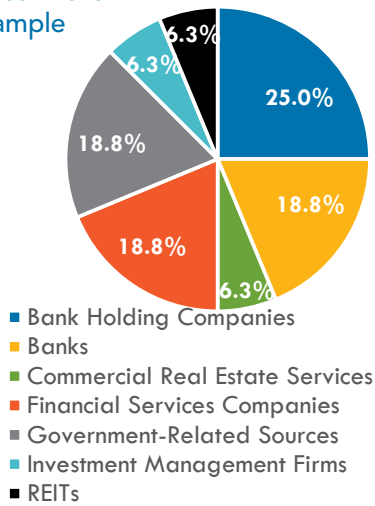


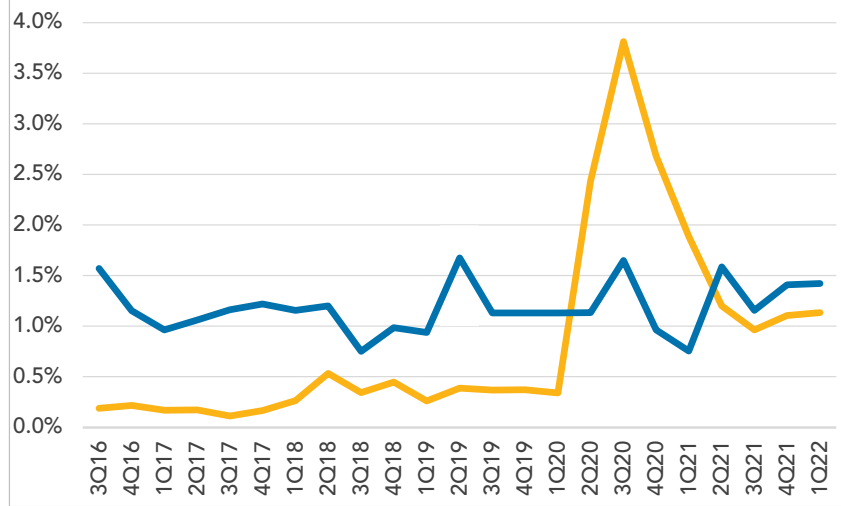
Current Quarter Snapshot

	Senior Housing	Nursing Care	Total
1. Total Loan Volume Closed 1Q2022:	\$ 2,146,058,898	\$ 1,303,688,730	\$ 3,449,747,628
1a. New Permanent Loan Volume Closed 1Q2022:	\$ 1,327,540,216	\$ 628,079,900	\$ 1,955,620,116
1b. Mini-Perm/Bridge Loan Volume Closed 1Q2022:	\$ 488,914,398	\$ 569,959,444	\$ 1,058,873,842
1c. New Construction Loan Volume Closed 1Q2022:	\$ 329,604,284	\$ 105,649,386	\$ 435,253,670
2. Total Loan Balances as of 3/31/2022:	\$ 56,676,859,169	\$ 29,844,101,518	\$ 86,520,960,687
2a. Total Permanent Loan Balances as of 3/31/2022:	\$ 45,265,413,927	\$ 25,937,800,186	\$ 71,203,214,113
2b. Total Construction/Mini-Perm/Bridge Loan Balances as of 3/31/2022:	\$ 11,411,445,242	\$ 3,906,301,332	\$ 15,317,746,574
2b-i. Total Mini-Perm/Bridge Balances as of 3/31/2022:	\$ 8,121,907,877	\$ 2,747,979,612	\$ 10,869,887,489
2b-ii. Total Construction Balances as of 3/31/2022:	\$ 3,289,537,365	\$ 1,158,321,720	\$ 4,447,859,085
3. Total Balance of Delinquent Loans (60 days or more) as of 3/31/2022:	\$ 642,063,047	\$ 424,436,442	\$ 1,066,499,489
4. Total Amount of Foreclosures during 1Q2022:	\$ -	\$ -	\$ -
Contributor Count	16	14	16*

Lender Types in the 1Q 2022 Sample



Delinquency as a Share of Total Loans



Source: NIC Lending Trends Report, NIC Analytics

Source: NIC Lending Trends Report, NIC Analytics

### Key Takeaways for 1Q 2022

The first quarter of 2022 brought increased inflation and rising costs of food, gas, and labor. The war in Ukraine also shook the markets in the first quarter. Asking rates for senior housing also increased in first quarter 2022. Delinquencies remained largely flat, with no change for nursing care and a modest 5.0% increase for senior housing on a same-store quarter-over-quarter basis. Delinquencies for both senior housing and nursing care were below 1.5% of total loans, a very low level of delinquency.

Nursing care new construction loan closings increased by more than sixfold on a same-store quarter-over-quarter basis in first quarter 2022. This rate of change is partially explained by a very weak fourth quarter 2021, but it was the second strongest quarter for nursing care new construction loan closings in the time series for the *Lending Trends Report* sample. Senior housing new construction loan closings also were up from the fourth quarter, increasing by 39.4% on a same-store quarter-over-quarter basis, but below their recent peak in 3Q21.

In first quarter 2022, the new mini-perm/bridge loans closed for senior housing and nursing care were down from their recent peaks one quarter prior but were still fairly strong. Senior housing mini-perm/bridge loans remained elevated compared to the levels from mid-2020 through mid-2021. Nursing care mini-perm bridge loans also remained elevated, and the quarter-over-quarter decline was a modest 7.2% on a same-store basis.

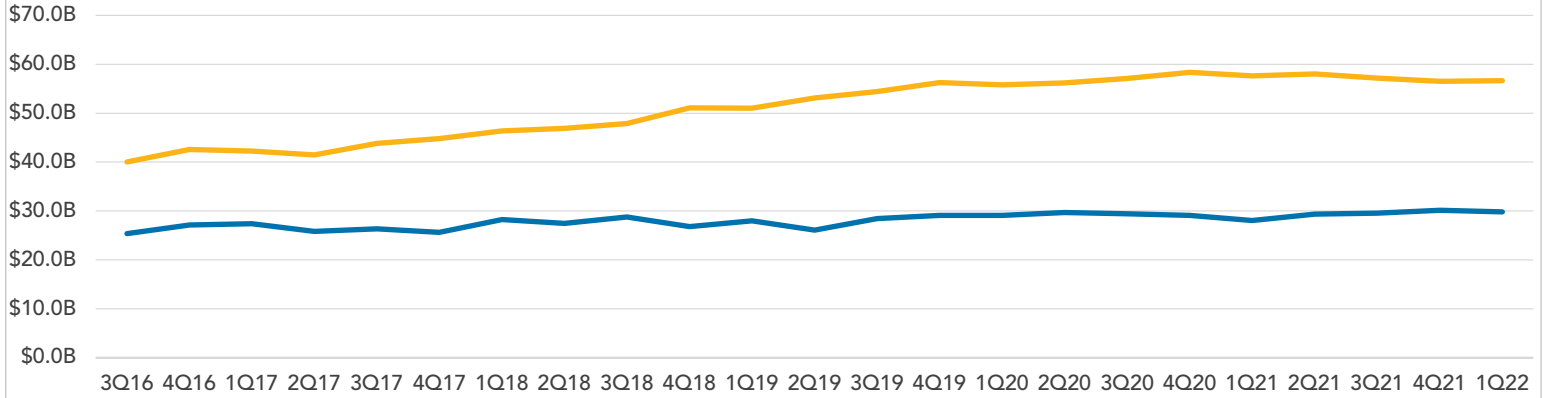
There were no foreclosures in 1Q2022 for the sample of lenders in the *Lending Trends Report*.

\*Note: while there are 16 total contributors this quarter, not all of them lend for nursing care. Hence, nursing care has a lower count.

## Key Takeaways

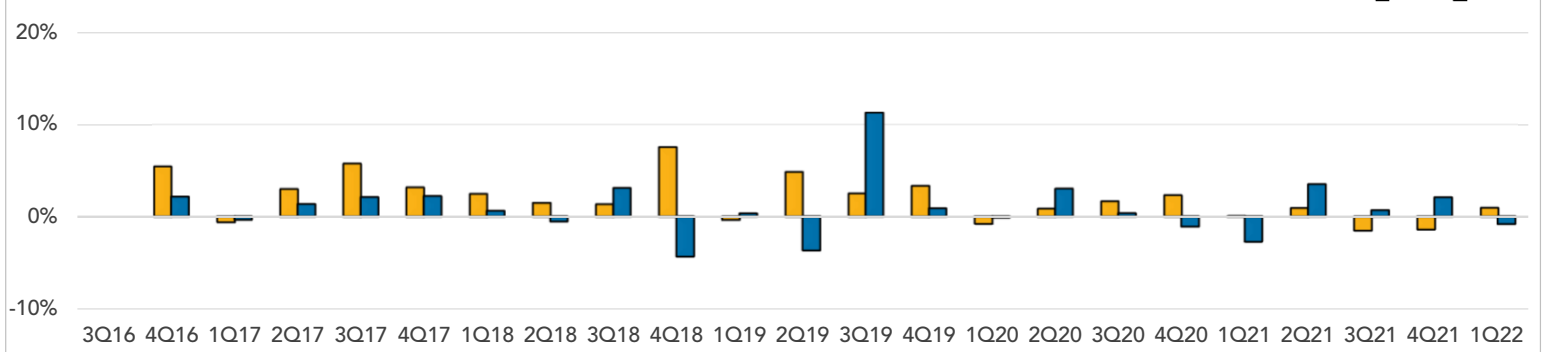
Total loan balances were fairly stable for both senior housing and nursing care in first quarter 2022. On a same-store basis, the senior housing loan balances had a 90 basis points increase from fourth quarter 2021 following two quarters of declines. Conversely, on a same-store quarter-over-quarter basis, the nursing care loan balances had a decline of 80 bps. This decline followed three quarters of growth for nursing care. The decline for nursing care reflects some loans coming off the books.

## Total Loan Balances



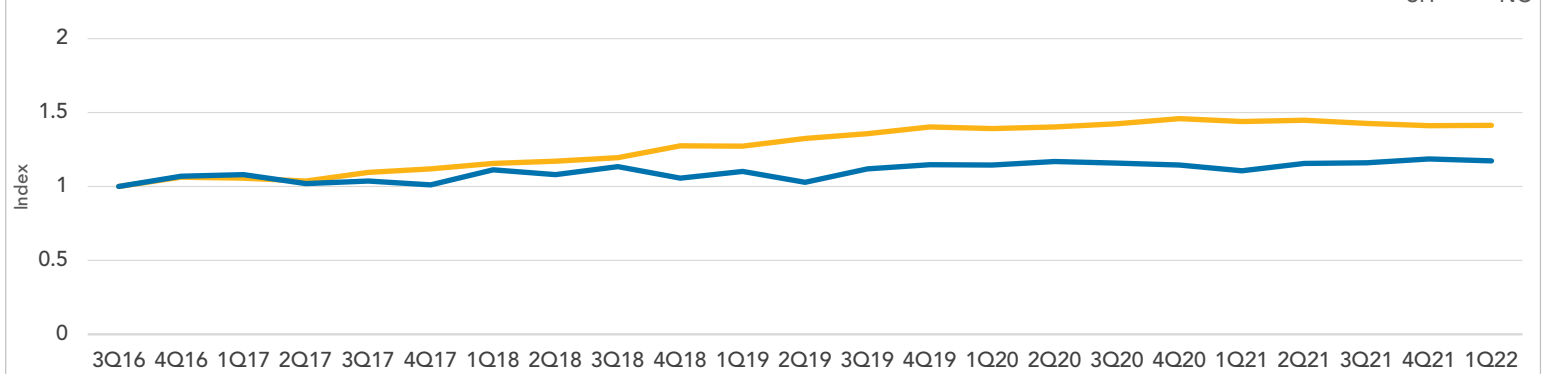
Source: NIC Lending Trends Report, NIC Analytics

## Total Loan Balances Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

## Total Loan Balances Indexed



Source: NIC Lending Trends Report, NIC Analytics

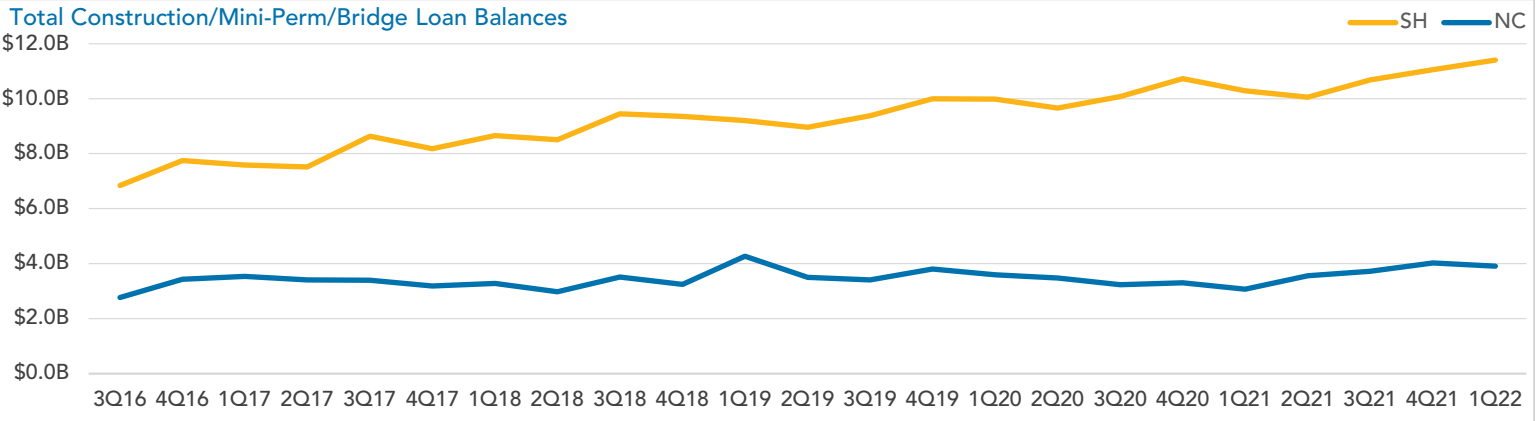
## Contributor Counts per Quarter

Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	16	16	16	17	16
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15	14

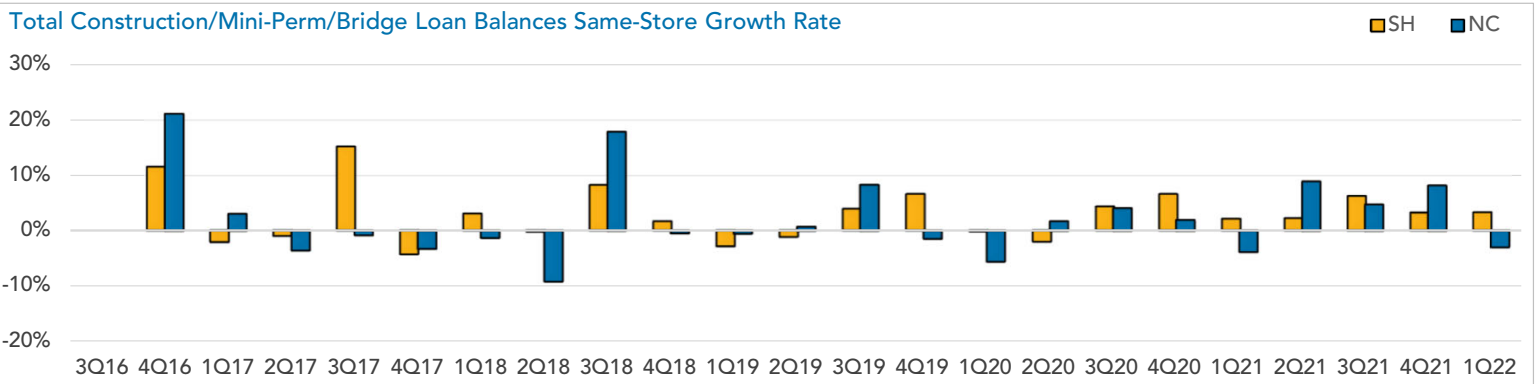
Source: NIC Lending Trends Report, NIC Analytics

## Key Takeaways

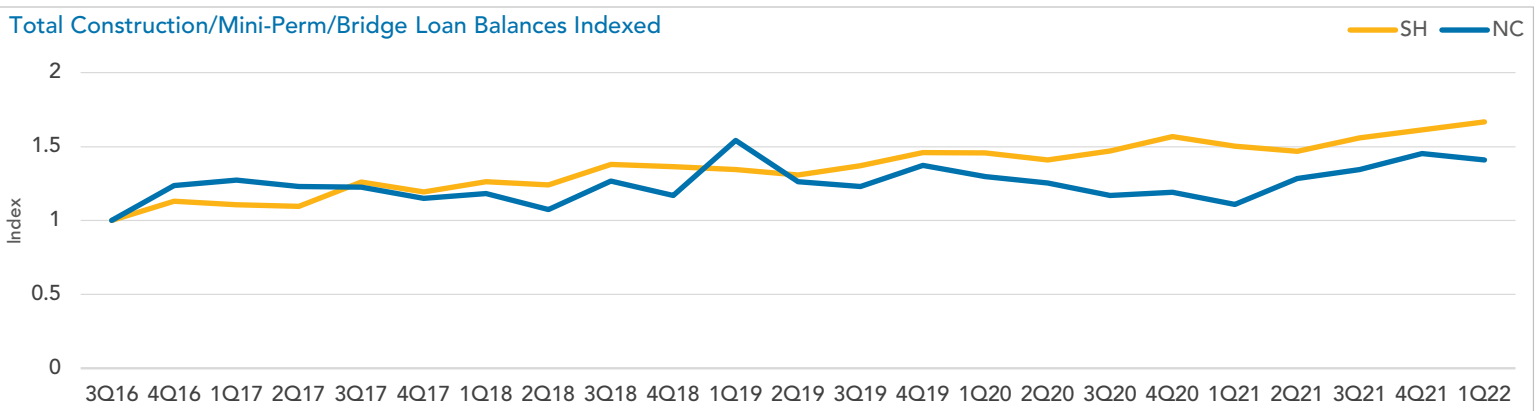
Total construction/mini-perm/bridge loan balances increased by 3.3% for senior housing in first quarter 2022 on a same-store quarter-over-quarter basis. This marked the seventh consecutive quarter of growth for senior housing. Conversely, nursing care loan balances had a decline of 3.0% in first quarter 2022 on a same-store basis. This was the first decline for nursing care loan balances since 1Q21 (when balances declined 3.8%).



Source: NIC Lending Trends Report, NIC Analytics



Source: NIC Lending Trends Report, NIC Analytics



Source: NIC Lending Trends Report, NIC Analytics

## Contributor Counts per Quarter

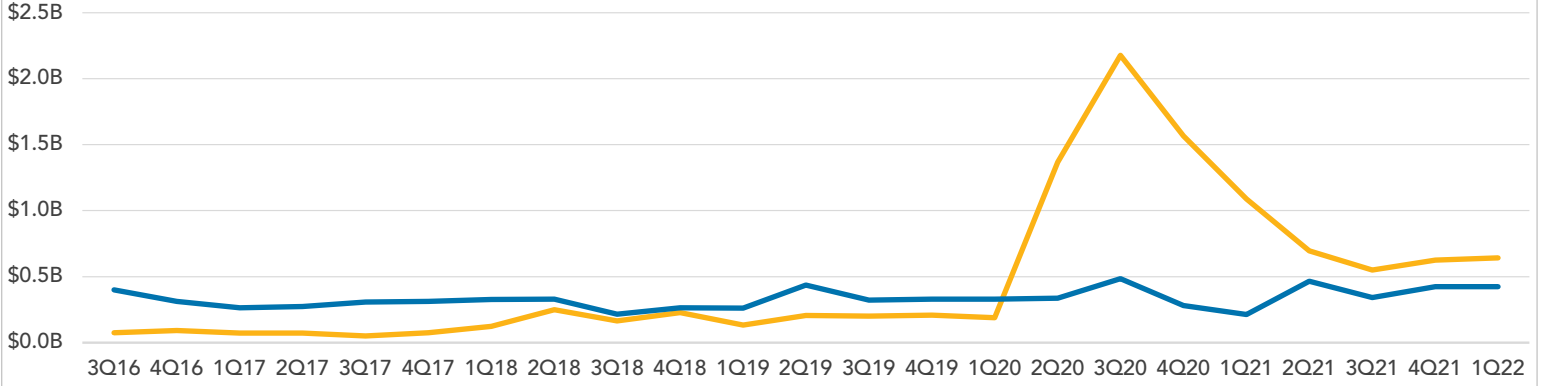
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	14	15	14
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	14	15	14

Source: NIC Lending Trends Report, NIC Analytics

## Key Takeaways

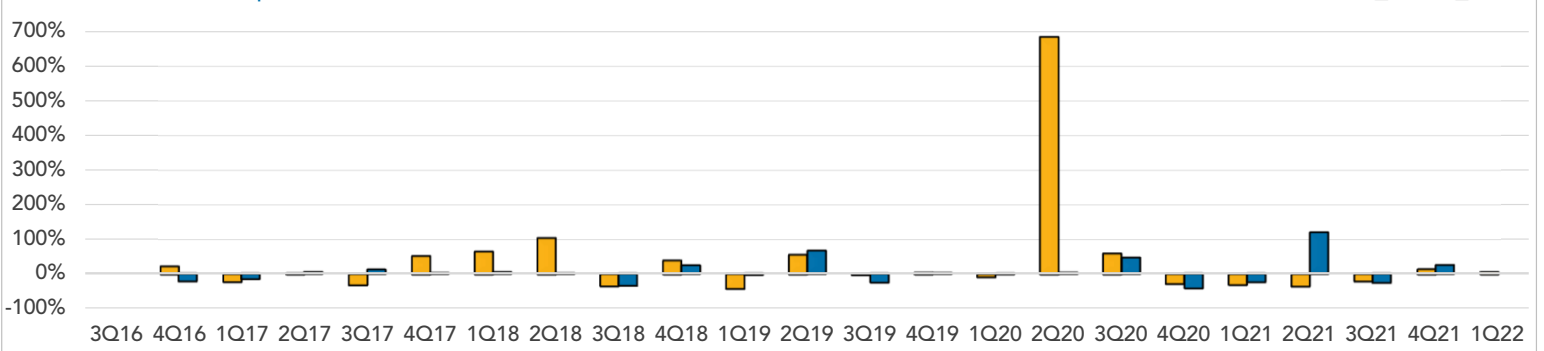
Delinquencies also were quite flat in first quarter 2022. Nursing care delinquencies remained unchanged from fourth quarter 2021, and senior housing delinquencies had a modest increase of 5.0% on a same-store quarter-over-quarter basis. This increase for senior housing was less than half of its increase in fourth quarter 2021 (13.6%). Delinquencies for both SH and NC were below 1.5% of total loans (1.1% for SH, 1.4% for NC). There were no foreclosures for the sample in first quarter 2022.

### Total Balance of Delinquent Loans



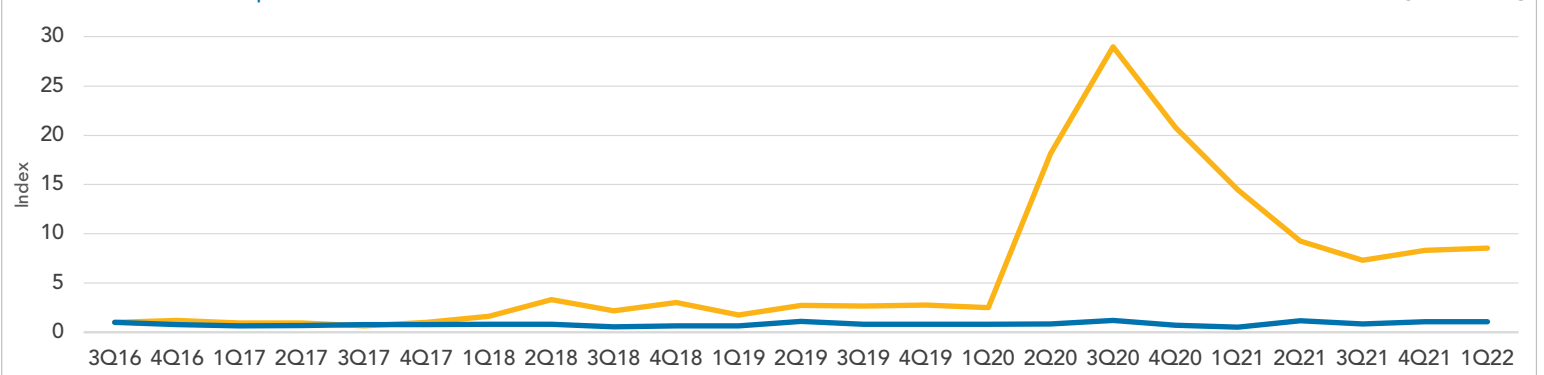
Source: NIC Lending Trends Report, NIC Analytics

### Total Balance of Delinquent Loans Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

### Total Balance of Delinquent Loans Indexed



Source: NIC Lending Trends Report, NIC Analytics

### Contributor Counts per Quarter

Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1	
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	16	16	16	17	16	
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	14	15	14

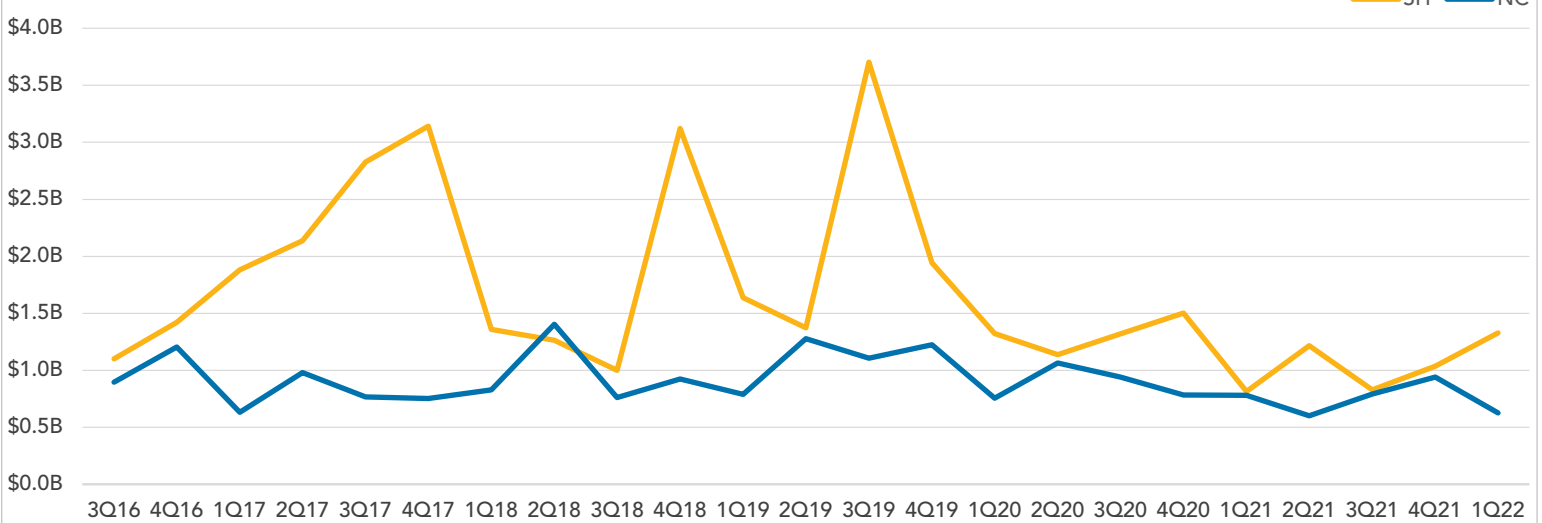
Source: NIC Lending Trends Report, NIC Analytics

Note: some contributors include loans that are in forbearance in reporting delinquent loans and other contributors do not.

### Key Takeaways

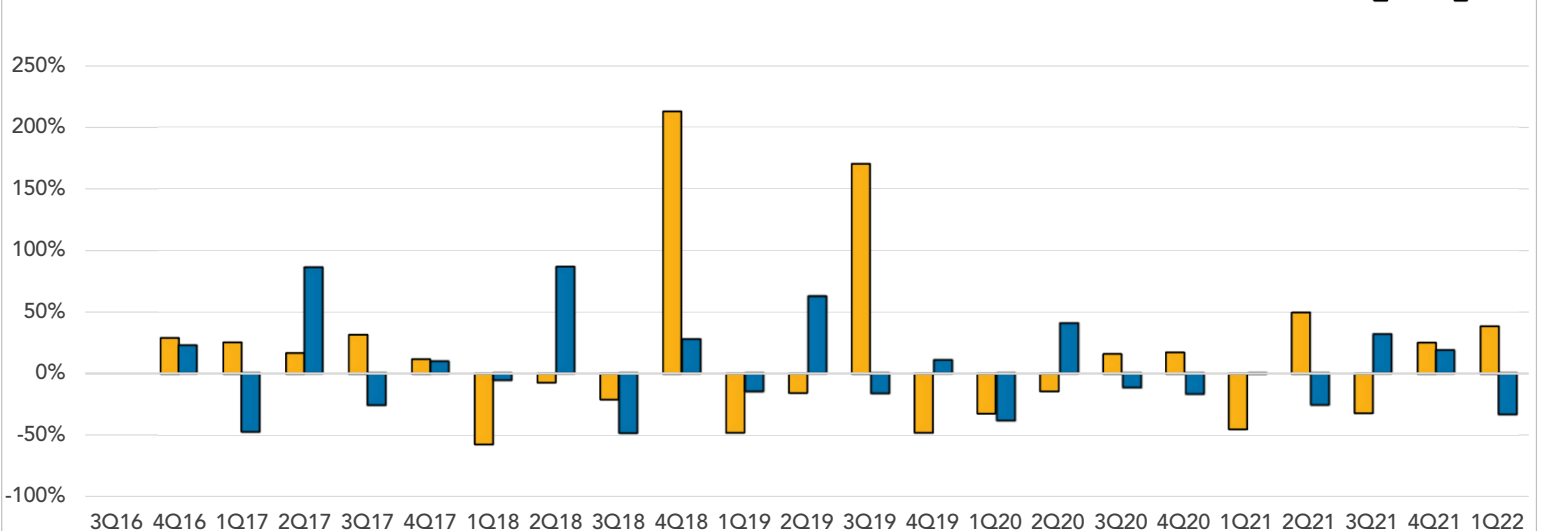
New permanent loan volumes closed in first quarter 2022 increased for senior housing (38.2%) but decreased for nursing care (33.2%). The \$1.3B new permanent loans closed marked the highest amount of new permanent loans closed for senior housing since fourth quarter 2020 when it was \$1.5B. New permanent loans closed for nursing care at \$628M were less than half of that for senior housing.

### New Permanent Loan Volume Closed



Source: NIC Lending Trends Report, NIC Analytics

### New Permanent Loan Volume Closed Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

### Contributor Counts per Quarter

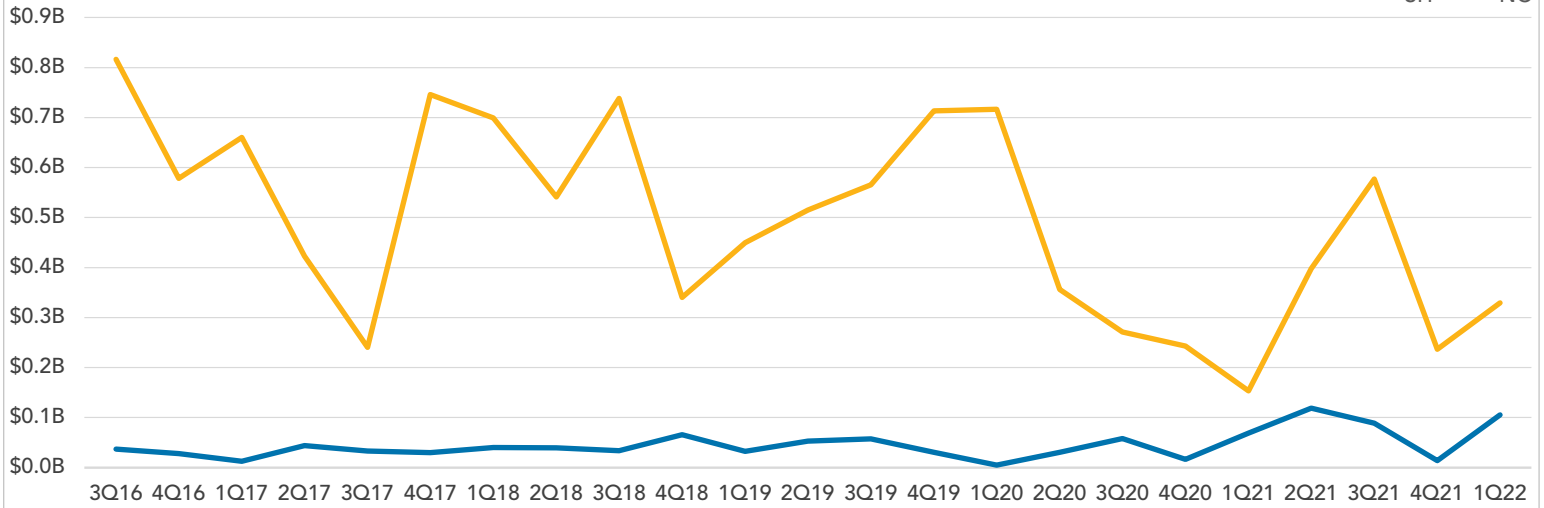
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1
Senior Housing	19	19	19	18	18	17	19	18	19	18	19	17	17	17	17	16	15	15	14	14	14	15	14
Nursing Care	17	17	17	16	16	15	17	16	17	16	17	15	15	15	15	14	13	13	12	12	12	13	12

Source: NIC Lending Trends Report, NIC Analytics

## Key Takeaways

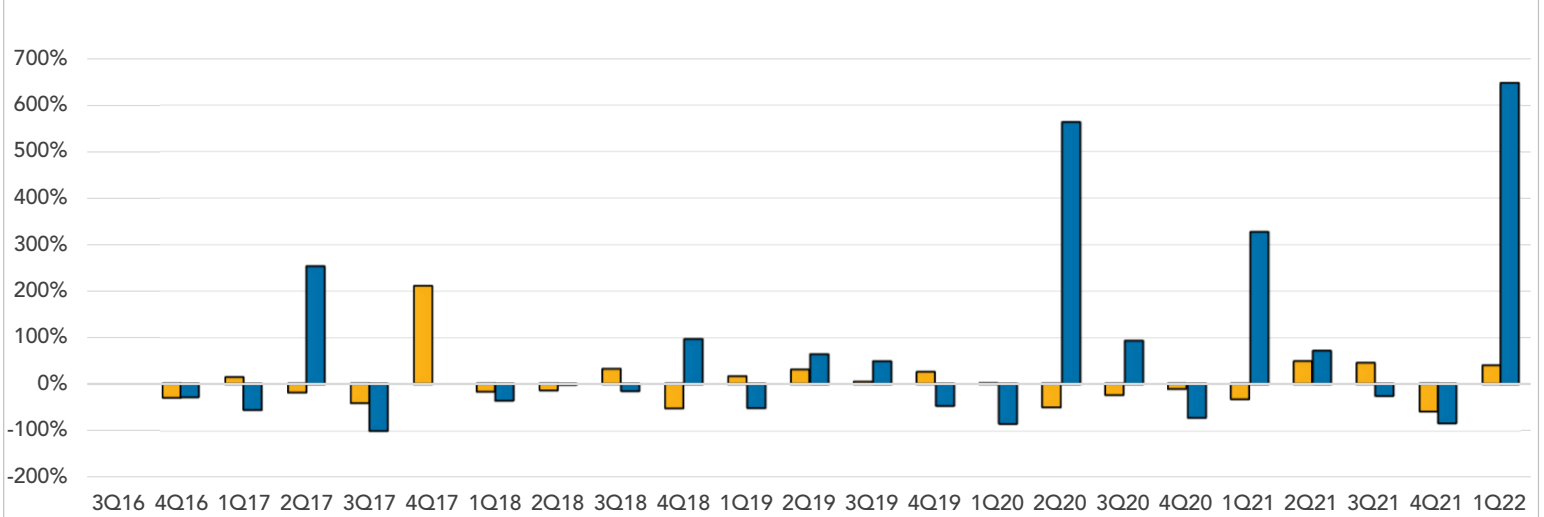
Nursing care new construction loan closings were very strong in first quarter 2022 following a weak fourth quarter 2021. Partially due to the low fourth quarter, the quarter-over-quarter same-store growth for nursing care new construction loan closings was 645.8% in first quarter 2022. Senior housing new construction loan closings also picked up in first quarter 2022 from fourth quarter 2021 at a growth of 39.4% on a same-store quarter-over-quarter basis. However, the senior housing new construction loan volume closed was below its recent peak in third quarter 2021.

## New Construction Loan Volume Closed



Source: NIC Lending Trends Report, NIC Analytics

## New Construction Loan Volume Closed Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

## Contributor Counts per Quarter

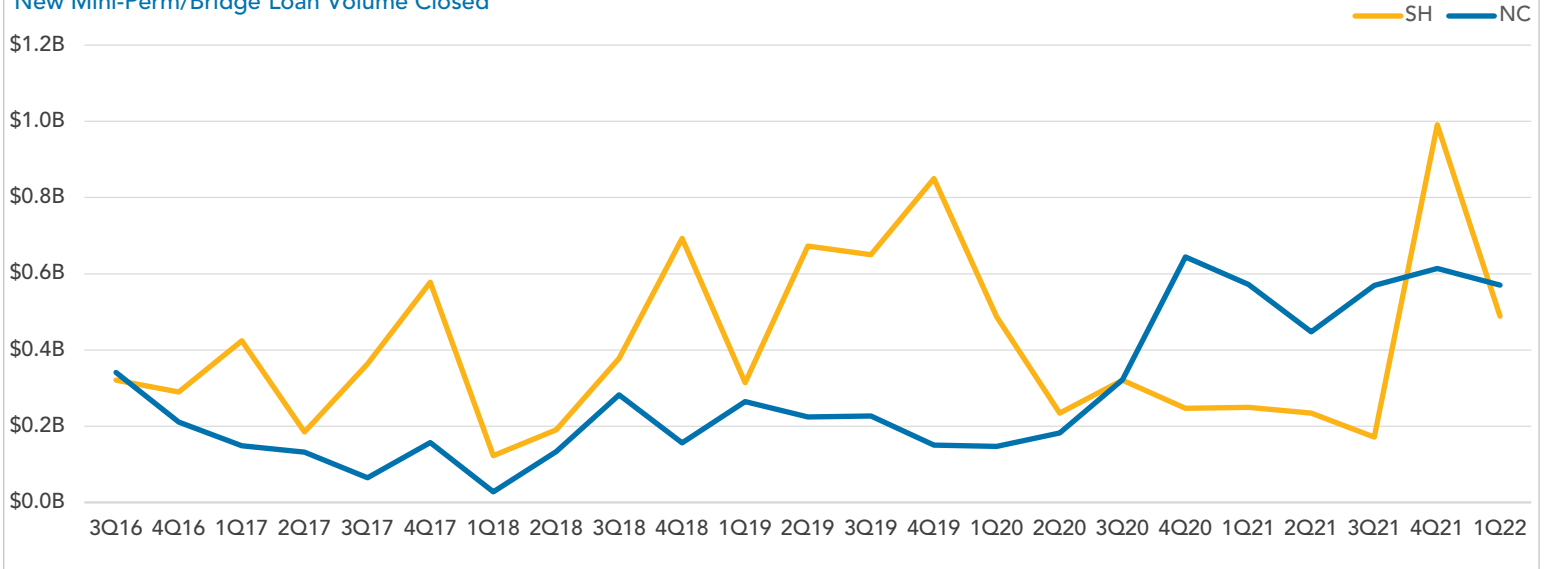
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15	14
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15	14

Source: NIC Lending Trends Report, NIC Analytics

### Key Takeaways

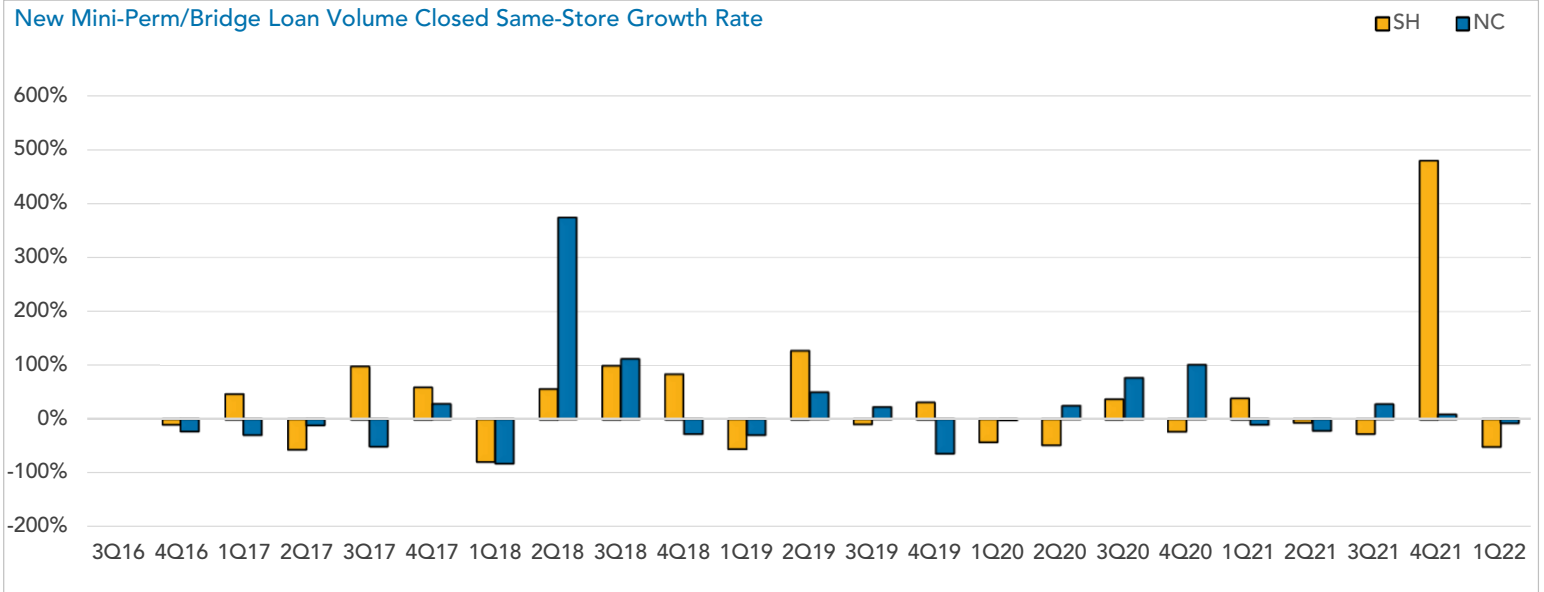
New mini-perm/bridge loans closed for senior housing were down in first quarter 2022 from their recorded high in fourth quarter 2021, but were still well above the levels from second quarter 2020 through third quarter 2021. On a same-store basis, the quarter-over-quarter decline was 50.7% for senior housing. Nursing care mini-perm/bridge loan closings remained at a high level, but also had a decline in first quarter 2022 from the fourth quarter 2021. However, the decline for nursing care mini-perm/bridge loan closings was more modest at 7.2%. Last quarter we posited that the heightened mini-perm/bridge loans in combination with the lowered permanent loans may reflect that some lenders may currently be more comfortable issuing a mini-perm over permanent loan for some deals.

### New Mini-Perm/Bridge Loan Volume Closed



Source: NIC Lending Trends Report, NIC Analytics

### New Mini-Perm/Bridge Loan Volume Closed Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

### Contributor Counts per Quarter

Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4	22Q1
Senior Housing	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	13	13	13	14	13
Nursing Care	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	13	13	13	14	13

Source: NIC Lending Trends Report, NIC Analytics

## Loan Type Glossary

**New Permanent Loan Volume Closed:** Mortgage loans closed in a specific quarter for completed projects. These permanent loans generally have amortization periods between 15 and 30 years. These loans tend to be acquired following a construction loan or following a mini-perm loan.

**Mini-Perm/Bridge Loan Volume Closed:** Mini-perm/bridge loans are generally between 3 and 5 years and tend to function as an intermediary loan following a construction loan and prior to finding a longer-term mortgage loan.

**New Construction Loan Volume Closed:** A shorter term loan to finance the construction of a property.

**Total Loan Balances:** Total of all loan balances outstanding at the end of the quarter.

**Total Permanent Loan Balance:** Total of all outstanding permanent loans at the end of the quarter.

**Total Construction/Mini-Perm/Bridge Loan Balance:** The total balance of all construction loans, mini-perm, and bridge loans outstanding at the end of the quarter.

**Total Mini-Perm/Bridge Loan Balances:** Total of all mini-perm/bridge loans outstanding at the end of the quarter.

**Total Construction Balances:** Total of all construction loans outstanding at the end of the quarter.

**Total Balance of Delinquent Loans:** Total balances of loans that are delinquent by more than 60 days as of the end of the quarter. Note: some contributors include loans that are in forbearance in reporting delinquent loans and other contributors do not.

**Total Amount of Foreclosures During the Quarter:** Total amount of loans foreclosed upon during the quarter. For the current sample, this number is generally close to zero as there are relatively few foreclosures during the time that NIC has been collecting data from contributors.

## Lender Type Glossary

**Bank** – A bank is a financial institution that accepts deposits and provides loans. Bank financing for senior housing and care properties covers a wide range of institutions and financing options. Commercial banks typically lend for new construction and acquisitions, and offer lines of credit, corporate credit lines, and shorter-term property financing options, i.e., bridge or mini perm loans.

**Bank Holding Company** – A bank holding company is a company that has one or more banks and possibly other assets. Generally, bank holding companies have more flexibility for methods of raising capital than traditional banks do.

**Commercial Real Estate Services Company** – Commercial real estate services companies can offer a range of investment services for several property types.

**Financial Services Company** – Financial services companies are a broad category that encompass businesses that offer a variety of services including banking, investment funds, or other services.

**Government-Related Sources** – Companies or organizations that are related to or funded by the government.

**Investment Management Firm** – Investment management firms offer their clients investment opportunities that the firm designs and manages. Investment management firms aim to create portfolios that generate returns with varying levels of risk, which can include lending services.

**REIT** – Real Estate Investment Trust (REIT) is a company that owns, manages, or finances income-generating real estate. To qualify as a REIT a company must: (1) invest at least 75% of its total assets in real estate; (2) derive at least 75% of its gross income from rents from real property, interest on mortgages financing real property or from sales of real estate; (3) pay at least 90% of its taxable income in the form of shareholder dividends each year among other requirements. Shareholders pay the income taxes on those dividends.



## Methodology

Growth rates are calculated on a same-store basis. A data provider must have files for two consecutive quarters in order to be included in the quarter-over-quarter calculation. The same-store growth rate is a quarter-over-quarter metric that's calculated by taking the set of contributors that provided data files for two quarters back to back, summing all the values for each of the two quarters, then calculating the growth from one quarter to the next.

The indexed values for total construction/mini-perm/bridge loan balances, total loan balances, and total delinquent balances are calculated as a quarter's outstanding volume over the sum of the volume in 3Q2016, the base period for comparison. As a result, it is not same-store. Mergers account for some of the variability in contributor counts. Note: not all charts have the same axes.

## About this Report

The NIC Lending Trends Report collects loan volume data for senior housing and care properties. NIC conducts this quarterly survey and generates this report to further enhance transparency of capital market trends in the senior housing and care sector. These data are not to be interpreted as a census of all senior housing and skilled nursing lending activity in the U.S. and reflect lending activity from participants included in the survey sample only. Property type is the industry's traditional categorization where each property is classified by its plurality care segment, and where: (1) memory care is considered a subset of assisted living and (2) individual CCRC/LPCs are classified according to their plurality care segment. Senior housing represents the aggregate of majority independent living and majority assisted living.

## About NIC Analytics

This report was prepared by NIC Analytics at National Investment Center for Seniors Housing and Care (NIC), a nonprofit 501(c)(3) organization whose mission is to support access and choice for America's seniors. NIC's Analytics group interprets data and analyzes trends in the senior housing and nursing care sectors as they relate to and impact capital seekers (owners, operators, and developers) and capital providers (debt and equity entities).

## How to Participate

If you would like to contribute your data, please contact us at [analytics@nic.org](mailto:analytics@nic.org).