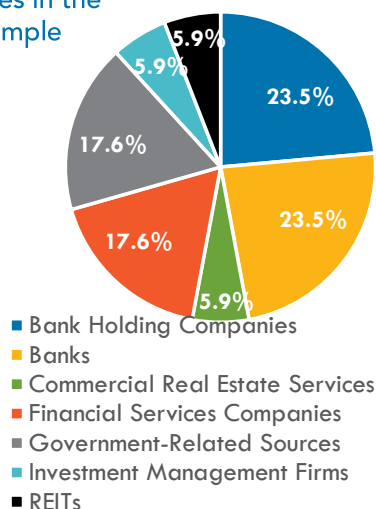


Current Quarter Snapshot

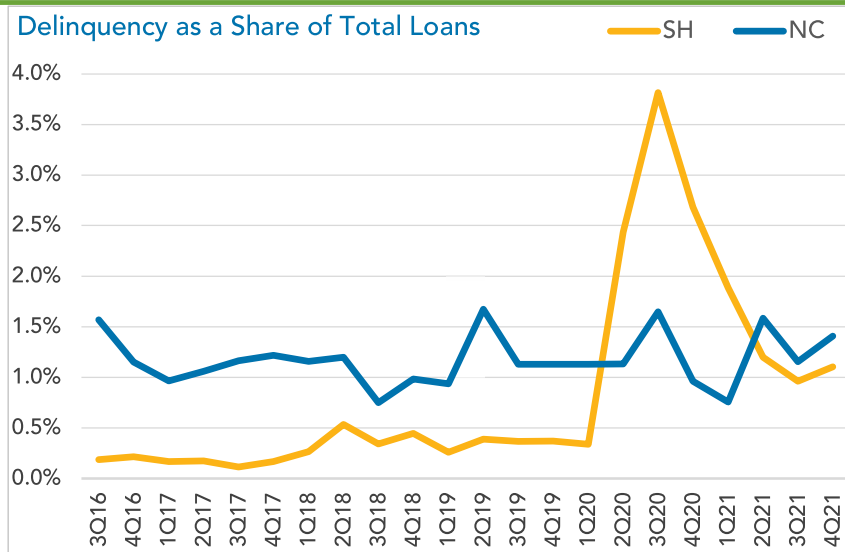
	Senior Housing	Nursing Care	Total
1. Total Loan Volume Closed 4Q2021:	\$ 2,264,862,039	\$ 1,568,634,001	\$ 3,833,496,040
1a. New Permanent Loan Volume Closed 4Q2021:	\$ 1,037,184,218	\$ 940,381,800	\$ 1,977,566,018
1b. Mini-Perm/Bridge Loan Volume Closed 4Q2021:	\$ 991,275,348	\$ 614,086,801	\$ 1,605,362,149
1c. New Construction Loan Volume Closed 4Q2021:	\$ 236,402,473	\$ 14,165,400	\$ 250,567,873
2. Total Loan Balances as of 12/31/2021:	\$ 56,549,608,392	\$ 30,146,490,137	\$ 86,696,098,529
2a. Total Permanent Loan Balances as of 12/31/2021:	\$ 45,500,299,760	\$ 26,120,745,415	\$ 71,621,045,175
2b. Total Construction/Mini-Perm/Bridge Loan Balances as of 12/31/2021:	\$ 11,049,308,632	\$ 4,025,744,722	\$ 15,075,053,354
2b-i. Total Mini-Perm/Bridge Balances as of 12/31/2021:	\$ 7,737,066,363	\$ 2,746,067,389	\$ 10,483,133,752
2b-ii. Total Construction Balances as of 12/31/2021:	\$ 3,312,242,269	\$ 1,279,677,333	\$ 4,591,919,602
3. Total Balance of Delinquent Loans (60 days or more) as of 12/31/2021:	\$ 625,206,055	\$ 424,436,442	\$ 1,049,642,497
4. Total Amount of Foreclosures during 4Q2021:	\$ 18,936,869	\$ -	\$ 18,936,869
Contributor Count	17	15	17*

Lender Types in the 4Q 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 4Q 2021

New mini-perm/bridge loans closed for senior housing reached the recorded high in the time series to date at just below \$1B in fourth quarter 2021. This was a five-fold increase from the prior quarter on a same-store basis. Mini-perm/bridge loans generally function as an intermediary loan between a construction loan and a permanent loan. This major increase in mini-perm/bridge loans may reflect lender comfort issuing with the less risky nature of mini-perm/bridge loans compared with permanent loans in some cases as properties build occupancy and a longer track record of performance.

Delinquencies edged slightly higher in fourth quarter 2021 from the third quarter for both senior housing and nursing care, although delinquencies are still down notably from the pandemic-related highs in 3Q2020 and are still below 1.5% of total loans. Note that delinquency data includes loans in forbearance for some lenders.

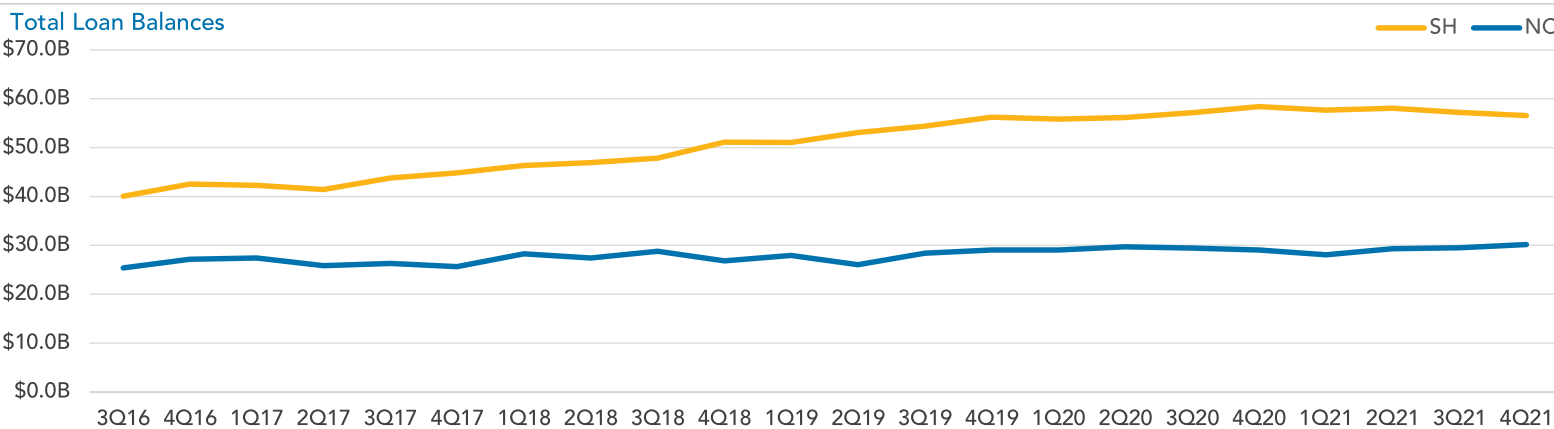
Total loan balances declined slightly for senior housing in fourth quarter 2021 but were generally flat, reflecting some maturing loans coming off the books for some lenders. Total loans balances increased modestly for nursing care (2.1%) in 4Q21.

The issuance of new construction loans slowed sharply in the fourth quarter compared with the volume issued in the third quarter.

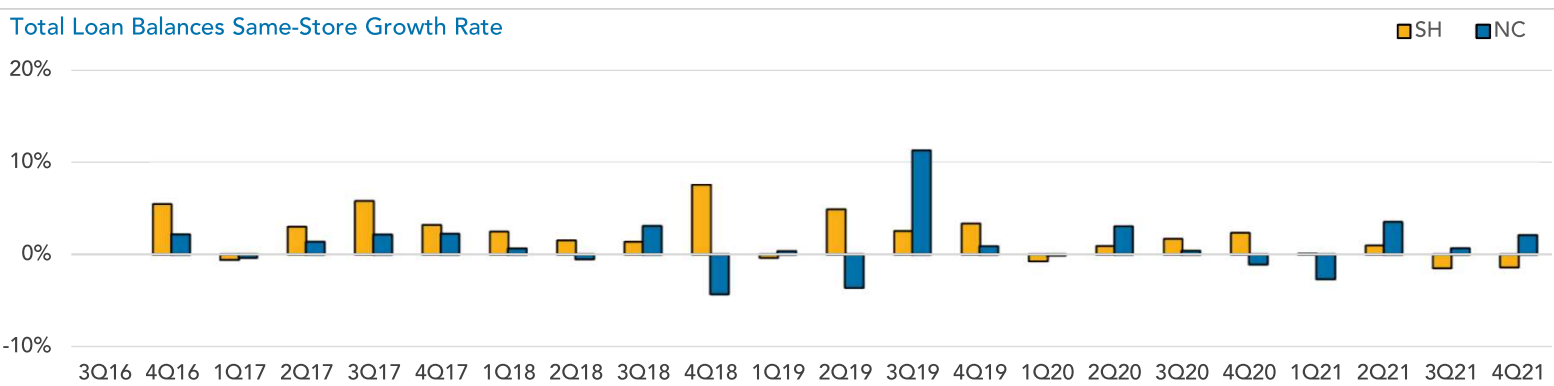
*Note: while there are 17 total contributors this quarter, not all of them lend for nursing care. Hence, nursing care has a lower count.

Key Takeaways

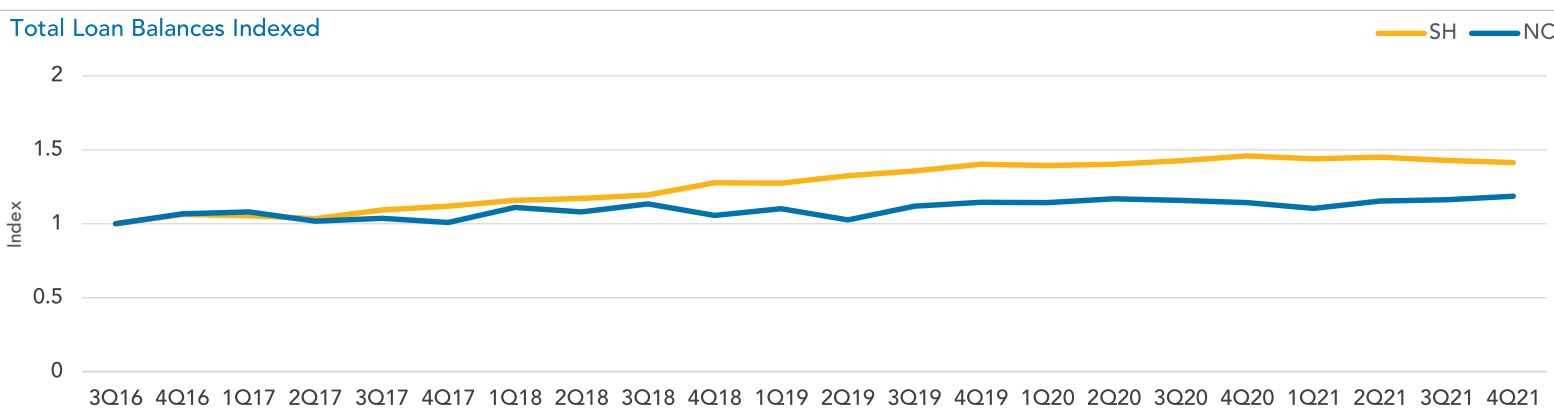
Total loan balances for senior housing slipped modestly for the second consecutive quarter, while total loans for nursing care edged higher for the third quarter in a row. On a same store basis, total loans for nursing care increased by 2.1% from the prior quarter. Total loans for senior housing declined by 1.4% in 4Q21. The decline for senior housing includes maturing loans coming off the books for some lenders.



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

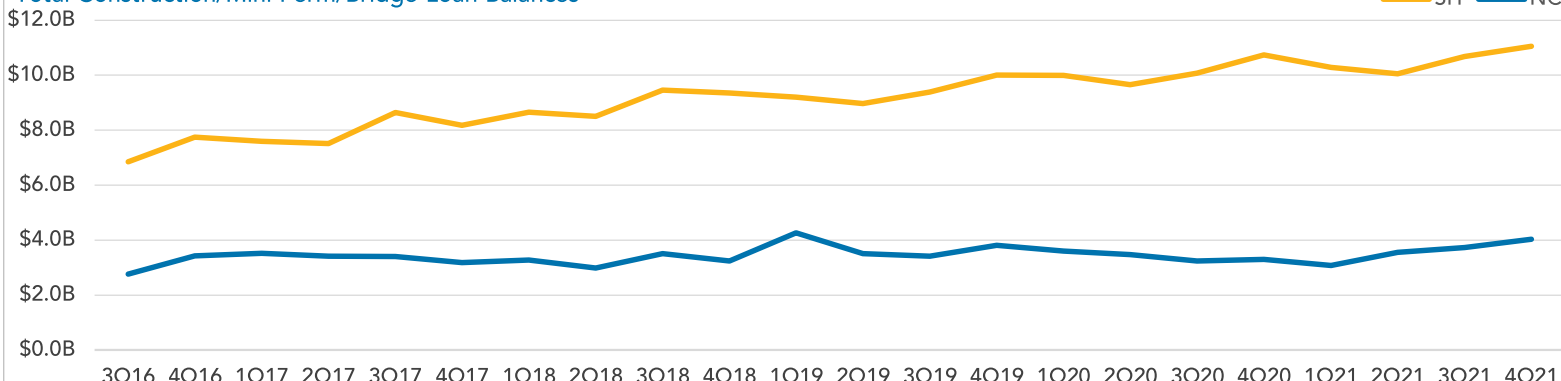
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	16	16	16	17
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

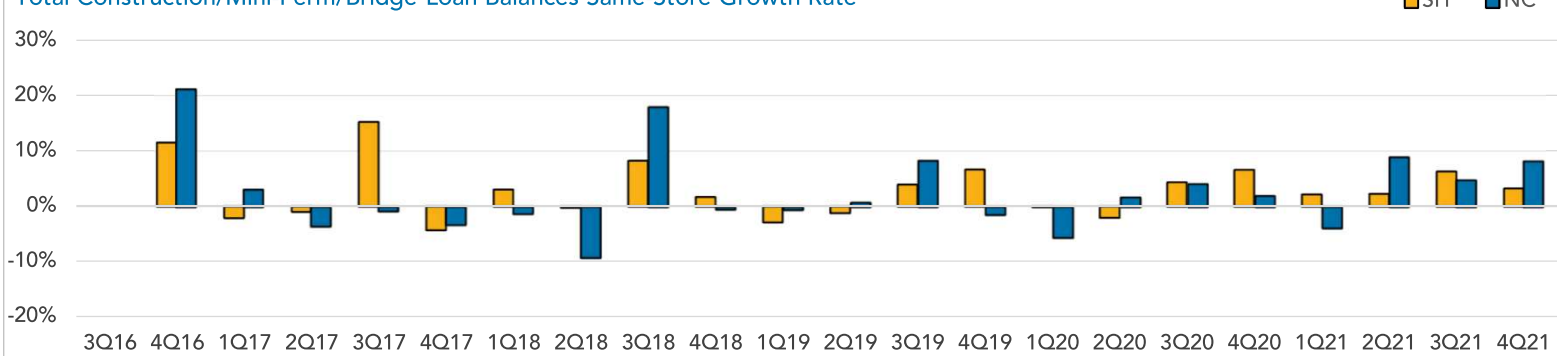
Total construction/mini-perm/bridge loans increased by 3.2% for senior housing and by 8.1% for nursing care on a same-store quarter-over-quarter basis in fourth quarter 2021. This increase was smaller than the increase in 3Q21 (6.2%) for senior housing but larger than the increase in 3Q21 (4.7%) for nursing care. Nursing care construction/mini-perm/bridge loans have had a clear upward trend since 1Q20.

Total Construction/Mini-Perm/Bridge Loan Balances



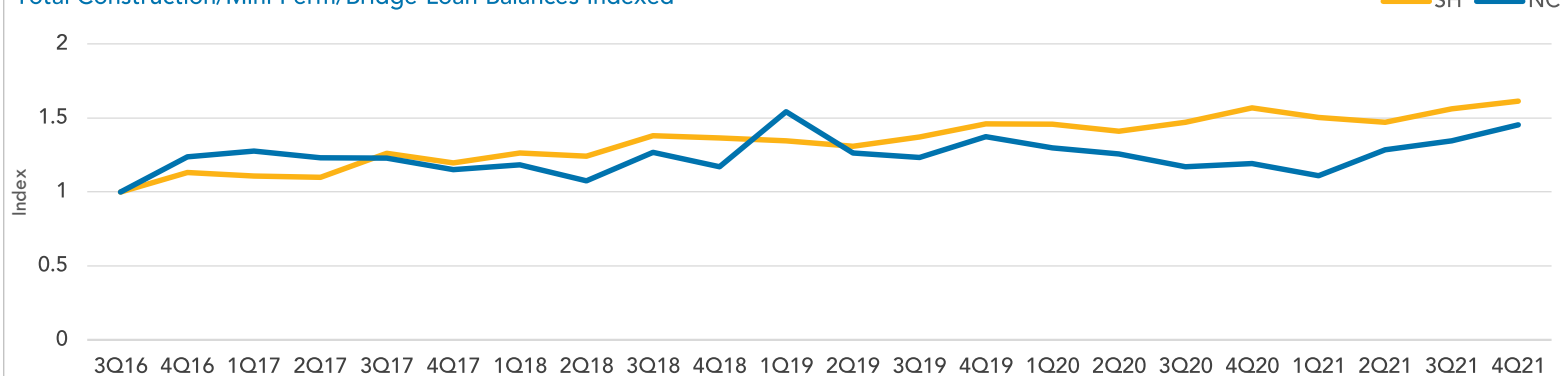
Source: NIC Lending Trends Report, NIC Analytics

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

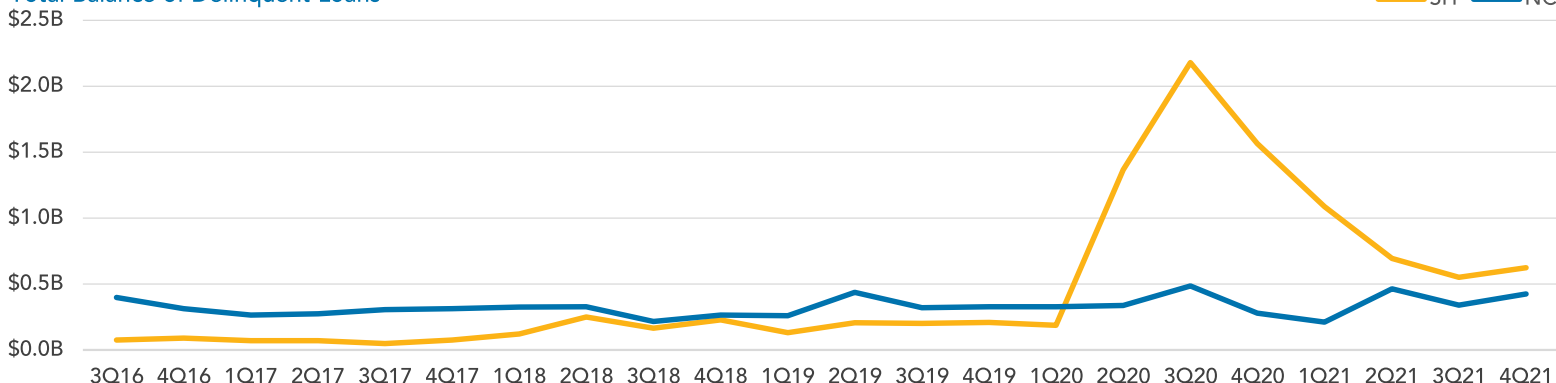
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

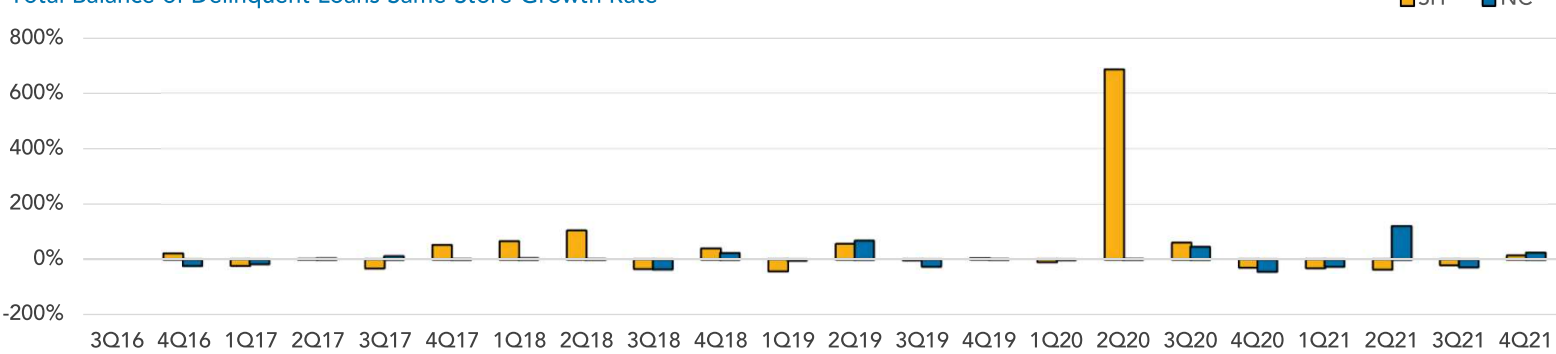
Delinquent loans ticked up slightly in the fourth quarter 2021 for both nursing care and senior housing, though they are still down notably from the pandemic-related high point reached in 3Q20. Delinquent loans, which include loans in forbearance for some lenders, were 1.1% of total loans in 4Q21 (up by 10 bps from 3Q21) for senior housing and 1.4% for nursing care (up by 20 bps from 3Q21). These increases are in line with the variability seen in the delinquencies data prior to the pandemic.

Total Balance of Delinquent Loans



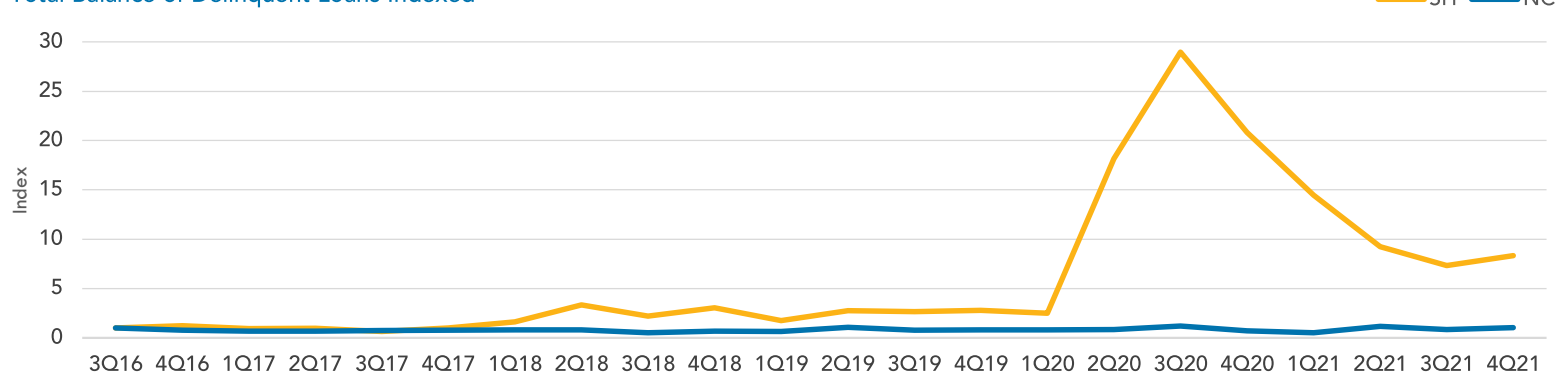
Source: NIC Lending Trends Report, NIC Analytics

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
Senior Housing	20	20	20	19	19	19	21	20	21	19	21	19	18	19	19	18	17	17	16	16	16	17
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15

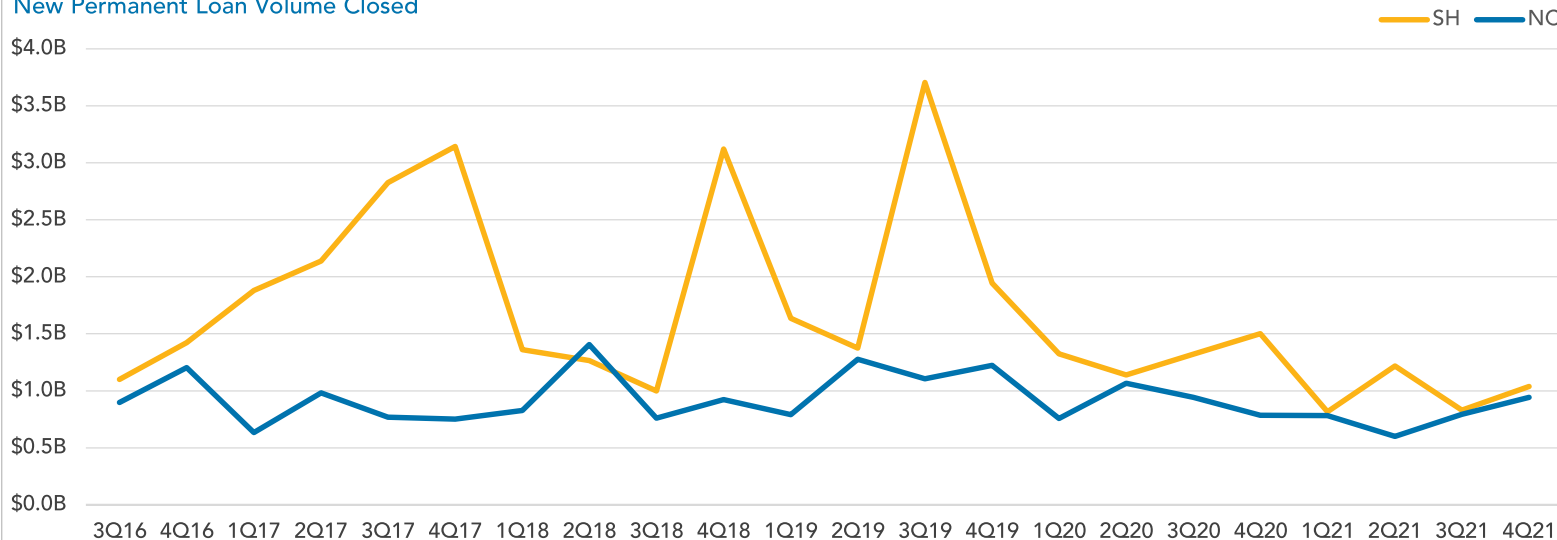
Source: NIC Lending Trends Report, NIC Analytics

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

Key Takeaways

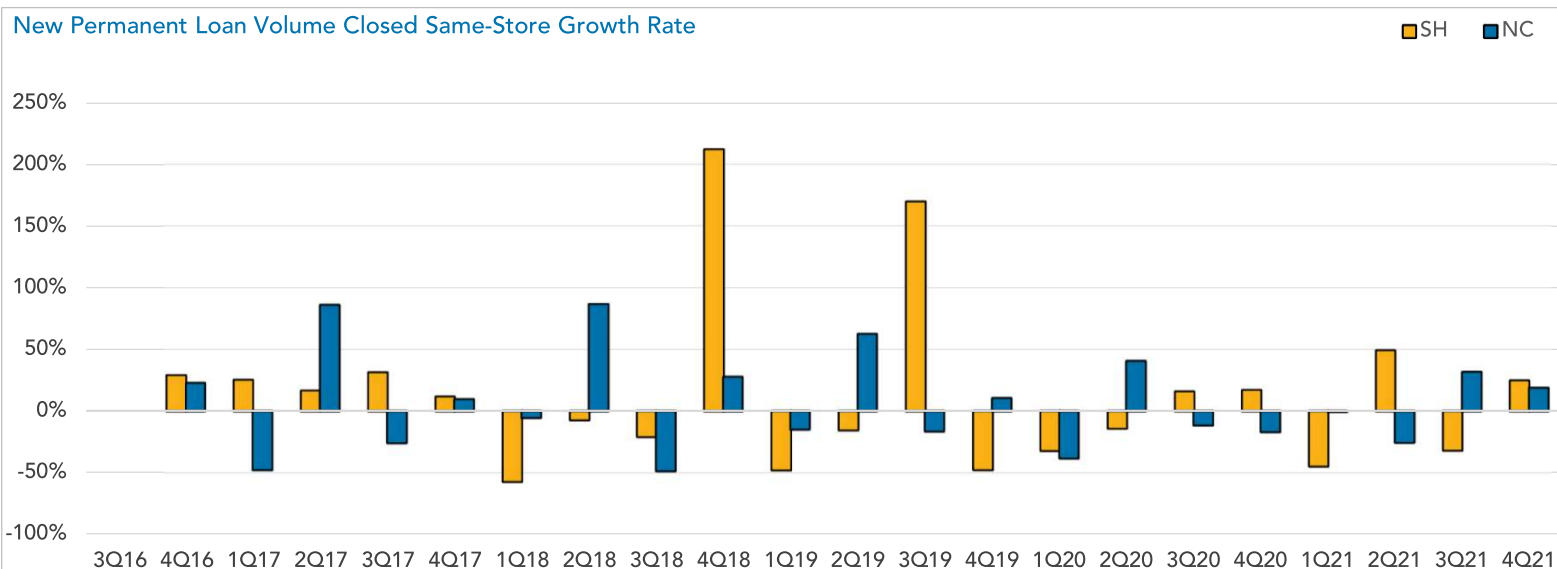
New closed permanent loan volumes increased for both nursing care and senior housing on a same-store quarter-over-quarter basis in the fourth quarter of 2021. The increase was 25.0% for senior housing and 18.8% for nursing care. This is the second quarter in a row that new permanent loans closed for nursing care had same-store quarter-over-quarter increases following four consecutive quarters of declines in 3Q20 through 2Q21.

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

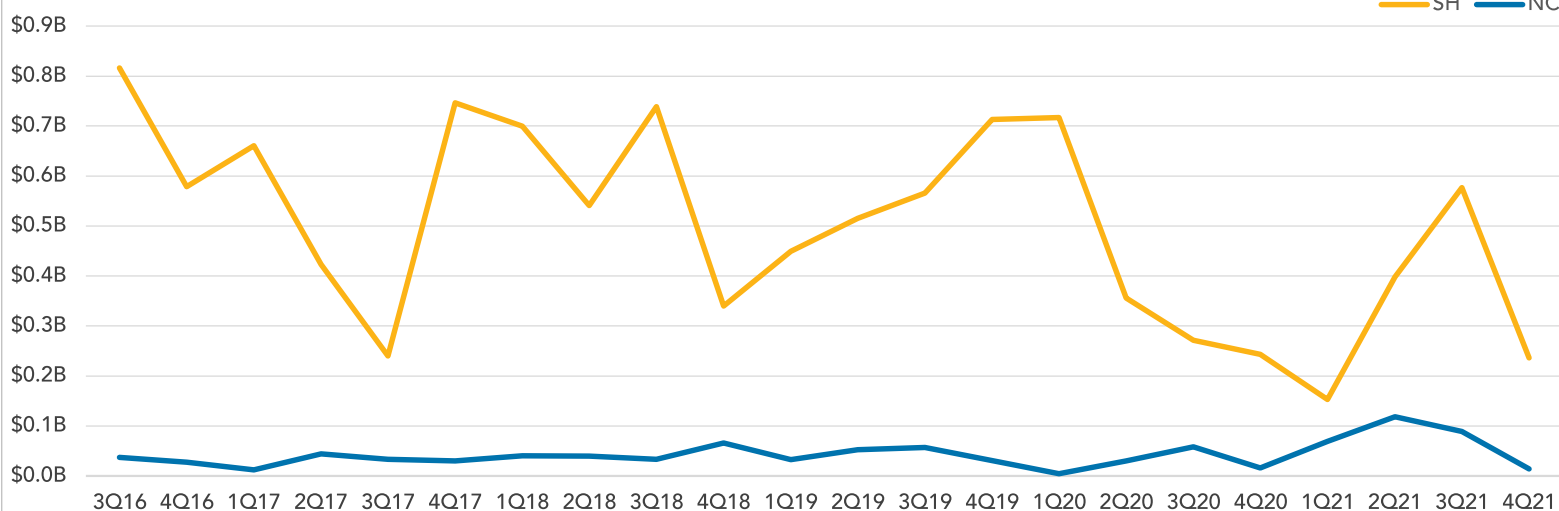
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4
Senior Housing	19	19	19	18	18	17	19	18	19	18	19	17	17	17	17	16	15	15	14	14	14	15
Nursing Care	17	17	17	16	16	15	17	16	17	16	17	15	15	15	15	14	13	13	12	12	12	13

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

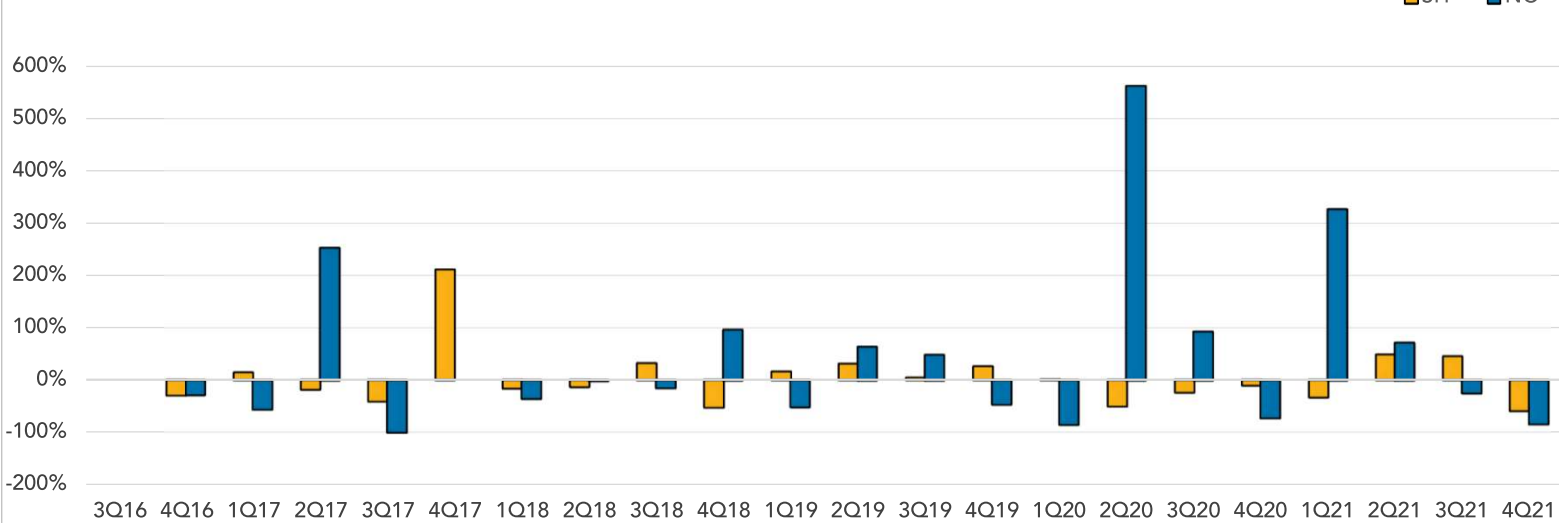
Fewer new construction loans were issued in the fourth quarter of 2021. This was a marked slowdown from the growing levels of construction debt issued earlier in the year during the second and third quarters. For senior housing, new issuance fell 59.0% on a same-store QoQ basis in 4Q21 and were comparable to levels seen earlier in the pandemic in 4Q21. The volume of closed new construction loans was weak for nursing care.

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

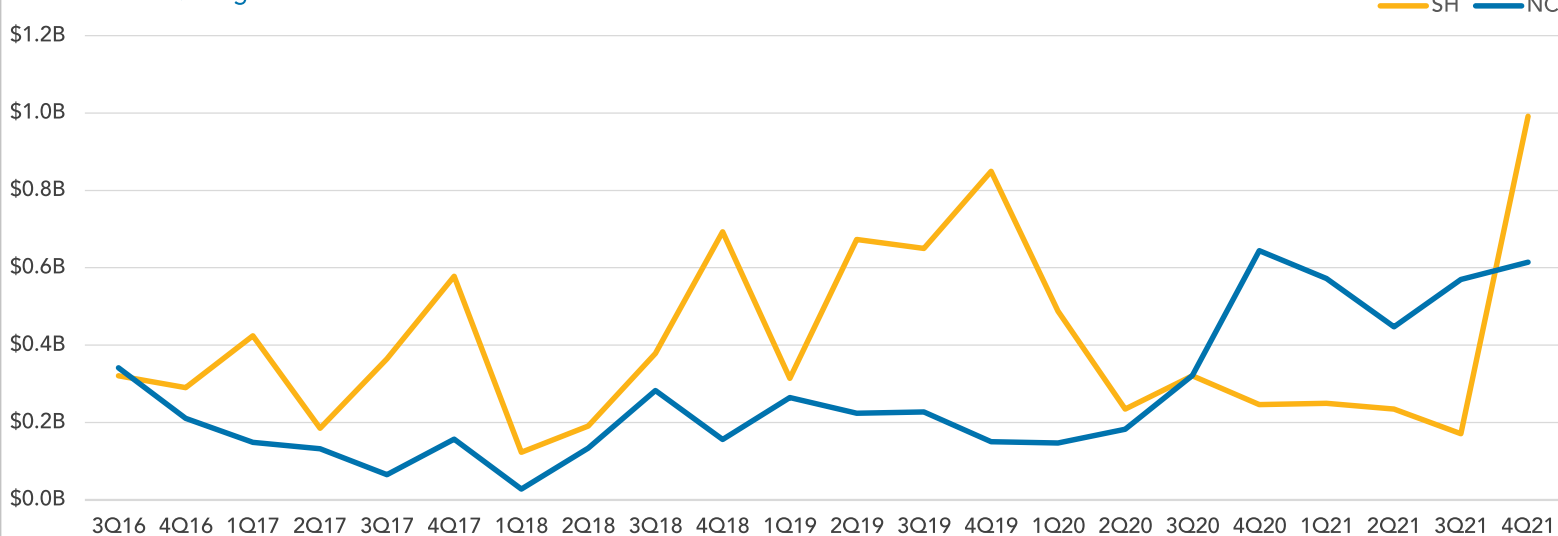
Quarter	16Q3	16Q4	17Q1	17Q2	17Q3	17Q4	18Q1	18Q2	18Q3	18Q4	19Q1	19Q2	19Q3	19Q4	20Q1	20Q2	20Q3	20Q4	21Q1	21Q2	21Q3	21Q4
Senior Housing	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15
Nursing Care	18	18	18	17	17	17	19	18	19	17	19	17	16	17	17	16	15	15	14	14	14	15

Source: NIC Lending Trends Report, NIC Analytics

Key Takeaways

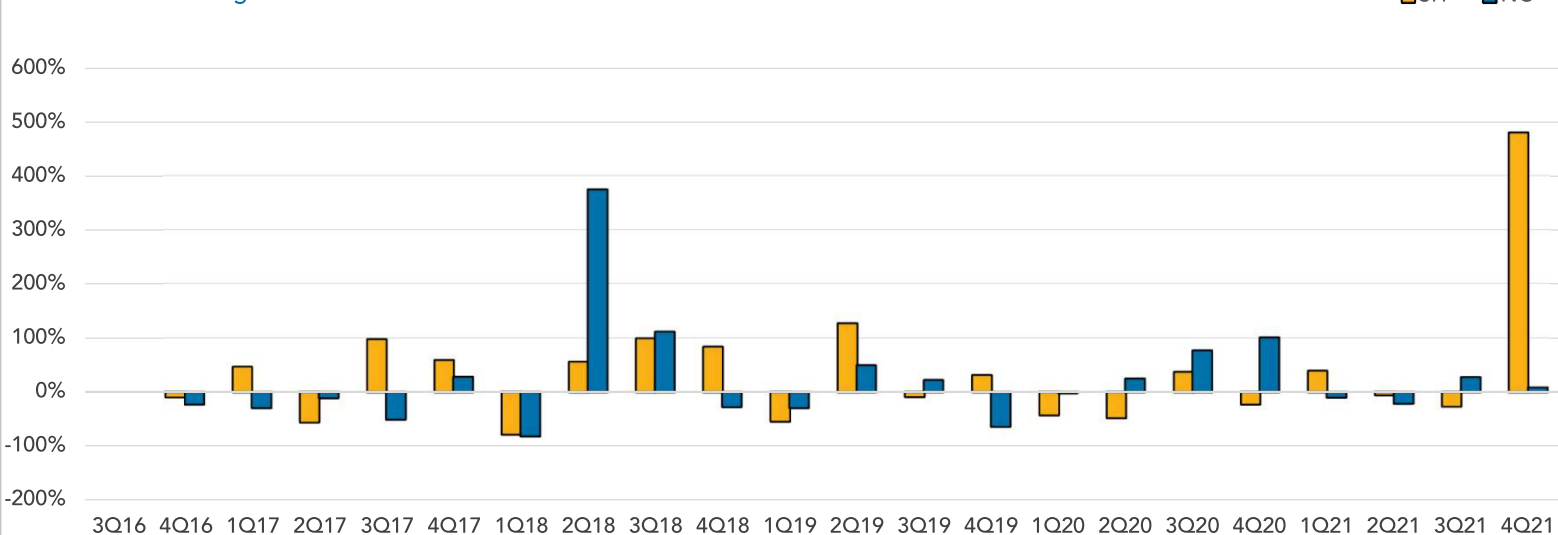
New mini-perm/bridge loans were extremely strong for senior housing in 4Q21. On a same-store basis, mini-perm/bridge loan volume was up nearly five-fold for senior housing from the prior quarter. This marked the largest recorded quarter-over-quarter increase in the time series (since 3Q16) for senior housing mini-perm/bridge loans. There were also a large amount of new mini-perm/bridge nursing care loans closed in 4Q21. The quarter-over-quarter increase was 7.8% for NC. The increase in mini-perm/bridge loans may possibly reflect that some lenders may currently be more comfortable issuing mini-perm/bridge loans than permanent loans for some deals/acquisitions.

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
Senior Housing	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	13	13	13	14
Nursing Care	17	17	17	16	16	16	18	17	18	16	18	16	15	16	16	15	14	14	13	13	13	14

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.