

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

|  |                                   |   |                             |
|--|-----------------------------------|---|-----------------------------|
| <b>Part I Reporting Issuer</b>   |                                   |   |                             |
| <b>1</b> Issuer's name   |                                   | <b>2</b> Issuer's employer identification number (EIN)              |                             |
| NEW SENIOR INVESTMENT GROUP INC  |                                   | 80-0912734  |                             |
| <b>3</b> Name of contact for additional information  | <b>4</b> Telephone No. of contact | <b>5</b> Email address of contact                                   |                             |
| INVESTOR RELATIONS   | 212-479-3140                      | IR@NEWSENIORINV.COM   |                             |
| <b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact |                                   | <b>7</b> City, town, or post office, state, and Zip code of contact |                             |
| 1345 AVE OF AMERICAS, 45FL   |                                   | NEW YORK, NY 10105  |                             |
| <b>8</b> Date of action  |                                   | <b>9</b> Classification and description                             |                             |
| VARIOUS  |                                   | COMMON STOCK  |                             |
| <b>10</b> CUSIP number   | <b>11</b> Serial number(s)        | <b>12</b> Ticker symbol   | <b>13</b> Account number(s) |
| 648691103  |                                   | SNR   |                             |

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ NEW SENIOR INVESTMENT GROUP INC MADE CASH DISTRIBUTIONS TO ITS SHAREHOLDERS IN EXCESS OF ITS CURRENT AND ACCUMULATED EARNINGS. THE 2016 TOTAL CASH DISTRIBUTIONS OF \$85,412,169 WERE MADE ON 3/22/2016, 6/22/2016, 9/22/2016 AND 12/22/2016 OF TAX YEAR 2016.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ \$0.97 PER SHARE REDUCTION IN BASIS

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE COMPANY'S EARNING AND PROFITS WERE CALCULATED UNDER IRC SECTION 312, AS MODIFIED BY IRC SEC 857(d) FOR REAL ESTATE INVESTMENT TRUST AND THE REGULATIONS THEREUNDER. DISTRIBUTION AMOUNT IN EXCESS OF EARNINGS AND PROFITS IS CONSIDERED TO BE A NON-DIVIDEND DISTRIBUTION REDUCING BASIS UNDER IRC SEC 301(C)(2).

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SEC 301(C)(2)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ► NO, THERE WILL BE NO LOSS RECOGNIZED ON THE DISTRIBUTION IN EXCESS OF CURRENT AND ACCUMULATED EARNINGS AND PROFITS.

Blank lines for providing additional information for question 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE TAX YEAR IS 2016 CALENDAR YEAR.

Blank lines for providing additional information for question 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►

Date ►

3/28/17

Print your name ► BHAIRAV PATEL

Title ► CFO

**Paid Preparer Use Only**

|   |                          |                  |   |                   |
|---|--------------------------|------------------|---|-------------------|
| Print/Type preparer's name<br>JOHN W BARBAN         | Preparer's signature<br> | Date<br>03/28/17 | Check <input type="checkbox"/> if self-employed | PTIN<br>P01234031 |
| Firm's name ► ERNST & YOUNG U.S. LLP                |                          |                  | Firm's EIN ► 34-6565596                         |                   |
| Firm's address ► 5 TIMES SQUARE, NEW YORK, NY 10036 |                          |                  | Phone no. 212-773-3000                          |                   |