Vital Infrastructure Property Trust (NWHUF)

Updated August 26th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$3.92	**5 Year Annual Expected Total Return:**	1.9%	**Market Cap:**	$982 M
Fair Value Price:	$3.00	**5 Year Growth Estimate:**	0.0%	**Ex-Dividend Date:**	08/31/2026
% Fair Value:	131%	**5 Year Valuation Multiple Estimate:**	-5.2%	**Dividend Payment Date:**	09/15/2026
Dividend Yield:	6.6%	**5 Year Price Target**	$3.00	**Years Of Dividend Growth:**	0
Dividend Risk Score:	F	**Sector:**	Real Estate	**Rating:**	Sell

Overview & Current Events

Vital Infrastructure Property Trust, formerly Northwest Healthcare Properties REIT, is a global healthcare infrastructure real estate investor, owner, and operator. As of Q2-2026, its footprint comprised 104 income-producing properties across North America, Brazil, Europe, and Australia, totaling about 11.1 million square feet with 96.4% occupancy. The portfolio's long-term leases and 13.1-year WALE support income visibility and limit near-term rollover risk. Its properties include outpatient, inpatient, and other healthcare research facilities, generally supported by indexed leases. The REIT also operates a global asset-management platform with $3.9 billion in AUM and held $2.6 billion of total assets on a proportionate basis at quarter end. The REIT pays distributions on a monthly basis and reports its financials in CAD. All figures in this report have been converted to USD unless otherwise noted.

On February 24th, 2026, Northwest Healthcare Properties announced its planned change of name to Vital Infrastructure Property Trust. The name change was completed on March 11th, 2026, at which point the REIT began trading on the TSX under its new ticker, VITL.UN. The OTC ticker remained the same.

On August 12th, 2026, Vital Infrastructure reported its Q2 results for the period ending June 30th, 2026. Revenue from investment properties was $47.7 million, while net operating income totaled $35.3 million on an IFRS basis, or $43.0 million proportionately. Portfolio occupancy was 96.4%, with a 13.1-year WALE. FFO was $0.07 per diluted unit versus $0.08 last year, while AFFO rose to $0.08 from $0.07. The REIT completed its European portfolio sale and subsequently advanced more than $108 million of acquisitions in Brooklyn and Burlington. Debt to gross book value declined to 39.8%, while available liquidity reached about $312.0 million. For FY2026, we expect FFO/share of $0.30.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
FFO	$0.67	$0.69	$0.58	$0.61	$0.65	$0.66	$0.52	$0.43	$0.25	$0.26	***$0.30***	***$0.30***
DPS	$0.60	$0.64	$0.59	$0.62	$0.63	$0.63	$0.59	$0.49	$0.25	$0.32	***$0.26***	***$0.26***
Shares[1]	69.4	101.0	103.6	153.6	176.0	224.1	240.6	243.3	247.8	249.2	***250.0***	***280.0***

Vital Infrastructure has seen its FFO per share fluctuate significantly over the past decade. During the first years of this period, FFO per unit grew steadily, driven by portfolio expansion, rising occupancy, and the transformative Generation REIT acquisition. This was a powerful growth phase, marked by scale, accretive acquisitions, and improving lease terms across a growing international footprint. Between 2018 and 2020, FFO per unit declined modestly to $0.56. The REIT was heavily focused on strategic moves, including the Healthscope transaction and entry into Europe, but these came with higher leverage, development-related drag, and temporary dilution. COVID added further headwinds, though rent collections remained solid.

In 2021, FFO bounced to $0.61 before declining to $0.51 in 2022, as inflation and higher interest costs began to pressure margins. G&A scaled up alongside asset management ambitions, and while the REIT expanded its platform, profitability quality weakened. FFO started to fall sharply from there, as the company turned its focus to a portfolio downsizing and

[1] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

shift toward balance sheet repair. While the REIT improved its leverage and liquidity position, its profitability has been substantially squeezed. We forecast no growth in FFO and the dividend moving forward, as we do not believe the REIT is well-positioned to thrive in the current market environment. In September of 2023, the REIT slashed its distribution from a monthly rate of CAD $0.06667 to CAD $0.03. It has remained at the same level since then.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/FFO	13.9	15.4	19.2	18.7	17.6	19.2	24.3	19.6	20.4	13.5	***13.1***	***10.0***
Avg. Yld.	6.4%	6.0%	5.3%	5.4%	5.5%	5.0%	4.7%	5.8%	4.9%	9.1%	***6.6%***	***8.7%***

Vital Infrastructure's P/FFO multiple trended upward until 2022, driven by falling rates, solid cash flows, and rising institutional interest in healthcare real estate. Since then, the multiple has come down, reflecting pressure on FFO from asset sales, higher interest costs, and dilution tied to its recent repositioning efforts. Still, at 13.3 FFO today, we find the REIT to be overvalued. We have set our fair multiple at 10.0x. At this level, the distribution yield would better compensate investors for the underlying risks involved with owning the name.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	90%	93%	102%	102%	97%	95%	113%	114%	100%	123%	***87%***	***87%***

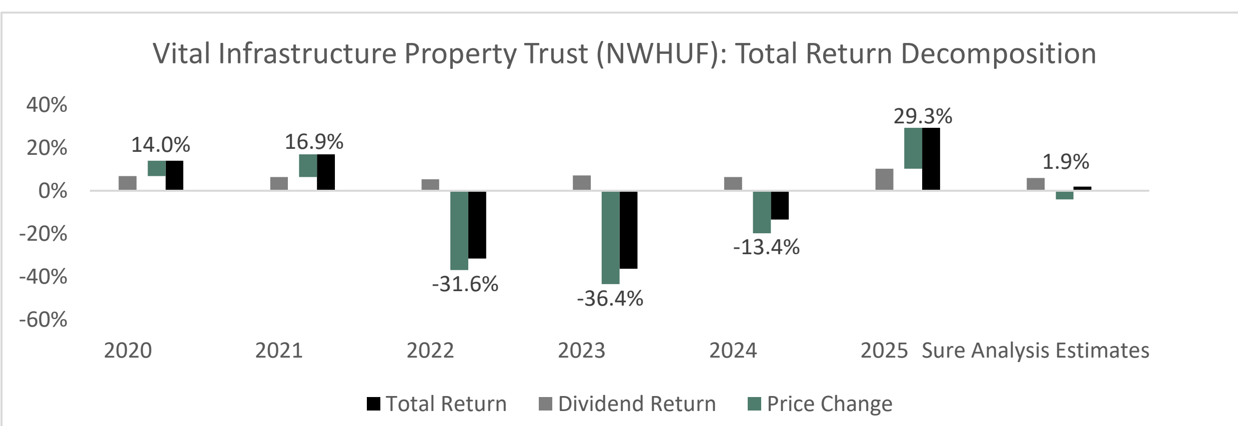
Vital's portfolio is anchored by mission-critical healthcare assets across four regions, with 96.4% occupancy and a WALE of 13.1 years. Leases remain predominantly long-term in structure, with indexed or fixed contractual rent hikes driving stable cash flow visibility across the global portfolio. The REIT partners with top-tier hospital operators and benefits from strong tenant credit quality, especially in Brazil and Australasia. Its scale, sector focus, and asset management platform create a competitive edge, particularly through JV partnerships and recurring management income.

But while healthcare demand is generally resilient, Vital Infrastructure faces elevated financial risk due to its still-high leverage, variable rate exposure, and the earnings drag from recent asset sales. The structure is more complex than peers, with a mix of consolidated and JV assets, and FX adds another layer of volatility. In a downturn, fundamentals should hold up, but earnings may remain pressured as the REIT works through its balance sheet repositioning.

Final Thoughts & Recommendation

Vital Infrastructure offers defensive healthcare exposure, but ongoing balance sheet repair, earnings pressure, and structural complexity limit its near-term appeal. Due to the lack of dividend growth recently and lack of noteworthy future total return prospects we rate the stock as a sell.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	209	242	270	276	279	299	348	376	337	276
Gross Profit	155	185	208	219	222	231	268	286	255	196
Gross Margin	73.8%	76.4%	77.2%	79.3%	79.6%	77.3%	77.0%	76.1%	75.6%	71.0%
SG&A Exp.	15	19	21	26	22	32	37	43	42	-
D&A Exp.	1	1	1	1	1	1	1	1	3	2
Operating Profit	140	166	187	193	200	213	243	255	224	154
Operating Margin	66.7%	68.4%	69.5%	70.0%	71.7%	71.2%	70.0%	67.8%	66.3%	55.8%
Net Profit	43	52	51	(1)	235	347	49	(257)	(219)	15
Net Margin	20.5%	21.5%	18.8%	-0.5%	84.1%	116.1%	14.2%	-68.4%	-64.8%	5.4%
Free Cash Flow	74	69	72	97	141	99	175	78	63	115
Income Tax	41	39	56	66	11	99	61	(14)	(36)	4

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	2,469	3,725	3,724	4,237	4,584	5,541	6,273	5,751	4,215	2,519
Cash & Equivalents	15	57	34	147	113	49	65	54	36	69
Accounts Receivable	6	3	8	17	3	5	7	6	6	-
Goodwill & Int. Ass.	107	145	94	68	70	70	62	62	59	-
Total Liabilities	1,586	2,409	2,488	2,648	2,595	2,777	3,516	3,425	2,416	1,420
Accounts Payable	33	47	55	71	72	71	98	95	73	-
Long-Term Debt	1,259	1,918	2,062	2,083	2,177	2,299	2,703	2,943	2,085	1,000
Shareholder's Equity	522	754	696	1,010	1,285	1,876	1,810	1,503	1,089	1,099
LTD/E Ratio	2.41	2.55	2.96	2.06	1.69	1.23	1.49	1.96	1.91	0.91

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	1.9%	1.7%	1.4%	0.0%	5.3%	6.9%	0.8%	-4.3%	-4.4%	0.5%
Return on Equity	5.8%	4.7%	4.0%	-0.1%	13.1%	14.6%	1.8%	-10.1%	-10.6%	1.1%
ROIC	2.3%	1.9%	1.6%	0.0%	6.0%	7.5%	0.9%	-4.8%	-4.8%	0.5%
Shares Out.	69.4	101.0	103.6	153.6	176.0	224.1	240.6	243.3	247.8	249.2
Revenue/Share	3.02	2.40	2.60	1.80	1.59	1.33	1.44	1.55	1.36	1.11
FCF/Share	1.07	0.68	0.69	0.63	0.80	0.44	0.73	0.32	0.25	0.46

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.