



Quarterly Investor Presentation

First Quarter 2019

Cherry Laurel
Tallahassee, FL

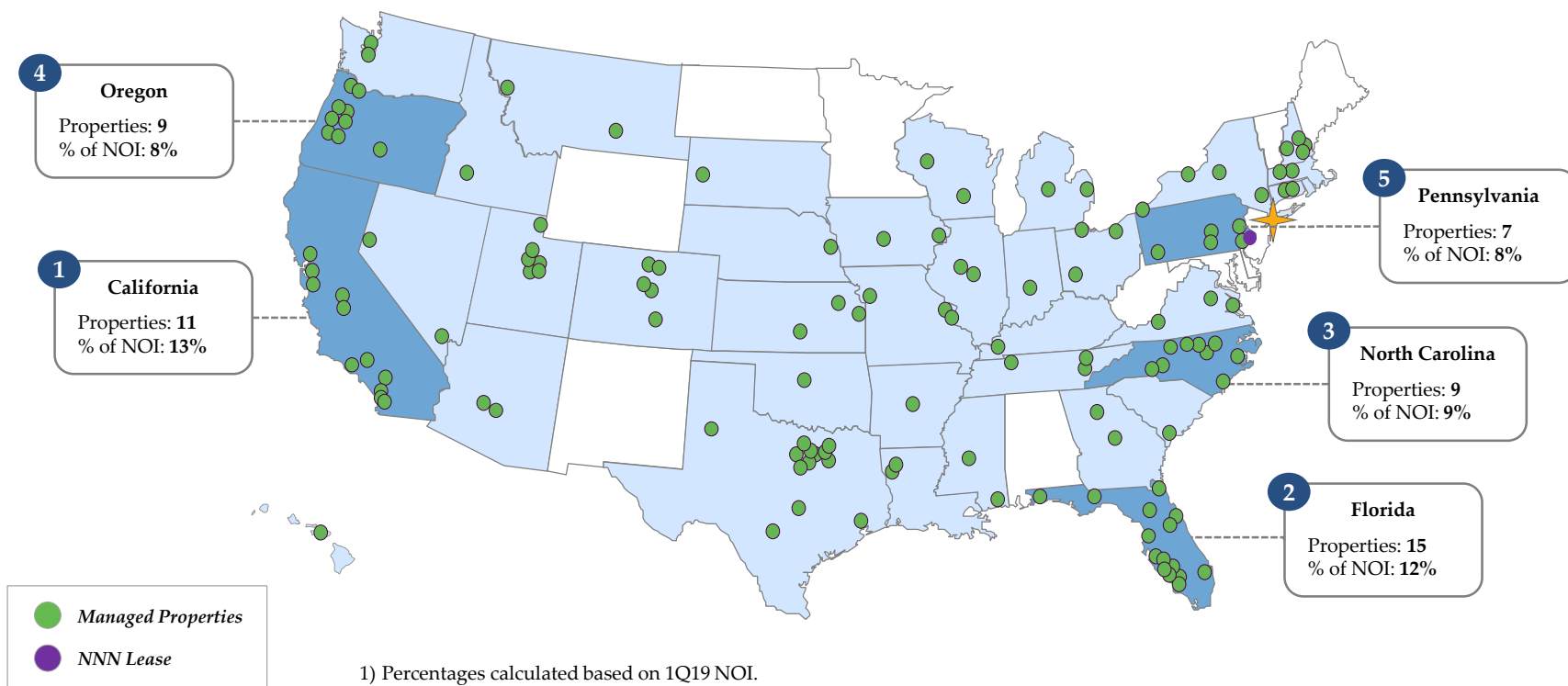
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Portfolio Overview⁽¹⁾

Total Portfolio

(\$ in thousands)	Properties	Beds	Units	States	Investment ⁽²⁾	TTM EBITDARM Coverage ⁽³⁾	1Q19 Occupancy ⁽³⁾	1Q19 Ann. NOI	1Q19 Ann. Cash NOI
Senior Housing – Managed	132	15,391	15,087	37	\$2,470,721	N/A	85.0%	\$154,760	\$157,030
Senior Housing – NNN ⁽⁴⁾	1	463	429	1	\$57,974	1.36x	86.5%	\$6,330	\$5,645
Total	133	15,854	15,516	37	\$2,528,695			\$161,090	\$162,675



1) Percentages calculated based on 1Q19 NOI.

2) Investment excludes two assets held for sale.

3) NNN occupancy and EBITDARM coverage are presented one quarter in arrears from the date reported on a trailing twelve month basis.

4) Triple net lease matures in May 2030.

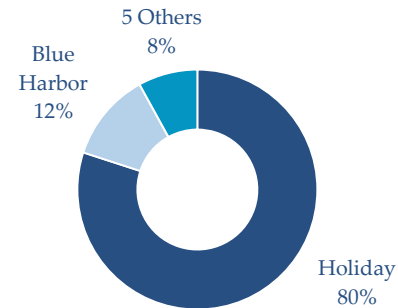
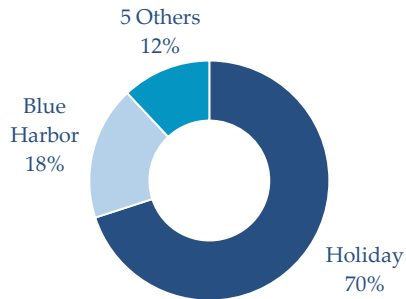
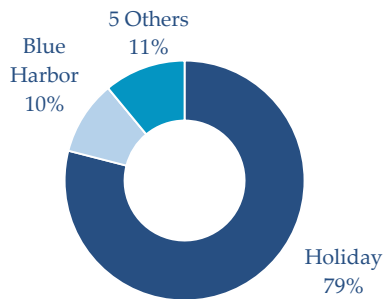
Portfolio Diversification⁽¹⁾

\$2.5bn Investment

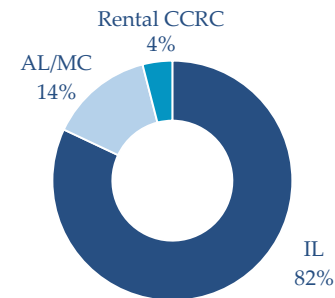
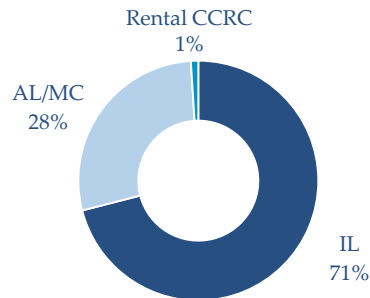
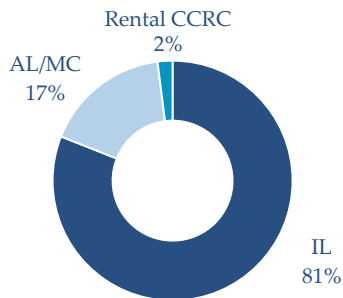
\$470mm Annualized Revenue

\$161mm Annualized NOI

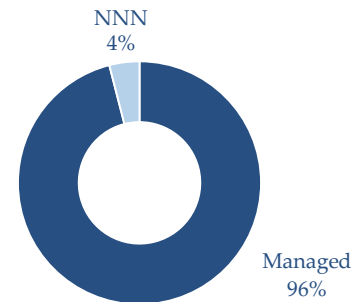
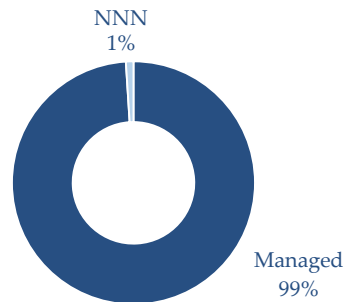
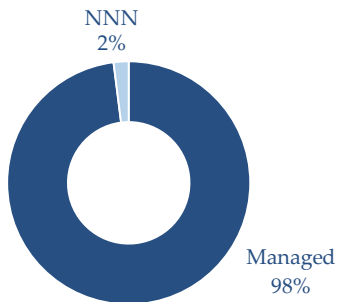
By Operator / Manager



By Property Type



By Business Model



1) Percentages calculated based on 1Q19 NOI.

Portfolio Diversification⁽¹⁾

By State

(\$ in thousands)									
Managed				NNN			Total		
State	Properties	Annual. NOI	% of Total	Properties	Annual. NOI	% of Total	Properties	Annual. NOI	% of Total
California	11	\$ 20,961	14%	-	\$ -	-	11	\$ 20,961	13%
Florida	15	19,253	12%	-	-	-	15	19,253	12%
North Carolina	9	14,749	9%	-	-	-	9	14,749	9%
Oregon	9	13,170	8%	-	-	-	9	13,170	8%
Pennsylvania	6	5,768	4%	1	6,330	100%	7	12,098	8%
Texas	13	10,286	7%	-	-	-	13	10,286	6%
New York	3	5,927	4%	-	-	-	3	5,927	4%
Colorado	5	5,188	3%	-	-	-	5	5,188	3%
New Hampshire	4	4,457	3%	-	-	-	4	4,457	3%
Missouri	3	4,275	3%	-	-	-	3	4,275	3%
Other states	54	50,726	33%	-	-	-	54	50,726	31%
Total	132	\$ 154,760	100%	1	\$ 6,330	100%	133	\$ 161,090	100%

By Operator / Manager

(\$ in thousands)									
Managed				NNN			Total		
Operator/ Manager	Properties	Annual. NOI	% of Total	Properties	Annual. NOI	% of Total	Properties	Annual. NOI	% of Total
Holiday	99	\$ 129,516	84%	-	\$ -	-	99	\$ 129,516	80%
Blue Harbor	19	18,670	12%	-	-	-	19	18,670	12%
Other operators	14	6,574	4%	1	6,330	100%	15	12,904	8%
Total	132	\$ 154,760	100%	1	\$ 6,330	100%	133	\$ 161,090	100%

1) Percentages calculated based on 1Q19 NOI.

1Q 2019 Adjusted Same Store Total Portfolio

1Q19: Quarter-over-Quarter

1Q19: Year-over-Year

(\$ in thousands)

	Adjusted Same Store Cash NOI				Adjusted Same Store Cash NOI			
	# of Prop.	4Q18	1Q19	Δ	# of Prop.	1Q18	1Q19	Δ
<i>Managed Properties</i>	121	\$41,249	\$38,730	(6.1%)	121	\$38,646	\$38,730	0.2%
<i>NNN Properties</i>	1	\$1,411	\$1,411	0.0%	1	\$1,372	\$1,411	2.9%
<i>Total Adjusted Same Store</i>	122	\$42,660	\$40,141	(5.9%)	122	\$40,018	\$40,141	0.3%

Adjusted Same Store Managed Portfolio - Total

Quarterly Performance

(\$ in thousands, except RevPOR)	1Q18	2Q18	3Q18	4Q18	1Q19	QoQ	YoY
# of Properties	121	121	121	121	121	-	-
Average Available Beds	14,268	14,270	14,274	14,275	14,271	(4)	3
Occupancy	86.4%	86.5%	87.1%	86.9%	86.1%	(80bps)	(30bps)
RevPOR	\$2,887	\$2,891	\$2,891	\$2,902	\$2,921	0.6%	1.2%
GAAP							
Revenue	\$106,023	\$105,967	\$106,688	\$107,446	\$107,088	(0.3%)	1.0%
Expenses	(\$68,146)	(\$66,907)	(\$68,307)	(\$66,786)	(\$68,977)	3.3%	1.2%
NOI	\$37,877	\$39,060	\$38,381	\$40,660	\$38,111	(6.3%)	0.6%
Cash							
Revenue	\$106,793	\$107,064	\$107,818	\$108,035	\$107,707	(0.3%)	0.9%
Expenses	(\$68,147)	(\$66,907)	(\$68,307)	(\$66,786)	(\$68,977)	3.3%	1.2%
NOI	\$38,646	\$40,157	\$39,511	\$41,249	\$38,730	(6.1%)	0.2%
Cash NOI Margin	36.2%	37.5%	36.6%	38.2%	36.0%	(220bps)	(20bps)

Adjusted Same Store Managed Portfolio - IL

Quarterly Performance

(\$ in thousands, except RevPOR)	1Q18	2Q18	3Q18	4Q18	1Q19	QoQ	YoY
<i># of Properties</i>	102	102	102	102	102	-	-
<i>Average Available Beds</i>	11,972	11,973	11,974	11,974	11,974	-	2
<i>Occupancy</i>	87.2%	87.5%	88.1%	87.8%	87.0%	(80bps)	(20bps)
<i>RevPOR</i>	\$2,667	\$2,671	\$2,669	\$2,679	\$2,700	0.8%	1.2%
GAAP							
<i>Revenue</i>	\$82,794	\$82,804	\$83,342	\$83,886	\$83,744	(0.2%)	1.1%
<i>Expenses</i>	(\$50,651)	(\$49,434)	(\$50,458)	(\$48,708)	(\$50,719)	4.1%	0.1%
<i>NOI</i>	\$32,143	\$33,370	\$32,884	\$35,178	\$33,025	(6.1%)	2.7%
Cash							
<i>Revenue</i>	\$83,529	\$83,905	\$84,459	\$84,461	\$84,365	(0.1%)	1.0%
<i>Expenses</i>	(\$50,651)	(\$49,433)	(\$50,458)	(\$48,709)	(\$50,719)	4.1%	0.1%
<i>NOI</i>	\$32,878	\$34,472	\$34,001	\$35,752	\$33,646	(5.9%)	2.3%
<i>Cash NOI Margin</i>	39.4%	41.1%	40.3%	42.3%	39.9%	(240bps)	50bps

Adjusted Same Store Managed Portfolio – AL/MC

Quarterly Performance

(\$ in thousands, except RevPOR)	1Q18	2Q18	3Q18	4Q18	1Q19	QoQ	YoY
# of Properties	19	19	19	19	19	-	-
Average Available Beds	2,296	2,297	2,300	2,301	2,297	(4)	1
Occupancy	82.3%	81.6%	81.9%	82.5%	81.6%	(90bps)	(70bps)
RevPOR	\$4,104	\$4,121	\$4,135	\$4,142	\$4,150	0.2%	1.1%
GAAP							
Revenue	\$23,229	\$23,163	\$23,346	\$23,560	\$23,344	(0.9%)	0.5%
Expenses	(\$17,496)	(\$17,474)	(\$17,849)	(\$18,078)	(\$18,258)	1.0%	4.4%
NOI	\$5,733	\$5,689	\$5,497	\$5,482	\$5,086	(7.2%)	(11.3%)
Cash							
Revenue	\$23,264	\$23,159	\$23,358	\$23,574	\$23,342	(1.0%)	0.3%
Expenses	(\$17,496)	(\$17,473)	(\$17,848)	(\$18,078)	(\$18,258)	1.0%	4.4%
NOI	\$5,768	\$5,686	\$5,510	\$5,496	\$5,084	(7.5%)	(11.9%)
Cash NOI Margin	24.8%	24.6%	23.6%	23.3%	21.8%	(150bps)	(300bps)

Transition Assets⁽¹⁾

Quarterly Performance

(\$ in thousands, except RevPOR)	1Q18	2Q18	3Q18	4Q18	1Q19	QoQ	YoY
# of Properties	9	9	9	9	9	-	-
Average Available Beds	842	842	842	842	842	-	-
Occupancy	75.6%	75.4%	75.3%	75.6%	74.0%	(160bps)	(160bps)
RevPOR	\$3,632	\$3,640	\$3,686	\$3,704	\$3,702	(0.1%)	1.9%
GAAP							
Revenue	\$6,941	\$6,947	\$6,996	\$7,091	\$6,945	(2.1%)	0.1%
Expenses	(\$5,951)	(\$6,059)	(\$6,252)	(\$6,138)	(\$6,150)	0.2%	3.3%
NOI	\$990	\$888	\$744	\$953	\$795	(16.6%)	(19.6%)
Cash							
Revenue	\$6,937	\$6,930	\$7,015	\$7,077	\$6,926	(2.1%)	(0.2%)
Expenses	(\$5,952)	(\$6,060)	(\$6,252)	(\$6,139)	(\$6,150)	0.2%	3.3%
NOI	\$985	\$870	\$763	\$938	\$776	(17.2%)	(21.2%)
Cash NOI Margin	14.2%	12.6%	10.9%	13.3%	11.2%	(210bps)	(300bps)

1) Based on assets transitioned in 1Q19.

Managed Portfolio – 1Q 2019 New Supply Summary

Managed Portfolio⁽¹⁾

Rank	Metro Market	New Senior			New Senior 5 Mile Ring							MSA Statistics			
		Number of Properties	Annualized Cash NOI (000s)	% of Total NOI ⁽²⁾	Prop. / Units Under Construction	SNR Prop. / Units Impacted	% of Total NOI Impacted	75+ Population Annual Growth ⁽³⁾	Median Household Income ⁽³⁾	Median Household Value ⁽³⁾	Construction vs. Inventory	75+ Population Annual Growth ⁽³⁾	Median Household Income ⁽³⁾	Median Household Value ⁽³⁾	Construction vs. Inventory
1	Dallas, TX	9	\$7,271	4.5%	9 / 1,145	5 / 676	2.4%	3.7%	\$70,665	\$269,376	5.2%	4.8%	\$68,843	\$210,341	7.4%
2	Raleigh, NC	3	5,901	3.6%	3 / 500	1 / 117	1.4%	4.1%	80,571	276,955	22.2%	5.4%	76,193	262,892	11.3%
3	Riverside, CA	2	4,890	3.0%	3 / 227	1 / 116	1.5%	3.0%	79,399	399,206	23.8%	3.2%	63,633	354,922	8.8%
4	Sarasota, FL	4	4,869	3.0%	7 / 655	4 / 481	3.0%	1.9%	56,461	233,985	7.8%	2.1%	58,793	250,066	5.7%
5	Los Angeles, CA	2	4,235	2.6%	- / -	- / -	-	3.6%	80,869	477,805	-	2.7%	72,264	650,973	7.3%
6	Eugene, OR	2	3,924	2.4%	- / -	- / -	-	2.3%	48,129	271,606	-	2.1%	51,834	274,058	-
7	Charlotte, NC	2	3,764	2.3%	- / -	- / -	-	5.4%	64,363	193,785	-	4.3%	64,967	212,480	6.9%
8	Santa Cruz, CA	1	3,694	2.3%	- / -	- / -	-	3.2%	77,883	852,850	-	3.1%	82,459	801,068	-
9	Hartford, CT	2	3,493	2.1%	3 / 381	2 / 276	2.1%	0.8%	74,540	246,910	35.0%	1.1%	77,144	263,970	9.7%
10	St. Louis, MO	2	3,275	2.0%	3 / 246	2 / 209	2.0%	0.9%	85,735	264,020	8.7%	1.6%	64,534	185,466	8.0%
11	Boston, MA	3	3,264	2.0%	2 / 248	1 / 114	1.3%	2.1%	86,163	327,947	39.1%	2.3%	89,829	464,605	5.7%
12	Corvallis, OR	2	3,224	2.0%	- / -	- / -	-	2.5%	56,058	316,960	-	2.8%	63,004	315,006	-
13	San Diego, CA	2	2,939	1.8%	1 / 49	1 / 116	0.8%	2.7%	69,980	515,989	2.2%	3.0%	78,294	601,214	5.2%
14	Springfield, MA	2	2,796	1.7%	- / -	- / -	-	1.4%	51,077	205,167	-	1.6%	58,631	234,935	0.0%
15	Boise, ID	1	2,721	1.7%	1 / 63	1 / 121	1.7%	3.6%	56,760	245,070	3.1%	4.2%	59,726	233,070	7.7%
16	Other Markets	91	97,762	60.1%	33 / 3623	22 / 2507	13.9%	2.3%	61,063	243,732	4.7%	2.6%	63,279	263,876	2.8%
Managed Portfolio		130	\$158,024	97.1%	65 / 7,137	40 / 4,733	30.1%	2.4%	\$62,411	\$259,574	5.8%	2.6%	\$64,606	\$286,121	6.7%

- 1) Data per NIC for inventory in markets reported by NIC for 1Q19, which excludes some markets represented in New Senior's portfolio. Analysis excludes two assets held for sale.
- 2) Percentages calculated based on 1Q19 Cash NOI.
- 3) Based on Nielsen estimates for 2019 household and 2019 – 2024 population trends.

Acquisition & Disposition Activity Since January 1, 2017⁽¹⁾

(\$ in millions)

Acquisition Activity

	Date	Segment	Property Type	Property Count	Beds	Units	Purchase Price
Total Acquisitions	-	-	-	-	-	-	-

Disposition Activity

	Date	Segment	Property Type	Property Count	Beds	Units	Sale Price
	January 2017	Managed	AL/MC	2	214	152	\$ 15.5
	June 2017	Managed	IL	2	299	299	\$ 33.0
	November 2017	Managed	AL/MC	9	1,391	1,185	\$ 109.5
	December 2017	NNN	IL / AL/MC / CCRC	6	1,234	1,120	\$ 186.0
Total Dispositions	-	-	-	19	3,138	2,756	\$ 344.0

Debt Maturities and Composition⁽¹⁾

Debt Maturities & Scheduled Principal Amortization⁽²⁾

(\$ in thousands)

Year	Revolving Credit Facility		Mortgage Debt		Total Debt		
	Amounts	Rate	Amounts	Rate	Amount	Rate	% of Total Debt
2019	-	-	\$7,268	-	\$7,268	-	0.4%
2020	-	-	12,505	-	12,505	-	0.7%
2021 ⁽³⁾	\$69,000	5.0%	20,062	-	89,062	5.0%	4.7%
2022	-	-	638,636	4.9%	638,636	4.9%	33.6%
2023	-	-	19,817	-	19,817	-	1.0%
2024	-	-	20,619	-	20,619	-	1.1%
2025	-	-	1,114,914	4.6%	1,114,914	4.6%	58.5%
Total Debt	\$69,000	5.0%	\$1,833,821	4.7%	\$1,902,821	4.7%	100.0%
Deferred Financing Costs	(2,936)	-	(17,249)	-	(20,185)	-	-
Total Debt, Net	\$66,064	-	\$1,816,572	-	\$1,882,636	-	-
W.A. Maturity in Years	2.7	-	5.2	-	5.1	-	-

Debt Composition

(\$ in thousands)

	Amounts	Rate	Effective	W.A. Maturity in Years
Fixed Rate Debt	\$464,680	4.3%	4.3%	6.3
Variable Rate Debt	1,438,141	4.8%	5.0%	4.8
Total Debt	\$1,902,821	4.7%	4.8%	5.1

1) Debt information is as of March 31, 2019.

2) Based on current unpaid principal balance.

3) Company has an option to extend the maturity date on \$69 million to December 2022, subject to a fee of 15bps of the total commitment.

Capitalization

Total Capitalization

(\$ and shares in millions, except per share data)	Price as of	Shares	Value
	3/31/2019	Outstanding	
Market Capitalization	\$5.45	82.2	\$448.0
Mortgage notes payable, net			1,882.6
Cash			(41.5)
Net debt			\$1,841.1
Enterprise Value			\$2,289.1

Common Stock & Equivalents

Weighted Average Amounts Outstanding For:	Period
	1Q19
<u>EPS</u>	
Common shares - basic	82,203,069
Effect of dilutive securities:	-
Total common shares – diluted	82,203,069
<u>FFO, Norm. FFO, AFFO and Norm. FAD</u>	
Common shares – basic	82,203,069
Effect of dilutive securities	892,626
Total common shares – diluted	83,095,695
<u>Period Ending</u>	
Common shares	82,203,069
Restricted stock & stock options	10,967,305
Total common shares and options	93,170,374

2019 Guidance⁽¹⁾

Full Year 2019 Per Share Guidance

(Shares in millions)

	Low	High
Net loss attributable to common stockholders	\$ (0.51)	\$ (0.45)
Depreciation & amortization	0.99	0.99
FFO	\$ 0.48	\$ 0.54
Compensation expense related to transition awards	0.03	0.03
Other expense ⁽²⁾	0.01	0.01
Acquisition, transaction & integration costs	0.02	0.02
Normalized FFO	\$ 0.54	\$ 0.60
Straight-line rental revenue	(0.01)	(0.01)
Amortization of deferred financing costs	0.05	0.05
Amortization of deferred community fees & other	0.03	0.03
Amortization of equity-based compensation	0.00	0.00
AFFO	\$ 0.61	\$ 0.67
Diluted shares outstanding	84	84

Assumptions

- **Same Store Managed Cash NOI:** Range of (3.0%) to 0.0%
- **G&A:** \$19 – 20 million
- **Interest expense:** LIBOR assumed at 2.50% (each 25bps change in LIBOR equates to \$0.04 per share)
- **Shares:** 84 million diluted shares outstanding

1) The Company's guidance is based on a number of other assumptions that are subject to change and many are outside the control of the Company. If actual results vary from these assumptions, the Company's expectations may change. There can be no assurance that the Company will achieve these results.

2) Primarily includes changes in the fair value of financial instruments and casualty related charges.

Consolidated Balance Sheet

(\$ in thousands)	3/31/18	6/30/18	9/30/18	12/31/18	3/31/19
<u>Assets</u>	(unaudited)	(unaudited)	(unaudited)		(unaudited)
Real estate investments:					
Land	\$ 182,238	\$ 182,238	\$ 182,238	\$ 177,956	\$ 177,956
Buildings, improvements and other	2,333,016	2,346,680	2,352,135	2,335,813	2,344,954
Accumulated depreciation	(297,035)	(318,982)	(341,250)	(358,368)	(379,065)
Net real estate property	<u>2,218,219</u>	<u>2,209,936</u>	<u>2,193,123</u>	<u>2,155,401</u>	<u>2,143,845</u>
Acquired lease and other intangible assets	69,139	8,638	8,638	8,638	8,638
Accumulated amortization	(59,406)	(2,682)	(2,788)	(2,877)	(2,966)
Net real estate intangibles	<u>9,733</u>	<u>5,956</u>	<u>5,850</u>	<u>5,761</u>	<u>5,672</u>
Net real estate investments	<u>2,227,952</u>	<u>2,215,892</u>	<u>2,198,973</u>	<u>2,161,162</u>	<u>2,149,517</u>
Cash and cash equivalents	120,834	170,762	157,365	72,422	41,519
Straight-line rent receivables	85,771	3,148	3,321	3,494	3,667
Receivables and other assets, net	38,190	38,513	41,352	49,180	51,165
Total Assets	\$ 2,472,747	\$ 2,428,315	\$ 2,401,011	\$ 2,286,258	\$ 2,245,868
<u>Liabilities, Redeemable Preferred Stock & Equity</u>					
Debt, net	\$ 1,902,901	\$ 1,951,042	\$ 1,951,884	\$ 1,884,882	\$ 1,882,636
Due to affiliates	8,957	13,140	15,339	26,245	-
Accrued expenses and other liabilities	89,709	53,391	54,029	52,679	62,040
Total Liabilities	\$ 2,001,567	\$ 2,017,573	\$ 2,021,252	\$ 1,963,806	\$ 1,944,676
Redeemable preferred stock	-	-	-	\$ 40,000	\$ 40,598
Common stock	\$ 821	\$ 821	\$ 821	\$ 821	\$ 822
Additional paid-in capital	898,135	898,135	898,135	898,135	898,858
Accumulated deficit	(427,776)	(488,214)	(519,197)	(616,504)	(639,086)
Total Equity	\$ 471,180	\$ 410,742	\$ 379,759	\$ 282,452	\$ 260,594
Total Liabilities, Redeemable Preferred Stock & Equity	\$ 2,472,747	\$ 2,428,315	\$ 2,401,011	\$ 2,286,258	\$ 2,245,868

Consolidated Income Statement

(\$ and shares in thousands, except per share data)

	1Q18	2Q18	3Q18	4Q18	1Q19
	(unaudited)	(unaudited)	(unaudited)		(unaudited)
Revenues					
Resident fees and services	\$ 75,343	\$ 96,484	\$ 116,178	\$ 116,886	\$ 116,037
Rental revenue	23,875	12,368	1,582	1,582	1,582
Total revenues	99,218	108,852	117,760	118,468	117,619
Expenses					
Property operating expense	(52,099)	(63,510)	(77,066)	(75,110)	(77,347)
Depreciation and amortization	(26,725)	(24,521)	(22,373)	(22,331)	(20,787)
Interest expense	(21,923)	(25,755)	(29,268)	(24,230)	(23,719)
General and administrative expense	(3,752)	(3,140)	(3,219)	(3,276)	(4,984)
Acquisition, transaction and integration expense	(2,888)	(8,683)	(1,559)	(2,789)	(650)
Termination fee to affiliate	-	-	-	(50,000)	-
Management fees and incentive compensation to affiliate	(3,752)	(3,687)	(3,688)	(3,687)	-
Loss on extinguishment of debt	-	(58,544)	-	(7,675)	-
Impairment of real estate	-	-	-	(8,725)	-
Other expense	(1,380)	(32)	(782)	(1,780)	(1,245)
Total expenses	(112,519)	(187,872)	(137,955)	(199,603)	(128,732)
Gain on lease termination	-	40,090	-	-	-
Loss before income taxes	(13,301)	(38,930)	(20,195)	(81,135)	(11,113)
Income tax expense	(48)	(151)	(104)	(5,491)	(80)
Net loss	\$ (13,349)	\$ (39,081)	\$ (20,299)	\$ (86,626)	\$ (11,193)
Deemed dividend on redeemable preferred stock	-	-	-	-	(598)
Net loss attributable to common stockholders	\$ (13,349)	\$ (39,081)	\$ (20,299)	\$ (86,626)	\$ (11,791)
<i>Basic and diluted net income (loss) per share of common stock</i>	<i>\$ (0.16)</i>	<i>\$ (0.48)</i>	<i>\$ (0.25)</i>	<i>\$ (1.05)</i>	<i>\$ (0.14)</i>
<i>W.A. basic shares of common stock outstanding</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,203</i>
<i>W.A. diluted shares of common stock outstanding</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,203</i>

Consolidated Statement of Cash Flows (Unaudited)

(\$ in thousands)

	1Q18	2Q18	3Q18	4Q18	1Q19
Cash Flows from Operating Activities					
Net Loss	\$ (13,349)	\$ (39,081)	\$ (20,299)	\$ (86,626)	\$ (11,193)
Adjustments:					
Depreciation of tangible assets and amortization of intangible assets	26,749	24,532	22,373	22,332	20,787
Amortization of deferred financing costs	2,132	3,162	4,102	1,116	1,208
Amortization of deferred revenue, net	331	865	1,150	522	613
Non-cash straight-line rental revenue	(3,326)	(1,693)	(173)	(173)	(173)
Non-cash adjustment on lease termination	-	29,910	-	-	-
Loss on extinguishment of debt	-	58,544	-	7,675	-
Non-cash termination fee to affiliate	-	-	-	40,000	-
Impairment of real estate	-	-	-	8,725	-
Provision for uncollectible receivables	345	555	730	671	-
Amortization of equity-based compensation	-	-	-	-	449
Non-cash valuation allowance on net deferred tax assets, net	-	-	-	5,354	-
Other non-cash expense	1,322	(65)	1,051	2,012	1,058
Changes in:					
Receivables and other assets, net	(796)	(4,307)	57	(79)	(4,099)
Due to affiliates	(593)	4,183	2,199	10,906	(25,995)
Accrued expenses and other liabilities	2,915	9,549	(1,548)	(2,884)	6,250
Net cash provided by (used in) operating activities	\$ 15,730	\$ 86,154	\$ 9,642	\$ 9,551	\$ (11,095)
Cash Flows from Investing Activities					
Capital expenditures, net of insurance proceeds	(3,561)	(4,624)	(5,420)	(5,557)	(6,647)
Net cash (used in) investing activities	\$ (3,561)	\$ (4,624)	\$ (5,420)	\$ (5,557)	\$ (6,647)
Cash Flows from Financing Activities					
Principal payments of mortgage notes payable and capital lease obligations	\$ (7,159)	\$ (5,631)	\$ (3,273)	\$ (3,365)	\$ (2,766)
Proceeds of mortgage loan payable	-	720,000	-	720,000	-
Repayments of mortgage notes payable	-	(663,788)	-	(845,399)	-
Payment of exit fee on extinguishment of debt	-	(51,886)	-	(1,236)	-
Proceeds from borrowings on revolving credit facility	-	-	-	125,000	-
Repayments of borrowings on revolving credit facility	-	-	-	(56,000)	-
Payment of deferred financing costs	(587)	(11,733)	(1,343)	(13,417)	(753)
Purchase of interest rate caps	(280)	(61)	-	(2,505)	(35)
Payment of common stock dividend	(21,359)	(21,357)	(10,684)	(10,681)	(10,687)
Net cash (used in) financing activities	\$ (29,385)	\$ (34,456)	\$ (15,300)	\$ (87,603)	\$ (14,241)
Net increase (decrease) in cash, cash equivalents and restricted cash	(17,216)	47,074	(11,078)	(83,609)	(31,983)
Cash, cash equivalents and restricted cash, beginning of period	157,485	140,269	187,343	176,265	92,656
Cash, cash equivalents and restricted cash, end of period	\$ 140,269	\$ 187,343	\$ 176,265	\$ 92,656	\$ 60,673

Adjusted NOI Reconciliation (1Q 2019 Year-over-Year)

(\$ in thousands)	1Q19				1Q18			
	NNN Properties	Managed Properties		Total	NNN Properties	Managed Properties		Total
		IL	AL/MC			IL	AL/MC	
Adjusted Same Store Cash NOI ⁽¹⁾	\$ 1,411	\$ 33,646	\$ 5,084	\$ 40,141	\$ 1,372	\$ 32,878	\$ 5,768	\$ 40,018
Non-Same Store Cash NOI	-	-	527	527	-	-	1,197	1,197
Triple net lease to managed adjustment ⁽²⁾	-	-	-	-	-	6,046	-	6,046
Straight-line rental revenue	173	-	-	173	211	-	-	211
Amortization of deferred community fees and other ⁽³⁾	(2)	(621)	54	(569)	(2)	(295)	(56)	(353)
Segment / Total NOI	\$ 1,582	\$ 33,025	\$ 5,665	\$ 40,272	\$ 1,581	\$ 38,629	\$ 6,909	\$ 47,119
Depreciation and amortization				(20,787)				(26,725)
Interest expense				(23,719)				(21,923)
General and administrative expense				(4,984)				(3,752)
Acquisition, transaction & integration expense				(650)				(2,888)
Management fees and incentive compensation to affiliate				-				(3,752)
Other expense				(1,245)				(1,380)
Income tax expense				(80)				(48)
Net Loss				\$ (11,193)				\$ (13,349)
Deemed dividend on redeemable preferred stock				(598)				-
Net Loss Attributable to Common Stockholders				\$ (11,791)				\$ (13,349)

1) For the period during which the properties were owned on a triple net basis, cash NOI reflects the unaudited operating results provided by the operator, as opposed to the rent recorded by the Company, and excludes ancillary service revenue attributable to a business that ceased operations over the course of 2018.

2) Primarily represents straight-line rental revenue for the period during which the properties were owned on a triple net basis.

3) Includes amortization of deferred community fees and other, which includes the net change in deferred community fees and other rent discounts or incentives.

Adjusted NOI Reconciliation (1Q 2019 Quarter-over-Quarter)

(\$ in thousands)	1Q19				4Q18			
	NNN Properties	Managed Properties		Total	NNN Properties	Managed Properties		Total
		IL	AL/MC			IL	AL/MC	
Adjusted Same Store Cash NOI	\$ 1,411	\$ 33,646	\$ 5,084	\$ 40,141	\$ 1,411	\$ 35,752	\$ 5,496	\$ 42,659
Non-Same Store Cash NOI	-	-	527	527	-	-	1,049	1,049
Straight-line rental revenue	173	-	-	173	173	-	-	173
Amortization of deferred community fees and other ¹⁾	(2)	(621)	54	(569)	(2)	(574)	53	(523)
Segment / Total NOI	\$ 1,582	\$ 33,025	\$ 5,665	\$ 40,272	\$ 1,582	\$ 35,178	\$ 6,598	\$ 43,358
Depreciation and amortization				(20,787)				(22,331)
Interest expense				(23,719)				(24,230)
General and administrative expense				(4,984)				(3,276)
Acquisition, transaction & integration expense				(650)				(2,789)
Termination fee to affiliate				-				(50,000)
Management fees and incentive compensation to affiliate				-				(3,687)
Loss on extinguishment of debt				-				(7,675)
Impairment of real estate held for sale				-				(8,725)
Other expense				(1,245)				(1,780)
Income tax expense				(80)				(5,491)
Net Loss				\$ (11,193)				\$ (86,626)
Deemed dividend on redeemable preferred stock				(598)				-
Net Loss Attributable to Common Stockholders				\$ (11,791)				\$ (86,626)

1) Includes amortization of deferred community fees and other, which includes the net change in deferred community fees and other rent discounts or incentives.

GAAP Reconciliation of FFO, Normalized FFO, AFFO and Normalized FAD

<i>(\$ and shares in thousands, except per share data)</i>	1Q19
Net loss	\$ (11,791)
Add (Deduct):	
Depreciation and amortization	20,787
FFO	\$ 8,996
FFO per Diluted Share	\$ 0.11
Acquisition, transaction & integration expense	650
Compensation expense related to transition awards	601
Other expense ⁽¹⁾	1,306
Normalized FFO	\$ 11,553
Normalized FFO per Diluted Share	\$ 0.14
Straight-line rental revenue	(173)
Amortization of deferred financing costs	1,208
Amortization of deferred community fees and other ⁽²⁾	569
AFFO	\$ 13,157
AFFO per Diluted Share	\$ 0.16
Routine capital expenditures	(1,867)
Normalized FAD	\$ 11,290
Normalized FAD per Diluted Share	\$ 0.14
Weighted average diluted shares outstanding	83,096

1) Primarily includes changes in the fair value of financial instruments and casualty related charges.

2) Includes amortization of deferred community fees and other, which includes the net change in deferred community fees and other rent discounts or incentives.

Glossary

EBITDARM

EBITDARM is a non-GAAP measure that represents earnings before interest, taxes, depreciation, amortization, rent and management fees for the period stated unless otherwise noted. We use EBITDARM in determining coverage and as a supplemental measure of the ability of the property to generate sufficient liquidity to meet related obligations to us. For our triple net lease portfolio, all facility financial performance data was derived solely from information provided by operators/tenants without independent verification by us. EBITDARM does not represent net income or cash flow from operations and should not be considered an alternative to those indications.

EBITDARM Coverage

Facility EBITDARM divided by the aggregate of base rent and any additional rent due to us for the same period. EBITDARM coverage is a supplemental measure of a property's ability to generate cash flows for the operator/tenant (not for us) to meet the operator's/tenant's related rent and other obligations to us.

Enterprise Value

Enterprise value is equal to market capitalization plus carrying value of mortgage notes payable, minus cash.

FFO, Normalized FFO, AFFO and Normalized FAD

We use Funds From Operations ("FFO") and Normalized FFO as supplemental measures of our operating performance. We use the National Association of Real Estate Investment Trusts ("NAREIT") definition of FFO. NAREIT defines FFO as GAAP net income excluding gains (losses) from sales of depreciable real estate assets and impairment charges of depreciable real estate, plus real estate depreciation and amortization, and after adjustments for unconsolidated entities and joint ventures to reflect FFO on the same basis. FFO does not account for debt principal payments and is not intended as a measure of a REIT's ability to satisfy such payments or any other cash requirements.

Normalized FFO, as defined below, measures the financial performance of our portfolio of assets excluding items that, although incidental to, are not reflective of the day-to-day operating performance of our portfolio of assets. We believe that Normalized FFO is useful because it facilitates the evaluation of our portfolio's operating performance (i) between periods on a consistent basis and (ii) to the operating performance of other real estate companies. However, comparability may be limited because our calculation of Normalized FFO may differ significantly from that of other companies, or because of features of our business that are not present in other companies.

FFO, Normalized FFO, AFFO and Normalized FAD (continued)

We define Normalized FFO as FFO excluding the following income and expense items, as applicable: (a) acquisition, transaction and integration related costs and expenses; (b) the write off of unamortized discounts, premiums, deferred financing costs, or additional costs, make whole payments and penalties or premiums incurred as the result of early repayment of debt (collectively "Gain (Loss) on extinguishment of debt"); (c) incentive compensation recognized as a result of sales of property; (d) the remeasurement of deferred tax assets; (e) valuation allowance on deferred tax assets, net; (f) termination fee to Former Manager; (g) gain on lease termination; (h) compensation expense related to transition awards and (i) other items that we believe are not indicative of operating performance, generally reported as "Other (income) expense" in the Consolidated Statements of Operations.

We also use AFFO and Normalized FAD as supplemental measures of our operating performance. We believe AFFO is useful because it facilitates the evaluation of (i) the current economic return on our portfolio of assets between periods on a consistent basis and (ii) our portfolio versus those of other real estate companies that report AFFO. However, comparability may be limited because our calculation of FFO may differ significantly from that of other companies, or because of features of our business that are not present in other companies.

We define AFFO as Normalized FFO excluding the impact of the following: (a) straight-line rental revenue; (b) amortization of above / below market lease intangibles; (c) amortization of deferred financing costs; (d) amortization of premium on mortgage notes payable; (e) amortization of deferred community fees and other, which includes the net change in deferred community fees and other rent discounts or incentives and (f) amortization of equity-based compensation expense. We believe AFFO is useful because it facilitates the evaluation of (i) the current economic return on our portfolio of assets between periods on a consistent basis and (ii) our portfolio versus those of other real estate companies that report AFFO. However, comparability may be limited because our calculation of AFFO may differ significantly from that of other companies, or because of features of our business that are not present in other companies.

We define Normalized FAD as AFFO less routine capital expenditures, which we view as a cost associated with the current economic return. Normalized FAD, which does not reflect debt principal payments and certain other expenses, does not represent cash available for distribution to stockholders.

Glossary

Gross Assets

The carrying amount of total assets, after adding back accumulated depreciation and amortization, as reported in our consolidated financial statements.

Investment

Represents the carrying amount of real estate assets, including intangibles, after adding back accumulated depreciation and amortization, for all assets owned as of the end of the respective reporting period.

Net Operating Income (“NOI”) and Cash NOI

NOI and cash NOI are non-GAAP measures. We define NOI as total revenue less property operating expenses, which include property management fees and travel cost reimbursements. Cash receipts may differ due to straight-line recognition of certain rental income and the application of other GAAP policies. We define cash NOI as NOI excluding the effects of straight-line rental revenue, amortization of above / below market lease intangibles and amortization of deferred community fees and other, which includes the net change in deferred community fees and other rent discounts or incentives. We believe that NOI and cash NOI serve as useful supplemental measures to net income because they allow investors, analysts and management to measure unlevered property-level operating results and to compare our operating results between periods and to the operating results of other real estate companies on a consistent basis.

Occupancy

For the managed portfolio, occupancy represents the facilities’ average operating occupancy for the trailing three-month period. For the triple net lease portfolio, occupancy is based on the period reported unless otherwise noted. The percentages are calculated based on available beds. All occupancy data was derived solely from information provided by operators/tenants without independent verification by us.

RevPOR

Represents average GAAP revenues per occupied bed per month. We use RevPOR to evaluate the revenue generating potential of our senior housing portfolio independent of fluctuating occupancy rates.

Same Store and Adjusted Same Store

Same store data presented herein excludes properties acquired, sold, transitioned to other operators or between segments, or classified as held for sale during the comparable periods. Same store data is intended to enable management to evaluate the performance of a consistent portfolio of real estate in a manner that eliminates variances attributable to changes in the composition of our portfolio over time, due to sales and various other factors.

Adjusted same store cash NOI adjusts same store cash NOI to include properties transitioned from the Company’s triple net lease segment to the managed segment during the comparative periods. For the period during which the properties were owned on a triple net basis, cash NOI reflects the unaudited operating results provided by the operator, as opposed to the rent recorded by the Company, and excludes ancillary service revenue attributable to a business that ceased operations over the course of 2018.

Segment NOI Margin

Segment NOI margin is equal to Segment NOI divided by Segment Revenue.

Forward-Looking Statements, Non-GAAP and Other Information

IN GENERAL. This disclaimer applies to this document and the verbal or written comments of any person presenting it. This document, taken together with any such verbal or written comments, is referred to herein as the “Presentation.” Throughout this Presentation, New Senior Investment Group Inc. (NYSE: SNR) is referred to as “New Senior,” the “Company,” “SNR” or “we.”

FORWARD-LOOKING STATEMENTS. Certain information in this press release may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation statements regarding the Company’s 2019 strategic priorities (including, without limitation, plans relating to optimizing the Company’s portfolio through operator transitions and asset sales, plans to manage operator concentration and plans to strengthen the balance sheet and potentially reduce leverage), the Company’s guidance regarding future financial results, the declaration or amount of any future dividend, the results of stockholder votes, the approval of the derivative settlement, and the timing of any future guidance. These statements are not historical facts. They represent management’s current expectations regarding future events and are subject to a number of risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those described in the forward-looking statements. These risks and uncertainties include, but are not limited to, risks and uncertainties relating to the Company’s ability to successfully manage the transition to self-management, the asset management by third parties and market conditions affecting demand and supply for senior housing. Accordingly, you should not place undue reliance on any forward-looking statements contained herein. For a discussion of these and other risks and important factors that could affect such forward-looking statements, see the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s most recent annual and quarterly reports filed with the Securities and Exchange Commission, which are available on the Company’s website (www.newseniorinv.com). New risks and uncertainties emerge from time to time, and it is not possible for New Senior to predict or assess the impact of every factor that may cause its actual results to differ materially from those contained in any forward-looking statements. Forward-looking statements contained herein speak only as of the date of this press release, and New Senior expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in New Senior’s expectations with regard thereto or change in events, conditions or circumstances on which any statement is based.

NON-GAAP FINANCIAL INFORMATION. This Presentation includes information based on financial measures that are not recognized under generally accepted accounting principles (“GAAP”), such as NOI, cash NOI, adjusted same store cash NOI, Normalized FFO, AFFO and Normalized FAD. You should use non-GAAP information in addition to, and not as an alternative to, financial information prepared in accordance with GAAP. See the end of this Presentation for reconciliations to the most comparable GAAP measures and an explanation of each of our non-GAAP measures. Our non-GAAP measures may not be identical or comparable to measures with the same name presented by other companies due to differences in calculation, capital structure or other factors.

PAST PERFORMANCE. In all cases where historical results are presented or past performance is described, we note that past performance is not a reliable indicator of future results and performance.

GLOSSARY. See the Glossary at the end of this Presentation for an explanation of various terms used herein.