



## Quarterly Investor Presentation

*Second Quarter 2019*

**Jackson Oaks**  
*Paducah, Kentucky*

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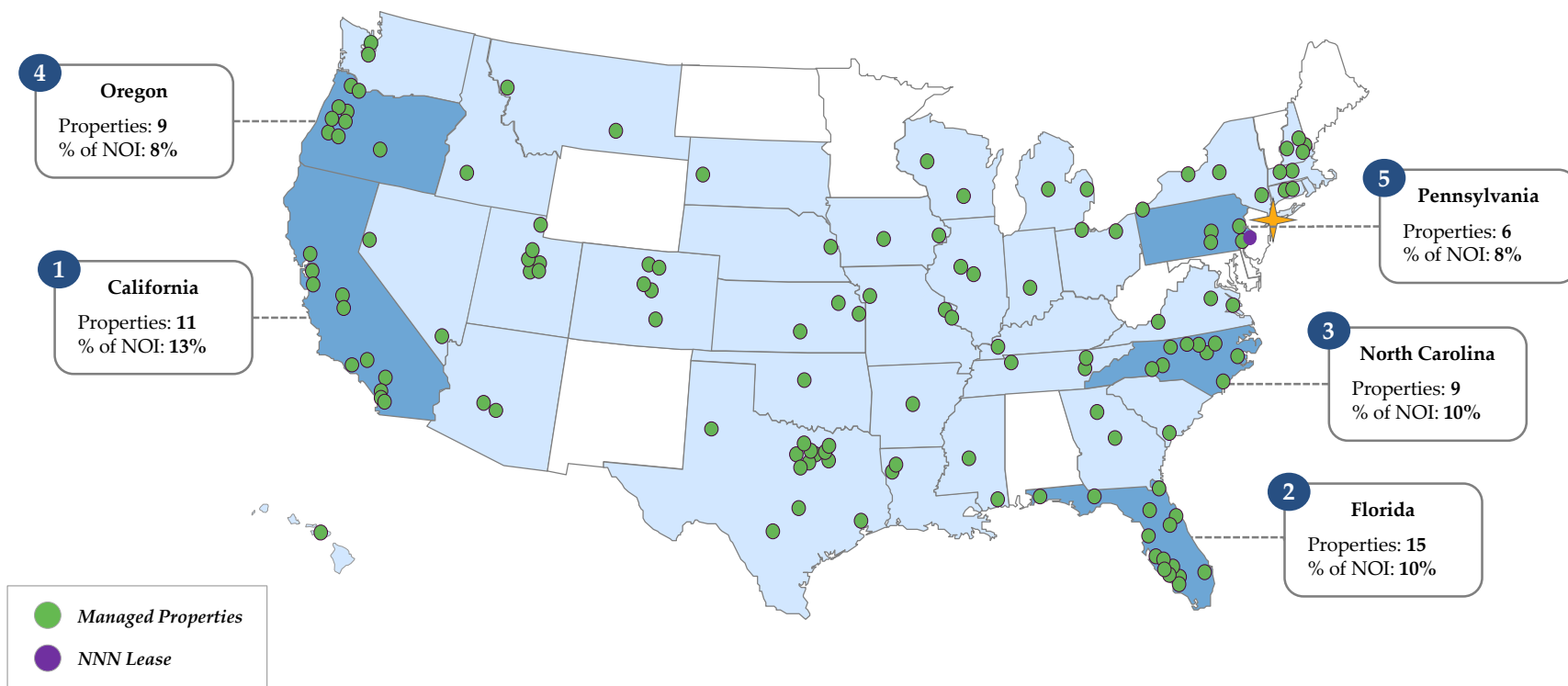
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# Portfolio Overview<sup>(1)</sup>

## Total Portfolio

(\$ in thousands)	Properties	Beds	Units	States	Investment	TTM EBITDARM Coverage <sup>(2)</sup>	2Q19 Occupancy <sup>(2)</sup>	2Q19 Ann. NOI	2Q19 Ann. Cash NOI
Senior Housing – Managed	130	15,112	14,815	37	\$2,477,985	N/A	85.3%	\$159,265	\$161,012
Senior Housing – NNN <sup>(3)</sup>	1	463	429	1	\$57,974	1.40x	86.0%	\$6,330	\$5,749
<b>Total</b>	<b>131</b>	<b>15,575</b>	<b>15,244</b>	<b>37</b>	<b>\$2,535,959</b>			<b>\$165,595</b>	<b>\$166,761</b>



1) All information presented excludes assets sold during the quarter; percentages calculated based on 2Q19 NOI.

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

3) Triple net lease matures in May 2030.

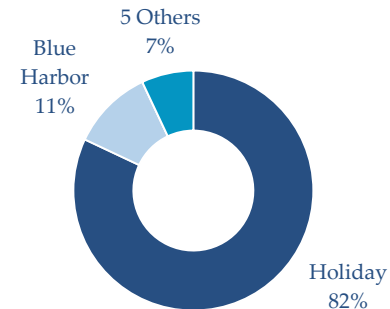
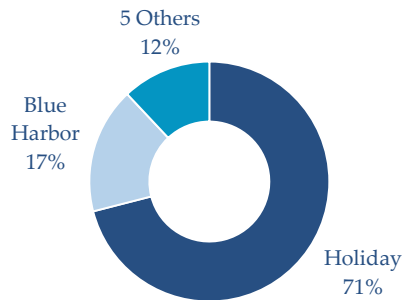
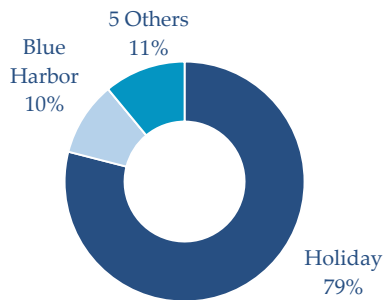
# Portfolio Diversification<sup>(1)</sup>

\$2.5bn Investment

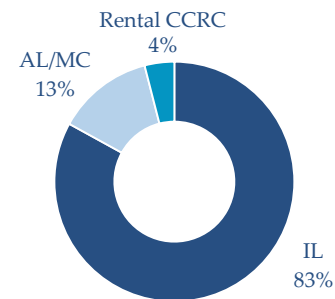
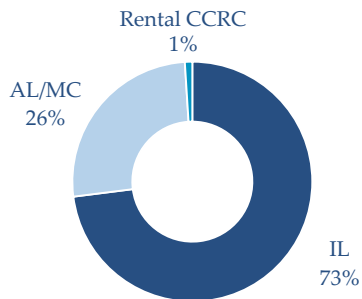
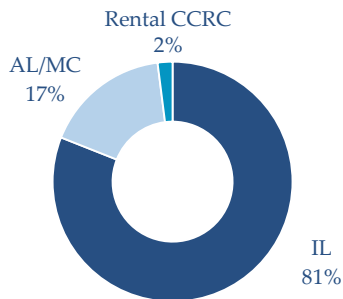
\$462mm Annualized Revenue

\$166mm Annualized NOI

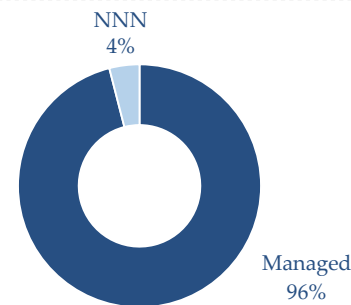
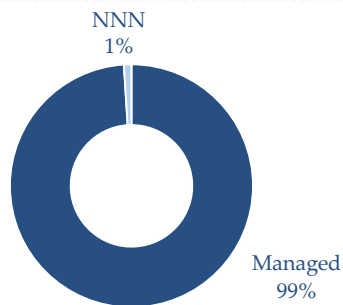
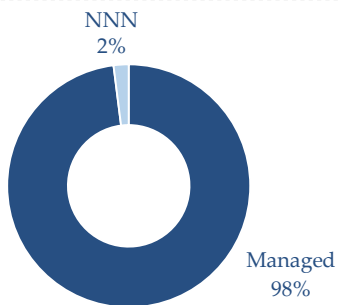
By Operator / Manager



By Property Type



By Business Model



1) Percentages calculated based on 2Q19 NOI, excluding assets sold during the quarter.

# Portfolio Diversification<sup>(1)</sup>

## 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	\$ 21,909	14%	-	\$ -	-	11	\$ 21,909	13%
Florida	15	16,964	11%	-	-	-	15	16,964	10%
North Carolina	9	15,840	10%	-	-	-	9	15,840	10%
Oregon	9	13,818	9%	-	-	-	9	13,818	8%
Pennsylvania	5	7,164	4%	1	6,330	100%	6	13,494	8%
Texas	13	9,684	6%	-	-	-	13	9,684	6%
New York	3	6,416	4%	-	-	-	3	6,416	4%
Colorado	5	5,768	3%	-	-	-	5	5,768	3%
New Hampshire	4	4,665	3%	-	-	-	4	4,665	3%
Missouri	3	4,537	3%	-	-	-	3	4,537	3%
Other states	53	52,500	33%	-	-	-	53	52,500	32%
<b>Total</b>	<b>130</b>	<b>\$ 159,265</b>	<b>100%</b>	<b>1</b>	<b>\$ 6,330</b>	<b>100%</b>	<b>131</b>	<b>\$ 165,595</b>	<b>100%</b>

## 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	98	\$ 135,580	85%	-	\$ -	-	98	\$ 135,580	82%
Blue Harbor	18	18,625	12%	-	-	-	18	18,625	11%
Other operators	14	5,060	3%	1	6,330	100%	15	11,390	7%
<b>Total</b>	<b>130</b>	<b>\$ 159,265</b>	<b>100%</b>	<b>1</b>	<b>\$ 6,330</b>	<b>100%</b>	<b>131</b>	<b>\$ 165,595</b>	<b>100%</b>

1) Percentages calculated based on 2Q19 NOI, excluding assets sold during the quarter.

# 2Q 2019 Adjusted Same Store Total Portfolio

## 2Q19: Quarter-over-Quarter

## 2Q19: Year-over-Year

(\$ in thousands)

	Adjusted Same Store Cash NOI				Adjusted Same Store Cash NOI			
	# of Prop.	1Q19	2Q19	Δ	# of Prop.	2Q18	2Q19	Δ
<i>Managed Properties</i>	121	\$38,730	\$39,955	3.2%	121	\$40,157	\$39,955	(0.5%)
<i>NNN Properties</i>	1	\$1,411	\$1,437	1.8%	1	\$1,398	\$1,437	2.8%
<i>Total Adjusted Same Store</i>	122	\$40,141	\$41,392	3.1%	122	\$41,555	\$41,392	(0.4%)

# Adjusted Same Store Managed Portfolio - Total

Quarterly Performance							
(\$ in thousands, except RevPOR)	2Q18	3Q18	4Q18	1Q19	2Q19	QoQ	YoY
<i># of Properties</i>	121	121	121	121	121	-	-
<i>Average Available Beds</i>	14,270	14,274	14,275	14,271	14,269	(2)	(1)
<i>Occupancy</i>	86.5%	87.1%	86.9%	86.1%	86.2%	10bps	(30bps)
<i>RevPOR</i>	\$2,875	\$2,878	\$2,888	\$2,904	\$2,918	0.5%	1.5%
<b>GAAP</b>							
<i>Revenue</i>	\$105,400	\$106,197	\$106,908	\$106,463	\$107,190	0.7%	1.7%
<i>Expenses</i>	(\$66,341)	(\$67,816)	(\$66,248)	(\$68,352)	(\$67,700)	(1.0%)	2.0%
<i>NOI</i>	\$39,060	\$38,381	\$40,660	\$38,111	\$39,490	3.6%	1.1%
<b>Cash</b>							
<i>Revenue</i>	\$106,498	\$107,327	\$107,497	\$107,082	\$107,655	0.5%	1.1%
<i>Expenses</i>	(\$66,341)	(\$67,816)	(\$66,248)	(\$68,352)	(\$67,700)	(1.0%)	2.0%
<i>NOI</i>	\$40,157	\$39,511	\$41,249	\$38,730	\$39,955	3.2%	(0.5%)
<i>Cash NOI Margin</i>	37.7%	36.8%	38.4%	36.2%	37.1%	90bps	(60bps)

# Adjusted Same Store Managed Portfolio – IL

Quarterly Performance							
(\$ in thousands, except RevPOR)	2Q18	3Q18	4Q18	1Q19	2Q19	QoQ	YoY
<i># of Properties</i>	102	102	102	102	102	-	-
<i>Average Available Beds</i>	11,973	11,974	11,974	11,974	11,974	-	1
<i>Occupancy</i>	87.5%	88.1%	87.8%	87.0%	87.1%	10bps	(40bps)
<i>RevPOR</i>	\$2,658	\$2,656	\$2,663	\$2,683	\$2,701	0.7%	1.6%
<b>GAAP</b>							
<i>Revenue</i>	\$82,398	\$82,943	\$83,398	\$83,215	\$84,046	1.0%	2.0%
<i>Expenses</i>	(\$49,027)	(\$50,059)	(\$48,220)	(\$50,190)	(\$49,581)	(1.2%)	1.1%
<i>NOI</i>	\$33,370	\$32,884	\$35,178	\$33,025	\$34,465	4.4%	3.3%
<b>Cash</b>							
<i>Revenue</i>	\$83,499	\$84,060	\$83,973	\$83,836	\$84,517	0.8%	1.2%
<i>Expenses</i>	(\$49,027)	(\$50,059)	(\$48,220)	(\$50,190)	(\$49,581)	(1.2%)	1.1%
<i>NOI</i>	\$34,472	\$34,001	\$35,752	\$33,646	\$34,936	3.8%	1.3%
<i>Cash NOI Margin</i>	41.3%	40.4%	42.6%	40.1%	41.3%	120bps	-



# Adjusted Same Store Managed Portfolio – AL/MC

Quarterly Performance							
(\$ in thousands, except RevPOR)	2Q18	3Q18	4Q18	1Q19	2Q19	QoQ	YoY
<i># of Properties</i>	19	19	19	19	19	-	-
<i>Average Available Beds</i>	2,297	2,300	2,301	2,297	2,295	(2)	(2)
<i>Occupancy</i>	81.6%	81.9%	82.5%	81.6%	81.4%	(20bps)	(20bps)
<i>RevPOR</i>	\$4,092	\$4,119	\$4,133	\$4,133	\$4,129	(0.1%)	0.9%
<b>GAAP</b>							
<i>Revenue</i>	\$23,002	\$23,254	\$23,510	\$23,247	\$23,144	(0.4%)	0.6%
<i>Expenses</i>	(\$17,313)	(\$17,757)	(\$18,028)	(\$18,162)	(\$18,119)	(0.2%)	4.7%
<i>NOI</i>	\$5,689	\$5,497	\$5,482	\$5,086	\$5,025	(1.2%)	(11.7%)
<b>Cash</b>							
<i>Revenue</i>	\$22,999	\$23,267	\$23,524	\$23,246	\$23,137	(0.5%)	0.6%
<i>Expenses</i>	(\$17,313)	(\$17,757)	(\$18,028)	(\$18,162)	(\$18,119)	(0.2%)	4.7%
<i>NOI</i>	\$5,686	\$5,510	\$5,496	\$5,084	\$5,018	(1.3%)	(11.7%)
<i>Cash NOI Margin</i>	24.7%	23.7%	23.4%	21.9%	21.7%	(20bps)	(300bps)

# Transition Assets<sup>(1)</sup>

## Quarterly Performance

(\$ in thousands, except RevPOR)	2Q18	3Q18	4Q18	1Q19	2Q19	QoQ	YoY
<i># of Properties</i>	9	9	9	9	9	-	-
<i>Average Available Beds</i>	842	842	842	842	843	1	1
<i>Occupancy</i>	75.4%	75.3%	75.6%	74.0%	70.8%	(320bps)	(460bps)
<i>RevPOR</i>	\$3,630	\$3,653	\$3,656	\$3,671	\$3,684	0.4%	1.5%
<b>GAAP</b>							
<i>Revenue</i>	\$6,929	\$6,932	\$7,000	\$6,885	\$6,627	(3.8%)	(4.4%)
<i>Expenses</i>	(\$6,042)	(\$6,188)	(\$6,047)	(\$6,090)	(\$6,300)	3.5%	4.3%
<i>NOI</i>	\$888	\$744	\$953	\$795	\$326	(59.0%)	(63.2%)
<b>Cash</b>							
<i>Revenue</i>	\$6,912	\$6,951	\$6,986	\$6,867	\$6,599	(3.9%)	(4.5%)
<i>Expenses</i>	(\$6,042)	(\$6,188)	(\$6,047)	(\$6,090)	(\$6,300)	3.5%	4.3%
<i>NOI</i>	\$870	\$763	\$938	\$776	\$298	(61.6%)	(65.7%)
<i>Cash NOI Margin</i>	12.6%	11.0%	13.4%	11.3%	4.5%	(680bps)	(810bps)

# Managed Portfolio – 2Q 2019 New Supply Summary

## Managed Portfolio<sup>(1)</sup>

Rank	Metro Market	New Senior			New Senior 5 Mile Ring							MSA Statistics			
		Number of Properties	Annualized Cash NOI (000s)	% of Total NOI <sup>(2)</sup>	Prop. / Units Under Construction	SNR Prop. / Units Impacted	% of Total NOI Impacted	75+ Population Annual Growth <sup>(3)</sup>	Median Household Income <sup>(3)</sup>	Median Household Value <sup>(3)</sup>	Construction vs. Inventory	75+ Population Annual Growth <sup>(3)</sup>	Median Household Income <sup>(3)</sup>	Median Household Value <sup>(3)</sup>	Construction vs. Inventory
1	Dallas, TX	9	\$6,957	4.2%	11 / 1362	6 / 794	3.3%	3.7%	\$70,665	\$269,376	6.2%	4.8%	\$68,843	\$210,341	9.9%
2	Raleigh, NC	3	6,327	3.8%	3 / 500	1 / 117	1.4%	4.1%	80,571	276,955	20.7%	5.4%	76,193	262,892	8.9%
3	Riverside, CA	2	4,906	3.0%	3 / 277	1 / 116	1.4%	3.0%	79,399	399,206	25.6%	3.2%	63,633	354,922	10.4%
4	Los Angeles, CA	2	4,443	2.7%	- / -	- / -	-	3.6%	80,869	477,805	-	2.7%	72,264	650,973	5.5%
5	Sarasota, FL	4	4,427	2.7%	10 / 1278	4 / 481	2.7%	1.9%	56,461	233,985	14.0%	2.1%	58,793	250,066	10.7%
6	Santa Cruz, CA	1	4,203	2.5%	- / -	- / -	-	3.2%	77,883	852,850	-	3.1%	82,459	801,068	-
7	Eugene, OR	2	3,824	2.3%	- / -	- / -	-	2.3%	48,129	271,606	-	2.1%	51,834	274,058	-
8	Charlotte, NC	2	3,790	2.3%	- / -	- / -	-	5.4%	64,363	193,785	-	4.3%	64,967	212,480	8.4%
9	Hartford, CT	2	3,736	2.3%	4 / 501	2 / 276	2.3%	0.8%	74,540	246,910	35.2%	1.1%	77,144	263,970	14.1%
10	St. Louis, MO	2	3,489	2.1%	3 / 261	2 / 209	2.1%	0.9%	85,735	264,020	6.9%	1.6%	64,534	185,466	7.9%
11	Boston, MA	3	3,428	2.1%	2 / 248	1 / 114	1.4%	2.1%	86,163	327,947	37.9%	2.3%	89,829	464,605	5.4%
12	Springfield, MA	2	3,363	2.0%	- / -	- / -	-	1.4%	51,077	205,167	-	1.6%	58,631	234,935	-
13	Corvallis, OR	2	3,168	1.9%	- / -	- / -	-	2.5%	56,058	316,960	-	2.8%	63,004	315,006	-
14	Harrisburg, PA	2	3,032	1.8%	- / -	- / -	-	1.6%	60,595	180,186	-	1.4%	66,227	196,163	0.8%
15	San Diego, CA	2	3,003	1.8%	1 / 49	1 / 116	0.8%	2.7%	69,980	515,989	2.1%	3.0%	78,294	601,214	6.1%
16	<b>Other Markets</b>	<b>90</b>	<b>98,916</b>	<b>59.9%</b>	<b>35 / 3,945</b>	<b>21 / 2,328</b>	<b>13.2%</b>	<b>2.5%</b>	<b>61,012</b>	<b>244,586</b>	<b>4.9%</b>	<b>2.8%</b>	<b>61,213</b>	<b>235,833</b>	<b>4.7%</b>
<b>Managed Portfolio</b>		<b>130</b>	<b>\$161,012</b>	<b>97.4%</b>	<b>72 / 8,421</b>	<b>39 / 4,551</b>	<b>28.5%</b>	<b>2.6%</b>	<b>\$62,411</b>	<b>\$259,574</b>	<b>6.5%</b>	<b>2.9%</b>	<b>\$62,515</b>	<b>\$254,961</b>	<b>6.1%</b>

1) Data per NIC for inventory in markets reported by NIC for 2Q19, which excludes some markets represented in New Senior's portfolio.

Analysis excludes assets sold during the quarter.

2) Percentages calculated based on 2Q19 Cash NOI, excluding assets sold during the quarter.

3) Based on Nielsen estimates for 2019 household and 2019 – 2024 population trends.

# Acquisition & Disposition Activity Since January 1, 2017<sup>(1)</sup>

(\$ in millions)

## Acquisition Activity

	Date	Segment	Property Type	Property Count	Beds	Units	Purchase Price
<b>Total Acquisitions</b>	-	-	-	-	-	-	-

## 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
	April 2019	Managed	AL/MC	1	117	113	\$ 6.3
	June 2019	Managed	AL/MC	1	162	159	\$ 7.5
<b>Total Dispositions</b>	-	-	-	21	3,417	3,028	\$ 357.8

# Debt Maturities and Composition<sup>(1)</sup>

## Debt Maturities & Scheduled Principal Amortization

(\$ in thousands)

Year	Revolving Credit Facility		Mortgage Debt		Total Debt		
	Amounts	Rate	Amounts	Rate	Amounts	Rate	% of Total Debt
2019	-	-	\$4,851	-	\$4,851	-	0.3%
2020	-	-	12,390	-	12,390	-	0.7%
2021 <sup>(2)</sup>	\$73,250	5.0%	19,930	-	93,180	5.0%	4.9%
2022	-	-	625,280	4.8%	625,280	4.8%	33.0%
2023	-	-	19,817	-	19,817	-	1.0%
2024	-	-	20,619	-	20,619	-	1.1%
2025	-	-	1,114,913	4.5%	1,114,913	4.5%	59.0%
<b>Total Debt</b>	<b>\$73,250</b>	<b>5.0%</b>	<b>\$1,817,800</b>	<b>4.6%</b>	<b>\$1,891,050</b>	<b>4.6%</b>	<b>100.0%</b>
Deferred Financing Costs	(2,754)	-	(16,305)	-	(19,059)	-	-
<b>Total Debt, Net</b>	<b>\$70,496</b>	<b>-</b>	<b>\$1,801,495</b>	<b>-</b>	<b>\$1,871,991</b>	<b>-</b>	<b>-</b>
W.A. Maturity in Years	2.5	-	5.0	-	4.9	-	-

## Debt Composition<sup>(3)</sup>

(\$ in thousands)

	Amounts	% of Total Debt	Rate	Effective	W.A. Maturity in Years
Fixed Rate Debt	\$814,680	43%	4.4%	4.5%	6.1
Variable Rate Debt	1,076,370	57%	4.8%	5.1%	4.5
<b>Total Debt</b>	<b>\$1,891,050</b>	<b>100%</b>	<b>4.6%</b>	<b>4.9%</b>	<b>4.9</b>

1) Debt information is as of June 30, 2019 and based on current unpaid principal balance.

2) Company has an option to extend the maturity date on \$73 million to December 2022, subject to a fee of 15bps of the total commitment.

3) Includes the impact of notional swaps to convert \$350 million LIBOR-based floating rate debt to fixed rate debt.

# Capitalization

## Total Capitalization

(\$ and shares in millions, except per share data)	Price as of	Shares	Value
	6/30/2019	Outstanding	
Market Capitalization	\$6.72	82.2	\$552.4
Mortgage notes payable, net			1,872.0
Cash			(35.4)
Net debt			\$1,836.6
<b>Enterprise Value</b>			<b>\$2,389.0</b>

## Common Stock & Equivalents

Weighted Average Amounts Outstanding For:	Period
	2Q19
<u>EPS</u>	
Common shares - basic	82,209,844
Effect of dilutive securities:	-
<b>Total common shares – diluted</b>	<b>82,209,844</b>
<u>FFO, Norm. FFO, AFFO and Norm. FAD</u>	
Common shares – basic	82,209,844
Effect of dilutive securities	1,694,244
<b>Total common shares – diluted</b>	<b>83,904,088</b>
<u>Period Ending</u>	
Common shares	82,209,844
Restricted stock & stock options	11,763,381
<b>Total common shares and options</b>	<b>93,973,225</b>

# 2019 Guidance<sup>(1)</sup>

## Full Year 2019 Per Share Guidance

(Shares in millions)

	Low	High
<b>Net loss attributable to common stockholders</b>	<b>\$ (0.54)</b>	<b>\$ (0.49)</b>
Loss on sale of assets	0.00	0.00
Depreciation & amortization	0.99	0.99
<b>FFO</b>	<b>\$ 0.45</b>	<b>\$ 0.50</b>
Compensation expense related to transition awards	0.03	0.03
Other expense <sup>(2)</sup>	0.02	0.02
Loss on extinguishment of debt	0.00	0.00
Acquisition, transaction & integration expense	0.02	0.02
<b>Normalized FFO</b>	<b>\$ 0.52</b>	<b>\$ 0.57</b>
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	0.03	0.03
<b>AFFO</b>	<b>\$ 0.62</b>	<b>\$ 0.67</b>
Diluted shares outstanding	84	84

## Assumptions

- **Same Store Managed Cash NOI:** Range of (3.0%) to 0.0%
- **Cash G&A:** \$18 million
- **Interest expense:** LIBOR assumed at 2.50% (each 25bps change in LIBOR equates to \$0.03 per share annually)
- **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)	6/30/18	9/30/18	12/31/18	3/31/19	6/30/19
<u>Assets</u>	(unaudited)	(unaudited)		(unaudited)	(unaudited)
Real estate investments:					
Land	\$ 182,238	\$ 182,238	\$ 177,956	\$ 177,956	\$ 177,956
Buildings, improvements and other	2,346,680	2,352,135	2,335,813	2,344,954	2,352,264
Accumulated depreciation	(318,982)	(341,250)	(358,368)	(379,065)	(399,731)
Net real estate property	<u>2,209,936</u>	<u>2,193,123</u>	<u>2,155,401</u>	<u>2,143,845</u>	<u>2,130,489</u>
Acquired lease and other intangible assets	8,638	8,638	8,638	8,638	8,638
Accumulated amortization	(2,682)	(2,788)	(2,877)	(2,966)	(3,055)
Net real estate intangibles	<u>5,956</u>	<u>5,850</u>	<u>5,761</u>	<u>5,672</u>	<u>5,583</u>
Net real estate investments	<u>2,215,892</u>	<u>2,198,973</u>	<u>2,161,162</u>	<u>2,149,517</u>	<u>2,136,072</u>
Cash and cash equivalents	170,762	157,365	72,422	41,519	35,398
Straight-line rent receivables	3,148	3,321	3,494	3,667	3,815
Receivables and other assets, net	38,513	41,352	49,180	51,165	39,632
<b>Total Assets</b>	<b>\$ 2,428,315</b>	<b>\$ 2,401,011</b>	<b>\$ 2,286,258</b>	<b>\$ 2,245,868</b>	<b>\$ 2,214,917</b>
<b><u>Liabilities, Redeemable Preferred Stock &amp; Equity</u></b>					
Debt, net	\$ 1,951,042	\$ 1,951,884	\$ 1,884,882	\$ 1,882,636	\$ 1,871,991
Due to affiliates	13,140	15,339	26,245	-	-
Accrued expenses and other liabilities	53,391	54,029	52,679	62,040	68,551
<b>Total Liabilities</b>	<b>\$ 2,017,573</b>	<b>\$ 2,021,252</b>	<b>\$ 1,963,806</b>	<b>\$ 1,944,676</b>	<b>\$ 1,940,542</b>
Redeemable Preferred Stock	-	-	\$ 40,000	\$ 40,598	\$ 40,500
Common stock	\$ 821	\$ 821	\$ 821	\$ 822	\$ 831
Additional paid-in capital	898,135	898,135	898,135	898,858	899,386
Accumulated deficit	(488,214)	(519,197)	(616,504)	(639,086)	(660,078)
Accumulated other comprehensive loss	-	-	-	-	(6,264)
<b>Total Equity</b>	<b>\$ 410,742</b>	<b>\$ 379,759</b>	<b>\$ 282,452</b>	<b>\$ 260,594</b>	<b>\$ 233,875</b>
<b>Total Liabilities, Redeemable Preferred Stock &amp; Equity</b>	<b>\$ 2,428,315</b>	<b>\$ 2,401,011</b>	<b>\$ 2,286,258</b>	<b>\$ 2,245,868</b>	<b>\$ 2,214,917</b>



# Consolidated Income Statement

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

	2Q18	3Q18	4Q18	1Q19	2Q19
	(unaudited)	(unaudited)		(unaudited)	(unaudited)
<b>Revenues</b>					
Resident fees and services	\$ 96,484	\$ 116,178	\$ 116,886	\$ 116,037	\$ 114,437
Rental revenue	12,368	1,582	1,582	1,582	1,583
<b>Total Revenues</b>	<b>108,852</b>	<b>117,760</b>	<b>118,468</b>	<b>117,619</b>	<b>116,020</b>
<b>Expenses</b>					
Property operating expense	(63,510)	(77,066)	(75,110)	(77,347)	(74,957)
Depreciation and amortization	(24,521)	(22,373)	(22,331)	(20,787)	(20,755)
Interest expense	(25,755)	(29,268)	(24,230)	(23,719)	(23,483)
Acquisition, transaction and integration expense	(8,683)	(1,559)	(2,789)	(650)	(411)
Termination fee to former affiliate	-	-	(50,000)	-	-
Mgmt. fees and incentive compensation to affiliate	(3,687)	(3,688)	(3,687)	-	-
General and administrative expense	(3,140)	(3,219)	(3,276)	(4,984)	(5,372)
Loss on extinguishment of debt	(58,544)	-	(7,675)	-	(335)
Impairment of real estate	-	-	(8,725)	-	-
Other expense	(32)	(782)	(1,780)	(1,245)	(107)
<b>Total Expenses</b>	<b>(187,872)</b>	<b>(137,955)</b>	<b>(199,603)</b>	<b>(128,732)</b>	<b>(125,420)</b>
Gain on lease termination	40,090	-	-	-	-
Loss on sale of real estate	-	-	-	-	(122)
<b>Loss Before Income Taxes</b>	<b>(38,930)</b>	<b>(20,195)</b>	<b>(81,135)</b>	<b>(11,113)</b>	<b>(9,522)</b>
Income tax expense	(151)	(104)	(5,491)	(80)	(64)
<b>Net Loss</b>	<b>\$ (39,081)</b>	<b>\$ (20,299)</b>	<b>\$ (86,626)</b>	<b>\$ (11,193)</b>	<b>\$ (9,586)</b>
Deemed dividend on redeemable preferred stock	-	-	-	(598)	(599)
<b>Net Loss Attributable to Common Stockholders</b>	<b>\$ (39,081)</b>	<b>\$ (20,299)</b>	<b>\$ (86,626)</b>	<b>\$ (11,791)</b>	<b>\$ (10,185)</b>
<i>Basic and diluted net income (loss) per share of common stock</i>	<i>\$ (0.48)</i>	<i>\$ (0.25)</i>	<i>\$ (1.05)</i>	<i>\$ (0.14)</i>	<i>\$ (0.12)</i>
<i>W.A. basic shares of common stock outstanding</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,203</i>	<i>82,210</i>
<i>W.A. diluted shares of common stock outstanding</i>	<i>82,149</i>	<i>82,149</i>	<i>82,149</i>	<i>82,203</i>	<i>82,210</i>

# Consolidated Statement of Cash Flows (unaudited)

(\$ in thousands)	<u>Cash Flows from Operating Activities</u>	2Q18	3Q18	4Q18	1Q19	2Q19
	Net Loss	\$ (39,081)	\$ (20,299)	\$ (86,626)	\$ (11,193)	\$ (9,586)
	Adjustments:					
	Depreciation of tangible assets and amortization of intangible assets	24,532	22,373	22,332	20,787	20,755
	Amortization of deferred financing costs	3,162	4,102	1,116	1,208	1,097
	Amortization of deferred revenue, net	865	1,150	522	613	422
	Non-cash straight-line rental revenue	(1,693)	(173)	(173)	(173)	(148)
	Non-cash adjustment on lease termination	29,910	-	-	-	-
	Loss on extinguishment of debt	58,544	-	7,675	-	335
	Non-cash termination fee to affiliate	-	-	40,000	-	-
	Impairment of real estate	-	-	8,725	-	-
	Provision for bad debt	555	730	671	-	-
	Amortization of equity-based compensation	-	-	-	449	537
	Loss on sale of real estate	-	-	-	-	122
	Non-cash valuation allowance on net deferred tax assets, net	-	-	5,354	-	-
	Other non-cash expense	(65)	1,051	2,012	1,058	101
	Changes in:					
	Receivables and other assets, net	(4,307)	57	(79)	(4,099)	2,281
	Due to affiliates	4,183	2,199	10,906	(25,995)	-
	Accrued expenses and other liabilities	9,549	(1,548)	(2,884)	6,250	45
	<b>Net cash provided by (used in) operating activities</b>	<b>\$ 86,154</b>	<b>\$ 9,642</b>	<b>\$ 9,551</b>	<b>\$ (11,095)</b>	<b>\$ 15,961</b>
	<u>Cash Flows from Investing Activities</u>					
	Proceeds from sale of real estate	-	-	-	-	13,086
	Capital expenditures, net of insurance proceeds	(4,624)	(5,420)	(5,557)	(6,647)	(7,391)
	<b>Net cash provided by (used in) investing activities</b>	<b>\$ (4,624)</b>	<b>\$ (5,420)</b>	<b>\$ (5,557)</b>	<b>\$ (6,647)</b>	<b>\$ 5,695</b>
	<u>Cash Flows from Financing Activities</u>					
	Principal payments of mortgage notes payable and capital lease obligations	\$ (5,631)	\$ (3,273)	\$ (3,365)	\$ (2,766)	\$ (2,421)
	Proceeds of mortgage loan payable	720,000	-	720,000	-	-
	Proceeds from borrowings on revolving credit facility	-	-	125,000	-	4,250
	Repayments of mortgage notes payable	(663,788)	-	(845,399)	-	(13,674)
	Payment of exit fee on extinguishment of debt	(51,886)	-	(1,236)	-	(206)
	Repayments of borrowings on revolving credit facility	-	-	(56,000)	-	-
	Payment of deferred financing costs	(11,733)	(1,343)	(13,417)	(753)	(302)
	Purchase of interest rate caps	(61)	-	(2,505)	(35)	-
	Payment of common stock dividend	(21,357)	(10,684)	(10,681)	(10,687)	(10,688)
	Payment of redeemable preferred stock dividend	-	-	-	-	(697)
	<b>Net cash provided by financing activities</b>	<b>\$ (34,456)</b>	<b>\$ (15,300)</b>	<b>\$ (87,603)</b>	<b>\$ (14,241)</b>	<b>\$ (23,738)</b>
	<b>Net increase (decrease) in cash, cash equivalents and restricted cash</b>	<b>47,074</b>	<b>(11,078)</b>	<b>(83,609)</b>	<b>(31,983)</b>	<b>(2,082)</b>
	<b>Cash, cash equivalents and restricted cash, beginning of period</b>	<b>140,269</b>	<b>187,343</b>	<b>176,265</b>	<b>92,656</b>	<b>60,673</b>
	<b>Cash, cash equivalents and restricted cash, end of period</b>	<b>\$ 187,343</b>	<b>\$ 176,265</b>	<b>\$ 92,656</b>	<b>\$ 60,673</b>	<b>\$ 58,591</b>

# Adjusted NOI Reconciliation - 2Q 2019 Year-over-Year<sup>(1)</sup>

(\$ in thousands)	2Q19				2Q18			
	NNN Properties	Managed Properties		Total	NNN Properties	Managed Properties		Total
		IL	AL/MC			IL	AL/MC	
Adjusted Same Store Cash NOI <sup>(2)</sup>	\$ 1,437	\$ 34,936	\$ 5,018	\$ 41,392	\$ 1,398	\$ 34,472	\$ 5,686	\$ 41,555
Non-Same Store Cash NOI	-	-	(79)	(79)	-	-	1,031	1,031
Triple net lease to managed adjustment <sup>(3)</sup>	-	-	-	-	-	3,625	-	3,625
Straight-line rental revenue	147	-	-	147	186	-	-	186
Amortization of deferred community fees and other <sup>(4)</sup>	(2)	(472)	77	(397)	(2)	(1,101)	48	(1,055)
<b>Segment / Total NOI</b>	<b>\$ 1,583</b>	<b>\$ 34,464</b>	<b>\$ 5,016</b>	<b>\$ 41,063</b>	<b>\$ 1,582</b>	<b>\$ 36,996</b>	<b>\$ 6,764</b>	<b>\$ 45,342</b>
Depreciation and amortization				(20,755)				(24,521)
Interest expense				(23,483)				(25,755)
General and administrative expense				(5,372)				(3,140)
Acquisition, transaction & integration expense				(411)				(8,683)
Management fees and incentive compensation to affiliate				-				(3,687)
Gain on lease termination				-				40,090
Loss on extinguishment of debt				(335)				(58,544)
Loss on sale of real estate				(122)				-
Other expense				(107)				(32)
Income tax expense				(64)				(151)
<b>Net loss</b>				<b>\$ (9,586)</b>				<b>\$ (39,081)</b>
Deemed dividend on redeemable preferred stock				(599)				-
<b>Net loss attributable to common stockholders</b>				<b>\$ (10,185)</b>				<b>\$ (39,081)</b>

1) Totals may not sum due to rounding.

2) 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.

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

4) 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 - 2Q 2019 Quarter-over-Quarter<sup>(1)</sup>

(\$ in thousands)	2Q19				1Q19			
	NNN Properties	Managed Properties		Total	NNN Properties	Managed Properties		Total
		IL	AL/MC			IL	AL/MC	
Adjusted Same Store Cash NOI	\$ 1,437	\$ 34,936	\$ 5,018	\$ 41,392	\$ 1,411	\$ 33,646	\$ 5,084	\$ 40,141
Non-Same Store Cash NOI	-	-	(79)	(79)	-	-	527	527
Straight-line rental revenue	147	-	-	147	173	-	-	173
Amortization of deferred community fees and other <sup>(2)</sup>	(2)	(472)	77	(397)	(2)	(621)	54	(569)
<b>Segment / Total NOI</b>	<b>\$ 1,583</b>	<b>\$ 34,464</b>	<b>\$ 5,016</b>	<b>\$ 41,063</b>	<b>\$ 1,582</b>	<b>\$ 33,025</b>	<b>\$ 5,665</b>	<b>\$ 40,272</b>
Depreciation and amortization				(20,755)				(20,787)
Interest expense				(23,483)				(23,719)
General and administrative expense				(5,372)				(4,984)
Acquisition, transaction & integration expense				(411)				(650)
Loss on extinguishment of debt				(335)				-
Loss on sale of real estate				(122)				-
Other expense				(107)				(1,245)
Income tax expense				(64)				(80)
<b>Net Loss</b>				<b>\$ (9,586)</b>				<b>\$ (11,193)</b>
Deemed dividend on redeemable preferred stock				(599)				(598)
<b>Net Loss Attributable to Common Stockholders</b>				<b>\$ (10,185)</b>				<b>\$ (11,791)</b>

1) Totals may not sum due to rounding.

2) 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

(\$ and shares in thousands, except per share data)	2Q19
Net loss	\$ (10,185)
<b>Add (Deduct):</b>	
Loss on sale of real estate	122
Depreciation and amortization	20,755
<b>FFO</b>	<b>\$ 10,692</b>
<b>FFO per Diluted Share</b>	<b>\$ 0.13</b>
Acquisition, transaction & integration expense	411
Loss on extinguishment of debt	335
Compensation expense related to transition awards	541
Other expense <sup>(1)</sup>	139
<b>Normalized FFO</b>	<b>\$ 12,118</b>
<b>Normalized FFO per Diluted Share</b>	<b>\$ 0.14</b>
Straight-line rental revenue	(147)
Amortization of deferred financing costs	1,097
Amortization of deferred community fees and other <sup>(2)</sup>	397
Amortization of equity-based compensation	88
<b>AFFO</b>	<b>\$ 13,553</b>
<b>AFFO per Diluted Share</b>	<b>\$ 0.16</b>
Routine capital expenditures	(2,367)
<b>Normalized FAD</b>	<b>\$ 11,186</b>
<b>Normalized FAD per Diluted Share</b>	<b>\$ 0.13</b>
Weighted average diluted shares outstanding	83,904

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

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## 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 cash 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.

Upon implementation of ASC 842 on 1/1/2019, bad debt expense is required to offset revenue as opposed to being included in operating expense under previous guidance. Accordingly, we have reclassified bad debt expense for prior years to offset revenue in order to facilitate a historical comparison. The change has no impact on the Company’s NOI or Cash NOI.

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

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**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 presentation 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) and expectations with respect to the potential range of 2019 financial results, and the declaration or amount of any future dividend. 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.newseniorgroup.com](http://www.newseniorgroup.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 presentation, 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.