

# Global Medical REIT Inc. Announces Fourth Quarter and Year Ended December 31, 2016 Financial Results

Reconciliations of non-GAAP financial measures for Funds from Operations and Adjusted Funds from Operations are included in the financial tables at the end of this announcement.

BETHESDA, Md.--(BUSINESS WIRE)-- **Global Medical REIT Inc.** (NYSE: GMRE) (the "Company"), a Maryland corporation engaged primarily in the acquisition of licensed, state-of-the-art, purpose-built healthcare facilities and the leasing of these facilities to leading clinical operators with dominant market share, today announces its financial results for the fourth guarter and year ended December 31, 2016.

# 2016 Fourth Quarter Highlights (all comparisons are to the same quarter in the prior year unless otherwise noted)

- Total revenue increased to \$3.1 million from \$0.7 million.
- Net loss increased to \$(1.9) million from \$(0.8) million.
- Funds from Operations ("FFO") of \$(0.06) per share.
- Adjusted Funds from Operations ("AFFO") of \$0.06 per share.
- Occupancy rate of 100% at both December 31, 2016 and December 31, 2015.
- During the fourth quarter, the Company completed the acquisition of an additional 13 facilities containing a total of 289,724 square feet of gross leasable area for an aggregate purchase price of approximately \$81.4 million.
- On December 14, 2016, the Company declared a quarterly cash dividend of \$0.20 per share of common stock to stockholders of record as of December 27, 2016 and to the holders of the Company's long-term incentive plan units that were granted on July 1, 2016 and December 21, 2016. On an annualized basis, this amounts to a dividend of \$0.80 per share, or an 8.97% dividend yield based on the closing price of the Company's common stock of \$8.92 per share on December 30, 2016.
- On December 5, 2016, the Company announced an initial agreement with BMO Harris Bank N.A. and syndicate members for a \$75 million secured credit facility plus a \$125 million accordion feature for a total commitment of \$200 million. On March 6, 2017, the Company announced that it had entered into an amended secured credit facility agreement with an increased base commitment amount of up to \$200 million plus an accordion feature of up to \$50 million, bringing the total commitment under the secured credit facility to \$250 million.

- Total revenue increased to \$8.2 million from \$2.1 million.
- Net loss increased to \$(6.4) million from \$(1.6) million.
- FFO of \$(0.43) per share.
- AFFO of \$(0.03) per share.
- As of December 31, 2016, the Company's property portfolio included 31 buildings with gross leasable area of 664,879 square feet, compared to December 31, 2015, when the Company owned 9 properties with gross leasable area of 129,412 square feet.

David A. Young, the Company's Chief Executive Officer, commented, "During the fourth quarter we more than doubled our level of completed acquisitions compared to the third quarter, from a dollar standpoint, as during the fourth quarter we closed on the acquisition of 13 properties, adding approximately 290,000 square feet of gross leasable area, for a combined purchase price of approximately \$81.4 million. Including these properties, our gross leasable area at December 31, 2016 was approximately 665,000 square feet and our gross investment in real estate was approximately \$207 million (including approximately \$7 million of intangible assets acquired, net of intangible liabilities acquired)."

Mr. Young continued, "During the first quarter of 2017 as we have closed on acquisitions totaling approximately \$33.5 million bringing our gross investment to approximately \$241 million and we have an additional \$75.1 million of acquisitions currently under contract. When these pending acquisitions close our total portfolio will be approximately \$316 million. I would also like to point out our recently amended syndicated revolving credit facility which provides a financing commitment of up to \$200 million plus an accordion feature for an additional \$50 million. We first announced the initial revolving credit facility back in December and since then BMO, the lead syndicate bank, has seen tremendous interest from its syndicate members, resulting in the amended and expanded credit facility entered into in early March 2017 that provides us with more ammunition to pursue the acquisitions discussed above. This additional funding will allow us to continue building our portfolio at an attractive cost of capital."

#### 2016 Fourth Quarter Financial Review

- For the three months ended December 31, 2016, total revenue increased to \$3.1 million, compared with total revenue of \$0.7 million for the fourth quarter in the prior year as the Company's larger property portfolio generated increased rental revenue.
- Net loss for the three months ended December 31, 2016 was \$(1.9) million, or \$(0.11) per basic and diluted share, compared to net loss of \$(0.8) million, or \$(3.16) per basic and diluted share, during the fourth quarter in the prior year.
- The increase in net loss for the three months ended December 31, 2016 was primarily
  due to acquisition costs, stock-based compensation expense, and generally due to
  increased operating expenses as a result of the growth in the Company's portfolio of
  properties.
- FFO per share was \$(0.06) based on 17,605,675 basic and diluted weighted average shares outstanding compared to \$(2.31) for the fourth quarter in the prior year based on 250,000 basic and diluted weighted average shares outstanding.

 AFFO per share was positive \$0.06 based on 17,605,675 basic and diluted weighted average shares outstanding compared to \$(0.65) for the fourth quarter in the prior year based on 250,000 basic and diluted weighted average shares outstanding. The positive AFFO per share during the current quarter resulted primarily from the add back of both acquisition costs and stock-based compensation expense.

#### 2016 Full Year Financial Review

- For the twelve months ended December 31, 2016, total revenue increased to \$8.2 million, compared with total revenue of \$2.1 million for the prior year. This year over year growth was driven by the Company's larger portfolio of properties, resulting in higher rental revenues.
- Net loss for the twelve months ended December 31, 2016 was \$(6.4) million, or \$(0.68) per basic and diluted share, compared to net loss of \$(1.6) million, or \$(6.44) per basic and diluted share, for the prior year.
- The increase in net loss for the twelve months ended December 31, 2016 was
  primarily due acquisition costs, stock-based compensation expense, and generally due
  to increased operating expenses as a result of the growth in the Company's portfolio of
  properties.
- FFO per share was \$(0.43) based on 9,302,244 basic and diluted weighted average shares outstanding compared to \$(3.80) for the prior year period based on 250,000 basic and diluted weighted average shares outstanding.
- AFFO per share was \$(0.03) based on 9,302,244 basic and diluted weighted average shares outstanding compared to \$(0.88) for the prior year period based on 250,000 basic and diluted weighted average shares outstanding.

#### **Acquisition Activity**

#### Completed Acquisitions During the Fourth Quarter Ended December 31, 2016

• The Company closed on the acquisition of a total of five buildings from Northern Ohio Medical Specialists ("NOMS") on October 7, 2016. The total purchase price for the five buildings was \$4.6 million, adding 24,184 square feet to the Company's portfolio. Upon its acquisition of the five buildings from NOMS, the Company entered into a new 11-year triple-net lease with the NOMS Tenant, effective as of October 7, 2016, and expiring in 2027 including four additional five-year renewal options. The acquisition was funded using a portion of the proceeds from the Company's initial public offering.

As part of the original NOMS agreement there were two additional buildings that the Company is under contract to acquire for a total purchase price of approximately \$5.4 million adding a total of 25,573 square feet. The acquisition of one building was completed in the first quarter of 2017 for approximately \$4.3 million and 20,518 square feet. The Company intends to acquire the remaining building for approximately \$1.1 million adding 5,055 square feet during the second quarter of 2017. Refer to the "Acquisition Activity" tables below.

• On October 31, 2016, the Company closed on the acquisition of two buildings located in Carson City, NV which were acquired for approximately \$3.8 million adding a total of

20,632 square feet. As part of this transaction, the Company assumed a seven-year triple net lease agreement with the existing tenant including one five-year renewal option. The acquisition was funded using a portion of the proceeds from the Company's initial public offering.

- On December 16, 2016, the Company completed its acquisition of one medical office building and two ancillary healthcare related buildings, encompassing 44,162 square feet located in Ellijay, Georgia for an aggregate purchase price of approximately \$4.9 million. Upon the closing of the transaction, the Company assumed a 10-year triple net lease agreement with the existing master tenant that leases all three buildings. The acquisition was funded using a portion of the proceeds from the Company's initial public offering.
- On December 20, 2016, the Company completed its acquisition of three hospitals from Healthcare Realty Trust for total of \$68.1 million. The three rehabilitation hospitals cover 200,746 square feet in total and are located in Mesa, AZ; Altoona, PA; and Mechanicsburg, PA. Each hospital is leased to HealthSouth Corporation with remaining lease terms of 8 years; 4 years; and 4 years, respectively, with 4, 2, and 2 additional five-year renewal options, respectively. The acquisition was funded primarily using a portion of the proceeds from the Company's initial public offering and the remainder from funds obtained from the Company's revolving credit facility.

#### Completed Acquisitions Subsequent to December 31, 2016

• During the first quarter of 2017 the Company closed the acquisition of six facilities encompassing 120,725 square feet of leasable space for a combined purchase price of \$33.5 million. Refer to the summary information in the table below.

Q1 2017 Completed Acquisition Summary Table

		•	•	•	
Property	City	State	Purchase Price	Square Feet	Cap Rate <sup>1</sup>
Geisinger	Lewisburg	PA	\$7,300,000	28,480	7.30%
Las Cruces	Las Cruces	NM	\$4,880,000	15,761	7.25%
Prescott	Prescott	ΑZ	\$4,500,000	12,000	8.08%
SLHVI	Clermont	FL	\$5,225,000	18,152	7.00%
SWFNA	Cape Coral	FL	\$7,250,000	25,814	7.33%
NOMS	Sandusky	ОН	\$4,343,300	20,518	7.49%

<sup>&</sup>lt;sup>1</sup> Cap rates calculated based on current lease terms and do not give effect to future rent escalations.

These acquisitions were funded using funds obtained from the Company's revolving credit facility and from its available funds.

#### Pending Acquisitions Subsequent to December 31, 2016

 The Company has three pending acquisitions under contract with a combined purchase price of \$75.1 million, encompassing 165,629 square feet of leasable space. Refer to the summary information in the table below. **Pending Acquisition Summary Table** 

Property	City	State	Purchase Price	Square Feet	Cap Rate <sup>1</sup>
NOMS	Sandusky	ОН	\$1,063,300	5,055	7.69%
GBRH	Great Bend	KS	\$24,500,000	63,978	8.75%
ОСОМ	Oklahoma City	OK	\$49,500,000	96,596	7.12%

<sup>&</sup>lt;sup>1</sup> Cap rates calculated based on current lease terms and do not give effect to future rent escalations.

The Company intends to fund these three pending acquisitions using the revolving credit facility or other available cash and expects the acquisitions to be completed during the second quarter of 2017.

### **Leasing Review**

- At December 31, 2016, the Company's total portfolio included 31 buildings leased to 18 tenants.
- Total gross leasable area across the Company's portfolio was approximately 664,879 square feet as of December 31, 2016 with an overall occupancy rate of 100%.
- The average lease term remaining for the entire portfolio was 12 years at December 31, 2016 with an average annual base rent of \$23.17 per square foot.

#### **Balance Sheet Summary**

- The Company's cash and cash equivalents balance was \$19.7 million as of December 31, 2016, compared to \$9.2 million as of December 31, 2015.
- The Company's gross investment in real estate as of December 31, 2016 was \$206.6 million (including approximately \$7 million of intangible assets acquired, net of intangible liabilities acquired) compared to \$56.1 million as of December 31, 2015.
- The Company's total debt, which includes third party debt (net of unamortized deferred financing costs) and related party debt, was \$66.5 million as of December 31, 2016, compared to \$63.9 million as of December 31, 2015. The Company's weighted-average interest rate and term of its debt was 4.29% and 6.04 years, respectively, as of December 31, 2016, compared to 6.67% and 4.06 years, respectively, as of December 31, 2015.
- As noted above, during the fourth quarter of 2016 the Company reached an initial
  agreement on a \$75 million secured credit facility plus a \$125 million accordion feature,
  for a total initial credit commitment of \$200 million. The secured credit facility was
  amended on March 3, 2017 to include \$200 million of base borrowing capacity plus an
  accordion feature of up to \$50 million, for a total credit facility capacity of \$250 million.

# **Earnings Call**

The Company will hold its fourth quarter 2016 conference call later today, March 27, 2017, at 11:00 a.m. Eastern Time. Shareholders and other interested parties may listen to a simultaneous webcast of the conference call on the Internet via the "Investor Relations" section of GMRE's website at <a href="https://www.globalmedicalreit.com">www.globalmedicalreit.com</a> or by clicking on the conference call link <a href="http://globalmedicalreit.equisolvewebcast.com/q4-2016">http://globalmedicalreit.equisolvewebcast.com/q4-2016</a>, or they may participate in

the conference call by dialing 1-877-407-3948 and referencing Global Medical REIT. An audio replay of the conference call will be posted on the Company's website.

#### **About Global Medical REIT Inc.**

Global Medical REIT Inc. is a Maryland corporation engaged primarily in the acquisition of licensed, state-of-the-art, purpose-built healthcare facilities and the leasing of these facilities to leading clinical operators with dominant market share. The Company intends to produce increasing, reliable rental revenue by expanding its portfolio, and leasing its healthcare facilities to market-leading operators under long-term triple-net leases. The Company's management team has significant healthcare, real estate and public real estate investment trust, or REIT, experience and has long-established relationships with a wide range of healthcare providers. The Company intends to elect to be taxed as a REIT for U.S. federal income tax purposes commencing with its contemplated taxable year ending December 31, 2016.

#### **Consolidated Financial Information**

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2016, which includes the Company's consolidated financial statements, notes to the consolidated financial statements, and management's discussion and analysis of financial condition and results of operations disclosures, will be available upon its filing through the U.S. Securities and Exchange Commission's website (<a href="www.sec.gov">www.sec.gov</a>).

#### **Non-GAAP Financial Measures**

FFO and AFFO are non-GAAP financial measures within the meaning of the rules of the U.S. Securities and Exchange Commission. The Company considers FFO and AFFO to be important supplemental measures of its operating performance and believes FFO is frequently used by securities analysts, investors, and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. In accordance with the National Association of Real Estate Investment Trusts' ("NAREIT") definition, FFO means net income or loss [computed in accordance with generally accepted accounting principles ("GAAP")] before non-controlling interests of holders of operating partnership units, excluding gains (or losses) from sales of property and extraordinary items, plus real estate related depreciation and amortization (excluding amortization of deferred financing costs), and after adjustments for unconsolidated partnerships and joint ventures. The Company did not incur any gains or losses from the sales of property or record any adjustments for unconsolidated partnerships and joint ventures during the guarter and year ended December 31, 2016 and 2015. Because FFO excludes real estate related depreciation and amortization (other than amortization of deferred financing costs), the Company believes that FFO provides a performance measure that, when compared period-over-period, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from the closest GAAP measurement, net income or loss.

Management calculates AFFO, which is also a non-GAAP financial measure, by modifying the NAREIT computation of FFO by adjusting it for certain non-cash and non-recurring items. For the Company these items include acquisition and disposition costs, loss on the extinguishment of debt, straight line deferred rental revenue, stock-based compensation

expense, amortization of deferred financing costs, recurring capital expenditures, recurring lease commissions, recurring tenant improvements and other non-cash and non-recurring items. Management believes that reporting AFFO in addition to FFO is a useful supplemental measure for the investment community to use when evaluating the operating performance of the Company on a comparative basis. The Company's FFO and AFFO computations may not be comparable to FFO and AFFO reported by other REITs that do not compute FFO in accordance with the NAREIT definition, that interpret the NAREIT definition differently than the Company does or that compute FFO and AFFO in a different manner.

## **Forward-Looking Statements**

Certain statements contained herein may be considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, and it is the Company's intent that any such statements be protected by the safe harbor created thereby. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "should," "plan," "predict," "project," "will," "continue" and other similar terms and phrases, including references to assumption and forecasts of future results. Except for historical information, the statements set forth herein including, but not limited to, any statements regarding expected financial performance or other financial items; any statements concerning our plans, strategies, objectives and expectations for future operations and our pipeline of acquisition opportunities and expected acquisition activity, including the timing and/or successful completion of any acquisitions; any statements regarding the expected size and growth of the healthcare real estate market, and any statements regarding future economic conditions or performance, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties. Although the Company believes that the expectations, estimates and assumptions reflected in its forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of the Company's forward-looking statements. Important factors that could cause the Company's actual results to differ materially from estimates, stated expectations or projections contained in the Company's forward-looking statements are set forth in the "Risk Factors" section and elsewhere in the reports the Company has filed with the U.S. Securities and Exchange Commission, including that unfavorable global and domestic economic conditions may adversely impact the Company's business, the Company may not be successful in completing acquisitions in its investment pipeline or that it identifies and pursues in the future, and the Company's expenses may be higher than anticipated. The Company does not intend, and undertakes no obligation, to update any forward-looking statement.

Global Medical REIT Inc.

**Consolidated Statements of Operations** 

	•	Three Months Ended December 31,				Year Ended December 31,			
		2016		2015	Ī	2016		2015	
		(unau	dit	ted)	Ī		Ī	<u> </u>	
Revenue									
Rental revenue	\$	3,085,383	\$	656,527	\$	8,079,555	\$	2,049,196	
Other income		37,579		-		130,775		12,471	
Total revenue	_	3,122,962	-	656,527	_	8,210,330	-	2,061,667	
Expenses									
Acquisition fees		1,568,470		-		1,568,470		-	
Acquisition fees – related party		-		400,000		754,000		627,000	
General and administrative		1,313,007		213,550		4,291,422		505,141	
Management fees – related party		627,147		90,000		1,434,294		360,000	
Depreciation expense		806,383		213,180		2,334,664		659,671	
Amortization expense		42,322		-		42,322		-	
Interest expense		695,495		530,277		4,138,608		1,519,102	
Total expenses		5,052,824	-	1,447,007	-	14,563,780		3,670,914	
Net loss	\$(	1,929,862)	\$	(790,480)	\$(	6,353,450)	\$(	(1,609,247)	
Net loss per share – Basic and Diluted	\$	(0.11)	\$	(3.16)	\$	(0.68)	\$	(6.44)	
Weighted average shares outstanding – Basic and Diluted	1	17,605,675		250,000		9,302,244		250,000	

**Consolidated Balance Sheets** 

Newstreament in real estate:   Investment in real estate:   Land   17,85,001   1,45,63,852   1,17,85,001   1,45,63,852   1,186,014   1,1		As of			
Description of the properties of the propertie		Ī		•	
Land         \$17,785,001         \$4,563,852           Building         179,253,398         51,574,271           Tenant improvements         1,465,273         51,574,271           Tenant improvements         1,186,014	Assets				
Building         179,253,398         51,574,271           Site improvements         1,465,273         -           Tenant improvements         1,186,014         -           Less: accumulated depreciation         (3,323,915)         (989,251)           Investment in real estate, net         196,685,771         55,148,872           Cash         196,671,513         9,184,270           Restricted cash         941,344         447,627           Tenant receivables         212,435         -           Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         704,537         93,646           Deferred financing costs, net         704,537         93,646           Deferred financing costs, net         227,319,130         65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Eq	Investment in real estate:				
Site improvements         1,465,273         - 1           Tenant improvements         1,186,014	Land	\$		\$ 4,563,852	
Tenant improvements         1,186,014         69,689,686         56,138,123           Less: accumulated depreciation         (3,323,915)         (3,823,915)         69,685,711         55,148,672           Less: accumulated depreciation         196,657,711         55,148,672         55,148,672           Cash         196,611,311         9,184,270         62,124,355         47,627           Restricted cash         212,435         4,745,270         45,431           Encorn deposits         1,212,177         454,310         46,451           Deferred assets to posting				51,574,271	
Less: accumulated depreciation         199,689,686         56,138,123           Investment in real estate, net         196,365,771         55,148,872           Cash         196,71,131         9,184,270           Restricted cash         941,344         447,627           Tenant receivables         212,435         -           Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         7,144,276         -           Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         140,374         -           Total assets         3573,997         663,387.25           Liabilities           Accrued expenses         573,997         683,857           Dividends payable         3,004,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,017         -           Convertible debenture, due to related party         27,700,000         -           Notes payable, net				-	
Less: accumulated depreciation         (3,323,915)         (989,251)           Investment in real estate, net         196,365,771         55,148,872           Cash         196,671,731         91,842,702           Restricted cash         941,344         447,627           Escrow deposits         212,435         -           Acquired lease intangible assets, net         7,141,276         45,410           Deferred dissels         704,537         93,646           Deferred financing costs, net         927,085         3           Other assets         140,374         -           Other assets         140,374         -           Total assets         227,319,103         65,328,725           Other assets         140,374         -           Total assets         140,374         -           Total assets         227,319,103         65,328,725           Dividends passable         3,604,037         -           Escurity deposits         573,997         683,857           Dividends payable         3,604,037         -           Security deposits         580,911         847,166           Acquired lease intangible liability, net         277,917         40,303,134           Notes payable to rel	Tenant improvements	_	1,186,014		
Investment in real estate, net         196,365,771         55,148,872           Cash         19,671,131         9,184,270           Restricted cash         941,344         447,627           Tenant receivables         212,435         -           Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         7,144,276         -           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         \$65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Liabilities           Accrued expenses         573,997         \$683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized			199,689,686	56,138,123	
Cash         19,671,131         9,184,270           Restricted cash         941,344         447,627           Escrow deposits         212,435         -           Acquired lease intangible assets, net         7,144,276         -           Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         \$65,328,725           Liabilities and Stockholders' Equity (Deficit)           Accrued expenses         573,997         663,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Div to related parties, net         250,001         421,000         421,000           Acquired lease intangible liabili	Less: accumulated depreciation	_	(3,323,915)	(989,251)	
Restricted cash         941,344         447,627           Tenant receivables         212,435         -           Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         7,144,276         -           Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Accrued expenses         573,997         683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         277,917         -           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         421,000         421,000           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892         38,413,298         23,485,1	Investment in real estate, net		196,365,771	55,148,872	
Tenant receivables         212,435         -           Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         7,144,276         -           Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         \$ 65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Def	Cash		19,671,131	9,184,270	
Escrow deposits         1,212,177         454,310           Acquired lease intangible assets, net         7,144,276         -           Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         \$65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Accrued expenses         573,997         \$683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         277,917         -           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         421,000         421,000           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at 27,700,000         27,700,000         23,485,173           Revolvin	Restricted cash		941,344	447,627	
Acquired lease intangible assets, net         7,144,276         93,646           Deferred assets         704,537         93,646           Other assets         140,374         -           Total assets         227,319,130         65,328,725           Liabilities and Stockholders' Equity (Deficit)           Liabilities:           Accrued expenses         573,997         6683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         421,000         421,000           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         23,485,173           Revolving credit facility         27,700,000         -           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 500,000,000 shares authorized; no shar	Tenant receivables		212,435	-	
Deferred assets         704,537         93,646           Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         \$ 65,328,725           Liabilities and Stockholders' Equity (Deficit)           Security deposits         51,001,302         663,857           Convertide Aparties         427,003         427,102         60,003,134         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         421,000         42,003,134         421,000         421,000	Escrow deposits		1,212,177	454,310	
Deferred financing costs, net         927,085         -           Other assets         140,374         -           Total assets         227,319,130         65,328,725           Liabilities and Stockholders' Equity (Deficit)           Accrued expenses         573,997         683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         277,917         -           Acquired lease intangible liability, net         27,917         -           Convertible debenture, due to related parties         421,000         421,000           Acquired lease intangible inability         38,413,298         23,485,173           Revolving credit facility         27,700,000 <t< td=""><td>Acquired lease intangible assets, net</td><td></td><td>7,144,276</td><td>-</td></t<>	Acquired lease intangible assets, net		7,144,276	-	
Other assets         140,374         6.5,328,725           Itabilities and Stockholders' Equity (Deficit)         Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Liabilities and Stockholders' Equity (Deficit)           Accrued expenses         \$573,997         683,857           Dividends payable         3,604,037         6.23,857           Dividends payable         3,604,037         6.23,857           Security deposits         719,592         6.363,857           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         7.2           Convertible debenture, due to related party         421,000         421,000           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         38,413,298         23,485,173           Revolving credit facility         27,700,000         36,467,333           Stockholders' equity (deficit):         27,700,000         6,5467,333           Total liabilities         72,290,752         65,467,333           Stockholders' equity (def	Deferred assets		704,537	93,646	
Liabilities and Stockholders' Equity (Deficit)         Liabilities and Stockholders' Equity (Deficit)           Liabilities:         Accrued expenses         \$ 573,997         \$ 683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         -         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         72,290,752         65,467,333           Preferred stock, \$0.001 par value, 500,000,000 shares authorized; no shares sisued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively; 17,605,675         17,606         250           Additiona	Deferred financing costs, net		927,085	-	
Liabilities and Stockholders' Equity (Deficit)           Liabilities:           Accrued expenses         \$ 573,997         \$ 683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         -         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         72,290,752         65,467,333           Preferred stock, \$0.001 par value, 500,000,000 shares authorized; no shares sisued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at         -         -           December 31, 2016 and December 31, 2015, respectively; 17,605,675         -         -           and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively         17,606	Other assets		140,374	-	
Liabilities:         Accrued expenses       \$ 573,997       \$ 683,857         Dividends payable       3,604,037       -         Security deposits       719,592       -         Due to related parties, net       580,911       847,169         Acquired lease intangible liability, net       277,917       -         Convertible debenture, due to related party       -       40,030,134         Notes payable to related parties       421,000       421,000         Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at       38,413,298       23,485,173         Revolving credit facility       27,700,000       -         Total liabilities       72,290,752       65,467,333         Stockholders' equity (deficit):       72,290,752       65,467,333         Stockholders' equity (deficit):       -       -         Preferred stock, \$0.001 par value, 10,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675       -       -         and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively; 17,605,675       -       -         and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively; 17,605,675       -       -         Additional paid-in capital       171,997,396	Total assets	\$	227,319,130	\$ 65,328,725	
Accrued expenses         \$ 573,997         683,857           Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         421,000         421,000           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at December 31, 2016 and December 31, 2015, respectively         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648) <td></td> <td></td> <td></td> <td></td>					
Dividends payable         3,604,037         -           Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         -         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         27,700,000         -           December 31, 2016 and December 31, 2015, respectively         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675         17,606         250           Additional paid-in capital         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)		\$	573 997	\$ 683.857	
Security deposits         719,592         -           Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         -         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         284,13,298         23,485,173           December 31, 2016 and December 31, 2015, respectively         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively; 17,605,675         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378         <	·	Ψ	•	-	
Due to related parties, net         580,911         847,169           Acquired lease intangible liability, net         277,917         -           Convertible debenture, due to related party         -         40,030,134           Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         22,700,000         -           December 31, 2016 and December 31, 2015, respectively         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at         -         -           December 31, 2016 and December 31, 2015, respectively; 17,605,675         -         -           and 250,000 shares issued and outstanding at December 31, 2016 and         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378				-	
Acquired lease intangible liability, net       277,917       -         Convertible debenture, due to related party       -       40,030,134         Notes payable to related parties       421,000       421,000         Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at       38,413,298       23,485,173         December 31, 2016 and December 31, 2015, respectively       38,413,298       23,485,173         Revolving credit facility       27,700,000       -         Total liabilities       72,290,752       65,467,333         Stockholders' equity (deficit):       -       -         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)			•	847.169	
Convertible debenture, due to related party       - 40,030,134         Notes payable to related parties       421,000         Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at       20,000         December 31, 2016 and December 31, 2015, respectively       38,413,298       23,485,173         Revolving credit facility       27,700,000       -         Total liabilities       72,290,752       65,467,333         Stockholders' equity (deficit):       -       -         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)				-	
Notes payable to related parties         421,000         421,000           Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at         38,413,298         23,485,173           December 31, 2016 and December 31, 2015, respectively         38,413,298         23,485,173           Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         -         -           Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378         (138,608)			,	40 030 134	
Notes payable, net of unamortized discount of \$1,061,602 and \$302,892 at       38,413,298       23,485,173         December 31, 2016 and December 31, 2015, respectively       38,413,298       23,485,173         Revolving credit facility       27,700,000       -         Total liabilities       72,290,752       65,467,333         Stockholders' equity (deficit):       -       -         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)			421 000		
December 31, 2016 and December 31, 2015, respectively       38,413,298       23,485,173         Revolving credit facility       27,700,000       -         Total liabilities       72,290,752       65,467,333         Stockholders' equity (deficit):       -       -         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)			,,	,,,,,	
Revolving credit facility         27,700,000         -           Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378         (138,608)			38,413,298	23,485,173	
Total liabilities         72,290,752         65,467,333           Stockholders' equity (deficit):         Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding         -         -           Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively         17,606         250           Additional paid-in capital         171,997,396         3,011,790           Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378         (138,608)			27,700,000	-	
Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)		-	72,290,752	65,467,333	
Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares issued and outstanding       -       -         Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)	Stockholders' equity (deficit):	-			
Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675 and 250,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively       17,606       250         Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)	Preferred stock, \$0.001 par value, 10,000,000 shares authorized; no shares	3	_	_	
Additional paid-in capital       171,997,396       3,011,790         Accumulated deficit       (16,986,624)       (3,150,648)         Total stockholders' equity (deficit)       155,028,378       (138,608)	Common stock \$0.001 par value, 500,000,000 shares authorized at December 31, 2016 and December 31, 2015, respectively; 17,605,675				
Accumulated deficit         (16,986,624)         (3,150,648)           Total stockholders' equity (deficit)         155,028,378         (138,608)			17,606	250	
Total stockholders' equity (deficit) 155,028,378 (138,608)			171,997,396	3,011,790	
	Accumulated deficit		(16,986,624)	(3,150,648)	
	Total stockholders' equity (deficit)	-	155,028,378	(138,608)	
	Total liabilities and stockholders' equity (deficit)	\$	227,319,130	\$ 65,328,725	

# **Consolidated Statements of Cash Flows**

Net loss			Year Ended D	ecember 31,
Not   100		-		
Adjustments to reconcile net loss to net cash used in operating activities:   Depreciation expenses   2,334,664   659,671   Amortization of acquired lease intangible assets   42,322   6.0	Operating activities	-		
Depreciation expense	Net loss	\$	(6,353,450)	\$ (1,609,247)
Amortization of deferred financing costs         350,444         126,535           Amortization of acquired leases intangible assets         42,322         -           Amortization of acquired lease intangible assets         (994)         -           Stock-based compensation expense         1,684,812         -           Changes in operating assets and liabilities:         (558,079)         7.79           Tenant receivables         (212,435)         2,793           Deferred assets         (681,242)         (93,646)           Accounts payable and accrued expenses         (39,599)         345,093           Security deposits         719,592         (200,000)           Net cash used in operating activities         19,291         360,000           Investing activities         104,310         (439,433)           Escrow deposits for purchase of properties         104,317         (439,433)           Cash paid for pre-acquisition costs         104,0374         (439,433)           Cash paid for pre-acquisition costs         (140,374)         (37,646)           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         64,362         (249,908)           Escrow deposits required by third party lender	Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of acquired lease intangible assets         42,322           Amortization of above (below) market leases         1,684,812           Stock-based compensation expense         1,684,812           Changes in operating assets and liabilities:         (568,079)           Restricted cash         (212,435)         2,793           Deferred assets         (681,422)         03,469           Accounts payable and accrued expenses         (39,509)         345,093           Security deposits         719,592            Accrued management fees due to related party         (9,291)         360,000           Net cash used in operating activities         104,311         (439,433)           Loan repayments from (made to) related party         137,727         (135,196)           Cash paid for pre-acquisition costs         1140,374         -           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net proceeds received from initial public offering         137,288,016         -           Financing activities         64,362         (249,908)           Escrow deposits required by third party lenders         64,362         (249,908)           Net proceeds received from initial public offering         137,288,016         -	Depreciation expense		2,334,664	659,671
Amortization of above (below) market leases         1,684,812	Amortization of deferred financing costs		350,444	126,535
Stock-based compensation expense   1,684,812   1,73,73,75,75, 1,73,75,75,75, 1,73,75,75,75, 1,73,75,75,75,75,75,75,75,75,75,75,75,75,75,	Amortization of acquired lease intangible assets		42,322	-
Restricted cash	Amortization of above (below) market leases		(994)	-
Restricted cash         (558,079)	Stock-based compensation expense		1,684,812	-
Tenant receivables         (212,435)         2,793           Deferred assets         (681,242)         3,846)           Accorust payable and accrued expenses         (39,509)         345,093           Security deposits         719,592         360,000           Net cash used in operating activities         (9,291)         360,000           Investing activities         104,310         (439,433)           Escrow deposits for purchase of properties         104,311         (439,433)           Cash paid for pre-acquisition costs         (140,374)         (135,196)           Cash paid for pre-acquisition costs         (150,459,250)         (32,38,990)           Cash paid for pre-acquisition of the trangible and intangible assets         (150,459,250)         (32,38,990)           Cash paid for pre-acquisition costs         (150,459,250)         (32,38,990)           Cash paid for pre-acquisition costs         (150,459,250)         (32,38,990)           Cash paid for pre-acquisition costs         (150,459,250)         (32,786,23)           Cash paid for pre-acquisition costs         (150,459,250)         (32,786,23)           Cash paid for pre-acquisition costs         (150,459,250)         (32,786,23)           Cash paid for pre-acquisition costs         (150,459,250)         (249,908)           Escrow de	Changes in operating assets and liabilities:			
Deferred assets         (881,242)         (93,608)         345,093         350,009         345,093         360,000         2 345,093         360,000         2 340,000         345,003         360,000         2 60,000         360,000	Restricted cash		(558,079)	-
Accounts payable and accrued expenses         (39,509)         345,092           Security deposits         719,592         360,000           Accrued management fees due to related party         (2,723,166)         360,000           Net cash used in operating activities         104,310         (439,433)           Escrow deposits for purchase of properties         104,317         (135,196)           Cash paid for pre-acquisition costs         (104,374)         (137,64)           Cash paid for pre-acquisition costs         (150,457,567)         (32,338,990)           Prinancing activities         (150,357,587)         (32,338,990)           Prinancing activities         (150,457,587)         (32,338,990)           Prinancing activities         (150,457,587)         (32,338,990)           Prinancing activities         (150,457,587)         (32,338,990)           Escrow deposits required by third party lenders         (64,362)         (249,908)           Escrow deposits required by third party lenders         (862,177)         (20,208,203)           Escrow deposits required by third party lenders         (394,964)         (394,904)           Proceeds from convertible debenture, due to related parties         (394,964)         (394,904)           Repayment of convertible debenture, due to related parties         (1,950,000)         <	Tenant receivables		(212,435)	2,793
Security deposits         719,592         360,000           Accrued management fees due to related party         (9,291)         360,000           Net cash used in operating activities         (27,23,166)         720,800           Investing activities         104,310         (439,433)           Escrow deposits for purchase of properties         104,317         (135,196)           Cash paid for pre-acquisition costs         (140,374)         (150,459,250)         (31,764,361)           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         137,288,016         (32,38,900)           Financing activities         464,362         (249,908)           Net proceeds received from initial public offering         137,288,016         (32,49,08)           Escrow deposits required by third party lenders         (862,177)         (3         (349,082)           Escrow deposits required by third party lenders         (396,417)         (39,090)         (39,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090,00)         (30,090,00)         (30,090,00)         (30,	Deferred assets		(681,242)	(93,646)
Security deposits         719,592         360,000           Accrued management fees due to related party         (9,291)         360,000           Net cash used in operating activities         (27,23,166)         720,800           Investing activities         104,310         (439,433)           Escrow deposits for purchase of properties         104,317         (135,196)           Cash paid for pre-acquisition costs         (140,374)         (150,459,250)         (31,764,361)           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         137,288,016         (32,38,900)           Financing activities         464,362         (249,908)           Net proceeds received from initial public offering         137,288,016         (32,49,08)           Escrow deposits required by third party lenders         (862,177)         (3         (349,082)           Escrow deposits required by third party lenders         (396,417)         (39,090)         (39,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090)         (30,090,00)         (30,090,00)         (30,090,00)         (30,	Accounts payable and accrued expenses		(39,509)	345,093
Accrued management fees due to related party         (9,291)         360,000           Net cash used in operating activities         (2,723,166)         360,000           Investing activities         104,310         (439,438)           Export deposits for purchase of properties         104,310         (439,438)           Cash paid for pre-acquisition costs         (140,374)         (315,106)           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (317,64,361)           Net cash used in investing activities         313,728,010         (323,839,000)           Financing activities         413,228,000         (323,839,000)           Proceeds received from initial public offering         137,288,016         (329,000)           Escrow deposits required by third party lenders         (862,177)         (329,000)           Escrow deposits required by third party lenders         (394,604)         (291,000)           Escrow deposits required by third party lenders         (394,604)         (291,000)           Escrow deposits required by third party lenders         (394,604)         (291,000)           Proceeds from convertible debenture, due to related party         (394,604)         (394,604)           Escrow deposits required by third party lenders         (1,950,000)         (392,000)         (392,000)				-
Net cash used in operating activities         (2,723,166)         (208,081)           Investing activities         Secrow deposits for purchase of properties         104,310         (439,433)           Loan repayments from (made to) related party         137,727         (135,196)           Cash paid for pre-acquisition costs         (140,374)         (-135,196)           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         (150,357,587)         (32,338,990)           Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (862,177)         -           Proceeds from convertible debenture, due to related party         (394,694)         291,597           Proceeds from notes payable for melated parties         (1,900,000)         -           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds from notes payable related to acquisitions         (2,56,34,665)         (349,435)           Payments on notes payab			(9,291)	360,000
Investing activities   Secrow deposits for purchase of properties   104,310   (439,433)   (235,136)	···	-	<del>`</del>	(208.801)
Escrow deposits for purchase of properties         104,310         (439,433)           Loan repayments from (made to) related party         137,727         (135,196)           Cash paid for pre-acquisition costs         (140,374)         -           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         137,288,016         -           Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Repayment of convertible debenture, due to related parties         (1,950,000)         -           Proceeds from notes payable from related parties         (2,		=	(=,:==,:==)	(===,===)
Escrow deposits for purchase of properties         104,310         (439,433)           Loan repayments from (made to) related party         137,727         (135,196)           Cash paid for pre-acquisition costs         (140,374)         -           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (31,764,361)           Net cash used in investing activities         137,288,016         -           Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Repayment of convertible debenture, due to related parties         (1,950,000)         -           Proceeds from notes payable from related parties         (2,	Investing activities			
Loan repayments from (made to) related party         137,727         (135,196)           Cash paid for pre-acquisition costs         (140,374)         -           Acquisition of land, buildings, and other tangible and intangible assets         (150,459,250)         (32,338,990)           Net cash used in investing activities         137,288,016         (32,338,990)           Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable to related parties         (1,950,000)         -           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Repayment of notes payable related to acquisitions         (2,700,000)         -           Proceeds from notes payable related to acquisitions         (25,634,065)         (349,435)           Payments on deferred financing costs			104 310	(439 433)
Cash paid for pre-acquisition costs         (140,374)         - (140,374)         - (150,459,250)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,764,361)         (31,7288,016)         - (24,362)         (249,908)         - (249,908)			,	
Acquisition of land, buildings, and other tangible and intangible assets Net cash used in investing activities         (150,459,250) (32,338,990)         (31,764,361) (32,338,990)           Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         291,597           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable to related parties         (1950,000)         382,805           Repayment of notes payable from related parties         (1,950,000)         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Proceeds received from revolving credit facility         27,700,000         -           Proceeds from notes payable related to acquisitions         (2,56,34,065)         (349,435)           Payments of deferred financing costs         (2,06,239)         (31,7736)           Payments of beferred financing costs         10,486,861         9,095,464			•	(100,100)
Net cash used in investing activities         (150,357,587)         (32,338,990)           Financing activities         Financing activities         (137,288,016)         -           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (394,694)         291,597           Proceeds from convertible debenture, due to related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         34,584,032           Repayment of convertible debenture, due to related party         (10,000,000)         382,805           Repayment of notes payable from related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (20,362,39)         (137,736)           Dividends paid to stockholders         (25,634,065)         (3,878,489)         (255,600)           Net increase in cash and cash equivalents—beginning of period		,	, ,	(31 764 361)
Financing activities           Net proceeds received from initial public offering         137,288,016         -           Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         -         34,584,032           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds from notes payable from related to acquisitions         27,700,000         -           Proceeds from notes payable related to acquisitions         (2,036,239)         (337,500           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         163,567,614         41,643,255           Net increase in cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270 </td <td></td> <td>-</td> <td></td> <td></td>		-		
Net proceeds received from initial public offering Change in restricted cash         137,288,016            Escrow deposits required by third party lenders         (862,177)            Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)            Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)            Proceeds from notes payable from related parties         (1,950,000)            Repayment of notes payable from related parties         (1,950,000)            Proceeds received from revolving credit facility         27,700,000            Proceeds received from revolving credit facility         27,700,000            Proceeds from notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806 </td <td>Net cash used in investing activities</td> <td><u>(</u></td> <td>150,357,567)</td> <td>(32,336,990)</td>	Net cash used in investing activities	<u>(</u>	150,357,567)	(32,336,990)
Net proceeds received from initial public offering Change in restricted cash         137,288,016            Escrow deposits required by third party lenders         (862,177)            Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)            Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)            Proceeds from notes payable from related parties         (1,950,000)            Repayment of notes payable from related parties         (1,950,000)            Proceeds received from revolving credit facility         27,700,000            Proceeds received from revolving credit facility         27,700,000            Proceeds from notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806 </td <td>Physical and a stability of</td> <td></td> <td></td> <td></td>	Physical and a stability of			
Change in restricted cash         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         - 6           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         - 6           Repayment of convertible debenture, due to related party         (10,000,000)         - 6           Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         - 7           Proceeds received from revolving credit facility         27,700,000         - 7           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         163,567,614         41,643,255           Net increase in cash and cash equivalents         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270         88,806           Cash payments for			407 000 040	
Escrow deposits required by third party lenders         64,362         (249,908)           Escrow deposits required by third party lenders         (862,177)         -           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable to related parties         (1,950,000)         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds from notes payable from related parties         (1,950,000)         -           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         19,671,131         9,184,270           <			137,288,016	-
Escrow deposits required by third party lenders         (862,177)         - 9           Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         - 34,584,032           Repayment of convertible debenture, due to related party         (10,000,000)            Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)            Proceeds received from revolving credit facility         27,700,000            Proceeds received from netes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Payments of deferred financing costs         (3,878,489)         (255,600)           Net cash provided by financing activities         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270         88,806           Cash payments for interest         4,099,426         1,165,157           Noncash financing	Change in restricted cash		64 362	(249 908)
Loan (repayments to) received from related parties         (394,694)         291,597           Proceeds from convertible debenture, due to related party         (10,000,000)         -           Repayment of convertible debenture, due to related party         (10,000,000)         -           Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds received from revolving credit facility         27,700,000         -           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Payments of deferred financing activities         (3,878,489)         (255,600)           Net cash provided by financing activities         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270         88,806           Cash payments for interest         \$4,099,426         1,165,157           Noncash financing and investing activities:         \$4,099,426         1,165,157           Conve	Escrow denosits required by third party lenders		-	(249,900)
Proceeds from convertible debenture, due to related party         - 34,584,032           Repayment of convertible debenture, due to related party         (10,000,000)			,	201 507
Repayment of convertible debenture, due to related parties         (10,000,000)         -           Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds received from revolving credit facility         27,700,000         -           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         163,567,614         41,643,255           Net increase in cash and cash equivalents         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270         88,806           Supplemental cash flow information:         2         4,099,426         1,165,157           Noncash financing and investing activities:         30,030,134         -           Conversion of convertible debenture due to related party to shares of common stock         30,030,134         - <td></td> <td></td> <td>(394,094)</td> <td>· ·</td>			(394,094)	· ·
Proceeds from notes payable to related parties         1,950,000         382,805           Repayment of notes payable from related parties         (1,950,000)         -           Proceeds received from revolving credit facility         27,700,000         -           Proceeds from notes payable related to acquisitions         41,320,900         7,377,500           Payments on notes payable related to acquisitions         (25,634,065)         (349,435)           Payments of deferred financing costs         (2,036,239)         (137,736)           Dividends paid to stockholders         (3,878,489)         (255,600)           Net cash provided by financing activities         163,567,614         41,643,255           Net increase in cash and cash equivalents         10,486,861         9,095,464           Cash and cash equivalents—beginning of period         9,184,270         88,806           Cash and cash equivalents—end of period         9,184,270         88,806           Cash payments for interest         4,099,426         1,165,157           Noncash financing and investing activities:         2         4,099,426         1,165,157           Conversion of convertible debenture due to related party to shares of common stock         30,030,134         3         -           Reclassification of deferred initial public offering costs to additional paid-in capital         <			(10,000,000)	34,364,032
Repayment of notes payable from related parties (1,950,000) - Proceeds received from revolving credit facility 27,700,000 - Proceeds from notes payable related to acquisitions 41,320,900 7,377,500 Payments on notes payable related to acquisitions (25,634,065) (349,435) Payments of deferred financing costs (2,036,239) (137,736) Dividends paid to stockholders (3,878,489) (255,600) Net cash provided by financing activities 163,567,614 41,643,255  Net increase in cash and cash equivalents 10,486,861 9,095,464 Cash and cash equivalents—beginning of period 9,184,270 88,806 Cash and cash equivalents—end of period 9,184,270 88,806 Cash payments for interest \$4,099,426 \$1,165,157 Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock 30,030,134 \$-c Reclassification of deferred initial public offering costs to additional paid-in capital \$1,681,259 \$-c -c -				202.005
Proceeds received from revolving credit facility Proceeds from notes payable related to acquisitions Payments on notes payable related to acquisitions Payments on notes payable related to acquisitions Payments of deferred financing costs Payments of deferred financing activities Payments of cash and cash equivalents Payments of cash and cash equivalents Payments of period Payments for interest Paymental cash flow information: Paymental cash flow information: Payments for interest Payments for interest Payments for interest Payments of convertible debenture due to related party to shares of common stock Payments for intered initial public offering costs to additional paid-in capital Payments for intered initial public offering costs to additional paid-in capital Payments for intered initial public offering costs to additional paid-in capital Payments for intered initial public offering costs to additional paid-in capital Payments for intered initial payments for intered initial public offering costs to additional paid-in capital Payments for intered interest for intered interest for i	· ·			382,805
Proceeds from notes payable related to acquisitions 41,320,900 7,377,500 Payments on notes payable related to acquisitions (25,634,065) (349,435) Payments of deferred financing costs (2,036,239) (137,736) Dividends paid to stockholders (3,878,489) (255,600) Net cash provided by financing activities 163,567,614 41,643,255  Net increase in cash and cash equivalents 10,486,861 9,095,464 Cash and cash equivalents—beginning of period 9,184,270 88,806 Cash and cash equivalents—end of period 9,184,270 \$8,806 Cash payments for interest \$4,099,426 \$1,165,157 Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$30,030,134 \$-20 \$1,000,000 \$1,0				-
Payments on notes payable related to acquisitions  Payments of deferred financing costs  Dividends paid to stockholders  Net cash provided by financing activities  Net increase in cash and cash equivalents Cash and cash equivalents—beginning of period  Cash and cash equivalents—end of period  Supplemental cash flow information:  Cash payments for interest  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock  Reclassification of deferred initial public offering costs to additional paid-in capital  (25,634,065) (349,435) (2,036,239) (137,736) (137,736) (255,600) (14,643,255)  10,486,861 9,095,464 (255,600) 41,643,255  41,643,255  88,806 (2036,239) (137,736) (2036,239) (255,600) (2036,239) (255,600) (2036,239)				7.077.500
Payments of deferred financing costs  Dividends paid to stockholders  Net cash provided by financing activities  Net increase in cash and cash equivalents Cash and cash equivalents—beginning of period Cash and cash equivalents—end of period  Supplemental cash flow information:  Cash payments for interest  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock  Reclassification of deferred initial public offering costs to additional paid-in capital  (2,036,239) (137,736) (255,600) (163,567,614) (41,643,255) (41,6	· ·			
Dividends paid to stockholders(3,878,489)(255,600)Net cash provided by financing activities163,567,61441,643,255Net increase in cash and cash equivalents10,486,8619,095,464Cash and cash equivalents—beginning of period9,184,27088,806Cash and cash equivalents—end of period\$19,671,131\$9,184,270Supplemental cash flow information:Cash payments for interest\$4,099,426\$1,165,157Noncash financing and investing activities:Conversion of convertible debenture due to related party to shares of common stock\$30,030,134\$-Reclassification of deferred initial public offering costs to additional paid-in capital\$1,681,259\$-			, , ,	, ,
Net cash provided by financing activities 163,567,614 41,643,255  Net increase in cash and cash equivalents 10,486,861 9,095,464 Cash and cash equivalents—beginning of period 9,184,270 88,806 Cash and cash equivalents—end of period 19,671,131 9,184,270  Supplemental cash flow information: Cash payments for interest \$4,099,426 \$1,165,157  Noncash financing and investing activities: Conversion of convertible debenture due to related party to shares of common stock \$30,030,134 \$				
Net increase in cash and cash equivalents  Cash and cash equivalents—beginning of period  Cash and cash equivalents—end of period  Supplemental cash flow information:  Cash payments for interest  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock  Reclassification of deferred initial public offering costs to additional paid-in capital  10,486,861  9,095,464  88,806  19,671,131  9,184,270  84,099,426  1,165,157  1,165,157  1,165,157  1,165,157		_		
Cash and cash equivalents—beginning of period \$9,184,270\$  Supplemental cash flow information:  Cash payments for interest \$4,099,426\$ \$1,165,157\$  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$30,030,134\$ \$-  Reclassification of deferred initial public offering costs to additional paid-in capital \$1,681,259\$ \$-	Net cash provided by financing activities	_	163,567,614	41,643,255
Cash and cash equivalents—beginning of period \$9,184,270\$  Supplemental cash flow information:  Cash payments for interest \$4,099,426\$ \$1,165,157\$  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$30,030,134\$ \$-  Reclassification of deferred initial public offering costs to additional paid-in capital \$1,681,259\$ \$-				
Cash and cash equivalents—end of period \$\frac{19,671,131}{\$} \\$ \frac{9,184,270}{\$}\$  Supplemental cash flow information:  Cash payments for interest \$\$4,099,426 \$\$1,165,157\$  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$\$30,030,134 \$\$-\$\$ Reclassification of deferred initial public offering costs to additional paid-in capital \$\$1,681,259 \$\$-\$\$				
Supplemental cash flow information:  Cash payments for interest \$ 4,099,426 \$ 1,165,157  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$ 30,030,134 \$ -  Reclassification of deferred initial public offering costs to additional paid-in capital \$ 1,681,259 \$ -		_		
Cash payments for interest \$\$ 4,099,426 \$ 1,165,157\$  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$\$ 30,030,134 \$\$ -\$ Reclassification of deferred initial public offering costs to additional paid-in capital \$\$ 1,681,259 \$\$ -\$	Cash and cash equivalents—end of period	\$	19,671,131	\$9,184,270
Cash payments for interest \$ 4,099,426 \$ 1,165,157  Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$ 30,030,134 \$ -  Reclassification of deferred initial public offering costs to additional paid-in capital \$ 1,681,259 \$ -				
Noncash financing and investing activities:  Conversion of convertible debenture due to related party to shares of common stock \$\frac{30,030,134 \\$}{1,681,259 \\$}\$\$ -	Supplemental cash flow information:			
Conversion of convertible debenture due to related party to shares of common stock \$ 30,030,134 \$ - Reclassification of deferred initial public offering costs to additional paid-in capital \$ 1,681,259 \$ -	Cash payments for interest	\$	4,099,426	\$ 1,165,157
Conversion of convertible debenture due to related party to shares of common stock \$ 30,030,134 \$ - Reclassification of deferred initial public offering costs to additional paid-in capital \$ 1,681,259 \$ -	Noncash financing and investing activities:			
stock \$ 30,030,134 \$ - Reclassification of deferred initial public offering costs to additional paid-in capital \$ 1,681,259 \$ -				
		\$	30,030,134	\$ -
Accrued dividends payable \$ 3,604,037 \$ -	Reclassification of deferred initial public offering costs to additional paid-in capital	\$	1,681,259	\$ -
	Accrued dividends payable	\$	3,604,037	\$ -

**Reconciliation of Funds from Operations (FFO)** 

(unaudited)

	Three Months Ended December 31,			Ended iber 31,	
	2016	2015	2016	2015	
Net loss	,	,	\$(6,353,450)	,	
Depreciation and amortization expense Amortization of above (below) market leases	848,705 (994)	213,180	2,376,986 (994)	659,671 -	
FFO	\$(1,082,151)	\$ <u>(577,300)</u>	\$(3,977,458)	\$ (949,576)	
FFO per Share	\$(0.06)	\$ <u>(2.31)</u>	\$(0.43)	\$(3.80)	
Weighted Average Shares Outstanding	17,605,675	250,000	9,302,244	250,000	

# **Reconciliation of Adjusted Funds from Operations (AFFO)**

### (unaudited)

	Three Mon Decem		Year Ended December 31,		
	2016	2015	2016	2015	
FFO	\$(1,082,151)	\$(577,300)	\$(3,977,458)	\$(949,576)	
Acquisition costs	1,568,470	400,000	2,322,470	627,000	
Straight line deferred rental revenue	(458,918)	(22,069)	(681,242)	(23,295)	
Stock-based compensation expense	853,985	-	1,684,812	-	
Amortization of deferred financing costs	134,995	36,685	350,444	126,535	
AFFO	\$ 1,016,381	\$ <u>(162,684)</u>	\$ (300,974)	\$ <u>(219,336)</u>	
AFFO per Share	\$0.06	\$ <u>(0.65)</u>	\$ (0.03)	\$ (0.88)	
Weighted Average Shares Outstanding	17,605,675	250,000	9,302,244	250,000	

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http://www.businesswire.com/news/home/20170327005254/en/

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Source: Global Medical REIT Inc.