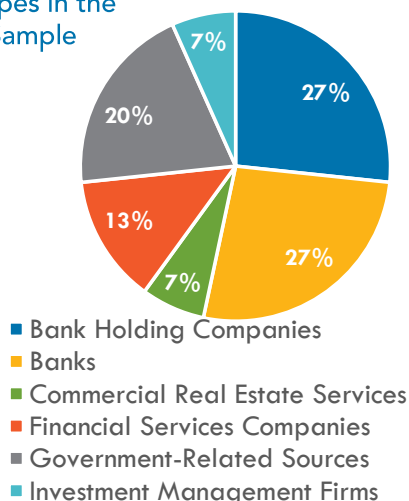


Current Quarter Snapshot

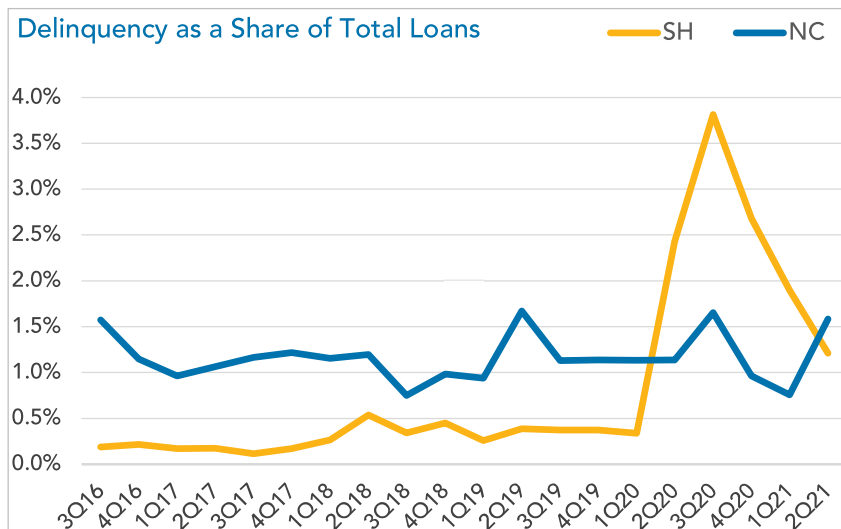
	Senior Housing	Nursing Care	Total
1. Total Loan Volume Closed 2Q2021:	\$ 1,784,575,341	\$ 1,167,791,211	\$ 2,952,366,552
1a. New Permanent Loan Volume Closed 2Q2021:	\$ 1,154,686,975	\$ 601,232,905	\$ 1,755,919,880
1b. Mini-Perm/Bridge Loan Volume Closed 2Q2021:	\$ 234,502,696	\$ 447,871,306	\$ 682,374,002
1c. New Construction Loan Volume Closed 2Q2021:	\$ 395,385,670	\$ 118,687,000	\$ 514,072,670
2. Total Loan Balances as of 6/30/2021:	\$ 57,608,557,923	\$ 29,329,038,293	\$ 86,937,596,215
2a. Total Permanent Loan Balances as of 6/30/2021:	\$ 47,798,033,492	\$ 25,772,208,887	\$ 73,570,242,379
2b. Total Construction/Mini-Perm/Bridge Loan Balances as of 6/30/2021:	\$ 9,810,524,431	\$ 3,556,829,405	\$ 13,367,353,836
2b-i. Total Mini-Perm/Bridge Balances as of 6/30/2021:	\$ 4,546,307,905	\$ 2,054,405,859	\$ 6,600,713,764
2b-ii. Total Construction Balances as of 6/30/2021:	\$ 5,264,216,526	\$ 1,502,423,546	\$ 6,766,640,072
3. Total Balance of Delinquent Loans (60 days or more) as of 6/30/2021:	\$ 695,992,030	\$ 464,699,154	\$ 1,160,691,184
4. Total Amount of Foreclosures during 2Q2021:	\$ 62,693,000	\$ -	\$ 62,693,000
Contributor Count	15	13	15*

Lender Types in the 2Q 2021 Sample



Source: NIC Lending Trends Report, NIC Analytics

Delinquency as a Share of Total Loans



Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways for 2Q 2021

The volume of new closed construction loans increased in 2Q2021 for both senior housing and nursing care as lenders became more comfortable in development activity following four quarters of slowing activity related to the pandemic. Newly closed construction loans jumped 46.7% for senior housing on a same-store quarter-over-quarter basis, the highest recorded quarterly increase since 4Q2017. For nursing care, the same-store quarter-over-quarter growth was even larger at 71.4%, but this was off of a relatively small base.

Delinquent loans, which include loans in forbearance for some lenders, had a marked improvement for senior housing during the second quarter. Indeed, delinquencies as a share of total loans for senior housing declined for the third quarter in a row following the recorded peak of 3.8% in 3Q2020 and stood at 1.2% in the second quarter. Nursing care delinquencies as a share of total loans increased from 0.8% in 1Q2021 to 1.6%.

New mini-perm/bridge loans closed have been relatively flat for the past year after peaking in the pre-covid 4Q2019. Some of this decline may reflect the data contributor mix of the sample. On a same-store, quarter-over-quarter basis, new mini-perm/bridge loan volume closed was -21.7% for nursing care and -6.0% for senior housing in 2Q2021.

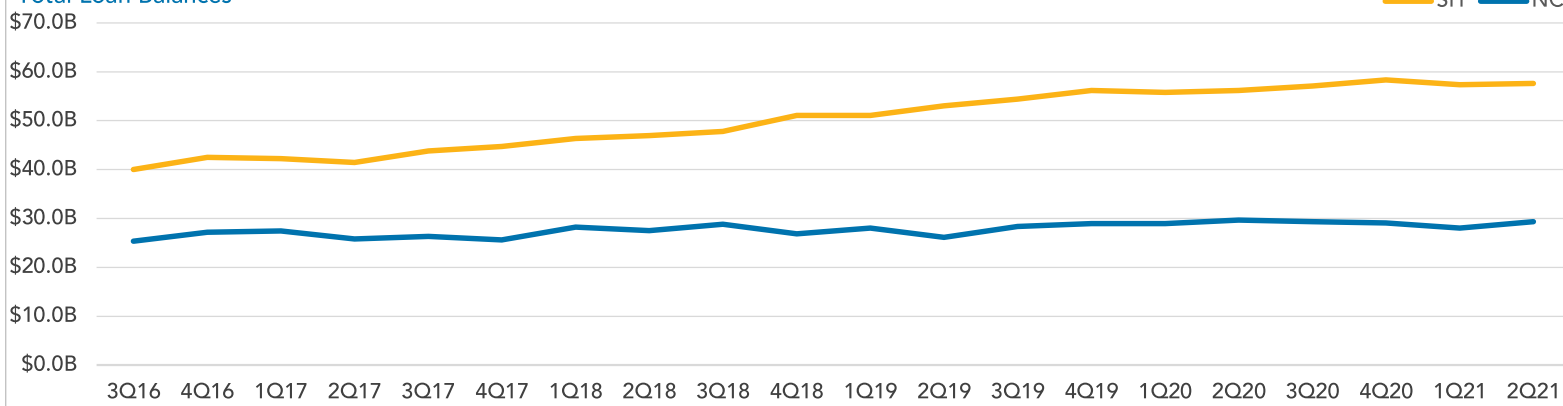
Foreclosures totaled \$62,693,000 for senior housing in the second quarter. This marked the second quarter in the row that the sector had recorded foreclosures and followed nine quarters that had none.

*Note: while there are 15 total contributors this quarter, not all of them lend for nursing care. Hence, nursing care has a lower count.

Key Takeaways

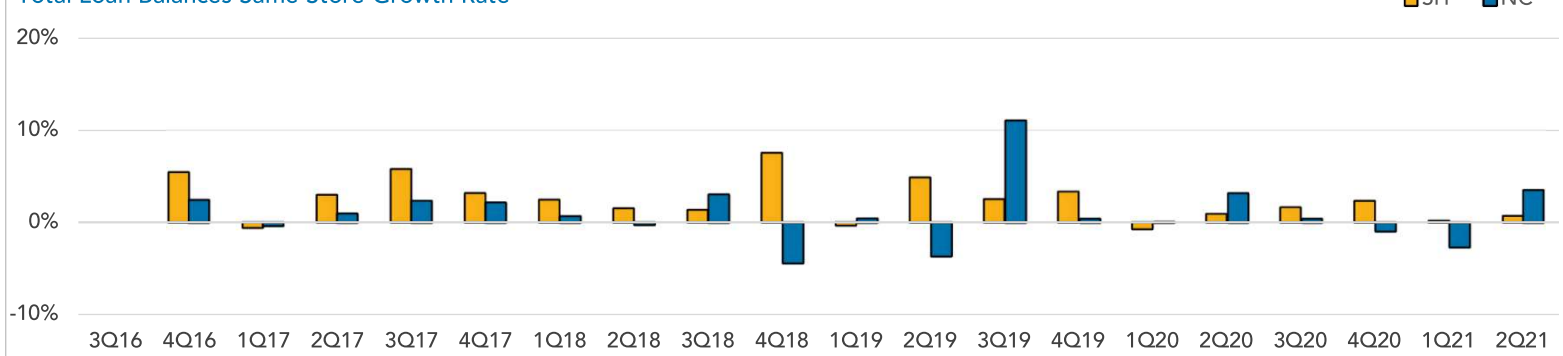
Total loan balances increased for nursing care in 2Q2021 while senior housing remained flat. On a same-store quarter-over-quarter basis senior housing increased by 0.7% and nursing care increased by 3.5%. This was the largest same-store quarter-over-quarter gain since 3Q2019 for nursing care.

Total Loan Balances



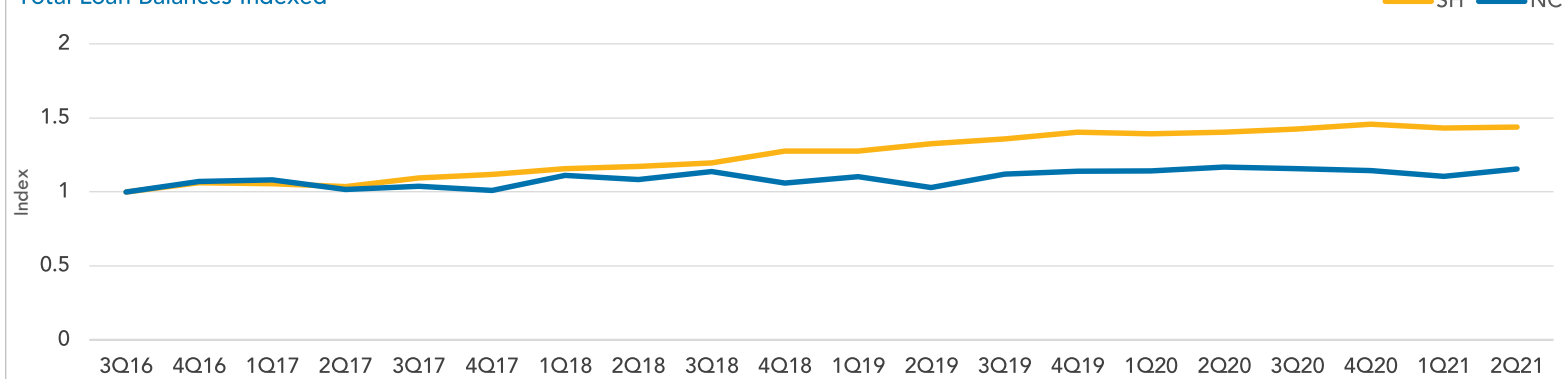
Source: NIC Lending Trends Report, NIC Analytics

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

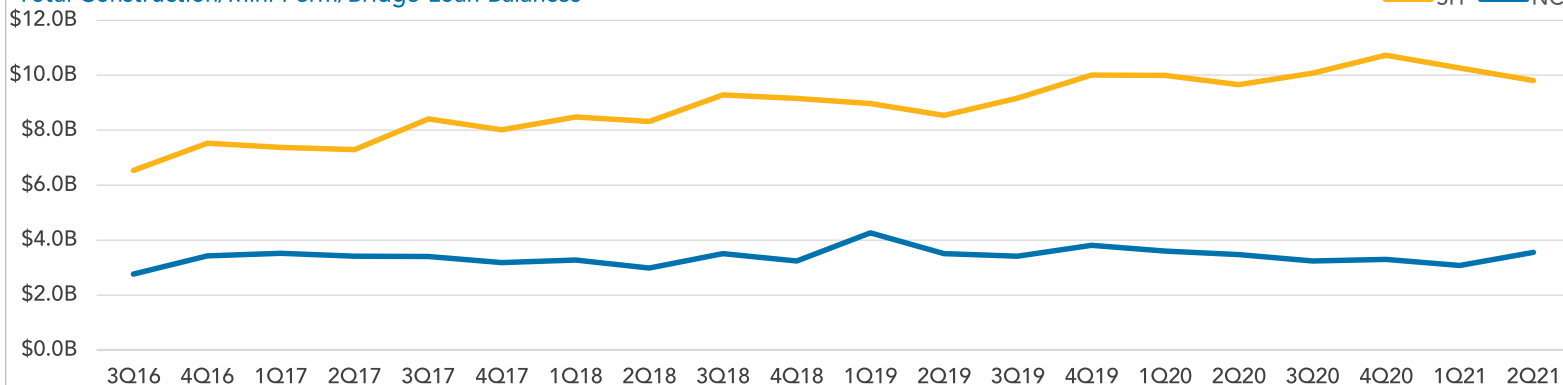
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	15	15
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

Total construction/mini-perm/bridge loans increased for nursing care by 8.9% on a same-store quarter-over-quarter basis in 2Q2021, which was the largest same-store increase since 3Q2018 (17.8%). Conversely, total construction/mini-perm/bridge loans was virtually unchanged for senior housing on a same-store basis in 2Q2021 (-0.2%).

Total Construction/Mini-Perm/Bridge Loan Balances



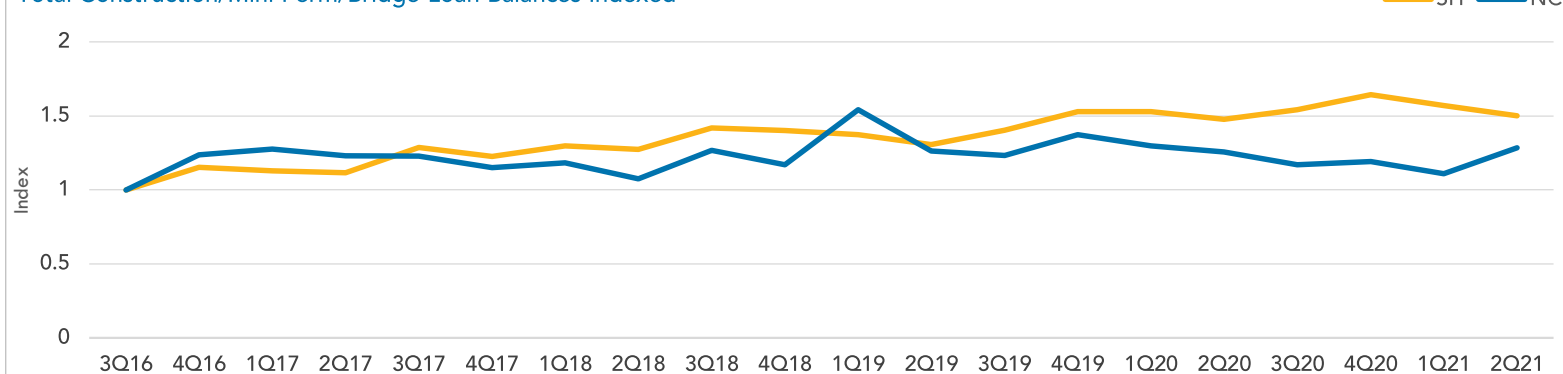
Source: NIC Lending Trends Report, NIC Analytics

Total Construction/Mini-Perm/Bridge Loan Balances Same-Store Growth Rate



Source: NIC Lending Trends Report, NIC Analytics

Total Construction/Mini-Perm/Bridge Loan Balances Indexed



Source: NIC Lending Trends Report, NIC Analytics

Contributor Counts per Quarter

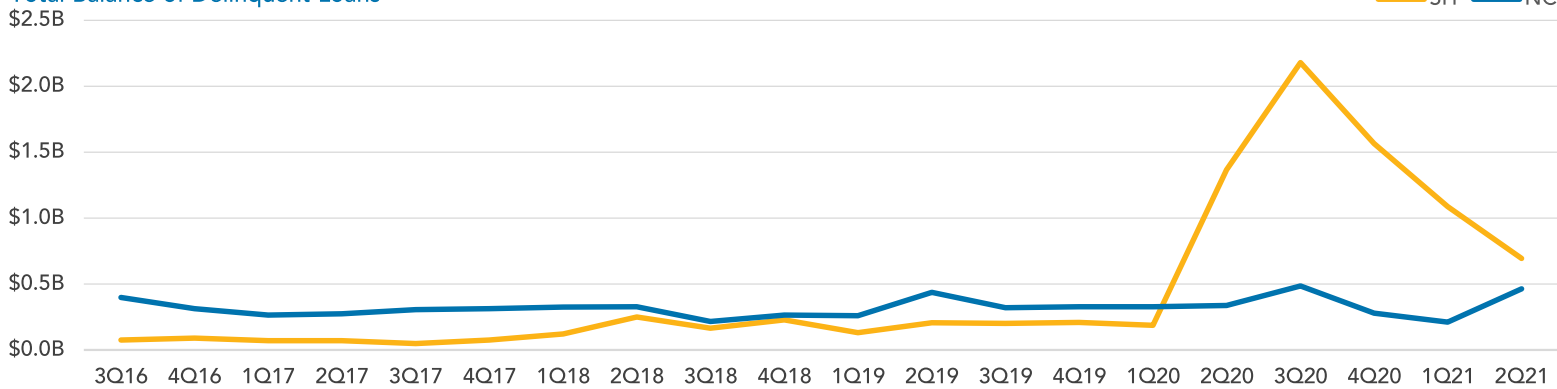
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

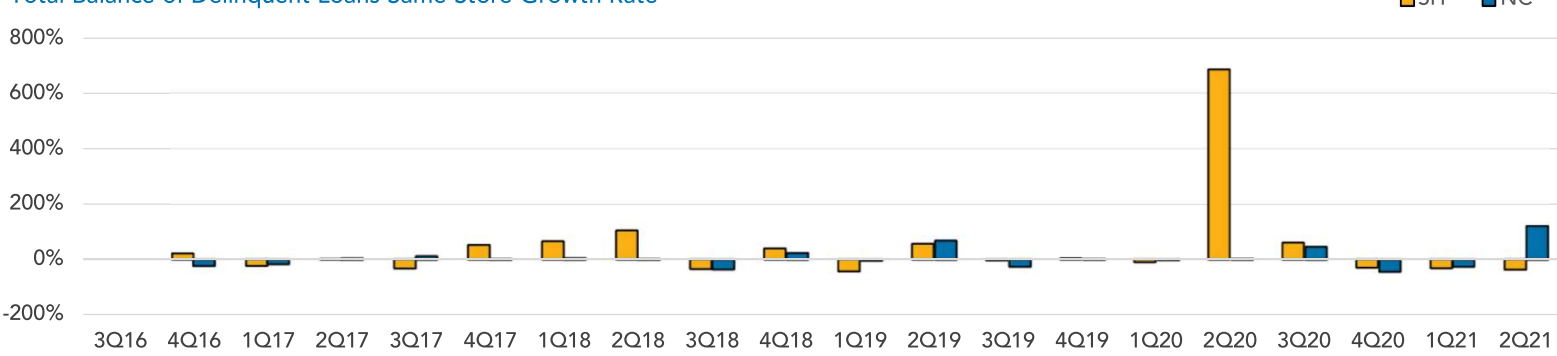
Delinquent loans for senior housing continued to decline in the second quarter of 2021 from the pandemic-related high point reached in 3Q2020. Delinquent senior housing loans, which include loans in forbearance for some lenders, fell to 1.2% of total loans, down from 3.8% in 3Q2020. However, delinquent loans for nursing care saw an increase in 2Q2021 reaching 1.6% of total loans.

Total Balance of Delinquent Loans



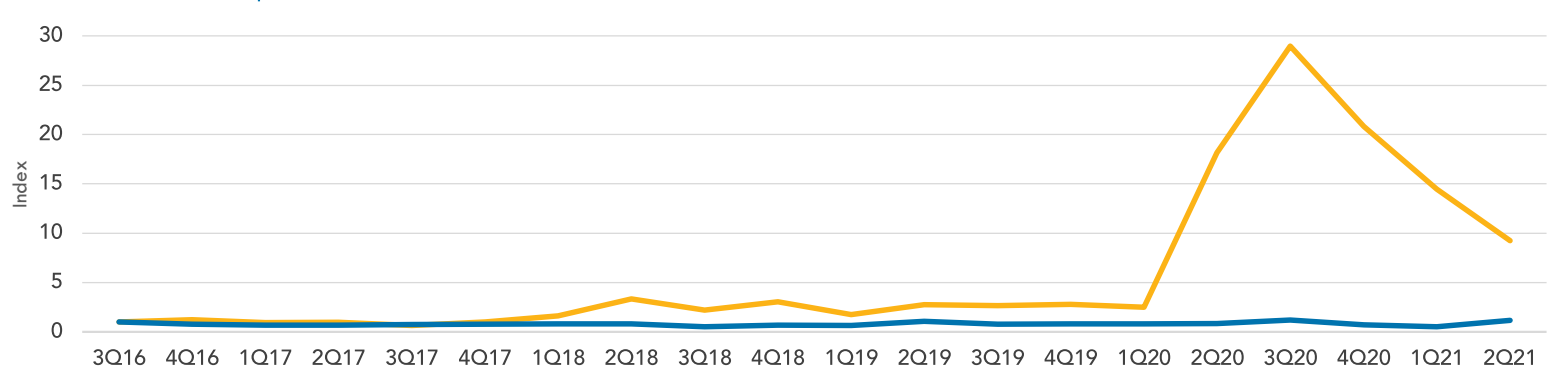
Source: NIC Lending Trends Report, NIC Analytics

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
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	15	15
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13

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.

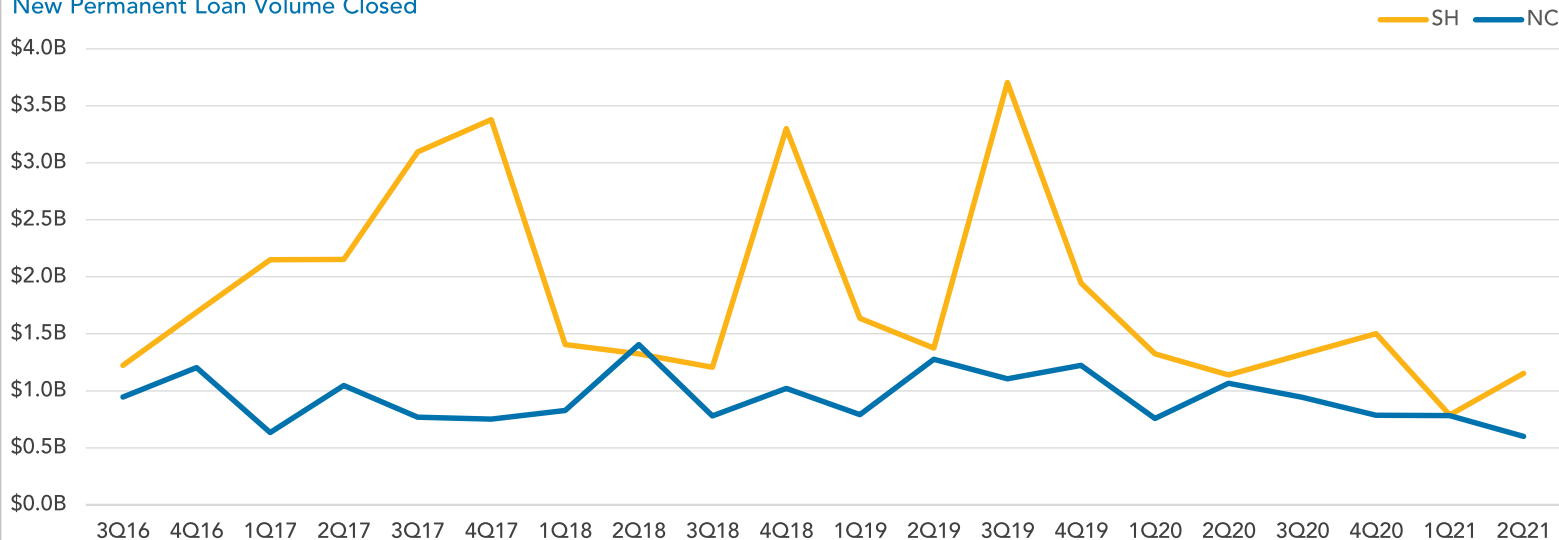
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Key Takeaways

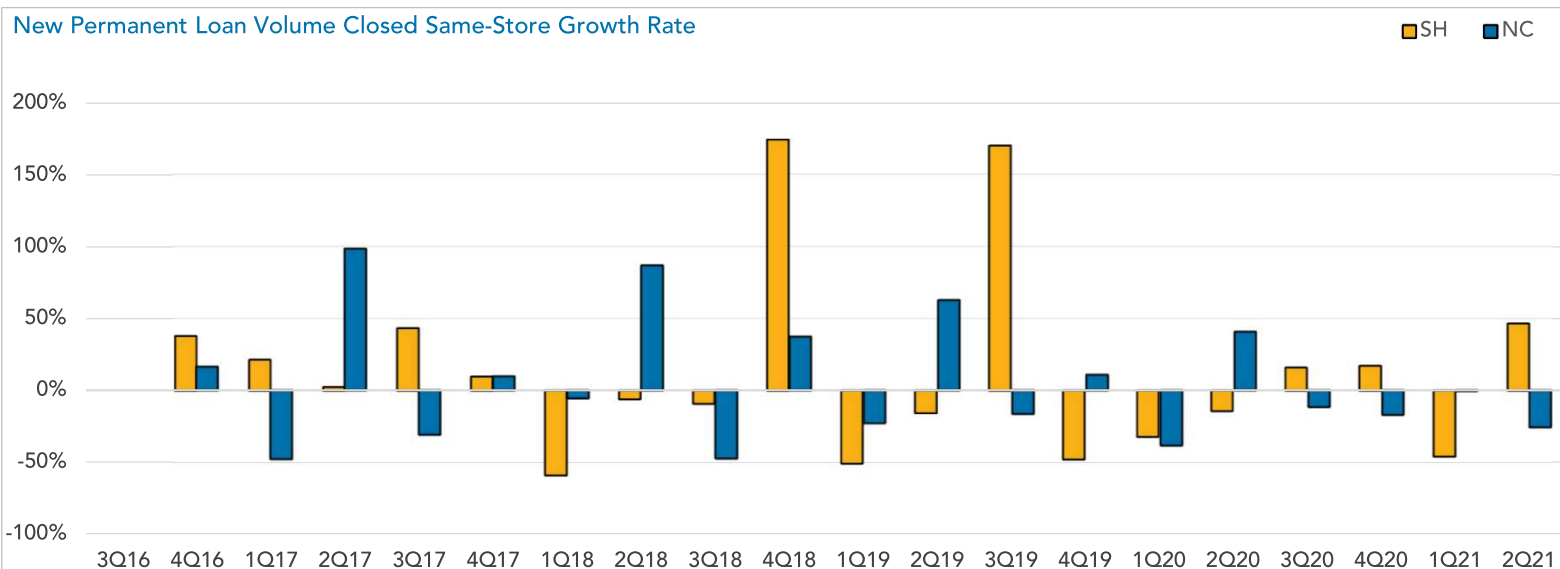
New permanent loan issuance for senior housing increased in 2Q2021, with a same-store increase of 46.3%, the largest same-store quarter-over-quarter increase since 3Q2019. Nursing care permanent loan issuance slipped lower in 2Q2021, hitting its recorded low point since the beginning of the time series in mid-2016. On a same-store quarter-over-quarter basis new permanent loans were down -25.5% in 2Q2021, the largest same-store drop since 1Q2020.

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

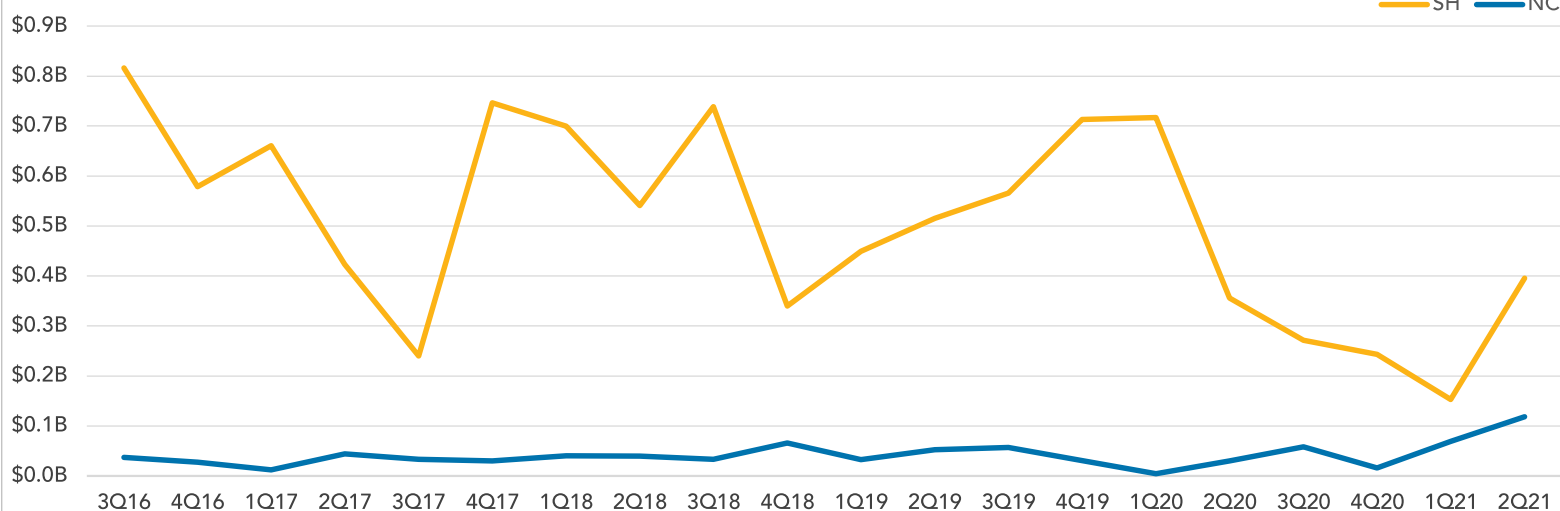
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
Senior Housing	19	19	19	18	18	17	19	18	19	18	19	17	17	17	17	16	15	15	13	13
Nursing Care	17	17	17	16	16	15	17	16	17	16	17	15	15	15	15	14	13	13	11	11

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

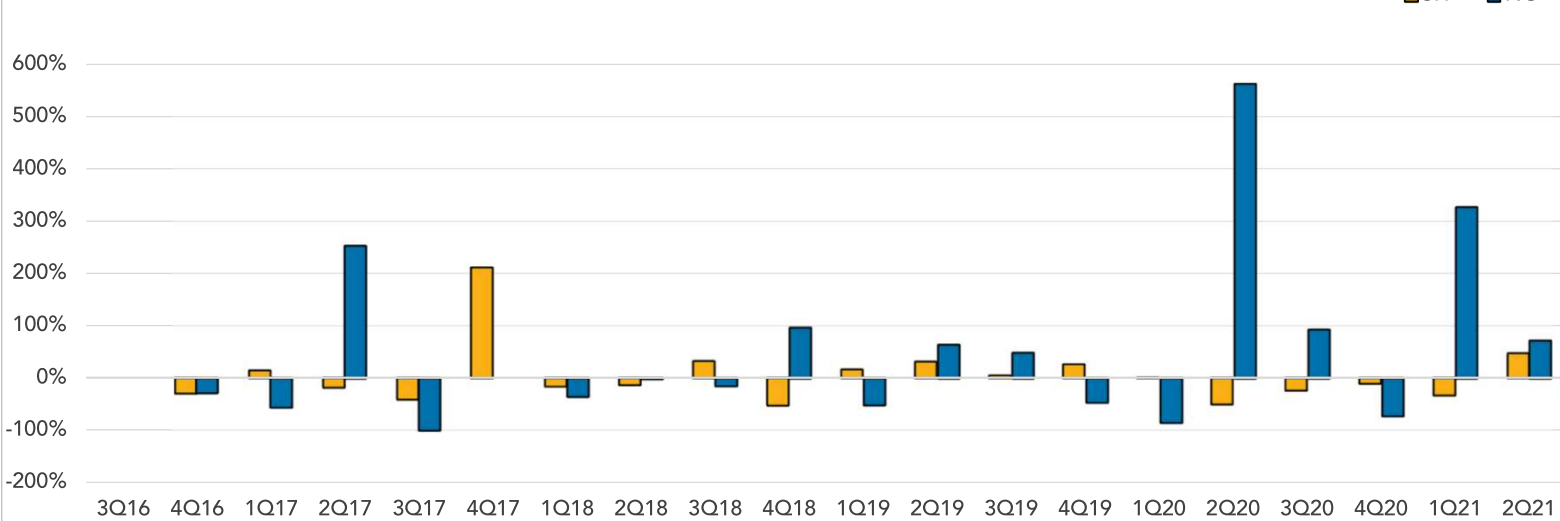
The volume of construction loans closed saw notable increases for both senior housing and nursing care in 2Q2021, possibly reflecting renewed interest in projects that had been put on hold during the pandemic as well as renewed optimism about the sector's recovery path. Note that second quarter 2021 data includes construction refinancings for some lenders.

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

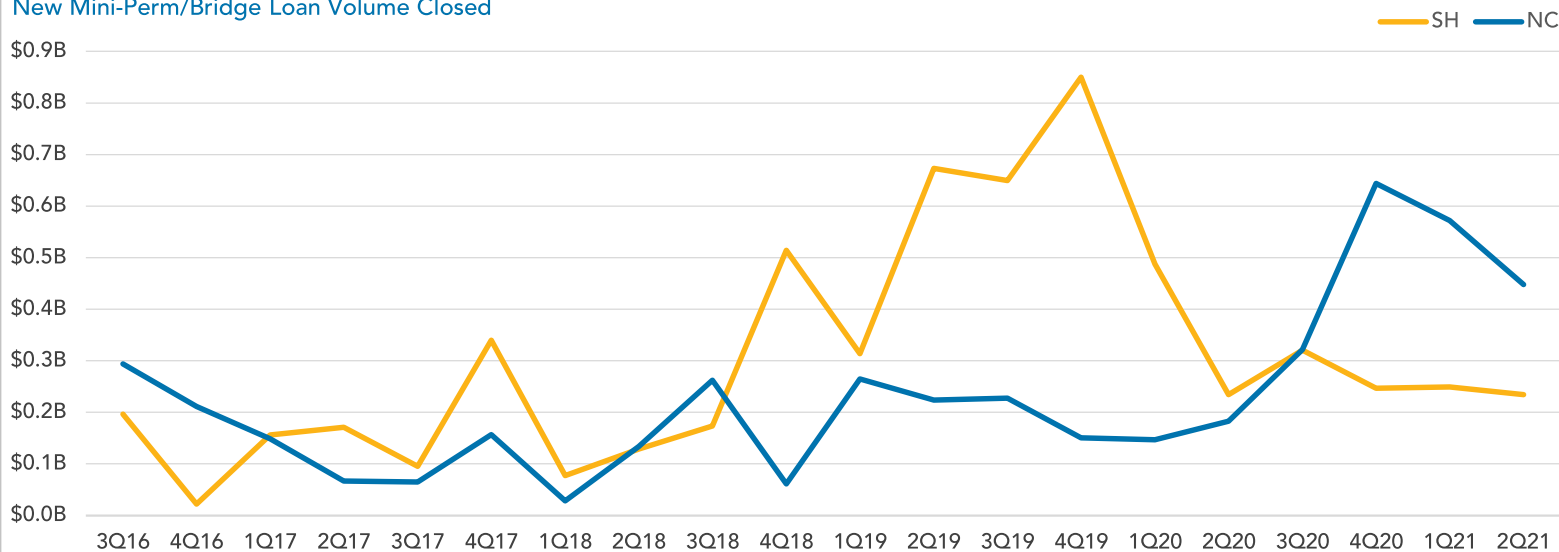
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	13	13

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

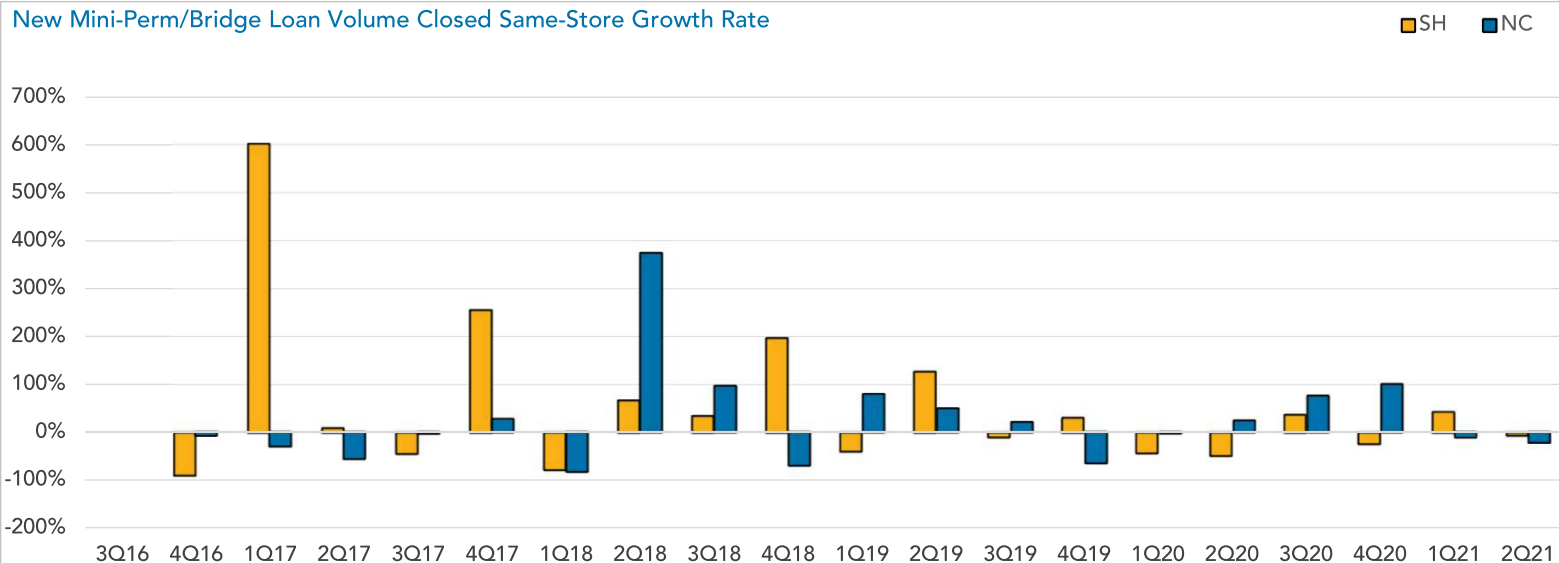
The issuance of mini-perm/bridge loans remained relatively weak for senior housing in 2Q2021. Mini-perm/bridge loans for senior housing have been fairly flat since 2Q2020. For nursing care, mini-perm bridge loans were down from its recent recorded high in 4Q2020 but still remained elevated compared to levels recorded earlier in the time series.

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
Senior Housing	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	12	12
Nursing Care	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	12	12

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.