,433,549	573,997
Dividends payable	4,767,037	3,604,037
Security deposits and other	2,206,145	719,592
Due to related parties, net	802,286	580,911
Acquired lease intangible liability, net	1,080,123	277,917
Total liabilities	<u>175,900,856</u>	<u>72,290,752</u>
Stockholders' equity:		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized; 3,105,000 and no shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively (liquidation preference of \$77,625,000 and \$0, respectively)	74,959,003	-
Common stock \$0.001 par value, 500,000,000 shares authorized; 21,630,675 and 17,605,675 shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	21,631	17,606
Additional paid-in capital	207,268,720	171,997,396
Accumulated deficit	(29,914,472)	(16,986,624)
Total Global Medical REIT Inc. stockholders' equity	<u>252,334,882</u>	<u>155,028,378</u>
Noncontrolling interest	691,925	-
Total equity	<u>253,026,807</u>	<u>155,028,378</u>
Total liabilities and stockholders' equity	<u>\$ 428,927,663</u>	<u>\$ 227,319,130</u>

# FFO, AFFO AND NORMALIZED AFFO RECONCILIATION\*



	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	(unaudited)		(unaudited)	
<b>Net income (loss) attributable to common stockholders</b>	\$ 381,268	\$ (1,982,826)	\$ (1,559,440)	\$ (4,423,588)
Depreciation and amortization expense	2,699,155	585,449	6,698,703	1,528,281
Amortization of above market leases	25,016	-	13,970	-
<b>FFO</b>	<b>\$ 3,105,439</b>	<b>\$ (1,397,377)</b>	<b>\$ 5,153,233</b>	<b>\$ (2,895,307)</b>
Acquisition costs	651,645	-	2,130,187	754,000
Straight line deferred rental revenue	(942,877)	(90,905)	(2,072,198)	(222,324)
Stock-based compensation expense	340,287	830,827	1,480,724	830,827
Amortization of deferred financing costs	340,638	62,604	840,214	215,449
Non-cash advisory fee	119,163	-	119,163	-
<b>AFFO</b>	<b>\$ 3,614,295</b>	<b>\$ (594,851)</b>	<b>\$ 7,651,323</b>	<b>\$ (1,317,355)</b>
Professional fees and services related to Sarbanes-Oxley implementation	162,657	73,332	403,995	73,332
Compensation expense reimbursement	31,250	-	49,395	-
<b>Normalized AFFO</b>	<b>\$ 3,808,204</b>	<b>\$ (521,519)</b>	<b>\$ 8,104,713</b>	<b>\$ (1,244,023)</b>
<b>Net income (loss) attributable to common stockholders per share – basic and diluted</b>	<b>\$ 0.02</b>	<b>\$ (0.11)</b>	<b>\$ (0.08)</b>	<b>\$ (0.68)</b>
<b>FFO per Share</b>	<b>\$ 0.14</b>	<b>\$ (0.08)</b>	<b>\$ 0.27</b>	<b>\$ (0.44)</b>
<b>AFFO per Share</b>	<b>\$ 0.17</b>	<b>\$ (0.03)</b>	<b>\$ 0.40</b>	<b>\$ (0.20)</b>
<b>Normalized AFFO per Share</b>	<b>\$ 0.18</b>	<b>\$ (0.03)</b>	<b>\$ 0.43</b>	<b>\$ (0.19)</b>
 Weighted Average Shares Outstanding – basic and diluted	 21,522,251	 17,371,743	 18,938,367	 6,514,230

\* Funds From Operations (FFO) and Adjusted Funds From Operations (AFFO)