



Supplemental Information

1Q 2022

Strong.
Resilient.
Growing.



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<https://ir.sabrahealth.com/investors/financials/quarterly-results>

SENIOR MANAGEMENT

Rick Matros

Chief Executive Officer, President
and Chair

Michael Costa

Chief Financial Officer, Secretary
and Executive Vice President

Talya Nevo-Hacohen

Chief Investment Officer, Treasurer
and Executive Vice President

BOARD OF DIRECTORS

Rick Matros

Chief Executive Officer, President
and Chair

Michael Foster

Lead Independent Director

Jeffrey Malehorn

Director

Craig Barbarosh

Director

Lynne Katzmann

Director

Clifton Porter II

Director

Katie Cusack

Director

Ann Kono

Director

CONTACT INFORMATION

Sabra Health Care REIT, Inc.

18500 Von Karman Avenue
Suite 550
Irvine, CA 92612
888.393.8248
sabrahealth.com

Transfer Agent

American Stock Transfer
and Trust Company
6201 15th Avenue
Brooklyn, NY 11219

Financial Metrics

Dollars in thousands, except per share data

	Three Months Ended March 31, 2022
Revenues	\$ 163,105
Net operating income	128,533
Cash net operating income	123,534
Diluted per share data:	
EPS	\$ 0.18
FFO	0.39
Normalized FFO	0.38
AFFO	0.39
Normalized AFFO	0.38
Dividends per common share	0.30

Capitalization and Market Facts

	March 31, 2022
Common shares outstanding	231.0 million
Common equity Market Capitalization	\$3.4 billion
Consolidated Debt	\$2.4 billion
Consolidated Enterprise Value	\$5.8 billion
Common stock closing price	\$14.89
Common stock 52-week range	\$12.31 - \$19.02
Common stock ticker symbol	SBRA

Key Credit Metrics ⁽¹⁾

	March 31, 2022
Net Debt to Adjusted EBITDA	5.11x
Interest Coverage	5.21x
Fixed Charge Coverage Ratio	5.09x
Total Debt/Asset Value	34 %
Secured Debt/Asset Value	1 %
Unencumbered Assets/Unsecured Debt	292 %

Portfolio ⁽²⁾

Dollars in thousands

As of March 31, 2022

	Property Count	Investment	Beds/Units	Occupancy Percentage ⁽³⁾
Investment in Real Estate Properties, gross				
Triple-Net Portfolio:				
Skilled Nursing / Transitional Care	279	\$ 3,623,501	30,920	71.8 %
Senior Housing - Leased	59	718,178	4,072	78.5
Behavioral Health	13	418,625	795	84.6
Specialty Hospitals and Other	15	225,443	392	80.5
Total Triple-Net Portfolio	366	4,985,747	36,179	
Senior Housing - Managed	50	1,043,235	5,266	78.5 ⁽⁶⁾
Consolidated Real Estate Investments	416	6,028,982	41,445	
Investment in Sales-Type Lease, net	1	25,307		
Investments in Loans Receivable, gross ⁽⁴⁾	16	340,894		
Preferred Equity Investments, gross ⁽⁵⁾	7	56,250		
Total Investments	440	\$ 6,451,433		

Includes 76 relationships in 41 U.S. states and Canada

⁽¹⁾ See page 18 of this supplement for important information about these credit metrics.

⁽²⁾ Excludes (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽³⁾ Occupancy Percentage is presented for the trailing twelve month period and one quarter in arrears, except for our Senior Housing - Managed portfolio, which is presented for the current period on a trailing three month basis.

⁽⁴⁾ Our loans receivable investments include one investment which has a right of first offer on six addiction treatment centers with 928 beds and one investment which has a purchase option on one Senior Housing development with 21 units.

⁽⁵⁾ Our preferred equity investments include investments in entities owning five Senior Housing developments with 686 aggregate units and one Skilled Nursing/Transitional Care development with 120 beds.

⁽⁶⁾ Reflects Occupancy Percentage of 76.8% and 79.0% for assisted living and independent living communities in our Senior Housing - Managed portfolio, respectively.

Triple-Net Portfolio

Dollars in thousands

As of March 31, 2022

	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Behavioral Health	Specialty Hospitals and Other	Total
Number of Properties	279	59	13	15	366
Number of Beds/Units	30,920	4,072	795	392	36,179
Investment	\$ 3,623,501	\$ 718,178	\$ 418,625	\$ 225,443	\$ 4,985,747

Triple-Net Portfolio — EBITDARM Coverage ⁽²⁾

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022
Skilled Nursing/Transitional Care	1.99x	1.99x	1.78x	1.77x	1.80x
Senior Housing - Leased	1.23x	1.12x	1.09x	1.04x	1.02x
Behavioral Health	1.99x	1.99x	2.11x	2.06x	1.98x
Specialty Hospitals and Other	6.92x	7.35x	7.42x	7.52x	7.52x

Triple-Net Portfolio — Pro Forma EBITDARM Coverage ⁽²⁾⁽³⁾

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022
Skilled Nursing/Transitional Care	2.09x	2.09x	1.87x	1.86x	1.87x

Triple-Net Portfolio — Operating Statistics ⁽²⁾

Dollars in thousands

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022
Skilled Nursing/Transitional Care					
Number of Properties	285	283	282	279	279
Number of Beds	31,533	31,321	31,245	30,920	30,920
Cash NOI	\$ 76,195	\$ 74,387	\$ 74,640	\$ 71,726	\$ 75,500
Occupancy	74.9 %	72.0 %	71.1 %	71.4 %	71.8 %
Skilled Mix	39.6 %	40.0 %	40.1 %	39.8 %	38.2 %
Senior Housing - Leased					
Number of Properties	65	62	61	60	59
Number of Units	4,217	4,147	4,079	4,099	4,072
Cash NOI	\$ 12,541	\$ 12,561	\$ 12,412	\$ 12,097	\$ 11,578
Occupancy	81.0 %	78.5 %	78.1 %	78.1 %	78.5 %
Behavioral Health					
Number of Properties	12	13	13	13	13
Number of Beds	795	795	795	795	795
Cash NOI	\$ 9,200	\$ 9,359	\$ 9,416	\$ 9,522	\$ 8,889
Occupancy	82.7 %	82.7 %	84.5 %	84.2 %	84.6 %
Specialty Hospitals and Other					
Number of Properties	16	16	16	15	15
Number of Beds	433	433	433	392	392
Cash NOI	\$ 4,626	\$ 4,587	\$ 4,589	\$ 4,560	\$ 4,456
Occupancy	78.1 %	80.1 %	79.9 %	80.6 %	80.5 %

⁽¹⁾ All metrics, except Cash NOI, exclude properties held for sale as of the end of the respective period.

⁽²⁾ Occupancy Percentage and Skilled Mix (together, "Operating Statistics") and EBITDARM Coverage for each period presented include only Stabilized Facilities owned by the Company as of the end of such period and only for the duration such facilities were owned by the Company and classified as Stabilized Facilities. In addition, EBITDARM Coverage and Operating Statistics are presented for the twelve months ended at the end of the respective period and one quarter in arrears, and therefore, EBITDARM Coverage and Operating Statistics exclude assets acquired after December 31, 2021.

⁽³⁾ Effective February 1, 2022, Avamere's annual base rent on the current portfolio has been reduced to \$30.7 million from \$44.1 million. Pro forma EBITDARM Coverage illustrates the impact of this rent reduction on our historical trailing twelve-month EBITDARM Coverages for Avamere and our Skilled Nursing/Transitional Care portfolio.

Same Store Triple-Net Portfolio ⁽²⁾

Dollars in thousands

	Number of Properties	Number of Beds/Units		Cash NOI	
		1Q 2022	4Q 2021	1Q 2022	4Q 2021
Skilled Nursing/Transitional Care	279	30,920	30,920	\$ 75,500	\$ 71,645
Senior Housing - Leased	59	4,072	4,072	\$ 11,504	\$ 11,999
Behavioral Health	12	795	795	\$ 8,889	\$ 8,604
Specialty Hospitals and Other	15	392	392	\$ 4,438	\$ 4,373

Same Store Triple-Net Portfolio — EBITDARM Coverage ⁽³⁾

	1Q 2022	4Q 2021
Skilled Nursing/Transitional Care	1.82x	1.78x
Senior Housing - Leased	1.02x	1.05x
Behavioral Health	1.71x	1.85x
Specialty Hospitals and Other	7.52x	7.52x

Same Store Triple-Net Portfolio — Pro Forma EBITDARM Coverage ⁽³⁾⁽⁴⁾

	1Q 2022	4Q 2021
Skilled Nursing/Transitional Care	1.89x	1.87x

Same Store Triple-Net Portfolio — Operating Statistics ⁽³⁾

	Occupancy		Skilled Mix	
	1Q 2022	4Q 2021	1Q 2022	4Q 2021
Skilled Nursing/Transitional Care	72.4 %	71.9 %	38.4 %	40.0 %
Senior Housing - Leased	78.4 %	78.2 %	N/A	N/A
Behavioral Health	82.5 %	82.6 %	N/A	N/A
Specialty Hospitals and Other	80.5 %	80.6 %	N/A	N/A

⁽¹⁾ Excludes one real estate property held for sale as of the end of the current period

⁽²⁾ Same store triple-net portfolio includes all facilities held for investment for the full period in both comparison periods.

⁽³⁾ Same store EBITDARM Coverage and Operating Statistics are presented for the twelve months ended at the end of the respective period and one quarter in arrears for Stabilized Facilities owned for the full period in both comparison periods.

⁽⁴⁾ Effective February 1, 2022, Avamere's annual base rent on the current portfolio has been reduced to \$30.7 million from \$44.1 million. Pro forma EBITDARM Coverage illustrates the impact of this rent reduction on our historical trailing twelve-month EBITDARM Coverages for Avamere and our Skilled Nursing/Transitional Care portfolio.

Top 10 Relationships

Relationship	Primary Facility Type	Tenant/Borrower Credit Exposure				Senior Housing – Managed Operator Exposure	
		As of March 31, 2022		EBITDARM Coverage Twelve Months Ended ⁽²⁾		As of March 31, 2022	
		Number of Sabra Investments	% of Annualized Cash NOI	March 31, 2022	December 31, 2021	Number of Sabra Investments	% of Annualized Cash NOI
North American Healthcare	Skilled Nursing	24	8.7 %	1.44x	1.44x	—	—
Signature Healthcare ⁽³⁾	Skilled Nursing	45	8.5 %	1.88x	1.81x	—	—
Avamere Family of Companies	Skilled Nursing	27	6.8 %	1.30x	1.33x	—	—
Signature Behavioral	Behavioral Hospitals	5	6.8 %	1.71x	1.85x	—	—
Recovery Centers of America ⁽⁴⁾	Addiction Treatment	3	5.4 %	N/A	N/A	—	—
Holiday AL Holdings LP	Independent Living	—	—	N/A	N/A	22	4.9 %
Cadia Healthcare ⁽⁵⁾	Skilled Nursing	10	4.4 %	1.77x	1.81x	—	—
Healthmark Group	Skilled Nursing	19	3.9 %	1.62x	1.65x	—	—
The McGuire Group	Skilled Nursing	7	3.7 %	2.41x	2.44x	—	—
CommuniCare ⁽⁶⁾	Skilled Nursing	14	3.6 %	1.72x	1.72x	—	—
Top 10 relationships		154	51.8 %	1.66x	1.68x	22	4.9 %
Remaining 66 relationships		236	40.0 %	2.42x	2.31x	28	3.3 %
Total		390	91.8 %	1.99x	1.95x	50	8.2 %

EBITDARM Coverage – Pro Forma ⁽⁷⁾

	EBITDARM Coverage Twelve Months Ended ⁽²⁾	
	March 31, 2022	December 31, 2021
Avamere Family of Companies	1.75x	1.87x
Top 10 relationships	1.75x	1.79x
Total	2.05x	2.02x

⁽¹⁾ Excludes (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ EBITDARM Coverage is presented for Stabilized Facilities operated by the applicable tenant and is presented one quarter in arrears.

⁽³⁾ EBITDARM Coverage excludes one non-stabilized facility with no Annualized Cash NOI.

⁽⁴⁾ EBITDARM Coverage excludes two non-stabilized facilities representing 0.5% of Annualized Cash NOI.

⁽⁵⁾ EBITDARM Coverage excludes one non-stabilized facility with no Annualized Cash NOI.

⁽⁶⁾ EBITDARM Coverage excludes two non-stabilized facilities representing 0.2% of Annualized Cash NOI.

⁽⁷⁾ Effective February 1, 2022, Avamere's annual base rent on the current portfolio has been reduced to \$30.7 million from \$44.1 million. Pro forma EBITDARM Coverage illustrates the impact of this rent reduction on our historical trailing twelve-month EBITDARM Coverages for Avamere, our Top 10 relationships and our total portfolio.

Senior Housing – Managed Portfolio by Operator ⁽²⁾

Dollars in thousands, except REVPOR

As of March 31, 2022

	Holiday		Enlivant		Sienna		Other		Total
Property Type	IL		AL		IL		AL		AL / IL
Number of Properties	22		11		8		9		50
Number of Units	3,117		631		757		761		5,266
Investment ⁽³⁾	\$ 595,808		\$ 130,699		\$ 137,733		\$ 178,995		\$ 1,043,235
Capital Expenditures: ⁽³⁾									
Recurring	\$ 728		\$ 168		\$ 82		\$ 76		\$ 1,054
Non-recurring	\$ —		\$ 305		\$ 33		\$ 27		\$ 365
Resident fees and services ⁽⁴⁾	\$ 18,903		\$ 8,743		\$ 4,866		\$ 9,715		\$ 42,227
Cash NOI ⁽⁴⁾	\$ 5,551		\$ 87		\$ 1,467		\$ 2,018		\$ 9,123
Cash NOI Margin %	29.4 %		1.0 %		30.1 %		20.8 %		21.6 %
REVPOR	\$ 2,562		\$ 6,212		\$ 2,703		\$ 6,058		\$ 3,385
Occupancy	78.9 %		74.4 %		79.3 %		79.7 %		78.5 %

Senior Housing – Managed Portfolio ⁽²⁾

Dollars in thousands, except REVPOR

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022
Number of Properties	48	49	49	49	50
Number of Units	5,024	5,140	5,140	5,140	5,266
Capital Expenditures: ⁽³⁾					
Recurring	\$ 1,356	\$ 1,863	\$ 3,621	\$ 3,218	\$ 1,054
Non-recurring	\$ 181	\$ 332	\$ 960	\$ 1,263	\$ 365
Resident fees and services ⁽⁴⁾	\$ 36,039	\$ 38,919	\$ 39,782	\$ 40,503	\$ 42,227
Cash NOI ⁽⁴⁾	\$ 7,096	\$ 10,163	\$ 9,047	\$ 8,150	\$ 9,123
Cash NOI Margin %	19.7 %	26.1 %	22.7 %	20.1 %	21.6 %
REVPOR – AL	\$ 5,904	\$ 5,905	\$ 5,942	\$ 6,108	\$ 6,139
REVPOR – IL	\$ 2,550	\$ 2,541	\$ 2,528	\$ 2,540	\$ 2,590
Occupancy – AL	69.6 %	72.8 %	75.5 %	74.7 %	76.8 %
Occupancy – IL	79.0 %	78.6 %	79.8 %	80.7 %	79.0 %

Same Store Senior Housing – Managed Portfolio ⁽⁵⁾

Dollars in thousands, except REVPOR

	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022
Number of Properties	47	47	47	47	47
Resident fees and services ⁽⁴⁾	\$ 35,644	\$ 36,604	\$ 36,970	\$ 37,820	\$ 38,696
Cash NOI ⁽⁴⁾	\$ 6,938	\$ 9,308	\$ 8,238	\$ 7,363	\$ 8,183
Cash NOI Margin %	19.5 %	25.4 %	22.3 %	19.5 %	21.1 %
REVPOR – AL	\$ 5,947	\$ 6,024	\$ 6,062	\$ 6,244	\$ 6,279
REVPOR – IL	\$ 2,550	\$ 2,541	\$ 2,528	\$ 2,540	\$ 2,578
Occupancy – AL	68.8 %	70.8 %	73.5 %	73.3 %	75.2 %
Occupancy – IL	79.0 %	78.6 %	79.8 %	80.7 %	80.4 %

⁽ⁱ⁾ Excludes our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ REVPOR and Occupancy Percentage are presented for the three months ended at the end of the respective period and include only Stabilized Facilities owned by the Company as of the end of such period and only for the duration such facilities were owned by the Company and classified as Stabilized Facilities. In addition, revenues, Cash NOI and REVPOR have been adjusted for changes in the foreign currency exchange rate where applicable.

⁽³⁾ Balances related to properties in Canada are based on the exchange rate as of the end of the period presented. The exchange rate as of March 31, 2022 was \$0.7996 per 1 CAD.

⁽⁴⁾ Revenues and Cash NOI include \$0.5 million of Grant Income for 2Q 2021.

⁽⁵⁾ Same store Senior Housing – Managed portfolio includes all facilities owned for the full period in all comparison periods. Same store REVPOR and Occupancy Percentage are presented for the three months ended at the end of the respective period for Stabilized Facilities owned for the full period in all comparison periods. In addition, revenues, Cash NOI and REVPOR have been adjusted for changes in the foreign currency exchange rate where applicable.

Loans Receivable and Other Investments

Dollars in thousands

As of March 31, 2022

Loan Type	Number of Loans	Property Type	Principal Balance	Book Value	Weighted Average Contractual Interest Rate	Weighted Average Annualized Effective Interest Rate	Interest Income Three Months Ended March 31, 2022 ⁽¹⁾	Maturity Date
Mortgage	2	Behavioral Health	\$ 309,000	\$ 309,000	7.7 %	7.7 %	\$ 5,912	11/01/26 - 01/31/27
Construction	1	Senior Housing	3,343	3,345	8.0 %	7.8 %	67	09/30/22
Other	13	Multiple	39,120	35,330	6.8 %	6.1 %	554	04/01/22 - 08/31/28
	16		351,463	347,675	7.6 %	7.5 %	\$ 6,533	
Allowance for loan losses			—	(6,851)				
			\$ 351,463	\$ 340,824				

Other Investment Type	Number of Investments	Property Type	Total Funding Commitments	Total Amount Funded	Book Value	Rate of Return	Other Income Three Months Ended March 31, 2022 ⁽¹⁾
Preferred Equity	7	Skilled Nursing / Senior Housing	\$ 70,541	\$ 47,637	\$ 56,250	11.0 %	\$ 1,419

Proprietary Development Pipeline ⁽²⁾

Dollars in thousands

As of March 31, 2022

State	Investment Type		Property Type		Investment Amount ⁽³⁾		Estimated Real Estate Value Upon Completion		Estimated Weighted Average Initial Cash Yield	Certificate of Occupancy Timing ⁽⁴⁾
	Loan	Preferred Equity	Skilled Nursing/Transitional Care	Senior Housing	Skilled Nursing/Transitional Care	Senior Housing	Skilled Nursing/Transitional Care	Senior Housing		
Indiana	—	1	—	1	\$ —	\$ 8,307	\$ —	\$ 38,000	6.0 %	Q3 2017
Missouri	—	1	—	1	—	11,584	—	73,300	6.5 %	Q4 2022
Ohio	—	1	—	1	—	6,670	—	38,000	7.3 %	Q4 2019
Texas	—	1	1	—	3,608	—	14,475	—	9.0 %	Q3 2016
	—	4	1	3	\$ 3,608	\$ 26,561	\$ 14,475	\$ 149,300	6.8 %	

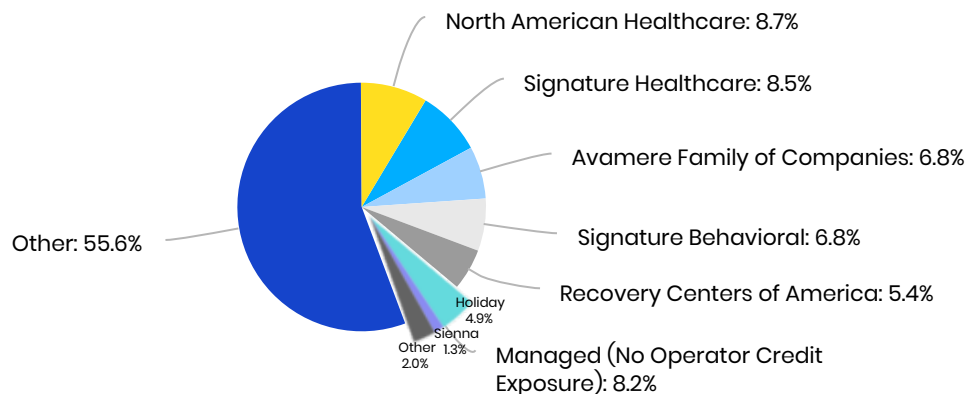
⁽¹⁾ Includes income related to loans receivable and other investments held as of March 31, 2022.

⁽²⁾ Includes projects invested in or committed to as of March 31, 2022.

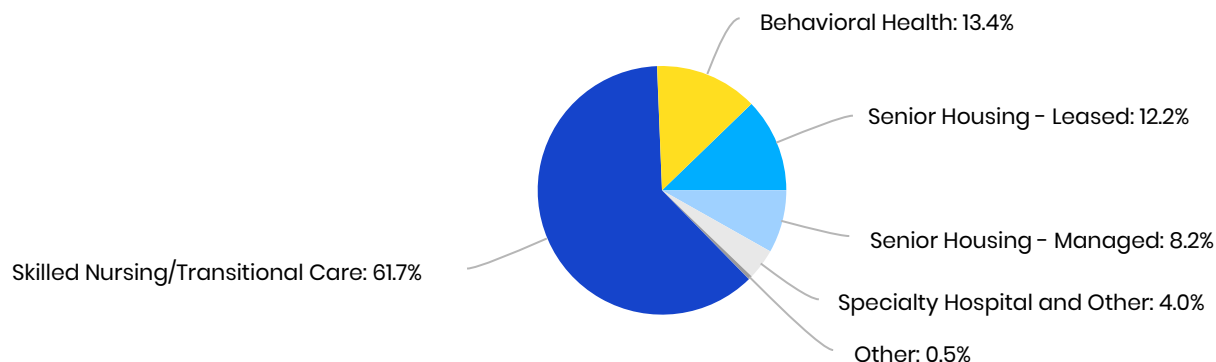
⁽³⁾ Investment amount excludes accrued and unpaid interest receivable.

⁽⁴⁾ Certificate of occupancy timing represents the period in which the certificate of occupancy has been received for a development project where construction has been completed or when the certificate of occupancy is expected to be received for a development project that is currently under construction.

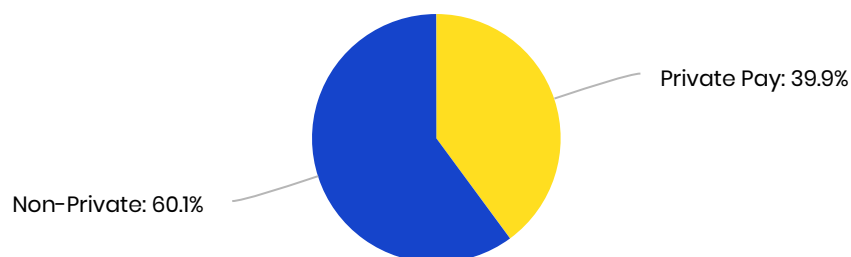
RELATIONSHIP CONCENTRATION



ASSET CLASS CONCENTRATION



PAYOR SOURCE CONCENTRATION ⁽²⁾



⁽¹⁾ Concentrations exclude (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units. Relationship and asset class concentrations include real estate investments and investments in loans receivable and other investments. Relationship concentrations use Annualized Cash NOI, and asset class concentrations use Annualized Cash NOI, as adjusted to reflect Annualized Cash NOI from our sales-type lease, mortgage and construction loans receivable and preferred equity investments in the related asset class of the underlying real estate.

⁽²⁾ Payor source concentration excludes Annualized Cash NOI from investments in loans receivable and other investments. Tenant payor source allocation presented one quarter in arrears.

Property Type

As of March 31, 2022

Location	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Behavioral Health	Specialty Hospitals and Other	Total	% of Total
Texas	38	9	6	—	13	66	15.9 %
California	24	1	1	3	1	30	7.2
Kentucky	25	1	—	1	1	28	6.7
Indiana	13	4	—	2	—	19	4.6
Oregon	15	4	—	—	—	19	4.6
Washington	15	1	1	—	—	17	4.1
Massachusetts	17	—	—	—	—	17	4.1
North Carolina	13	—	2	—	—	15	3.6
Missouri	13	—	1	—	—	14	3.3
Virginia	6	3	1	—	—	10	2.4
Other (31 states & Canada)	100	36	38	7	—	181	43.5
Total	279	59	50	13	15	416	100.0 %
% of Total	67.1 %	14.2 %	12.0 %	3.1 %	3.6 %	100.0 %	

Distribution of Beds/Units

As of March 31, 2022

Location	Total Number of Properties	Property Type					Total	% of Total
		Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Behavioral Health	Specialty Hospitals and Other		
Texas	66	4,666	577	856	—	325	6,424	15.5 %
Kentucky	28	2,598	142	—	60	40	2,840	6.9
California	30	2,058	58	102	313	27	2,558	6.2
Massachusetts	17	2,133	—	—	—	—	2,133	5.1
Indiana	19	1,439	545	—	48	—	2,032	4.9
Oregon	19	1,520	377	—	—	—	1,897	4.6
Washington	17	1,591	52	113	—	—	1,756	4.2
North Carolina	15	1,454	—	237	—	—	1,691	4.1
New York	10	1,566	—	107	—	—	1,673	4.0
Missouri	14	1,075	—	184	—	—	1,259	3.0
Other (31 states & Canada)	181	10,820	2,321	3,667	374	—	17,182	41.5
Total	416	30,920	4,072	5,266	795	392	41,445	100.0 %
% of Total		74.6 %	9.8 %	12.7 %	1.9 %	1.0 %	100.0 %	

⁽ⁱ⁾ Excludes (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

Investment

Dollars in thousands

As of March 31, 2022

Location	Total Number of Properties	Property Type					Total	% of Total
		Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Behavioral Health	Specialty Hospitals and Other		
Texas	66	\$ 382,655	\$ 81,305	\$ 184,230	\$ —	\$ 187,387	\$ 835,577	13.8 %
California	30	435,612	18,877	38,549	217,764	7,743	718,545	11.9
Oregon	19	261,316	86,860	—	—	—	348,176	5.8
Maryland	8	330,901	—	—	—	—	330,901	5.5
New York	10	297,573	—	20,294	—	—	317,867	5.3
Kentucky	28	237,572	23,669	—	9,374	30,313	300,928	5.0
Indiana	19	169,222	114,692	—	12,155	—	296,069	4.9
Washington	17	188,878	10,686	27,915	—	—	227,479	3.8
Arizona	8	24,281	10,348	38,800	121,757	—	195,186	3.2
North Carolina	15	123,462	—	69,105	—	—	192,567	3.2
Other (31 states & Canada) ⁽²⁾	196	1,172,029	371,741	664,342	57,575	—	2,265,687	37.6
Total	416	\$ 3,623,501	\$ 718,178	\$ 1,043,235	\$ 418,625	\$ 225,443	\$ 6,028,982	100.0 %
% of Total		60.1 %	11.9 %	17.3 %	7.0 %	3.7 %	100.0 %	

⁽¹⁾ Excludes (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ Investment balance in Canada is based on the exchange rate as of March 31, 2022 of \$0.7996 per 1 CAD.

Lease Expirations ⁽ⁱ⁾

Dollars in thousands

As of March 31, 2022

	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Behavioral Health	Specialty Hospitals and Other	Total Annualized Revenues	% of Total
04/01/22 - 12/31/22	\$ 7,276	\$ —	\$ —	\$ —	\$ 7,276	1.9 %
2023	9,297	—	—	—	9,297	2.5 %
2024	10,542	2,493	—	—	13,035	3.4 %
2025	10,148	3,228	—	1,374	14,750	3.9 %
2026	17,727	1,341	—	—	19,068	5.0 %
2027	40,470	5,172	—	—	45,642	12.0 %
2028	15,256	6,891	—	3,210	25,357	6.7 %
2029	57,806	6,027	—	5,842	69,675	18.3 %
2030	13,050	—	—	3,095	16,145	4.2 %
2031	89,950	4,642	1,025	—	95,617	25.2 %
Thereafter	5,128	19,291	35,433	4,272	64,124	16.9 %
Total Annualized Revenues	\$ 276,650	\$ 49,085	\$ 36,458	\$ 17,793	\$ 379,986	100.0 %

⁽ⁱ⁾ Excludes (i) Senior Housing - Managed communities and (ii) one real estate property held for sale as of the end of the current period.

Investment Activity

Dollars in thousands

Investment	Initial Investment Date	Property Type	Number of Properties	Beds/Units	2022 Amounts Invested ⁽¹⁾	Rate of Return/ Initial Cash Yield
Real Estate						
Traditions of Deerfield ⁽²⁾	02/01/22	Senior Housing – Managed	1	126	\$ 26,000	6.70 %
Additions to Real Estate ⁽³⁾	Various	Multiple	N/A	N/A	6,603	8.35 %
Total Real Estate Investments					32,603	7.03 %
Preferred Equity						
Additional Preferred Equity Fundings	Various	Multiple	N/A	N/A	4,074	10.00 %
All Investments through March 31, 2022					\$ 36,677	7.36 %

⁽¹⁾ Excludes capitalized acquisition costs and origination fees.

⁽²⁾ Amount invested reflects the gross investment, of which \$5.6 million was used to repay our preferred equity investment. Transaction includes a potential earnout if certain performance metrics are achieved after 18 months.

⁽³⁾ Excludes capital expenditures for the Senior Housing – Managed portfolio and recurring capital expenditures for the Triple-Net portfolio.

Consolidated Debt

Dollars in thousands

As of March 31, 2022

Secured debt	\$	51,572
Revolving credit facility		16,792
Term loans		559,950
Senior unsecured notes		1,750,000
Total		2,378,314
Deferred financing costs and premiums/discounts, net		(20,784)
Total, net	\$	2,357,530

Revolving Credit Facility

Dollars in thousands

As of March 31, 2022

Credit facility availability	\$	983,208
Credit facility capacity		1,000,000

Enterprise Value

Dollars in thousands, except per share amounts

As of March 31, 2022

	Shares Outstanding	Price	Value
Common stock	230,954,777	\$ 14.89	\$ 3,438,917
Consolidated Debt			2,378,314
Cash and cash equivalents			(24,836)
Consolidated Enterprise Value			\$ 5,792,395

At-The-Market Common Stock Offering Program

Dollars in thousands

Availability as of March 31, 2022	\$	475,033
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Common Stock and Equivalents

Common stock
Common equivalents
Basic common and common equivalents
Dilutive securities:
Restricted stock units
Diluted common and common equivalents

Weighted Average Common Shares	
Three Months Ended March 31, 2022	
EPS, FFO and Normalized FFO	AFFO and Normalized AFFO
230,848,245	230,848,245
11,748	11,748
230,859,993	230,859,993
704,977	1,624,741
231,564,970	232,484,734

Fixed | Variable Rate Debt

Dollars in thousands

As of March 31, 2022

Fixed Rate Debt

	Principal	Weighted Average Interest Rate ⁽¹⁾	% of Total
Secured debt	\$ 51,572	3.33 %	2.2 %
Unsecured senior notes	1,750,000	4.04 %	73.6 %
Total fixed rate debt	1,801,572	4.02 %	75.8 %

Variable Rate Debt

Revolving credit facility	16,792	2.06 %	0.7 %
Term loans ⁽²⁾	559,950	2.35 %	23.5 %
Total variable rate debt	576,742	2.34 %	24.2 %

Consolidated Debt

	\$ 2,378,314	3.62 %	100.0 %
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Secured | Unsecured Debt

Dollars in thousands

As of March 31, 2022

Secured Debt

Secured debt	\$ 51,572	3.33 %	2.2 %
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Unsecured Debt

Unsecured senior notes	1,750,000	4.04 %	73.6 %
Revolving credit facility	16,792	2.06 %	0.7 %
Term loans	559,950	2.35 %	23.5 %
Total unsecured debt	2,326,742	3.62 %	97.8 %

Consolidated Debt

	\$ 2,378,314	3.62 %	100.0 %
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⁽¹⁾ Weighted average interest rate includes private mortgage insurance and impact of interest rate derivative agreements.

⁽²⁾ Term loans include \$436.3 million subject to swap agreements that fix and collar agreements that set a cap and floor for LIBOR at a weighted average rate of 1.14%, and \$100.0 million (CAD \$125.0 million) subject to swap agreements that fix CDOR at 1.10%. Excluding these amounts, variable rate debt was 1.7% of Consolidated Debt as of March 31, 2022.

Debt Maturity Schedule

Dollars in thousands

As of March 31, 2022

	Secured Debt		Unsecured Senior Notes		Term Loans		Revolving Credit Facility ⁽¹⁾		Consolidated Debt	
	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾
04/01/22 - 12/31/22	\$ 1,449	2.84 %	\$ —	—	\$ —	—	\$ —	—	\$ 1,449	2.84 %
2023	1,979	2.84 %	—	—	—	—	16,792	2.06 %	18,771	2.14 %
2024	2,034	2.85 %	—	—	559,950	1.79 %	—	—	561,984	1.80 %
2025	2,089	2.86 %	—	—	—	—	—	—	2,089	2.86 %
2026	2,147	2.86 %	500,000	5.13 %	—	—	—	—	502,147	5.12 %
2027	2,206	2.87 %	100,000	5.88 %	—	—	—	—	102,206	5.82 %
2028	2,266	2.88 %	—	—	—	—	—	—	2,266	2.88 %
2029	2,328	2.89 %	350,000	3.90 %	—	—	—	—	352,328	3.89 %
2030	2,392	2.90 %	—	—	—	—	—	—	2,392	2.90 %
2031	2,093	2.92 %	800,000	3.20 %	—	—	—	—	802,093	3.20 %
Thereafter	30,589	3.08 %	—	—	—	—	—	—	30,589	3.08 %
Total	51,572		1,750,000		559,950		16,792		2,378,314	
Discount, net	—		(3,043)		—		—		(3,043)	
Deferred financing costs, net	(927)		(13,171)		(3,643)		—		(17,741)	
Total, net	\$ 50,645		\$ 1,733,786		\$ 556,307		\$ 16,792		\$ 2,357,530	
Wtd. avg. maturity/years	22.5		7.5		2.4		1.4		6.6	
Wtd. avg. interest rate ⁽³⁾	3.33 %		4.04 %		2.35 %		2.06 %		3.62 %	

⁽¹⁾ Revolving Credit Facility is subject to two six-month extension options.

⁽²⁾ Represents actual contractual interest rates excluding private mortgage insurance and impact of interest rate derivative agreements.

⁽³⁾ Weighted average interest rate includes private mortgage insurance and impact of interest rate derivative agreements.

Key Credit Metrics ⁽¹⁾

	March 31, 2022	December 31, 2021
Net Debt to Adjusted EBITDA ⁽²⁾	5.11x	4.98x
Interest Coverage ⁽²⁾	5.21x	5.19x
Fixed Charge Coverage Ratio ⁽²⁾	5.09x	5.03x
Total Debt/Asset Value	34 %	34 %
Secured Debt/Asset Value	1 %	1 %
Unencumbered Assets/Unsecured Debt	292 %	291 %
Cost of Permanent Consolidated Debt ⁽³⁾	3.63 %	3.59 %

Unsecured Notes Ratings

S&P (Stable outlook)	BBB-
Fitch (Stable outlook)	BBB-
Moody's (Stable outlook)	Ba1

⁽¹⁾ Key credit statistics (except Net Debt to Adjusted EBITDA) are calculated in accordance with the credit agreement relating to the revolving credit facility and the indentures relating to our unsecured senior notes.

⁽²⁾ Based on the trailing twelve month period ended as of the date indicated.

⁽³⁾ Excludes revolving credit facility balance that had an interest rate of 2.06% and 1.20% as of March 31, 2022 and December 31, 2021, respectively.

Consolidated Statements of Income

Dollars in thousands, except per share data

	Three Months Ended March 31,	
	2022	2021
Revenues:		
Rental and related revenues ⁽ⁱ⁾	\$ 109,886	\$ 113,383
Interest and other income	10,992	2,941
Resident fees and services	42,227	36,041
Total revenues	163,105	152,365
Expenses:		
Depreciation and amortization	45,256	44,375
Interest	24,972	24,443
Triple-net portfolio operating expenses	5,011	5,135
Senior housing - managed portfolio operating expenses	33,104	28,945
General and administrative	10,396	8,938
Provision for loan losses and other reserves	475	2,025
Total expenses	119,214	113,861
Other (expense) income:		
Loss on extinguishment of debt	(271)	(793)
Other income	68	133
Net gain on sales of real estate	—	1,313
Total other (expense) income	(203)	653
Income before loss from unconsolidated joint venture and income tax expense	43,688	39,157
Loss from unconsolidated joint venture	(2,802)	(5,010)
Income tax expense	(284)	(700)
Net income	\$ 40,602	\$ 33,447
Net income, per:		
Basic common share	\$ 0.18	\$ 0.16
Diluted common share	\$ 0.18	\$ 0.16
Weighted-average number of common shares outstanding, basic	230,859,993	211,450,699
Weighted-average number of common shares outstanding, diluted	231,564,970	212,624,305

⁽ⁱ⁾ See page 20 for additional details regarding Rental and related revenues.

Consolidated Statements of Income - Supplemental Information

Dollars in thousands

	Three Months Ended March 31,	
	2022	2021
Cash rental income	\$ 100,357	\$ 102,915
Straight-line rental income	2,694	4,077
Straight-line rental income receivable write-offs	(139)	—
Above/below market lease amortization	1,593	1,636
Above/below market lease intangible write-offs	326	—
Operating expense recoveries	5,055	4,755
Rental and related revenues	<u>\$ 109,886</u>	<u>\$ 113,383</u>

Consolidated Balance Sheets

Dollars in thousands, except per share data

	March 31, 2022	December 31, 2021
Assets		
Real estate investments, net of accumulated depreciation of \$873,795 and \$831,324 as of March 31, 2022 and December 31, 2021, respectively	\$ 5,156,060	\$ 5,162,884
Loans receivable and other investments, net	397,074	399,086
Investment in unconsolidated joint venture	93,878	96,680
Cash and cash equivalents	24,836	111,996
Restricted cash	4,443	3,890
Lease intangible assets, net	52,877	54,063
Accounts receivable, prepaid expenses and other assets, net	155,764	138,108
Total assets	\$ 5,884,932	\$ 5,966,707
Liabilities		
Secured debt, net	\$ 50,645	\$ 66,663
Revolving credit facility	16,792	—
Term loans, net	556,307	594,246
Senior unsecured notes, net	1,733,786	1,733,566
Accounts payable and accrued liabilities	118,296	142,989
Lease intangible liabilities, net	47,583	49,713
Total liabilities	2,523,409	2,587,177
Equity		
Preferred stock, \$0.01 par value; 10,000,000 shares authorized, zero shares issued and outstanding as of March 31, 2022 and December 31, 2021	—	—
Common stock, \$0.01 par value; 500,000,000 shares authorized, 230,954,777 and 230,398,655 shares issued and outstanding as of March 31, 2022 and December 31, 2021, respectively	2,310	2,304
Additional paid-in capital	4,481,634	4,482,451
Cumulative distributions in excess of net income	(1,124,095)	(1,095,204)
Accumulated other comprehensive income (loss)	1,674	(10,021)
Total equity	3,361,523	3,379,530
Total liabilities and equity	\$ 5,884,932	\$ 5,966,707

Consolidated Statements of Cash Flows

Dollars in thousands

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net income	\$ 40,602	\$ 33,447
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	45,256	44,375
Non-cash rental and related revenues	(4,474)	(5,713)
Non-cash interest income	(547)	(412)
Non-cash interest expense	2,698	1,896
Stock-based compensation expense	2,456	2,288
Loss on extinguishment of debt	271	793
Provision for loan losses and other reserves	475	2,025
Net gain on sales of real estate	—	(1,313)
Loss from unconsolidated joint venture	2,802	5,010
Changes in operating assets and liabilities:		
Accounts receivable, prepaid expenses and other assets, net	(5,457)	(2,873)
Accounts payable and accrued liabilities	(20,968)	(10,992)
Net cash provided by operating activities	63,114	68,531
Cash flows from investing activities:		
Acquisition of real estate	(20,573)	(28,654)
Origination and fundings of preferred equity investments	(4,074)	—
Additions to real estate	(10,803)	(10,833)
Escrow deposits for potential investments	(3,217)	—
Repayments of loans receivable	696	628
Repayments of preferred equity investments	729	301
Net proceeds from the sales of real estate	—	3,202
Net cash used in investing activities	(37,242)	(35,356)
Cash flows from financing activities:		
Net borrowings from revolving credit facility	16,577	—
Principal payments on term loans	(40,000)	(93,000)
Principal payments on secured debt	(16,067)	(709)
Payments of deferred financing costs	(6)	—
Issuance of common stock, net	(3,748)	87,654
Dividends paid on common stock	(69,275)	(63,221)
Net cash used in financing activities	(112,519)	(69,276)
Net decrease in cash, cash equivalents and restricted cash	(86,647)	(36,101)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	40	65
Cash, cash equivalents and restricted cash, beginning of period	115,886	65,523
Cash, cash equivalents and restricted cash, end of period	\$ 29,279	\$ 29,487
Supplemental disclosure of cash flow information:		
Interest paid	\$ 18,383	\$ 21,620
Supplemental disclosure of non-cash investing activities:		
Decrease in loans receivable and other investments due to acquisition of real estate	\$ 5,623	\$ —

FFO, Normalized FFO, AFFO and Normalized AFFO

Dollars in thousands, except per share data

	Three Months Ended March 31,	
	2022	2021
Net income	\$ 40,602	\$ 33,447
Add:		
Depreciation and amortization of real estate assets	45,256	44,375
Depreciation, amortization and impairment of real estate assets related to unconsolidated joint venture	4,633	5,844
Net gain on sales of real estate	—	(1,313)
Net loss on sales of real estate related to unconsolidated joint venture	—	33
FFO	\$ 90,491	\$ 82,386
Write-offs of straight-line rental income receivable and lease intangibles	(182)	—
Lease termination income	(2,338)	—
Loss on extinguishment of debt	271	793
Provision for loan losses and other reserves	475	2,025
Other normalizing items ⁽¹⁾	(48)	344
Normalized FFO	\$ 88,669	\$ 85,548
FFO	\$ 90,491	\$ 82,386
Stock-based compensation expense	2,456	2,288
Non-cash rental and related revenues	(4,474)	(5,713)
Non-cash interest income	(547)	(412)
Non-cash interest expense	2,698	1,896
Non-cash portion of loss on extinguishment of debt	271	793
Provision for loan losses and other reserves	475	2,025
Other non-cash adjustments related to unconsolidated joint venture	(986)	(596)
Other non-cash adjustments	183	172
AFFO	\$ 90,567	\$ 82,839
Cash portion of lease termination income	(2,338)	—
Other normalizing items ⁽¹⁾	(186)	321
Normalized AFFO	\$ 88,043	\$ 83,160
Amounts per diluted common share:		
Net income	\$ 0.18	\$ 0.16
FFO	\$ 0.39	\$ 0.39
Normalized FFO	\$ 0.38	\$ 0.40
AFFO	\$ 0.39	\$ 0.39
Normalized AFFO	\$ 0.38	\$ 0.39
Weighted average number of common shares outstanding, diluted:		
Net income, FFO and Normalized FFO	231,564,970	212,624,305
AFFO and Normalized AFFO	232,484,734	213,270,122

⁽¹⁾ FFO and AFFO for each of the three months ended March 31, 2022 and 2021 include \$0.2 million earned during the period related to legacy Care Capital Properties, Inc. investments. In addition, other normalizing items for FFO and AFFO include triple-net operating expenses, net of recoveries.

We disclose components of our business relevant to calculate NAV. We consider NAV to be a useful supplemental measure that assists both management and investors to estimate the fair value of our Company. The calculation of NAV involves significant estimates and can be calculated using various methods. Each individual investor must determine the specific methodology, assumptions and estimates to use to arrive at an estimated NAV of the Company.

The components of NAV do not consider potential changes in our investment portfolio. The components include non-GAAP financial measures, such as Cash NOI. Although these measures are not presented in accordance with GAAP, investors can use these non-GAAP financial measures as supplemental information to evaluate our business.

Annualized Cash NOI

Dollars in thousands

Skilled Nursing/Transitional Care	\$	276,650
Senior Housing - Leased		49,085
Senior Housing - Managed		36,859
Behavioral Health		36,458
Specialty Hospitals and Other		17,793
Annualized Cash NOI (excluding loans receivable and other investments)	\$	<u>416,845</u>

Obligations

Dollars in thousands

Secured debt ⁽²⁾	\$	51,572
Unsecured senior notes ⁽²⁾		1,750,000
Revolving credit facility		16,792
Term loans ⁽²⁾		<u>559,950</u>
Consolidated Debt		2,378,314
Add (less):		
Cash and cash equivalents and restricted cash		(29,279)
Accounts payable and accrued liabilities ⁽³⁾		<u>109,303</u>
Net obligations	\$	<u>2,458,338</u>

Other Assets

Dollars in thousands

Loans receivable and other investments, net	\$	397,074
Investment in unconsolidated joint venture		93,878
Accounts receivable, prepaid expenses and other assets, net ⁽³⁾		<u>59,687</u>
Total other assets	\$	<u>550,639</u>

Common Shares Outstanding

Total shares		<u>230,954,777</u>
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⁽¹⁾ Excludes (i) one real estate property held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units and our 49% share of the unconsolidated joint venture's debt which was \$374.8 million as of March 31, 2022.

⁽²⁾ Amounts represent principal amounts due and exclude deferred financing costs, net and premiums/discounts, net.

⁽³⁾ Includes balances that impact cash or NOI and excludes non-cash items.

Disclaimer

This supplement contains “forward-looking” information as that term is defined in the Private Securities Litigation Reform Act of 1995. Any statements that do not relate to historical or current facts or matters are forward-looking statements. Examples of forward-looking statements include all statements regarding our expected future financial position, results of operations, cash flows, liquidity, business strategy, growth opportunities, potential investments, and plans and objectives for future operations. You can identify some of the forward-looking statements by the use of forward-looking words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “should,” “may” and other similar expressions, although not all forward-looking statements contain these identifying words.

Our actual results may differ materially from those projected or contemplated by our forward-looking statements as a result of various factors, including, among others, the following: the ongoing COVID-19 pandemic and measures intended to prevent its spread, and the related impact on our tenants, operators and Senior Housing – Managed communities; operational risks with respect to our Senior Housing – Managed communities; competitive conditions in our industry; the loss of key management personnel; uninsured or underinsured losses affecting our properties and the possibility of environmental compliance costs and liabilities; potential impairment charges and adjustments related to the accounting of our assets; the potential variability of our reported rental and related revenues as a result of Accounting Standards Update (“ASU”) 2016-02, Leases, as amended by subsequent ASUs, on January 1, 2019; risks associated with our investment in our unconsolidated joint venture; catastrophic weather and other natural or man-made disasters, the effects of climate change on our properties and a failure to implement sustainable and energy-efficient measures; increased operating costs for our tenants and operators; increased healthcare regulation and enforcement; our tenants’ dependency on reimbursement from governmental and other third-party payor programs; the effect of our tenants declaring bankruptcy or becoming insolvent; our ability to find replacement tenants and the impact of unforeseen costs in acquiring new properties; the impact of litigation and rising insurance costs on the business of our tenants; the impact of required regulatory approvals of transfers of healthcare properties; environmental compliance costs and liabilities associated with real estate properties we own; our tenants’ or operators’ failure to adhere to applicable privacy and data security laws, or a material breach of our or our tenants’ or operators’ information technology; our concentration in the healthcare property sector, particularly in skilled nursing/transitional care facilities and senior housing communities, which makes our profitability more vulnerable to a downturn in a specific sector than if we were investing in multiple industries; the significant amount of and our ability to service our indebtedness; covenants in our debt agreements that may restrict our ability to pay dividends, make investments, incur additional indebtedness and refinance indebtedness on favorable terms; increases in market interest rates; adverse changes in our credit ratings; our ability to make dividend distributions at expected levels; our ability to raise capital through equity and debt financings; changes in foreign currency exchange rates and other risks associated with our ownership of property outside the U.S.; the relatively illiquid nature of real estate investments; our ability to maintain our status as a real estate investment trust (“REIT”) under the federal tax laws; compliance with REIT requirements and certain tax and tax regulatory matters related to our status as a REIT; changes in tax laws and regulations affecting REITs (including the potential effects of the Tax Cuts and Jobs Act); the ownership limits and takeover defenses in our governing documents and under Maryland law, which may restrict change of control or business combination opportunities; and the exclusive forum provisions in our bylaws.

Additional information concerning risks and uncertainties that could affect our business can be found in our filings with the Securities and Exchange Commission (the “SEC”), including in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021. We do not intend, and we undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this supplement or to reflect the occurrence of unanticipated events, unless required by law to do so.

Note Regarding Non-GAAP Financial Measures

This supplement includes the following financial measures defined as non-GAAP financial measures by the SEC: net operating income (“NOI”), Cash NOI, funds from operations (“FFO”), Normalized FFO, Adjusted FFO (“AFFO”), Normalized AFFO, FFO per diluted common share, Normalized FFO per diluted common share, AFFO per diluted common share, Normalized AFFO per diluted common share and Adjusted EBITDA (defined below). These measures may be different than non-GAAP financial measures used by other companies, and the presentation of these measures is not intended to be considered in isolation or as a substitute for financial information prepared and presented in accordance with U.S. generally accepted accounting principles. An explanation of these non-GAAP financial measures is included under “Reporting Definitions” in this supplement and reconciliations of these non-GAAP financial measures to the GAAP financial measures we consider most comparable are included on the Investors section of our website at <https://ir.sabrahealth.com/investors/financials/quarterly-results>.

Tenant, Operator and Borrower Information

This supplement includes information regarding our tenants that lease properties from us and our operators and borrowers, most of which are not subject to SEC reporting requirements. The information related to our tenants, operators and borrowers that is provided in this supplement has been provided by, or derived from information provided by, such tenants, operators and borrowers. We have not independently verified this information. We have no reason to believe that such information is inaccurate in any material respect. We are providing this data for informational purposes only.

Sabra Information

The information in this supplemental information package should be read in conjunction with the Company’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other information filed with the SEC. The Reporting Definitions and Reconciliations of Non-GAAP Measures are an integral part of the information presented herein.

On Sabra’s website, www.sabrahealth.com, you can access, free of charge, Sabra’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Sections 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after such material is filed with, or furnished to, the SEC. The information contained on Sabra’s website is not incorporated by reference into, and should not be considered a part of, this supplemental information package. All material filed with the SEC can also be accessed through its website, www.sec.gov.

For more information, contact Investor Relations at (888) 393-8248 or investorrelations@sabrahealth.com.

Adjusted EBITDA*

Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation and amortization ("EBITDA") excluding the impact of merger-related costs, stock-based compensation expense under the Company's long-term equity award program, and loan loss reserves. Adjusted EBITDA is an important non-GAAP supplemental measure of operating performance.

Annualized Cash Net Operating Income ("Annualized Cash NOI")*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers Annualized Cash NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines Annualized Cash NOI as Annualized Revenues less operating expenses and non-cash revenues and expenses. Annualized Cash NOI excludes all other financial statement amounts included in net income.

Annualized Revenues

The annual contractual rental revenues under leases and interest and other income generated by the Company's loans receivable and other investments based on amounts invested and applicable terms as of the end of the period presented. Annualized Revenues do not include tenant recoveries or additional rents and are adjusted to (i) reflect actual payments received during the twelve months ended at the end of the respective period for leases no longer accounted for on an accrual basis, (ii) exclude residual rents due to Sabra from prior asset sales under the Company's 2017 memorandum of understanding with Genesis and (iii) reflect the reduction in Avamere's annual base rent to \$30.7 million effective February 1, 2022.

Behavioral Health

Includes behavioral hospitals that provide inpatient and outpatient care for patients with mental health conditions, chemical dependence or substance addictions and addiction treatment centers that provide treatment services for chemical dependence and substance addictions, which may include inpatient care, outpatient care, medical detoxification, therapy and counseling.

Cash Net Operating Income ("Cash NOI")*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers Cash NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines Cash NOI as total revenues less operating expenses and non-cash revenues and expenses. Cash NOI excludes all other financial statement amounts included in net income.

Cash NOI Margin

Cash NOI Margin is calculated as Cash NOI divided by resident fees and services.

Consolidated Debt

The principal balances of the Company's revolving credit facility, term loans, senior unsecured notes, and secured indebtedness as reported in the Company's consolidated financial statements.

Consolidated Debt, Net

The carrying amount of the Company's revolving credit facility, term loans, senior unsecured notes, and secured indebtedness, as reported in the Company's consolidated financial statements.

Consolidated Enterprise Value

The Company believes Consolidated Enterprise Value is an important measurement as it is a measure of a company's value. The Company calculates Consolidated Enterprise Value as market equity capitalization plus Consolidated Debt. Market equity capitalization is calculated as (i) the number of shares of common stock multiplied by the closing price of the Company's common stock on the last day of the period presented plus (ii) the number of shares of preferred stock multiplied by the closing price of the Company's preferred stock on the last day of the period presented. Consolidated Enterprise Value includes the Company's market equity capitalization and Consolidated Debt, less cash and cash equivalents.

EBITDARM

Earnings before interest, taxes, depreciation, amortization, rent and management fees ("EBITDARM") for a particular facility accruing to the operator/tenant of the property (not the Company), for the period presented. The Company uses EBITDARM in determining EBITDARM Coverage. EBITDARM has limitations as an analytical tool. EBITDARM does not reflect historical cash expenditures or future cash requirements for facility capital expenditures or contractual commitments. In addition, EBITDARM does not represent a property's net income or cash flows from operations and should not be considered an alternative to those indicators. The Company utilizes EBITDARM to evaluate the core operations of the properties by eliminating management fees, which may vary by operator/tenant and operating structure, and as a supplemental measure of the ability of the Company's operators/tenants and relevant guarantors to generate sufficient liquidity to meet related obligations to the Company.

EBITDARM Coverage

Represents the ratio of EBITDARM to cash rent for owned facilities (excluding Senior Housing - Managed communities) for the period presented. EBITDARM Coverage is a supplemental measure of a property's ability to generate cash flows for the operator/tenant (not the Company) to meet the operator's/tenant's related cash rent and other obligations to the Company. However, its usefulness is limited by, among other things, the same factors that limit the usefulness of EBITDARM. EBITDARM Coverage includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

Funds From Operations (“FFO”) and Adjusted Funds from Operations (“AFFO”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company also believes that funds from operations, or FFO, as defined in accordance with the definition used by the National Association of Real Estate Investment Trusts (“Nareit”), and adjusted funds from operations, or AFFO (and related per share amounts) are important non-GAAP supplemental measures of the Company’s operating performance. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a real estate investment trust that uses historical cost accounting for depreciation could be less informative. Thus, Nareit created FFO as a supplemental measure of operating performance for real estate investment trusts that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined as net income, computed in accordance with GAAP, excluding gains or losses from real estate dispositions and the Company’s share of gains or losses from real estate dispositions related to its unconsolidated joint venture, plus real estate depreciation and amortization, net of amounts related to noncontrolling interests, plus the Company’s share of depreciation and amortization related to its unconsolidated joint venture, and real estate impairment charges of both consolidated and unconsolidated entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. AFFO is defined as FFO excluding merger and acquisition costs, stock-based compensation expense, non-cash rental and related revenues, non-cash interest income, non-cash interest expense, non-cash portion of loss on extinguishment of debt, provision for loan losses and other reserves, non-cash lease termination income and deferred income taxes, as well as other non-cash revenue and expense items (including ineffectiveness gain/loss on derivative instruments, and non-cash revenue and expense amounts related to noncontrolling interests) and the Company’s share of non-cash adjustments related to its unconsolidated joint venture. The Company believes that the use of FFO and AFFO (and the related per share amounts), combined with the required GAAP presentations, improves the understanding of the Company’s operating results among investors and makes comparisons of operating results among real estate investment trusts more meaningful. The Company considers FFO and AFFO to be useful measures for reviewing comparative operating and financial performance because, by excluding the applicable items listed above, FFO and AFFO can help investors compare the operating performance of the Company between periods or as compared to other companies. While FFO and AFFO are relevant and widely used measures of operating performance of real estate investment trusts, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company’s liquidity or operating performance. FFO and AFFO also do not consider the costs associated with capital expenditures related to the Company’s real estate assets nor do they purport to be indicative of cash available to fund the Company’s future cash requirements. Further, the Company’s computation of FFO and AFFO may not be comparable to FFO and AFFO reported by other real estate investment trusts that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define AFFO differently than the Company does.

Grant Income

Grant income consists of funds specifically paid to communities in our Senior Housing – Managed portfolio from state or federal governments related to the pandemic and were incremental to the amounts that would have otherwise been received for providing care to residents.

Investment

Represents the carrying amount of real estate assets after adding back accumulated depreciation and amortization and excludes net intangible assets and liabilities.

Market Capitalization

Total common shares of Sabra outstanding multiplied by the closing price per common share as of a given period.

Net Debt*

The principal balances of the Company’s revolving credit facility, term loans, senior unsecured notes, and secured indebtedness as reported in the Company’s consolidated financial statements, net of cash and cash equivalents as reported in the Company’s consolidated financial statements.

Net Debt to Adjusted EBITDA*

Net Debt to Adjusted EBITDA is calculated as Net Debt divided by Annualized Adjusted EBITDA, which is Adjusted EBITDA, as adjusted for annualizing adjustments that give effect to the acquisitions and dispositions completed during the respective period as though such acquisitions and dispositions were completed as of the beginning of the period presented.

Net Operating Income (“NOI”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines NOI as total revenues less operating expenses. NOI excludes all other financial statement amounts included in net income.

Normalized FFO and Normalized AFFO*

Normalized FFO and Normalized AFFO represent FFO and AFFO, respectively, adjusted for certain income and expense items that the Company does not believe are indicative of its ongoing operating results. The Company considers Normalized FFO and Normalized AFFO to be useful measures to evaluate the Company's operating results excluding these income and expense items to help investors compare the operating performance of the Company between periods or as compared to other companies. Normalized FFO and Normalized AFFO do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company's liquidity or operating performance. Normalized FFO and Normalized AFFO also do not consider the costs associated with capital expenditures related to the Company's real estate assets nor do they purport to be indicative of cash available to fund the Company's future cash requirements. Further, the Company's computation of Normalized FFO and Normalized AFFO may not be comparable to Normalized FFO and Normalized AFFO reported by other real estate investment trusts that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define FFO and AFFO or Normalized FFO and Normalized AFFO differently than the Company does.

Occupancy Percentage

Occupancy Percentage represents the facilities' average operating occupancy for the period indicated. The percentages are calculated by dividing the actual census from the period presented by the available beds/units for the same period. Occupancy includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

REVPOR

REVPOR represents the average revenues generated per occupied unit per month at Senior Housing - Managed communities for the period indicated. It is calculated as resident fees and services revenues, excluding Grant Income, divided by average monthly occupied unit days. REVPOR includes only Stabilized Facilities.

Senior Housing

Senior Housing communities include independent living, assisted living, continuing care retirement and memory care communities.

Senior Housing - Managed

Senior Housing communities operated by third-party property managers pursuant to property management agreements.

Skilled Mix

Skilled Mix is defined as the total Medicare and non-Medicaid managed care patient revenue at Skilled Nursing/Transitional Care facilities divided by the total revenues at Skilled Nursing/Transitional Care facilities for the period indicated. Skilled Mix includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

Skilled Nursing/Transitional Care

Skilled Nursing/Transitional Care facilities include skilled nursing, transitional care, multi-license designation and mental health facilities.

Specialty Hospitals and Other

Includes acute care, long-term acute care and rehabilitation hospitals, facilities that provide residential services, which may include assistance with activities of daily living, and other facilities not classified as Skilled Nursing/Transitional Care, Senior Housing or Behavioral Health.

Stabilized Facility

At the time of acquisition, the Company classifies each facility as either stabilized or non-stabilized. In addition, the Company may classify a facility as non-stabilized after acquisition. Circumstances that could result in a facility being classified as non-stabilized include newly completed developments, facilities undergoing major renovations or additions, facilities being repositioned or transitioned to new operators, and significant transitions within the tenants' business model. Such facilities are typically reclassified to stabilized upon the earlier of maintaining consistent occupancy (85% for Skilled Nursing/Transitional Care facilities and 90% for Senior Housing communities) or 24 months after the date of classification as non-stabilized. Stabilized Facilities exclude (i) facilities held for sale, (ii) strategic disposition candidates, (iii) facilities being transitioned to a new operator, (iv) facilities being transitioned from being leased by the Company to being operated by the Company and (v) facilities acquired during the three months preceding the period presented.

***Non-GAAP Financial Measures**

Reconciliations, definitions and important discussions regarding the usefulness and limitations of the Non-GAAP Financial Measures used in this supplement can be found at <https://ir.sabrahealth.com/investors/financials/quarterly-results>.