



# Capital Senior Living

A Leading Owner-Operator of Senior Living  
Communities and Services

DISCOVER *the difference*

# Forward-Looking Statements & Non-GAAP Financial Measures



## **Forward Looking Statements:**

*The forward-looking statements in this presentation The forward-looking statements in this release are subject to certain risks and uncertainties that could cause the Company's actual results and financial condition to differ materially, including, but not limited to, the continued spread of COVID-19, including the speed, depth, geographic reach and duration of such spread, new information that may emerge concerning the severity of COVID-19, the actions taken to prevent or contain the spread of COVID-19 or treat its impact, the legal, regulatory and administrative developments that occur at the federal, state and local levels in response to the COVID-19 pandemic, and the frequency and magnitude of legal actions and liability claims that may arise due to COVID-19 or the Company's response efforts; the impact of COVID-19 on the Company's ability to continue as a going concern, the Company's ability to generate sufficient cash flows from operations, additional proceeds from debt refinancings, and proceeds from the sale of assets to satisfy its short and long-term debt and lease obligations and to fund the Company's capital improvement projects to expand, redevelop, and/or reposition its senior living communities; the Company's ability to obtain additional capital on terms acceptable to it; the Company's ability to extend or refinance its existing debt as such debt matures; the Company's compliance with its debt and lease agreements, including certain financial covenants, and the risk of cross-default in the event such non-compliance occurs; the Company's ability to complete acquisitions and dispositions upon favorable terms or at all; the risk of oversupply and increased competition in the markets which the Company operates; the risk of increased competition for skilled workers due to wage pressure and changes in regulatory requirements; the departure of the Company's key officers and personnel; the cost and difficulty of complying with applicable licensure, legislative oversight, or regulatory changes; the risks associated with a decline in economic conditions generally; the adequacy and continued availability of the Company's insurance policies and the Company's ability to recover any losses it sustains under such policies; changes in accounting principles and interpretations; and the other risks and factors identified from time to time in the Company's reports filed with the Securities and Exchange Commission. For information about Capital Senior Living, visit [www.capitalsenior.com](http://www.capitalsenior.com). The Company assumes no obligation to update or supplement forward-looking statements in this presentation that become untrue because of new information, subsequent events or otherwise.*

## **Non-GAAP Financial Measures:**

*Adjusted EBITDAR is a financial valuation measure and Adjusted Net Income/(Loss) and Adjusted CFFO are financial performance measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). Non-GAAP financial measures may have material limitations in that they do not reflect all of the costs associated with our results of operations as determined in accordance with GAAP. As a result, these non-GAAP financial measures should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP. Adjusted EBITDAR is a valuation measure commonly used by Company management, research analysts and investors to value companies in the senior living industry. Since Adjusted EBITDAR excludes interest expense and rent expense, it allows Company management, research analysts and investors to compare the enterprise values of different companies without regard to differences in capital structures and leasing arrangements. The Company believes that Adjusted Net Income/(Loss) and Adjusted CFFO are useful as performance measures in identifying trends in day-to-day operations because they exclude the costs associated with acquisitions and conversions and other items that do not ordinarily reflect the ongoing operating results of our primary business. Adjusted Net Income/(Loss) and Adjusted CFFO provide indicators to management of progress in achieving both consolidated and individual business unit operating performance and are used by research analysts and investors to evaluate the performance of companies in the senior living industry. The Company strongly urges you to review the reconciliation of net loss to Adjusted EBITDAR and the reconciliation of net income/(loss) to Adjusted Net Income/(Loss) and Adjusted CFFO, along with the Company's consolidated balance sheets, statements of operations, and statements of cash flows in the Company's most recent earnings release which can be found on the Company's website at [www.capitalsenior.com/investor-relations/press-releases/](http://www.capitalsenior.com/investor-relations/press-releases/).*

# Table of Contents

Sections		Pages
I.	Company Overview	4
II.	3Q 2020 Highlights	5
III.	COVID-19 Update	10
IV.	Strategy Update	14
V.	3Q Financials	25

# Capital Senior Living at a Glance



119  
Communities  
66% Owned



9,000+  
Residents  
Served



30+  
Year  
History



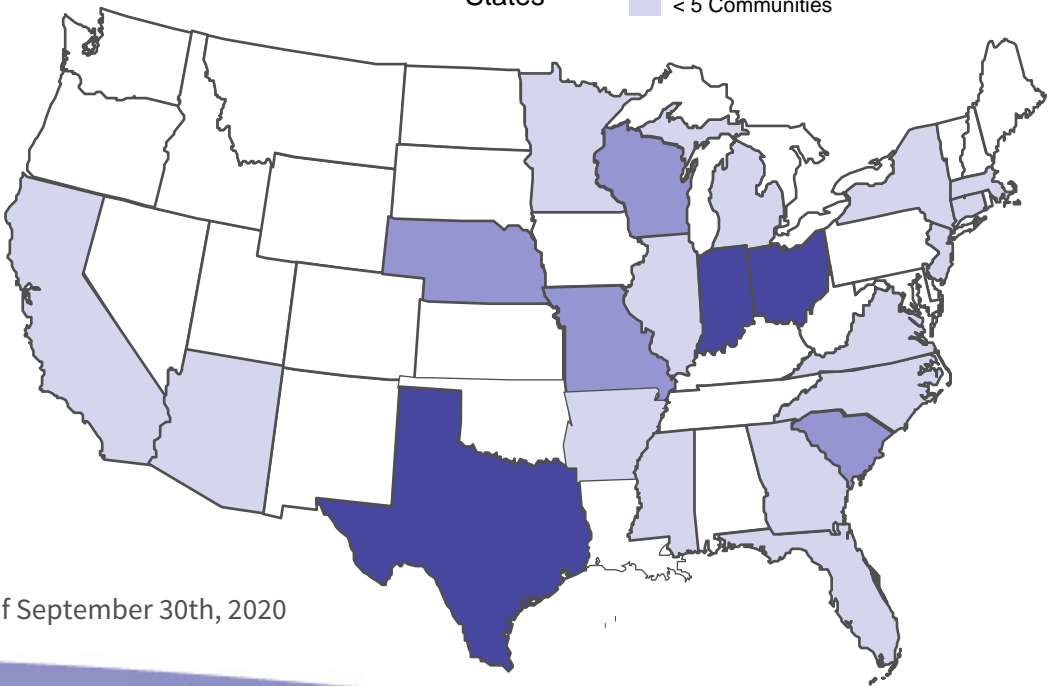
\$442MM  
2019 Revenue



5,600+  
Employees

22  
States

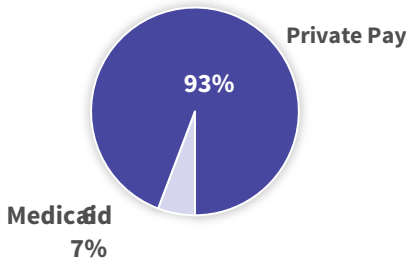
- 15+ Communities
- 5 - 14 Communities
- < 5 Communities



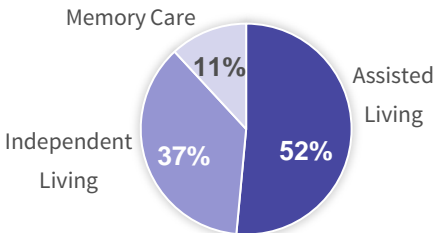
As of September 30th, 2020

- Dallas-based **Capital Senior Living** is one of the nation’s largest operators of independent living, assisted living and memory care communities for senior adults.
- Capital Senior Living** provides seniors the freedom and opportunity to successfully, comfortably and happily age in place.

Attractive Private Pay Focus <sup>(1)</sup>  
% of Revenue



Balanced Unit Mix <sup>(2)</sup>



(1) Payer Mix as of September 30, 2020  
(2) Unit mix as of September 30, 2020





# 3Q 2020 Highlights

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# Summary of 3Q 2020 Same Store\* Operating Results



- YTD Revenue at 97% of last year.
- YTD 2020 rates increased 1.3% vs. 2019. 3Q20 rates increased 0.6% over 3Q19.
- YTD NOI margin remains strong at 32%.

## Occupancy

- Occupancy declined 190 bps in 3Q20 compared to 2Q20 due to the impacts of COVID-19.
- Move-in volume for same store communities at 87% of 3Q2019; communities are recovering.
- Move-outs in Aug & Sept were elevated following several months of lower-than-normal volume.

## Operating Expenses

- Total expenses remain flat 3Q20 vs. 3Q19.
- Use of agency staffing remained flat QoQ and decreased \$1.2M on a YTD basis or 38%.
- Invested \$2.0M in front line staff hero pay.
- Non-labor operating expenses were down \$1.0M 3Q20 vs. 3Q19 and down \$2.3M on a YTD basis.

## NOI

- YoY NOI rebounds to 89% of prior year.
- YTD NOI margin remains strong at 32%.

\*Same Store 95 Communities

# 2020 Same Store\* Volume Statistics

- 3Q20 move-ins significantly improved to 87% of prior year; communities are recovering
- Highest COVID impact in April
- In person tours have been limited due to COVID and state regulations
- August & September move-outs elevated after several months below normal levels

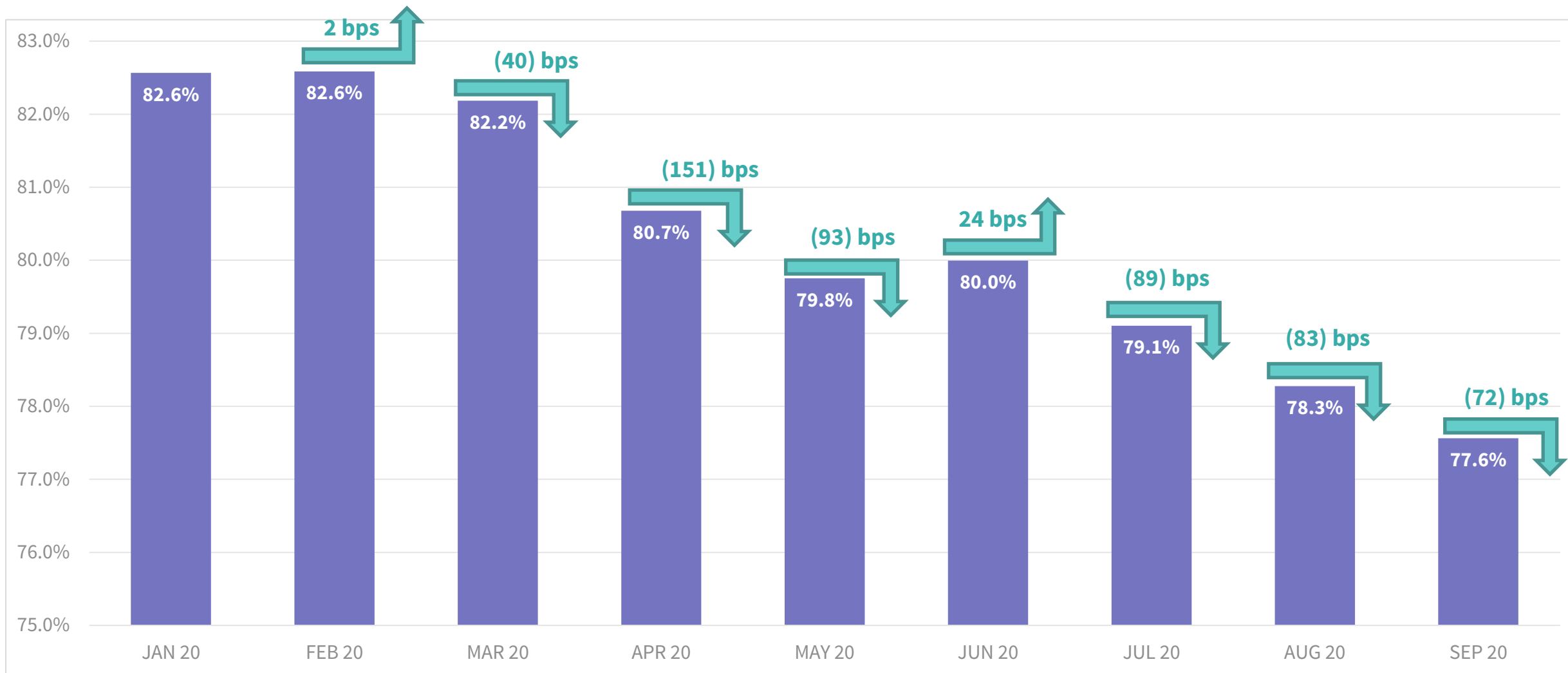
	Pre- COVID	Initial COVID Impact		Recovery							
	Indexed to same periods prior year										
Statistic	YTD Feb	March	April	May	June	2Q20	July	Aug	Sept	3Q20	Oct <sup>1</sup>
Leads	~93%	~63%	~58%	~70%	~77%	~68%	~65%	~66%	~70%	~67%	~71%
Tours	~101%	~75%	~54%	~56%	~67%	~59%	~63%	~66%	~78%	~69%	~77%
Move-Ins	~107%	~90%	~44%	~70%	~120%	~75%	~81%	~96%	~85%	~87%	~68% <sup>2</sup>
Move-Outs	~95%	~95%	~91%	~87%	~88%	~89%	~98%	~106%	~113%	~105%	103%

(1) Oct 2020 statistics are preliminary and subject to change

(2) Oct 2020 preliminary move-in comparison reflects unusually high move in activity in Oct 2019 base period

\*Same Store 95 Communities

# Decelerating Declines in Same Store\* Month-End Occupancy



\*Same Store 95 Communities

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Workforce stability, consistency and confidence have been key to successful management during the COVID-19 pandemic.

Total Employee Turnover

September YTD YoY

9.6  
ppts

Community Leadership Turnover

September YTD YoY

5.3  
ppts

Average time from job posting to hire

September YTD YoY

20  
days

\*Same Store 95 Communities



# COVID-19 Update

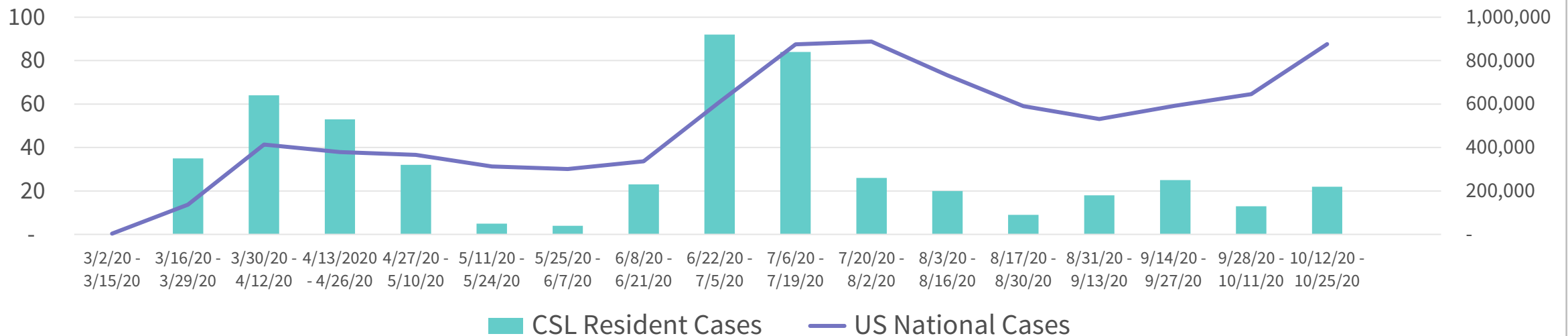
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- 100% of Capital Senior Living Communities are currently accepting new residents
- Active cases remain low due to implementation of consistent and robust safety protocols.
- All communities remain in high alert with COVID precautions and CDC guidelines in place

New COVID Cases Trailing Two Weeks



Source: CDC COVID Data Tracker; US and State Trends

# COVID Response: Acting to Keep Residents Safe

## Foundation of CSL COVID-19 Response

Multi-disciplinary COVID-19 task force

Enhanced compensation to reward front line workers

Regional staffing support for deployment in high-risk situations

Multiple procurement partners ensures stable PPE supply chain for eight regional supply hubs

Advanced disinfecting supplies designed specifically for COVID-19

Therapy and wellness offerings to ensure resident well-being

## Real Time Operational Progression

- ✓ Expanded our supply network and fortified community supply stock of masks, gowns, gloves, face shields, sanitizer and other critical items through eight regional supply hubs.
- ✓ Diligent screening of all visitors, employees and returning residents continues without exception.

- ✓ Interior tours and family visits relaunched with strict safety and disinfecting guidelines.
- ✓ Floating nursing and caregiving roles increased clinical and staffing support for communities impacted by COVID.

Q1 2020

Q2 2020

Q3 2020

Q4 2020

- ✓ Reinvented the dining experience and activities to accommodate the current environment and provide wellness focus environment.
- ✓ Added regional nursing support staff with multi-site clinical management experience to supplement clinical and quality assurance function.

- ✓ Consistent testing of residents moving in or re-admitting.
- ✓ Staff testing consistent with state and CDC guidance.
- ✓ Ongoing focus on resident health and wellness by supplementing activity programming.

# COVID-19 Transition Plan

This outlines our policies as we begin easing some of the heightened safety measures and restrictions put in place to limit the spread of COVID-19. Each community will also have its own individualized Transition Plan depending on state and local mandates, trends in COVID-19 cases in the market, resident population, community size and layout and whether the community has been previously impacted by COVID-19.

	Level 0	Level 1	Level 2	Level 3
<b>Visitor and Staff Screening</b>	Anyone entering building must be screened prior to entry. Temperature is taken at time of entry.		Anyone entering building must be screened prior to entry. Temperature is taken at time of entry.	
<b>Disinfecting Protocols</b>	All common areas of the community are disinfected twice per day.		All common areas of the community are disinfected twice per day.	
<b>Communication Protocols</b>	Communicate with family members at least weekly.		Communicate with family members at least weekly.	
<b>New Residents</b>	New residents must complete a comprehensive screening process prior to moving in. Quarantine determined on a case by case basis by community leadership team with regional review and QA nurse consultation.		New residents must complete a comprehensive screening process prior to moving in. Quarantine determined on a case by case basis by community leadership team with regional review and QA nurse consultation.	
<b>PPE Requirements</b>	Staff and medical visitors in masks at all times. Residents encouraged to wear masks in common areas.	Visitors / Caregivers / Dining / Activities / Housekeeping in masks at all times. Residents encouraged to wear masks in common areas or during group activities.	Visitors / Caregivers / Dining / Activities / Housekeeping in masks at all times, while providing care or services.	No masks.
<b>Visitation</b>	Only essential medical personnel and third party caregivers. Facilitate virtual resident visitation utilizing video conferencing technology to ensure regular interaction between residents and their families.	Resident visitors: immediate family only, 2 guests per resident, scheduled by community, in designated common area (disinfecting after each visit).	Visitation allowed in individual resident apartments, limited to 3 visits weekly, limit 4 guests per resident.	Full visitation allowed by appointment.
<b>Tour Guidelines</b>	No on-site tours. Facilitate virtual tours utilizing video conferencing technology.	Tours with prospect and 1 family member only. Limited tour path to common rooms and model room.	Tours with prospect and 2 family members only. Tour path includes prospective apartment for prospect.	Regular tours with limited resident interactions.
<b>Food and Dining</b>	In-room dining only.	Residents Choice / Comfort Level: In-room dining or communal dining with expanded hours and residents spaced at least 6 feet apart.	Communal dining with expanded dining hours, smaller groups with fewer tables.	Regular communal dining with proper social distancing.
<b>Activities</b>	No group activities / no outings. Activities limited to in-room only.	Group activities with 5 or fewer residents with proper social distancing. No activities with shared supplies.	Group activities with 10 or fewer residents with proper social distancing. No activities with shared supplies.	Regular internal activities. Single entertainers allowed into community.
<b>Transportation</b>	No transportation services offered.	Medical appointments as requested by a physician only.	Routine medical appointments and individual banking or shopping trips.	Regular group transportation for activities or shopping trips.
<b>Services</b>	No outside service providers allowed (i.e. beauty, therapy, entertainment).	Basic resident services encouraged, servicing 1-2 residents at a time (i.e. beauty, therapy).	Expanded services offered, including outside entertainment.	Group service providers and visitors welcome.





# Strategy Update

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Financial and Operational Strategy designed to focus the organization on specific actions to improve the Company's performance and position the Company's owned portfolio for near- and long-term growth

FINANCIAL

## Reduce Leverage and Improve Liquidity

### EXIT LEASES

- Eliminate NNN terms
- Manage assets where attractive
- Focus on core markets

### RESET DEBT

- Improve debt service capacity
- Preserve operating scale
- Maintain lender relationships

### RIGHT SIZE PORTFOLIO

- Divest underperforming assets
- Stabilize portfolio
- Extract value from assets in core markets

OPERATIONAL

### STABILIZE

#### Execution Excellence

- Quality
- Systems & Analytics
- Operational Leadership
- Talent and Retention
- Scale
- Operating Standards

### INVEST

#### Resident-Centric Experience

- Community upgrades and conversions to AL & MC
- Innovative and Differentiated Resident Programming
- Population Health and Wellness
- Technology

### NURTURE

#### Commercial Excellence

- Local brand preference
- Lead generation and sales
- Digital Transformation and customer engagement
- Performance-based media strategies

### GROW

#### Market Opportunities

- Same store organic growth
- Accretive acquisitions in attractive geographically concentrated markets

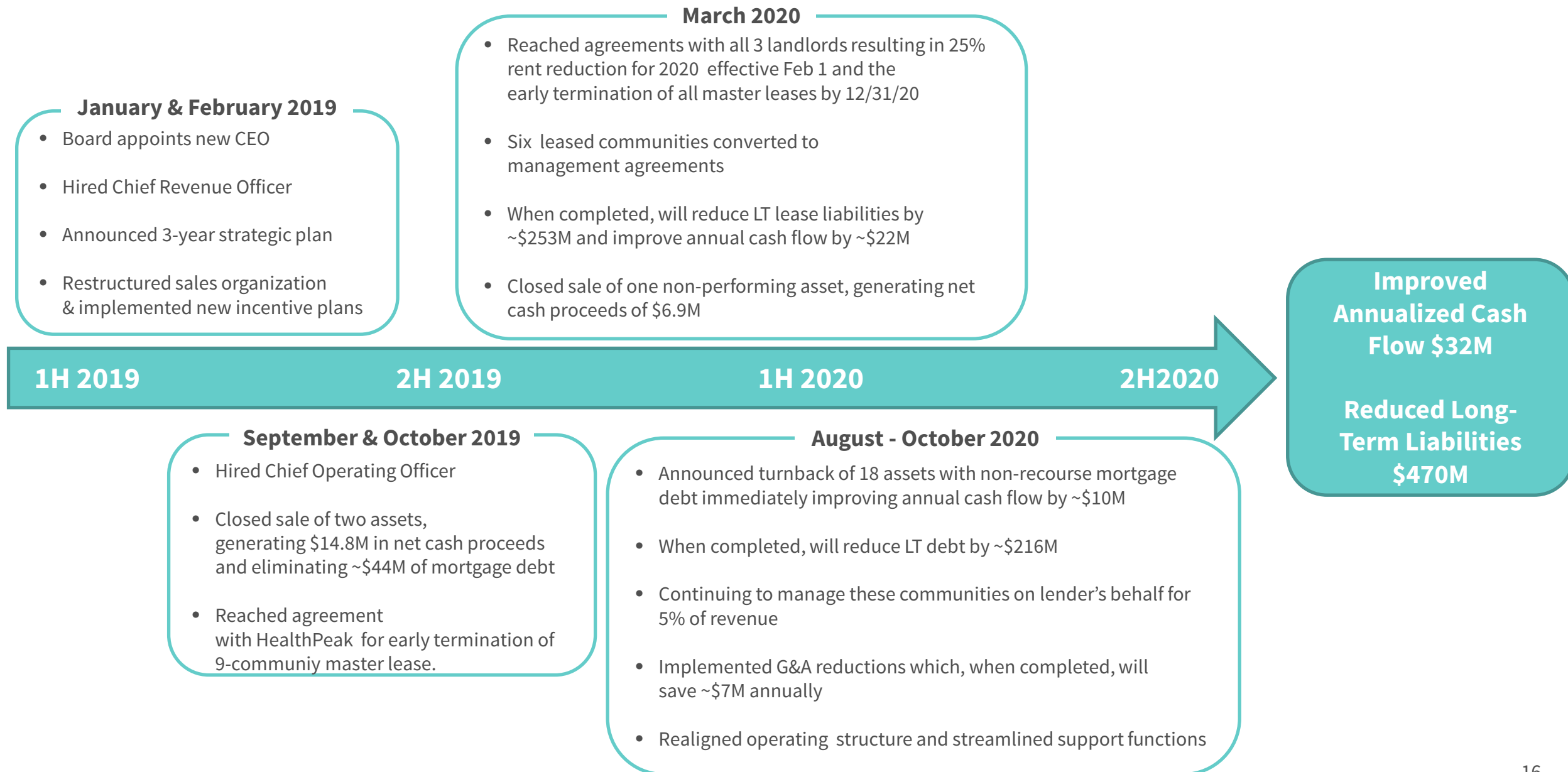
2019

2020

2021

PERFORMANCE IMPROVEMENT

# Significant Actions since 2019 to Improve the Company's Operational Performance and Financial Foundation



# Exiting Underperforming NNN Leases to Focus on Core Owned Portfolio



- Master lease with 10/31/20 maturity date terminates on or before such date (one community transitioned on 1/15/20, others being marketed for sale by HP)
- Master lease with 4/30/26 maturity terminated and communities converted to interim management agreements effective 2/1/20 (communities being marketed for sale by HP)
- Company paid transition fee of \$250k and releases security deposits held by Healthpeak



- Master lease terminates on 12/31/20
- Rent reduced to 75% of contractual rate effective 2/1/20
- Ventas to reimburse Company for up to \$1000/unit of capex until communities transition
- Communities will convert to management agreements if not transitioned by 12/31/20
- Company releases security deposits held by Ventas



- Master leases terminate on 12/31/20
- Rent reduced to 75% of contractual rate, net of reimbursed expenses, effective 2/1/20
- Welltower to reimburse Company for up to \$1000/unit of capex until communities transition
- Communities will convert to management agreements if not transitioned by 12/31/20
- Company releases security deposits held by Welltower

**When all transitions are complete, the Company's cash flow will improve ~ \$22.0M annually, and all related lease liabilities, which were ~ \$253M at 12/31/19, will be eliminated.**

# Reduced Financial Obligations, Stabilized Balance Sheet

In 2Q20, the Company entered into short-term debt forbearance agreements with several of its lenders to help mitigate the impact of the COVID-19 pandemic.

- **Fannie Mae:**

- The Company made reduced “net cash flow” payments April through July 2020 on 23 communities
- Turned 18 communities back to Fannie Mae effective August 1, 2020
- The Company has 43 loans with Fannie Mae that are current and in good standing

- **Protective Life:**

- The Company will receive six months of full P&I relief (April 2020 through June 2020, and October 2020 - December 2020) on all 10 communities
- The Company will make interest-only payments on these 10 communities for 12 months (July 2020 through September 2020, and January 2021 through September 2021)

- **BBVA:** The Company made reduced “net cash flow” payments in April through June on its three communities with BBVA

- **HUD:** The Company made reduced “net cash flow” payments in April through June on its one HUD community



# Transitioning to a More Focused Platform

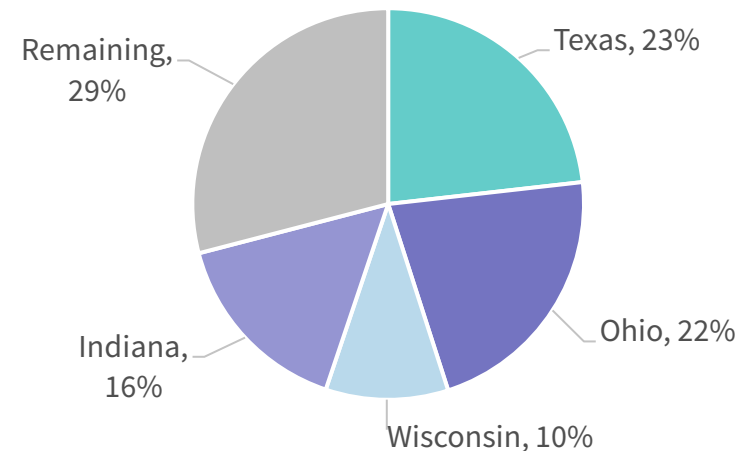
	Today <sup>1</sup>	Transition ~6 Months	Post Transitions <sup>2</sup>
<b>Communities</b>	<b>95</b> 61 Owned 34 Leased 0 Managed		<b>68</b> 60 Owned 0 Leased 8 Managed
<b>States</b>	20		16
<b>Units</b>	8,920		5,634
<b>3Q 20 Occupancy</b>	77.6%		79.3%
<b>3Q20 Avg Rent</b>	\$3,731		~\$3,582
<b>3Q20 NOI Margin<sup>3</sup></b>	29%		~27%
<b>Debt</b>	\$915.9M		\$688.7M
<b>CapEx / Unit</b>	\$1,200		\$1,200
<b>Employees</b>	~4,470		~2,880

(1) Based on 3Q20 actuals for 95 same store communities.

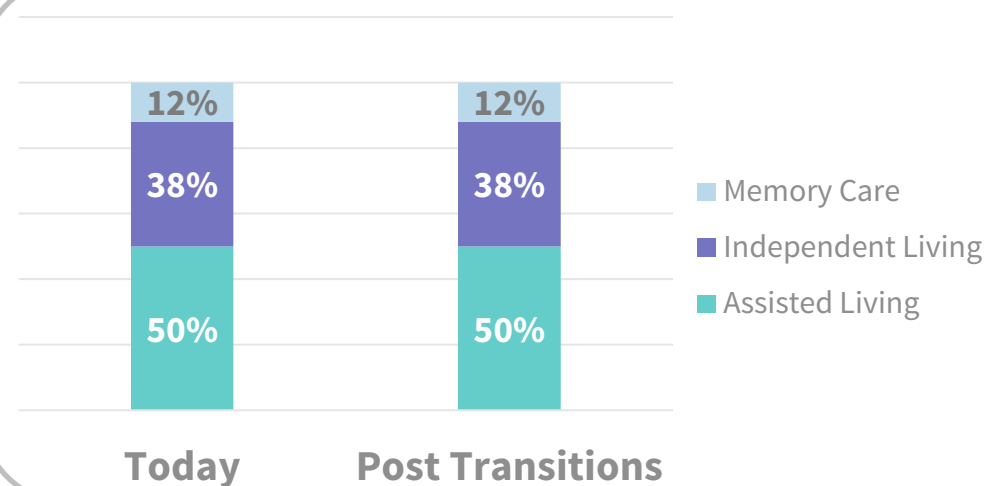
(2) Based on 3Q20 actuals and pre-COVID historical trends for 60 owned communities.

(3) NOI defined as revenue less operating expenses including property taxes, insurance, professional fees but excluding bad debt and mgmt. fees. Excludes both COVID Relief Revenue and COVID Expenses. Post transition NOI margin is owned communities only.

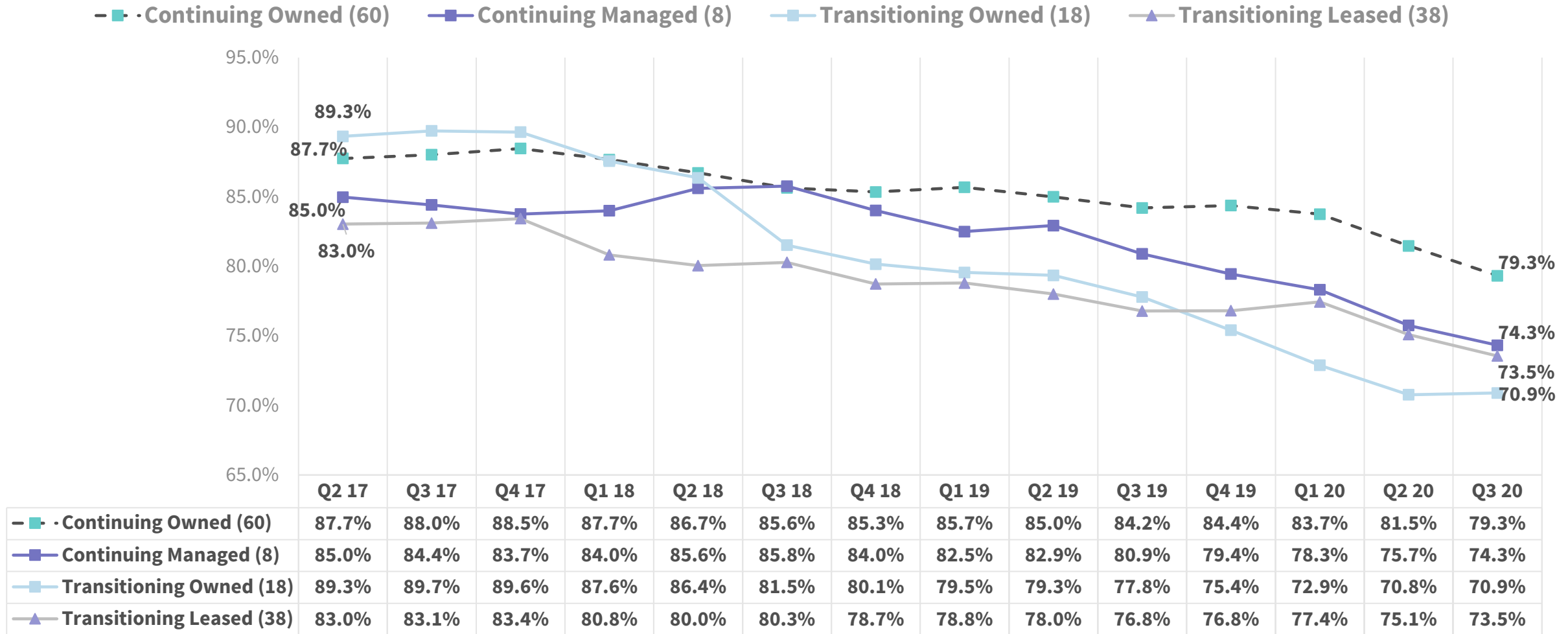
## Resident Revenue by State Post Transitions



## Unit Mix



# Continuing Owned Communities Occupancy has Consistently Outperformed the Remainder of the Portfolio

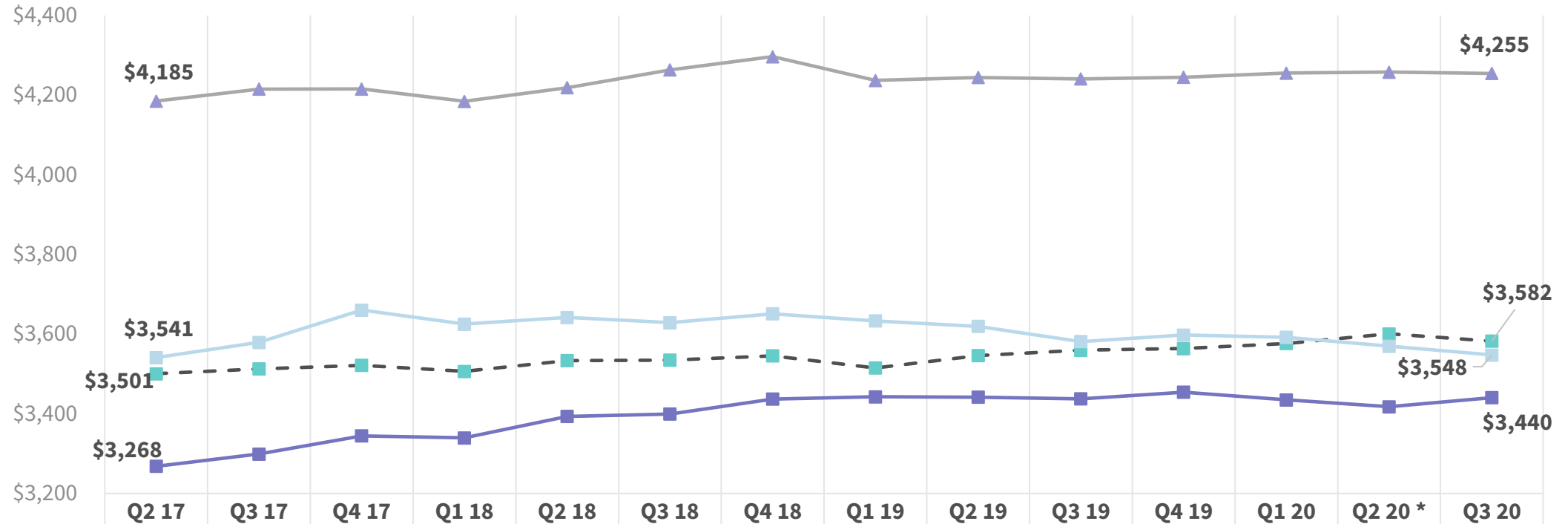


Note: Q3 20 Lease Portfolio removing the five (5) communities that transitioned 9/10/20

# Continuing Owned and Managed REVPOR Upward Trend Despite Market Volatility



■ Continuing Owned (60)
■ Continuing Managed (8)
■ Transitioning Owned (18)
■ Transitioning Leased (38)



	Q2 17	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20 *	Q3 20
Continuing Owned (60)	\$3,501	\$3,513	\$3,522	\$3,506	\$3,533	\$3,535	\$3,545	\$3,515	\$3,546	\$3,559	\$3,564	\$3,577	\$3,601	\$3,582
Continuing Managed (8)	\$3,268	\$3,299	\$3,345	\$3,340	\$3,393	\$3,399	\$3,437	\$3,443	\$3,442	\$3,438	\$3,454	\$3,435	\$3,418	\$3,440
Transitioning Owned (18)	\$3,541	\$3,579	\$3,660	\$3,625	\$3,642	\$3,629	\$3,651	\$3,633	\$3,620	\$3,581	\$3,598	\$3,592	\$3,570	\$3,548
Transitioning Leased (38)	\$4,185	\$4,215	\$4,215	\$4,184	\$4,219	\$4,263	\$4,296	\$4,237	\$4,245	\$4,241	\$4,245	\$4,255	\$4,258	\$4,255

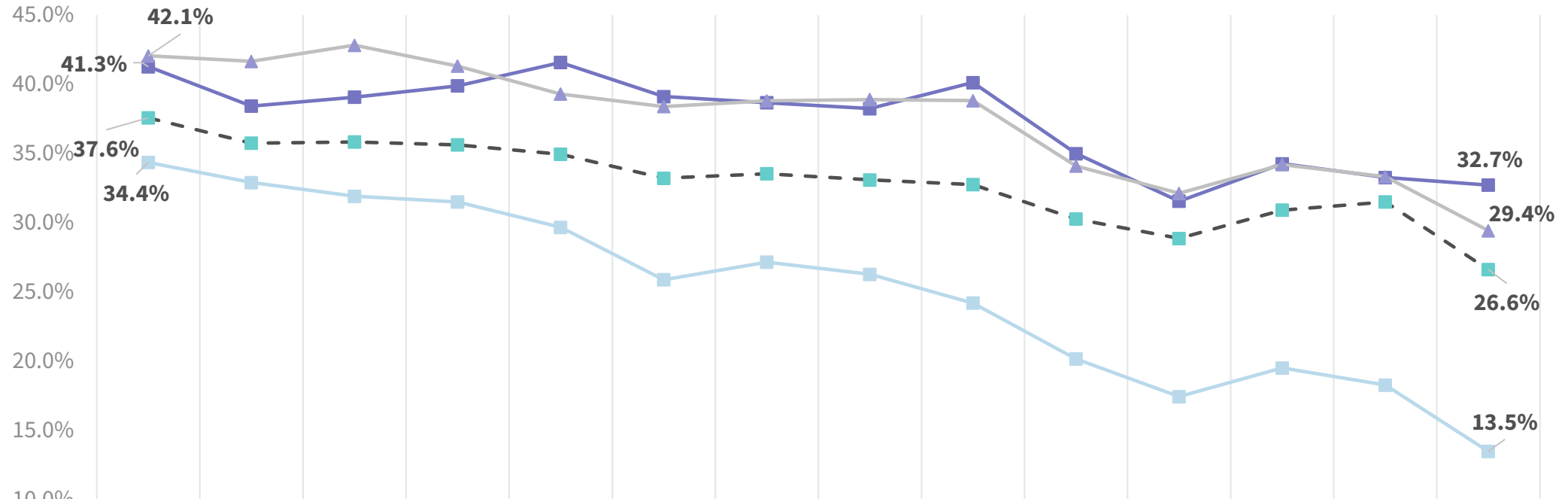
\* Excludes COVID State Relief Revenue

Note: Q3 20 Lease Portfolio removing the five (5) communities that transitioned 9/10/20

DISCOVER *the difference*

# NOI Margin %<sup>(1)</sup> Disruption Due to COVID Pandemic

■ Continuing Owned (60)
■ Continuing Managed (8)
■ Transitioning Owned (18)
■ Transitioning Leased (38)



Notes: Q3 20 Lease Portfolio removing the five (5) communities that transitioned 9/10/20;

<sup>(1)</sup> NOI defined as revenue less operating expenses including property taxes, insurance, professional fees but excluding bad debt and mgmt. fees. Excludes both COVID Relief Revenue and COVID Expenses

# Continuing Owned & Managed Communities

Community	City	State	Year Built / Expanded	IL	AL	MC	Total
West Shores	Hot Springs	AR	1987	43	90	0	133
Cottonwood Village	Cottonwood	AZ	1986	88	51	21	160
Villa Santa Barbara	Santa Barbara	CA	1979	0	121	0	121
Carpenter's Creek	Pensacola	FL	1987	0	93	0	93
Creeside	Pensacola	FL	1997/2005*	0	0	84	84
Keystone Woods	Anderson	IN	1997	0	58	0	58
Wynnfield Crossing	Rochester	IN	1998	0	50	0	50
Riverbend	Jeffersonville	IN	2000	0	63	34	97
Batesville	Batesville	IN	2003	0	41	0	41
Southport	Indianapolis	IN	1999	0	50	14	64
Country Charm	Greenwood	IN	1993/2007	0	89	0	89
Autumn Glen	Greencastle	IN	1999	0	47	0	47
Georgetowne Place	Fort Wayne	IN	1987	63	75	14	152
Harrison	Indianapolis	IN	1985	0	103	14	117
Greenbriar Village	Indianapolis	IN	1999	0	82	22	104
Springfield	Springfield	MA	2005	97	71	18	186
Aspen Grove	Lambertville	MI	2003	0	53	25	78
IV East Lansing	East Lansing	MI	1989	146	0	0	146
Rose Arbor & Wildflower Lodge	Maple Grove	MN	2001	25	66	39	130
Vintage Oaks	Saint Joseph	MO	2004	22	67	10	99
Ironbridge	Springfield	MO	2001	120	0	0	120
Highland Colony	Ridgeland	MS	2000	116	0	0	116
LaurelHurst	Columbus	NC	2002	40	24	16	80
IV Raleigh	Raleigh	NC	1991	167	0	0	167
Marquis Place	Elkhorn	NE	2002/2005	0	43	20	63
Crown Pointe	Omaha	NE	1984	63	53	20	136
Heritage at The Plains	Oneota	NY	2009	64	28	16	108
Amberleigh	Williamsville	NY	1989	201	49	17	267
Canton Regency	Canton	OH	1987-1999	92	102	36	230
Summit Point	Macedonia	OH	2007	70	68	12	150
Woodlands of Columbus	Columbus	OH	2002/2011	0	94	17	111
Chardon	Chardon	OH	2000	0	42	0	42
Hamilton	Hamilton	OH	1999/2012	0	52	24	76
Shaker Heights	Shaker Heights	OH	1992	0	37	22	59

Community	City	State	Year Built / Expanded	IL	AL	MC	Total
Dayton	Dayton	OH	2008	101	31	18	150
Levis Commons	Perrysburg	OH	2008	44	102	0	146
Whispering Pines Village	Columbiana	OH	2001	12	57	0	69
North Bend Crossing	Cincinnati	OH	2008	45	62	15	122
Fairfield	Fairfield	OH	2000	120	0	0	120
Mansfield	Mansfield	OH	1999	0	117	0	117
North Pointe	Anderson	SC	1991 & 2008	0	28	12	40
Summit Place	Anderson	SC	2000 & 2008	15	36	24	75
Courtyards at Lake Granbury	Granbury	TX	2005	0	72	10	82
Cooper	Arlington	TX	1994	0	72	18	90
College Station	College Station	TX	1996	0	36	17	53
Conroe	Conroe	TX	AL-1997 / IL 2001	23	20	0	43
Corpus Christi	Corpus Christi	TX	1996	0	51	0	51
Good Tree	Stephenville	TX	1998	20	31	8	59
Remington at Valley Ranch	Irving	TX	2000	126	0	0	126
Baytown	Baytown	TX	1997/2008	9	88	30	127
Rosemont	Humble	TX	1999	0	72	24	96
Whitley Place	Keller	TX	1998	0	27	20	47
Fort Worth	Ft. Worth	TX	2000	154	0	0	154
Huebner	San Antonio	TX	1999	119	0	0	119
Mesquite	Mesquite	TX	1999	152	0	0	152
Thousand Oaks	San Antonio	TX	1999	119	0	0	119
Plano	Plano	TX	2000	91	45	0	136
Arapaho	Richardson	TX	2002	95	45	0	140
North Richland Hills	North Richland Hills	TX	2001	118	0	0	118
Virginia Beach	Virginia Beach	VA	1999	0	85	25	110
Fitchburg	Fitchburg	WI	2004	36	46	0	82
Plymouth	Plymouth	WI	2007/2008/2010	0	69	0	69
Brookview Meadows	Green Bay	WI	2005	41	37	0	78
Hartford	Hartford	WI	2004	0	28	11	39
West Bend	West Bend	WI	1992	0	20	20	40
Colby	Colby	WI	2008	0	44	0	44
Park Falls	Park Falls	WI	2013	0	24	12	36
Wisconsin Rapids	Wisconsin Rapids	WI	2007*	0	40	18	58



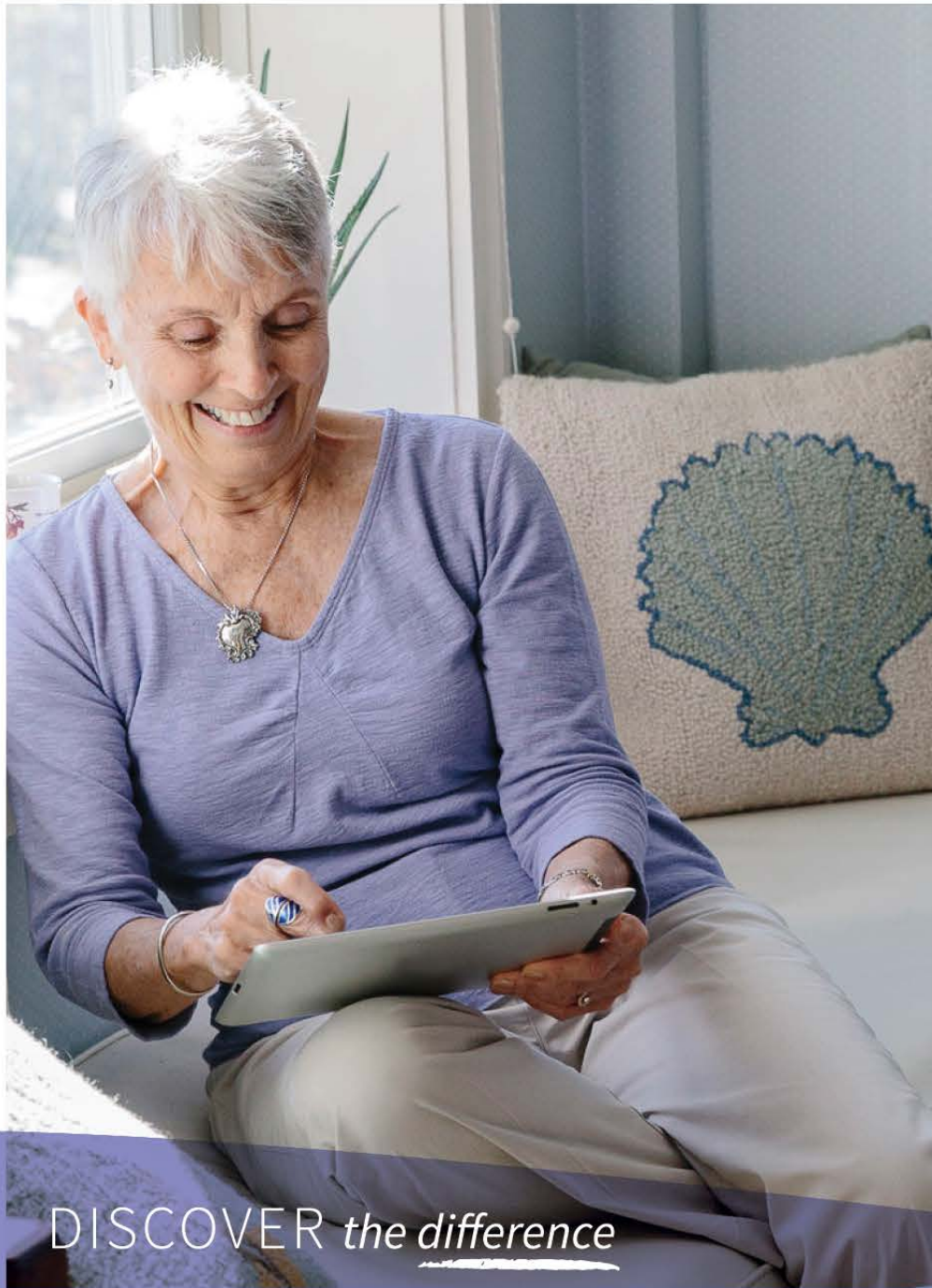
# Resizing Overhead to Fit Slimmer Organization

- Capital Senior Living will condense its community portfolio from 119 in 3Q20 to 65-70 communities in 2021 and realign operations to fit more concentrated footprint and improve operating efficiencies.
- The Company has taken several actions to restructure the business
  - Operations alignments & field support changes
  - Many Dallas Support Center (DSC) functions have been reduced and will continue to rationalize as the community portfolio becomes smaller.
  - DSC office space has been reduced, resulting in annual rent savings of \$450k.

## Annual G&A Costs

Year	G&A Costs	YoY Change
2019 A	\$ 27M	
2020 E	\$ 25M	- 7.5 %
2021 E	\$ 17.4M	- 30 %

**\$7.6M expected G&A savings from 2020 -2021**



DISCOVER *the difference*



## 3Q 2020 Financials

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# Same Store\* Financial Results 3Q 2020



	3Q20	2Q20	3Q19	YTD 20	YTD 19
Average Occupancy	78.0%	79.9%	82.6%	80.0%	83.5%
Ending Occupancy <sup>(1)</sup>	77.6%	80.0%	83.1%	77.6%	83.1%
RevPOR <sup>(2)</sup>	\$3,731	\$3,747	\$3,708	\$3,738	\$3,697
Margin	28.7%	33.2%	32.3%	32.4%	34.5%
NOI (95 Properties) <sup>(3)</sup>	\$22.3	\$26.7	\$26.3	\$74.9	\$85.4
Adjusted CFFO <sup>(3)</sup>	\$(3.8)	\$2.9	\$(1.2)	\$(0.1)	\$9.5

\$ in Millions except RevPOR

(1) Ending Month Occupancy percentage for each time period

(2) Adjusted to remove State Relief Revenue

(3) Excludes COVID-19 Relief and Costs

\*Same Store 95 Communities

# Balance Sheet as of September 30, 2020

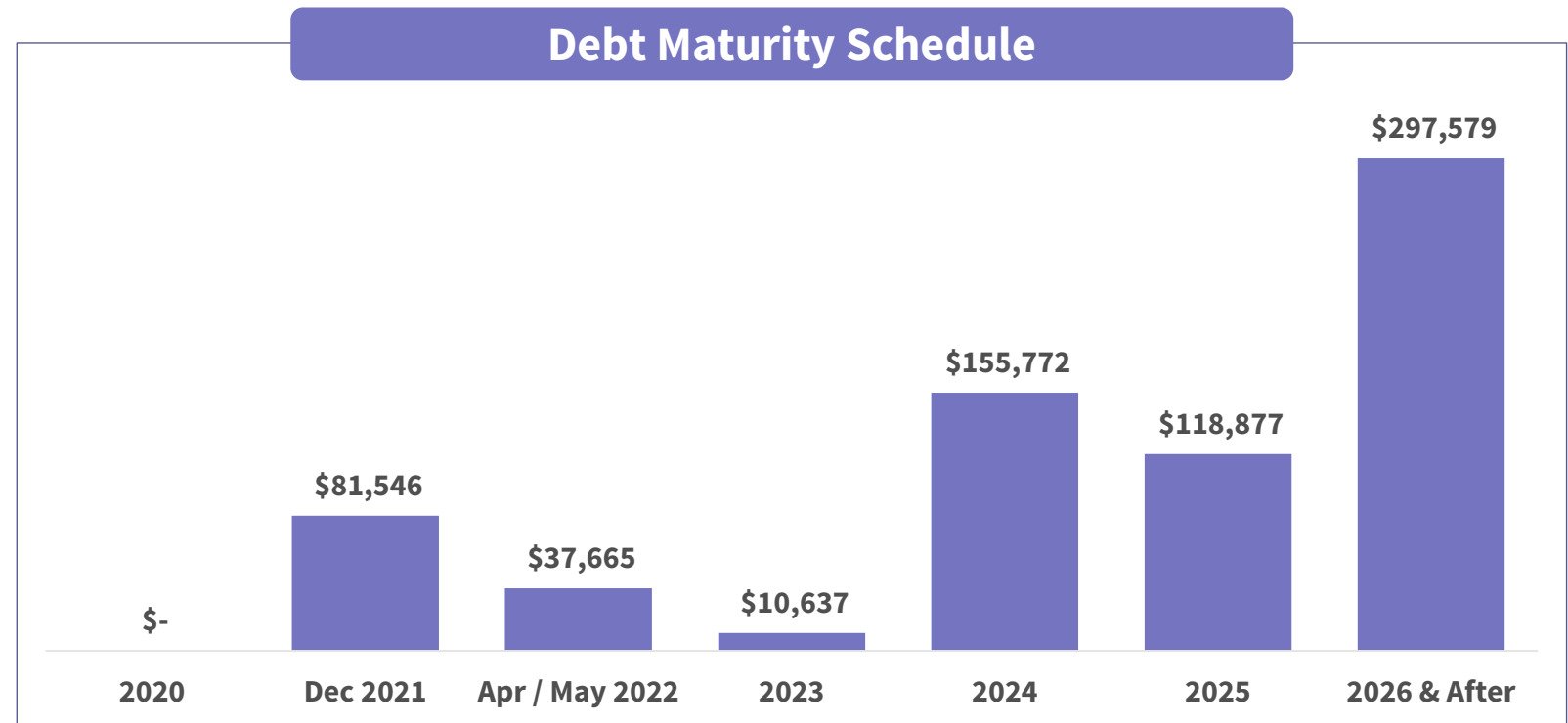
Assets (\$ in millions)	
Cash and Securities	\$ 18.3
Other Current Assets	22.8
Total Current Assets	41.1
Fixed Assets	692.7
Other Assets	6.7
<b>Total Assets</b>	<b>\$ 740.5</b>

Liabilities & Equity (\$ in millions)	
Current Liabilities	\$ 344.5 *
Long-Term Debt	654.4
Other Liabilities	0.6
Total Liabilities	999.5
Stockholders' Equity	(259.0)
<b>Total Liabilities &amp; Equity</b>	<b>\$ 740.5</b>

\* Includes \$211.1 million of debt, net of deferred loan costs, associated with 18 communities to be transferred to the lender which will eliminate such debt. Also includes \$31.5 million of debt associated with a bridge loan due to non-compliance with a financial covenant at 9/30/20, which the Company intends to cure, due to the impact of COVID-19 on one of the communities included in such bridge loan.

# Capital Structure, Debt Maturities<sup>1</sup> and Liquidity (as of Sept 30, 2020)

- As of September 30, 2020, the Company had approximately \$18.3 million of cash or cash equivalents
- The Company has received approximately \$0.7M in state COVID-19 relief grants through September 30, 2020
- The Company expects to receive approximately \$11 million in additional federal and state COVID-19 relief grants in the fourth quarter of 2020<sup>2</sup>
- 88% of the Company's mortgage debt is fixed rate debt at a weighted average rate of 4.6%
- 12% of the Company's mortgage debt is at variable rates with a weighted average rate of 4.7%
- The Company expects to extend, refinance or retire all or part of the 2021 and 2022 maturities.



(1) Excludes \$217.7 million of debt associated with 18 communities in process of transfer to Fannie Mae.

(2) There can be no assurance that we will qualify for, or receive, grants in the amount we expect.