

## Lakeview Hotel Investment Corp Announces Second Quarter Results

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WINNIPEG, Aug. 29, 2017 /CNW/ - Lakeview Hotel Investment Corp ("LHIC") is pleased to report its financial results for the Quarter ended June 30, 2017. The following comments in regard to the financial results should be read in conjunction with the June 30, 2017 financial statements and Management Discussion and Analysis which are available on the SEDAR website [www.sedar.com](http://www.sedar.com).

Challenges faced by Lakeview Hotel Investment Corp. in the second quarter of 2017 resulted in a slight weakening in operating results when compared to the second quarter of 2016. These challenges included the impact of prolonged seasonal road restrictions and the non-recurrence of some property specific demand generators. While commodity prices have improved from 2016, a flattening out of oil prices is expected to contribute to third quarter results being comparable to the third quarter of 2016. The third quarter of the year is typically the strongest quarter of the year for Lakeview Hotel Investment Corp. and it was the strongest quarter in 2016.

Following is a comparison of the operating results for the three and six months ended June 30, 2017 and the comparable period in 2016:

	Three months ended		Six months ended	
	June 30, 2017	2016	June 30, 2017	2016
Hospitality Revenue				
Room	3,686,209	4,869,360	8,215,216	9,300,783
Food & Beverage	596,080	702,715	1,222,938	1,427,393
Other	252,295	305,700	522,197	599,807
Total Revenue	4,534,584	5,877,775	9,960,351	11,327,983
Expenses	(5,996,750)	(7,246,506)	(12,493,787)	(14,709,400)
Gain on sale of income properties	15,101	2,734,149	15,101	2,734,149
Net income (Loss)	(1,447,065)	1,365,418	(2,518,335)	(647,268)
Basic and diluted income (loss) before income tax per share	(0.074)	0.07	(0.129)	(0.033)
Reconciliation to funds from Operations				
Add (deduct)				
Amortization of income properties	520,022	654,704	1,042,248	1,384,573
Amortization of franchise fees	374	919	748	2,111
Gain on sale of income properties	(15,101)	(2,734,149)	(15,101)	(2,734,149)
Distributions from Lakeview Flag Management General Partnership	-	-	18,000	-
Income from Lakeview Flag Licensing General Partnership	(101,822)	(110,723)	(229,041)	(212,382)
Income from Lakeview Flag Management General Partnership	(51,689)	(67,743)	(113,460)	(130,370)
Unrealized loss (gain) on change in fair value of interest rate swap	(354,582)	(122,471)	(472,670)	11,709
Amortization of discount on bankers' acceptance	-	-	-	168,066
Funds from Operations	(1,449,863)	(1,014,045)	(2,287,611)	(2,157,710)
Basic and diluted funds from Operations per share	(0.074)	(0.052)	(0.117)	(0.11)
Contributions to reserve account	(86,373)	(102,105)	(192,053)	(201,758)
Adjusted funds from Operations	(1,536,236)	(1,116,150)	(2,479,664)	(2,359,468)
Basic and diluted adjusted funds from Operations per share	(0.079)	(0.057)	(0.127)	(0.121)
Reconciliation to distributable income				
Accretion of debentures	42,702	20,375	84,943	40,257
Accretion of mortgages payable	1,105	23,518	2,316	47,973
Loss on derecognition of income properties	317	2,136	13,030	2,136
Loss on derecognition of Franchise Fees	-	2,726	-	2,726
Loss on derecognition of Financial Liability	-	19,804	-	19,804
Accretion of other long-term debt	88,086	52,487	170,206	104,114
Distributable income	(1,404,026)	(995,104)	(2,209,169)	(2,142,458)
Basic and diluted distributable income per share	(0.072)	(0.051)	(0.113)	(0.11)
Distributions				

Lakeview Hotel Investment Corp is listed on the TSX Venture Exchange under the symbol "LHR". Lakeview Hotel Investment Corp receives income from ownership, management and licensing of hotel properties.

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**For further information:** PLEASE CONTACT: Avrum Senensky, Executive Vice President, Tel: (204) 947-1161, Fax: (204) 957-1697, Email [asenensky@lakeviewhotels.com](mailto:asenensky@lakeviewhotels.com)

CO: Lakeview Hotel Investment Corp

CNW 16:00e 29-AUG-17