

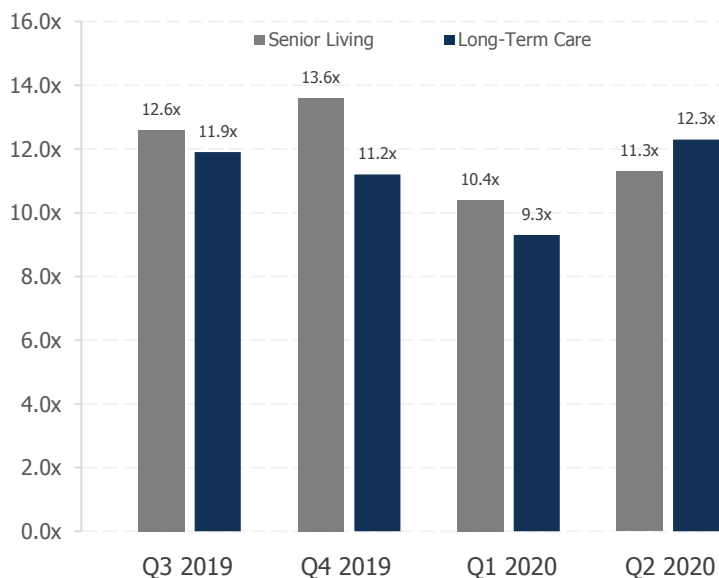
Market Update 2Q 2020

- Long-Term Care and Senior Living indices experienced a modest recovery in 2Q after a significant sell-off in March as a result of the global COVID-19 pandemic
 - Both segments are significantly underperforming relative to the S&P 500 and broader market, which are approaching pre-pandemic all-time highs
- Both Senior Living and Long-Term Care companies are experiencing strong valuations at 11x+ EBITDAR⁽¹⁾, but still lag in comparison to historical valuations
- Total aggregate deal value in 1H 2020 amounted to \$2.4 billion, down 54% when compared to 1H 2019 (\$5.2 billion). Deal volume was also lower; down 22% in 1H 2020 to 95 deals from 122 in 1H 2019
 - One of the more significant transactions this year took place in February when Preservation Freehold Corp. announced the acquisition of twenty-eight skilled nursing facilities in Texas and Oklahoma for \$690 million

(1) EBITDAR Multiple = (EV + 8 x Rent) / (EBITDA + Rent)

Valuation Multiples

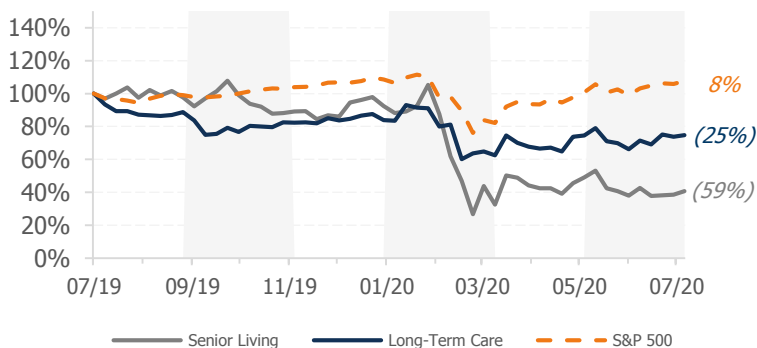
(Median Enterprise Value + 8x Rent)/LTM EBITDAR



Source: S&P Capital IQ as of July 31, 2020

Amherst Partners Senior Living & Long-Term Care Indices

1-Year Performance

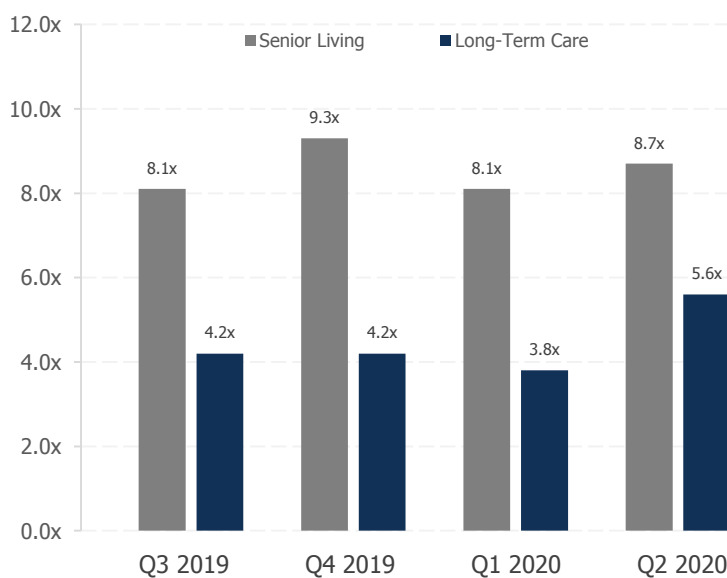


AMHERST SENIOR LIVING & LONG-TERM CARE INDEX

Senior Living	Long-Term Care

Leverage Multiples

Median Net Debt/LTM EBITDA



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in brief

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