DIVERSIFIED HEALTHCARE TRUST

FIRST QUARTER 2021

Supplemental Operating and Financial Data

ALL AMOUNTS IN THIS REPORT ARE UNAUDITED.

6700 W 115th Street
Overland Park, KS

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DIVERSIFIED HEALTHCARE TRUST

DHC
Nasdaq Listed

Please refer to Non-GAAP Financial Measures and Certain Definitions beginning on page 37 for terms used throughout this document.

Company Profile

The Company:

Diversified Healthcare Trust, or DHC, we, our or us, is a real estate investment trust, or REIT, which owns healthcare related properties including medical office and life science buildings, senior living communities and wellness centers located throughout the U.S. DHC is a component of 132 market indices and it comprises more than 1% of the following indices as of March 31, 2021: BI North America Healthcare REIT Valuation Peers (BIHLCRNP) and the Invesco S&P SmallCap Financials ETF INAV Index (PSCFIV).

Management:

DHC is managed by The RMR Group LLC, or RMR LLC, the majority owned operating subsidiary of The RMR Group Inc. (Nasdaq: RMR). RMR is an alternative asset management company that is focused on commercial real estate and related businesses. RMR primarily provides management services to publicly traded real estate companies, privately held real estate funds and real estate related operating businesses. As of March 31, 2021, RMR had $31.8 billion of real estate assets under management and the combined RMR managed companies had approximately $10 billion of annual revenues, nearly 2,100 properties and approximately 43,000 employees. We believe that being managed by RMR is a competitive advantage for DHC because of RMR's depth of management and experience in the real estate industry. We also believe RMR provides management services to us at costs that are lower than we would have to pay for similar quality services if we were self managed.

Corporate Headquarters:

Two Newton Place
255 Washington Street, Suite 300
Newton, MA 02458-1634
(t) (617) 796-8350

Stock Exchange Listing:

Nasdaq

Trading Symbols:

Common Shares: DHC
Senior Unsecured Notes due 2042: DHCNI
Senior Unsecured Notes due 2046: DHCNL

Investor Information

Board of Trustees:

Jennifer B. Clark
Managing Trustee

John L. Harrington
Independent Trustee

Lisa Harris Jones
Lead Independent Trustee

Daniel F. LePage
Independent Trustee

Adam D. Portnoy
Chair of the Board & Managing Trustee

Jeffrey P. Somers
Independent Trustee

Executive Officers:

Jennifer F. Francis
President & Chief Operating Officer

Richard W. Siedel, Jr.
Chief Financial Officer & Treasurer

Contact Information:

Investor Relations
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Inquiries
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Five Star Premier Residences of Yonkers
Yonkers, NY

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DIVERSIFIED HEALTHCARE TRUST

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DHC is followed by the equity research analysts and its publicly held debt is rated by the rating agencies listed on this page. Please note that any opinions, estimates or forecasts regarding DHC's performance made by these analysts or agencies do not represent opinions, forecasts or predictions of DHC or its management. DHC does not by its reference on this page imply its endorsement of or concurrence with any information, conclusions or recommendations provided by any of these analysts or agencies.

Key Financial Data

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands, except per share data)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Selected Balance Sheet Data:					
Total gross assets	$ 9,285,312	$ 8,171,325	$ 8,186,982	$ 8,266,767	$ 8,316,051
Total assets	$ 7,542,706	$ 6,476,424	$ 6,535,118	$ 6,600,523	$ 6,703,723
Total liabilities	$ 4,997,516	$ 3,857,202	$ 3,893,412	$ 3,845,683	$ 3,916,554
Total equity	$ 2,545,190	$ 2,619,222	$ 2,641,706	$ 2,754,840	$ 2,787,169
Selected Income Statement Data:					
Total revenues	$ 362,724	$ 384,909	$ 394,339	$ 410,311	$ 442,467
Net (loss) income	$ (66,183)	$ (14,920)	$ (105,788)	$ (24,742)	$ 11,143
Net (loss) income attributable to common shareholders	$ (67,505)	$ (16,228)	$ (106,888)	$ (26,072)	$ 9,735
NOI	$ 75,333	$ 82,702	$ 78,689	$ 108,396	$ 125,882
Adjusted EBITDAre	$ 73,203	$ 87,218	$ 80,828	$ 111,640	$ 121,640
FFO attributable to common shareholders	$ 3,698	$ 22,633	$ 8,861	$ 58,448	$ 86,870
Normalized FFO attributable to common shareholders	$ 5,823	$ 22,254	$ 15,134	$ 59,709	$ 73,017
Per Common Share Data (basic and diluted):					
Net (loss) income attributable to common shareholders	$ (0.28)	$ (0.07)	$ (0.45)	$ (0.11)	$ 0.04
FFO attributable to common shareholders	$ 0.02	$ 0.10	$ 0.04	$ 0.25	$ 0.37
Normalized FFO attributable to common shareholders	$ 0.02	$ 0.09	$ 0.06	$ 0.25	$ 0.31
Dividends:					
Annualized dividend declared per common share	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.60
Annualized dividend yield (at end of period)	0.8 %	1.0 %	1.1 %	0.9 %	16.5 %
Normalized FFO attributable to common shareholders payout ratio	50.0 %	11.1 %	16.7 %	4.0 %	48.4 %

Condensed Consolidated Balance Sheets

(dollars in thousands, except share data)

	As of March 31, 2021	As of December 31, 2020
Assets		
Real estate properties:		
Land	$ 792,923	$ 789,125
Buildings and improvements	6,695,854	6,621,605
Total real estate properties, gross	7,488,777	7,410,730
Accumulated depreciation	(1,742,606)	(1,694,901)
Total real estate properties, net	5,746,171	5,715,829
Assets of properties held for sale	63,563	112,437
Cash and cash equivalents	843,237	74,417
Restricted cash	326,768	16,432
Acquired real estate leases and other intangible assets, net	274,987	286,513
Other assets, net	287,980	270,796
Total assets	$ 7,542,706	$ 6,476,424
Liabilities and Equity		
Revolving credit facility	$ 800,000	$ —
Term loan, net	—	199,049
Senior unsecured notes, net	3,101,318	2,608,189
Secured debt and finance leases, net	690,733	691,573
Liabilities of properties held for sale	393	3,525
Accrued interest	52,807	23,772
Assumed real estate lease obligations, net	65,642	67,830
Other liabilities	286,623	263,264
Total liabilities	4,997,516	3,857,202
Commitments and contingencies		
Equity:		
Equity attributable to common shareholders:		
Common shares of beneficial interest, $.01 par value: 300,000,000 shares authorized, 238,268,478 shares issued and outstanding for both periods presented	2,383	2,383
Additional paid in capital	4,614,132	4,613,904
Cumulative net income	1,845,604	1,913,109
Cumulative distributions	(4,035,942)	(4,033,559)
Total equity attributable to common shareholders	2,426,177	2,495,837
Noncontrolling interest:		
Total equity attributable to noncontrolling interest	119,013	123,385
Total equity	2,545,190	2,619,222
Total liabilities and equity	$ 7,542,706	$ 6,476,424

Condensed Consolidated Statements of Income (Loss)

DIVERSIFIED HEALTHCARE TRUST

(amounts in thousands, except per share data)

	For the Three Months Ended March 31,	
	2021	2020
Revenues:		
Rental income	$ 102,758	$ 110,498
Residents fees and services	259,966	331,969
Total revenues	362,724	442,467
Expenses:		
Property operating expenses	287,391	316,585
Depreciation and amortization	66,153	68,430
General and administrative	7,542	8,832
Acquisition and certain other transaction related costs	—	663
Impairment of assets	(174)	11,234
Total expenses	360,912	405,744
(Loss) gain on sale of properties	(122)	2,782
Losses on equity securities, net	(8,339)	(9,943)
Interest and other income [(1)]	2,835	138
Interest expense (including net amortization of debt premiums, discounts and issuance costs of $2,812 and $1,509, respectively)	(60,091)	(41,650)
Gain on lease termination	—	22,896
Loss on early extinguishment of debt	(2,040)	(246)
(Loss) income from continuing operations before income tax (expense) benefit	(65,945)	10,700
Income tax (expense) benefit	(238)	443
Net (loss) income	(66,183)	11,143
Net income attributable to noncontrolling interest	(1,322)	(1,408)
Net (loss) income attributable to common shareholders	$ (67,505)	$ 9,735
Weighted average common shares outstanding (basic)	237,834	237,669
Weighted average common shares outstanding (diluted)	237,834	237,669
Per common share data (basic and diluted):		
Net (loss) income attributable to common shareholders	$ (0.28)	$ 0.04

1450 Busch Parkway
Buffalo Grove, IL

(1) See footnote (1) on the following page.

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Condensed Consolidated Statements of Income (Loss) (Additional Data)

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended March 31,			
	2021		2020	
Additional Data:				
General and administrative expenses / total assets (at end of period)		0.1 %		0.1 %
Non-cash straight line rent adjustments included in rental income	$	804	$	1,153
Lease value amortization included in rental income	$	1,866	$	1,873
Non-cash share based compensation	$	228	$	249
Non-cash amortization included in property operating expenses	$	199	$	199
Non-cash amortization included in general and administrative expenses	$	744	$	744
CARES Act [1]	$	2,433	$	–

4700 North Hanley Road
St. Louis, MO

(1) We recognized as other income $2,433 of funds received under the Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, in our SHOP segment during the three months ended March 31, 2021.

Debt Summary

As of March 31, 2021

(dollars in thousands)

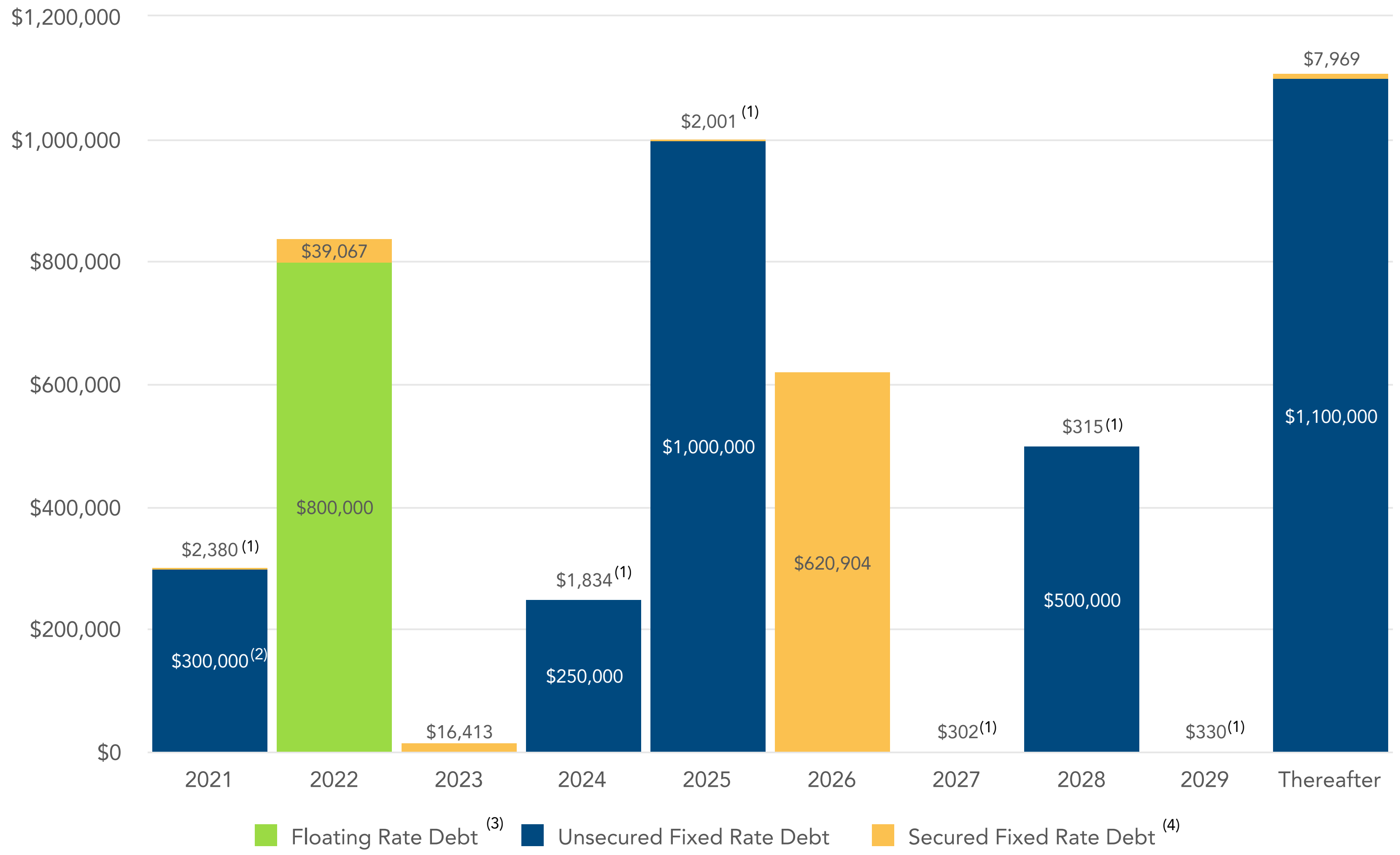
	Coupon Rate	Interest Rate	Principal Balance	Maturity Date	Due at Maturity	Years to Maturity
Floating Rate Debt:						
Revolving credit facility [1] [2]	2.850 %	2.850 %	$ 800,000	1/15/2022	$ 800,000	0.8
Weighted average rate / total floating rate debt	**2.850 %**	**2.850 %**	**$ 800,000**		**$ 800,000**	**0.8**
Unsecured Fixed Rate Debt:						
Senior unsecured notes due 2021 [3]	6.750 %	7.000 %	$ 300,000	12/15/2021	$ 300,000	0.7
Senior unsecured notes due 2024	4.750 %	4.790 %	250,000	5/1/2024	250,000	3.1
Senior unsecured notes due 2025 [4]	9.750 %	9.750 %	1,000,000	6/15/2025	1,000,000	4.2
Senior unsecured notes due 2028	4.750 %	4.966 %	500,000	2/15/2028	500,000	6.9
Senior unsecured notes due 2031	4.375 %	4.375 %	500,000	3/1/2031	500,000	9.9
Senior unsecured notes due 2042	5.625 %	5.625 %	350,000	8/1/2042	350,000	21.4
Senior unsecured notes due 2046	6.250 %	6.250 %	250,000	2/1/2046	250,000	24.9
Weighted average rate / total unsecured fixed rate debt	**6.685 %**	**6.746 %**	**$ 3,150,000**		**$ 3,150,000**	**8.7**
Weighted average rate / total floating and unsecured fixed rate debt	**5.908 %**	**5.957 %**	**$ 3,950,000**		**$ 3,950,000**	**7.1**
Secured Fixed Rate Debt:						
Mortgage - secured by 1 property	6.280 %	5.170 %	$ 11,663	7/1/2022	$ 10,744	1.3
Mortgage - secured by 1 property	4.850 %	3.790 %	10,664	10/1/2022	10,287	1.5
Mortgage - secured by 2 properties	5.750 %	5.110 %	15,717	10/6/2022	15,182	1.5
Mortgage - secured by 1 property	6.640 %	4.920 %	15,534	6/1/2023	14,522	2.2
Finance leases - 2 properties	7.700 %	7.700 %	7,525	4/30/2026	155	5.1
Mortgages - secured by 1 property [5]	3.530 %	3.530 %	620,000	8/6/2026	620,000	5.4
Mortgage - secured by 1 property	4.444 %	4.444 %	10,412	7/1/2043	1,698	22.3
Weighted average rate / total secured fixed rate debt	**3.776 %**	**3.688 %**	**$ 691,515**		**$ 672,588**	**5.3**
Weighted average rate / total debt	**5.590 %**	**5.619 %**	**$ 4,641,515**		**$ 4,622,588**	**6.8**

(1) Upon payment of an extension fee and our meeting certain conditions, we have two, one-year options which, if both are executed, would extend the maturity date of our revolving credit facility to January 2024.
(2) We pledged certain equity interests of subsidiaries owning properties to secure our obligations under the agreement governing our revolving credit facility and agreed to provide first mortgage liens on 62 of our medical office and life science properties.
(3) In April 2021, we delivered a notice of redemption to redeem all of these senior notes for a redemption price equal to the principal amount plus accrued and unpaid interest in June 2021.
(4) We have the option to redeem all or a portion of our senior unsecured notes due 2025 at any time on or after June 15, 2022 at set redemption prices.
(5) The life science property encumbered by these mortgages is owned in a joint venture arrangement in which we own a 55% equity interest. The principal amounts listed in the table for these debts have not been adjusted to reflect the equity interests in the joint venture that we do not own.

Debt Maturity Schedule

As of March 31, 2021

(dollars in thousands)



(1) Represents Secured Fixed Rate Debt payments.
(2) In April 2021, we delivered a notice of redemption to redeem all of these senior notes for a redemption price equal to the principal amount plus accrued and unpaid interest in June 2021.
(3) Represents outstanding borrowings under our revolving credit facility as of March 31, 2021. Upon payment of an extension fee and our meeting certain conditions, we have two, one-year options which, if both are executed, would extend the maturity date of our revolving credit facility to January 2024.
(4) Includes $7,525 of finance lease obligations due through April 2026.

Leverage Ratios, Coverage Ratios and Public Debt Covenants

DIVERSIFIED HEALTHCARE TRUST

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Leverage Ratios:					
Net debt / total gross assets	40.9 %	42.4 %	42.3 %	41.9 %	42.2 %
Net debt / gross book value of real estate assets	46.0 %	42.2 %	42.0 %	41.6 %	41.8 %
Secured debt / total assets	9.2 %	10.7 %	10.6 %	10.5 %	10.4 %
Variable rate debt / net debt	21.1 %	5.8 %	5.8 %	5.8 %	29.5 %
Coverage Ratios:					
Net debt / annualized Adjusted EBITDA*re*	12.9 x	10.1 x	10.6 x	7.7 x	7.2 x
Adjusted EBITDA*re* / interest expense	1.2 x	1.5 x	1.4 x	2.5 x	2.9 x

	As of and For the Trailing Twelve Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Public Debt Covenants:					
Maintenance Covenant					
Total unencumbered assets / unsecured debt - required minimum 150.0%	210.8 %	246.6 %	247.0 %	249.3 %	247.0 %
Incurrence Covenants					
Total debt / adjusted total assets - allowable maximum 60.0%	49.2 %	42.5 %	42.4 %	42.1 %	42.4 %
Secured debt / adjusted total assets - allowable maximum 40.0%	15.8 %	8.3 %	8.3 %	8.2 %	8.2 %
Consolidated income available for debt service / debt service - required minimum 1.50x	1.60 x	1.98 x	2.31 x	2.76 x	2.86 x

Summary of Capital Expenditures

(dollars and sq. ft. in thousands, except per sq. ft. and unit data)

	For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Office Portfolio lease related costs	$ 8,358	$ 6,071	$ 4,411	$ 3,918	$ 4,964
Office Portfolio building improvements	2,176	6,756	4,990	3,708	2,665
SHOP fixed assets and capital improvements	22,530	27,035	15,988	8,505	12,918
Recurring capital expenditures	$ 33,064	$ 39,862	$ 25,389	$ 16,131	$ 20,547
Office Portfolio avg. sq. ft. during period	11,236	11,428	11,621	11,693	11,798
SHOP avg. units managed for our account during period	26,966	27,601	28,290	28,654	28,987
Office Portfolio building improvements per avg. sq. ft. during period	$ 0.19	$ 0.59	$ 0.43	$ 0.32	$ 0.23
SHOP fixed assets and capital improvements per avg. unit during period	$ 835	$ 979	$ 565	$ 297	$ 446
Development, redevelopment and other activities - Office Portfolio	$ 12,718	$ 17,655	$ 14,832	$ 14,941	$ 8,214
Development, redevelopment and other activities - SHOP	6,092	7,172	4,927	6,570	8,429
Total development, redevelopment and other activities	$ 18,810	$ 24,827	$ 19,759	$ 21,511	$ 16,643

Office Portfolio Redevelopment Information as of March 31, 2021

(dollars in millions)

Project	Location	Type of Property	Square Feet [(1)]	Estimated Project Costs	Total Costs Incurred as of March 31, 2021	Estimated Completion Date
4 Maguire Road	Lexington, MA	Life Science	53,905	$ 23.2	$ 3.1	Q4 2021
1415 West 3rd Street	Tempe, AZ	Life Science	82,257	$ 11.4	$ 0.6	Q2 2022

(1) Represents estimated square footage upon project completion.

Property Acquisitions / Dispositions Information Since January 1, 2021

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

Acquisitions: [1]

We have not acquired any properties since January 1, 2021.

Dispositions:

Date Sold	Location	Type of Property	Number of Buildings	Gross Sales Price
2/23/2021	Plymouth Meeting, PA	Medical Office	1	$ 9,000
4/28/2021	Alachua, FL	Life Science / Medical Office	4	95,500
		Total Dispositions	5	$ 104,500

(1) In April 2021, we entered into an agreement to acquire a property which is adjacent to one of our existing properties located in Silver Springs, Maryland for a purchase price of $19,600, excluding acquisition related costs. This acquisition is expected to close during the third quarter of 2021. However, this acquisition is subject to conditions; accordingly, we cannot be sure that we will complete this acquisition, that this acquisition will not be delayed or that the terms will not change.

Calculation and Reconciliation of NOI and Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Calculation of NOI and Cash Basis NOI:					
Revenues:					
Rental income	$ 102,758	$ 106,272	$ 104,238	$ 106,207	$ 110,498
Residents fees and services	259,966	278,637	290,101	304,104	331,969
Total revenues	362,724	384,909	394,339	410,311	442,467
Property operating expenses	(287,391)	(302,207)	(315,650)	(301,915)	(316,585)
NOI	75,333	82,702	78,689	108,396	125,882
Non-cash straight line rent adjustments included in rental income	(804)	(3,040)	(491)	(1,385)	(1,153)
Lease value amortization included in rental income	(1,866)	(1,846)	(1,856)	(1,830)	(1,873)
Non-cash amortization included in property operating expenses	(199)	(200)	(199)	(199)	(199)
Cash Basis NOI	$ 72,464	$ 77,616	$ 76,143	$ 104,982	$ 122,657
Reconciliation of Net Income (Loss) to NOI and Cash Basis NOI:					
Net (loss) income	$ (66,183)	$ (14,920)	$ (105,788)	$ (24,742)	$ 11,143
Income tax expense (benefit)	238	202	365	1,126	(443)
Loss on early extinguishment of debt	2,040	—	—	181	246
Gain on lease termination	—	—	—	—	(22,896)
Interest expense	60,091	57,768	58,091	43,974	41,650
Interest and other income	(2,835)	(10,213)	(134)	(7,736)	(138)
Losses (gains) on equity investments, net	8,339	(19,565)	(12,510)	(11,974)	9,943
Loss (gain) on sale of properties	122	(4,084)	211	168	(2,782)
Impairment of assets	(174)	361	64,202	31,175	11,234
Acquisition and certain other transaction related costs	—	11	53	87	663
General and administrative	7,542	7,461	6,988	7,312	8,832
Depreciation and amortization	66,153	65,681	67,211	68,825	68,430
NOI	75,333	82,702	78,689	108,396	125,882
Non-cash straight line rent adjustments included in rental income	(804)	(3,040)	(491)	(1,385)	(1,153)
Lease value amortization included in rental income	(1,866)	(1,846)	(1,856)	(1,830)	(1,873)
Non-cash amortization included in property operating expenses	(199)	(200)	(199)	(199)	(199)
Cash Basis NOI	$ 72,464	$ 77,616	$ 76,143	$ 104,982	$ 122,657

NOI and Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended		
	3/31/2021	3/31/2020	% Change
NOI:			
Life Science	$ 32,088	$ 34,412	(6.8)%
Medical Office	29,942	31,652	(5.4)%
Total Office Portfolio	62,030	66,064	(6.1)%
SHOP	3,868	48,090	(92.0)%
Non-Segment	9,435	11,728	(19.6)%
Total	$ 75,333	$ 125,882	(40.2)%
Cash Basis NOI:			
Life Science	$ 29,041	$ 31,681	(8.3)%
Medical Office	29,885	31,292	(4.5)%
Total Office Portfolio	58,926	62,973	(6.4)%
SHOP	3,868	48,090	(92.0)%
Non-Segment	9,670	11,594	(16.6)%
Total	$ 72,464	$ 122,657	(40.9)%

Same Property NOI and Cash Basis NOI

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended				
	3/31/2021		3/31/2020		% Change
NOI:					
Life Science	$	30,481	$	31,298	(2.6)%
Medical Office		29,640		30,561	(3.0)%
Total Office Portfolio		60,121		61,859	(2.8)%
SHOP		4,372		50,340	(91.3)%
Non-Segment		9,435		10,768	(12.4)%
Total	$	73,928	$	122,967	(39.9)%
Cash Basis NOI:					
Life Science	$	27,781	$	28,881	(3.8)%
Medical Office		29,573		30,325	(2.5)%
Total Office Portfolio		57,354		59,206	(3.1)%
SHOP		4,372		50,340	(91.3)%
Non-Segment		9,670		10,618	(8.9)%
Total	$	71,396	$	120,164	(40.6)%

Clear Creek Surgery Center
Wheat Ridge, CO

Calculation and Reconciliation of NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI by Segment

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

Office Portfolio

	For the Three Months Ended				
Calculation of NOI and Cash Basis NOI:	**3/31/2021**	**12/31/2020**	**9/30/2020**	**6/30/2020**	**3/31/2020**
Rental income	$ 93,323	$ 94,850	$ 94,235	$ 95,510	$ 98,770
Property operating expenses	(31,293)	(32,709)	(33,448)	(30,893)	(32,706)
NOI	$ 62,030	$ 62,141	$ 60,787	$ 64,617	$ 66,064
NOI	$ 62,030	$ 62,141	$ 60,787	$ 64,617	$ 66,064
Less:					
Non-cash straight line rent adjustments included in rental income	1,083	1,114	438	1,306	1,074
Lease value amortization included in rental income	1,822	1,790	1,800	1,775	1,818
Non-cash amortization included in property operating expenses	199	200	199	199	199
Cash Basis NOI	$ 58,926	$ 59,037	$ 58,350	$ 61,337	$ 62,973
Reconciliation of NOI to Same Property NOI:					
NOI	$ 62,030	$ 62,141	$ 60,787	$ 64,617	$ 66,064
Less:					
NOI of properties not included in same property results	1,909	2,534	2,881	3,736	4,205
Same Property NOI	$ 60,121	$ 59,607	$ 57,906	$ 60,881	$ 61,859
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 60,121	$ 59,607	$ 57,906	$ 60,881	$ 61,859
Less:					
Non-cash straight line rent adjustments included in rental income	755	761	115	750	685
Lease value amortization included in rental income	1,822	1,791	1,801	1,774	1,782
Non-cash amortization included in property operating expenses	190	186	186	186	186
Same Property Cash Basis NOI	$ 57,354	$ 56,869	$ 55,804	$ 58,171	$ 59,206

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Calculation and Reconciliation of NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI by Segment (continued)

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

SHOP

	For the Three Months Ended				
Calculation of NOI and Cash Basis NOI:	**3/31/2021**	**12/31/2020**	**9/30/2020**	**6/30/2020**	**3/31/2020**
Residents fees and services	$ 259,966	$ 278,637	$ 290,101	$ 304,104	$ 331,969
Property operating expenses	(256,098)	(269,498)	(282,202)	(271,022)	(283,879)
NOI	$ 3,868	$ 9,139	$ 7,899	$ 33,082	$ 48,090
NOI	$ 3,868	$ 9,139	$ 7,899	$ 33,082	$ 48,090
Less:					
Non-cash straight line rent adjustments	—	—	—	—	—
Lease value amortization	—	—	—	—	—
Non-cash amortization included in property operating expenses	—	—	—	—	—
Cash Basis NOI	$ 3,868	$ 9,139	$ 7,899	$ 33,082	$ 48,090
Reconciliation of NOI to Same Property NOI:					
NOI	$ 3,868	$ 9,139	$ 7,899	$ 33,082	$ 48,090
Less:					
NOI of properties not included in same property results	(504)	(3,504)	(5,372)	(2,147)	(2,250)
Same Property NOI	$ 4,372	$ 12,643	$ 13,271	$ 35,229	$ 50,340
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 4,372	$ 12,643	$ 13,271	$ 35,229	$ 50,340
Less:					
Non-cash straight line rent adjustments	—	—	—	—	—
Lease value amortization	—	—	—	—	—
Non-cash amortization included in property operating expenses	—	—	—	—	—
Same Property Cash Basis NOI	$ 4,372	$ 12,643	$ 13,271	$ 35,229	$ 50,340

Calculation and Reconciliation of NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI by Segment (continued)

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

Non-Segment

	For the Three Months Ended				
Calculation of NOI and Cash Basis NOI:	**3/31/2021**	**12/31/2020**	**9/30/2020**	**6/30/2020**	**3/31/2020**
Rental income	$ 9,435	$ 11,422	$ 10,003	$ 10,697	$ 11,728
Property operating expenses	—	—	—	—	—
NOI	$ 9,435	$ 11,422	$ 10,003	$ 10,697	$ 11,728
NOI	$ 9,435	$ 11,422	$ 10,003	$ 10,697	$ 11,728
Less:					
Non-cash straight line rent adjustments included in rental income	(279)	1,926	53	79	79
Lease value amortization included in rental income	44	56	56	55	55
Non-cash amortization included in property operating expenses	—	—	—	—	—
Cash Basis NOI	$ 9,670	$ 9,440	$ 9,894	$ 10,563	$ 11,594
Reconciliation of NOI to Same Property NOI:					
NOI	$ 9,435	$ 11,422	$ 10,003	$ 10,697	$ 11,728
Less:					
NOI of properties not included in same property results	—	218	959	960	960
Same Property NOI	$ 9,435	$ 11,204	$ 9,044	$ 9,737	$ 10,768
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 9,435	$ 11,204	$ 9,044	$ 9,737	$ 10,768
Less:					
Non-cash straight line rent adjustments included in rental income	(279)	1,928	70	96	95
Lease value amortization included in rental income	44	55	55	55	55
Non-cash amortization included in property operating expenses	—	—	—	—	—
Same Property Cash Basis NOI	$ 9,670	$ 9,221	$ 8,919	$ 9,586	$ 10,618

Calculation and Reconciliation of NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI by Segment (continued)

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

Consolidated

	For the Three Months Ended				
Calculation of NOI and Cash Basis NOI:	**3/31/2021**	**12/31/2020**	**9/30/2020**	**6/30/2020**	**3/31/2020**
Rental income / residents fees and services	$ 362,724	$ 384,909	$ 394,339	$ 410,311	$ 442,467
Property operating expenses	(287,391)	(302,207)	(315,650)	(301,915)	(316,585)
NOI	$ 75,333	$ 82,702	$ 78,689	$ 108,396	$ 125,882
NOI	$ 75,333	$ 82,702	$ 78,689	$ 108,396	$ 125,882
Less:					
Non-cash straight line rent adjustments included in rental income	804	3,040	491	1,385	1,153
Lease value amortization included in rental income	1,866	1,846	1,856	1,830	1,873
Non-cash amortization included in property operating expenses	199	200	199	199	199
Cash Basis NOI	$ 72,464	$ 77,616	$ 76,143	$ 104,982	$ 122,657
Reconciliation of NOI to Same Property NOI:					
NOI	$ 75,333	$ 82,702	$ 78,689	$ 108,396	$ 125,882
Less:					
NOI of properties not included in same property results	1,405	(752)	(1,532)	2,549	2,915
Same Property NOI	$ 73,928	$ 83,454	$ 80,221	$ 105,847	$ 122,967
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 73,928	$ 83,454	$ 80,221	$ 105,847	$ 122,967
Less:					
Non-cash straight line rent adjustments included in rental income	476	2,689	185	846	780
Lease value amortization included in rental income	1,866	1,846	1,856	1,829	1,837
Non-cash amortization included in property operating expenses	190	186	186	186	186
Same Property Cash Basis NOI	$ 71,396	$ 78,733	$ 77,994	$ 102,986	$ 120,164

Calculation and Reconciliation of EBITDA, EBITDA*re* and Adjusted EBITDA*re*

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Net (loss) income	$ (66,183)	$ (14,920)	$ (105,788)	$ (24,742)	$ 11,143
Interest expense	60,091	57,768	58,091	43,974	41,650
Income tax expense (benefit)	238	202	365	1,126	(443)
Depreciation and amortization	66,153	65,681	67,211	68,825	68,430
EBITDA	60,299	108,731	19,879	89,183	120,780
Loss (gain) on sale of properties	122	(4,084)	211	168	(2,782)
Impairment of assets	(174)	361	64,202	31,175	11,234
Adjustments to reflect our share of EBITDA*re* attributable to an equity method investment	2,310	1,967	2,419	1,705	(4,426)
EBITDA*re*	62,557	106,975	86,711	122,231	124,806
General and administrative expense paid in common shares	228	402	502	415	249
Acquisition and certain other transaction related costs	—	11	53	87	663
Gain on lease termination	—	—	—	—	(22,896)
Loss on early extinguishment of debt	2,040	—	—	181	246
Costs and payment obligations related to compliance assessment at one of our senior living communities	—	(402)	6,172	—	—
Losses (gains) on equity securities, net	8,339	(19,565)	(12,510)	(11,974)	9,943
Adjustments to reflect our share of Adjusted EBITDA*re* attributable to an equity method investment	$ 39	(203)	(100)	700	8,629
Adjusted EBITDA*re*	$ 73,203	$ 87,218	$ 80,828	$ 111,640	$ 121,640

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Calculation and Reconciliation of FFO and Normalized FFO Attributable to Common Shareholders

DIVERSIFIED HEALTHCARE TRUST

(amounts in thousands, except per share data)

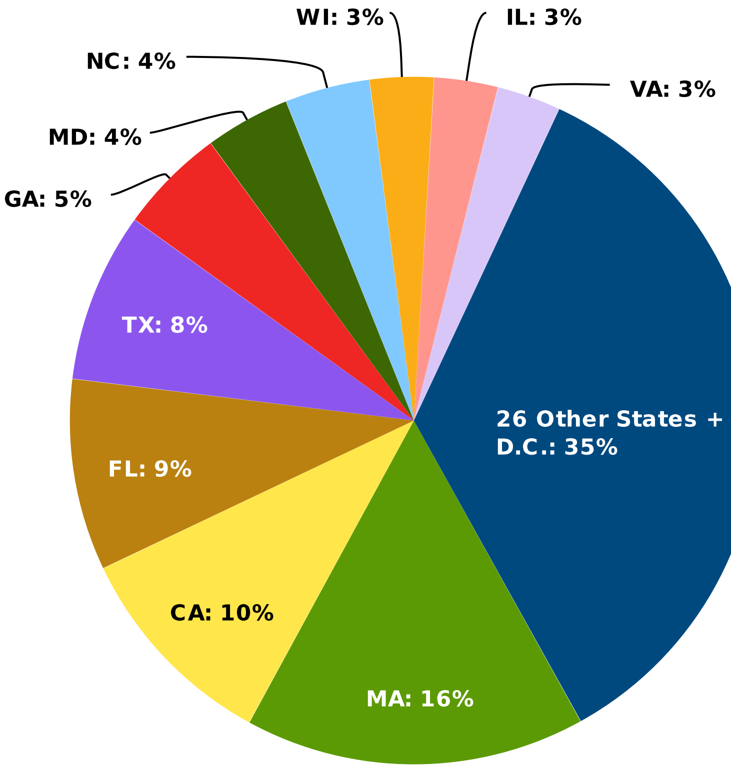
	For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Net (loss) income attributable to common shareholders	$ (67,505)	$ (16,228)	$ (106,888)	$ (26,072)	$ 9,735
Depreciation and amortization	66,153	65,681	67,211	68,825	68,430
Loss (gain) on sale of properties	122	(4,084)	211	168	(2,782)
Impairment of assets	(174)	361	64,202	31,175	11,234
Losses (gains) on equity securities, net	8,339	(19,565)	(12,510)	(11,974)	9,943
FFO adjustments attributable to noncontrolling interest	(5,273)	(5,275)	(5,275)	(5,275)	(5,275)
Adjustments to reflect our share of FFO attributable to an equity method investment	2,036	1,743	1,910	1,601	(4,415)
FFO attributable to common shareholders	3,698	22,633	8,861	58,448	86,870
Acquisition and certain other transaction related costs	—	11	53	87	663
Costs and payment obligations related to compliance assessment at one of our senior living communities	—	(402)	6,172	—	—
Gain on lease termination	—	—	—	—	(22,896)
Loss on early extinguishment of debt	2,040	—	—	181	246
Adjustments to reflect our share of Normalized FFO attributable to an equity method investment	85	12	48	993	8,134
Normalized FFO attributable to common shareholders	$ 5,823	$ 22,254	$ 15,134	$ 59,709	$ 73,017
Weighted average common shares outstanding (basic)	237,834	237,834	237,752	237,700	237,669
Weighted average common shares outstanding (diluted)	237,834	237,834	237,752	237,700	237,669
Per Common Share Data (basic and diluted):					
Net (loss) income attributable to common shareholders	$ (0.28)	$ (0.07)	$ (0.45)	$ (0.11)	$ 0.04
FFO attributable to common shareholders	$ 0.02	$ 0.10	$ 0.04	$ 0.25	$ 0.37
Normalized FFO attributable to common shareholders	$ 0.02	$ 0.09	$ 0.06	$ 0.25	$ 0.31

Portfolio Summary by Geographic Diversification and Property Type

DIVERSIFIED HEALTHCARE TRUST

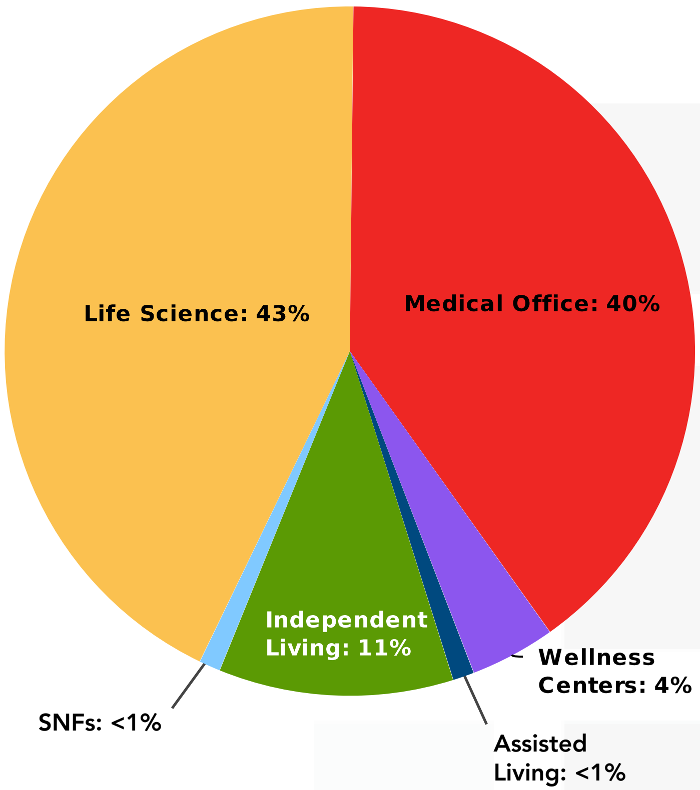
Geographic Diversification

(based on Gross Book Value of Real Estate Assets as of March 31, 2021)



Property Type (1) (2)

(based on Q1 2021 NOI)



(1) Senior living communities are categorized by the type of living units which constitute a majority of the living units at the community.
(2) Memory care communities are classified as assisted living communities.

Portfolio Summary

As of March 31, 2021

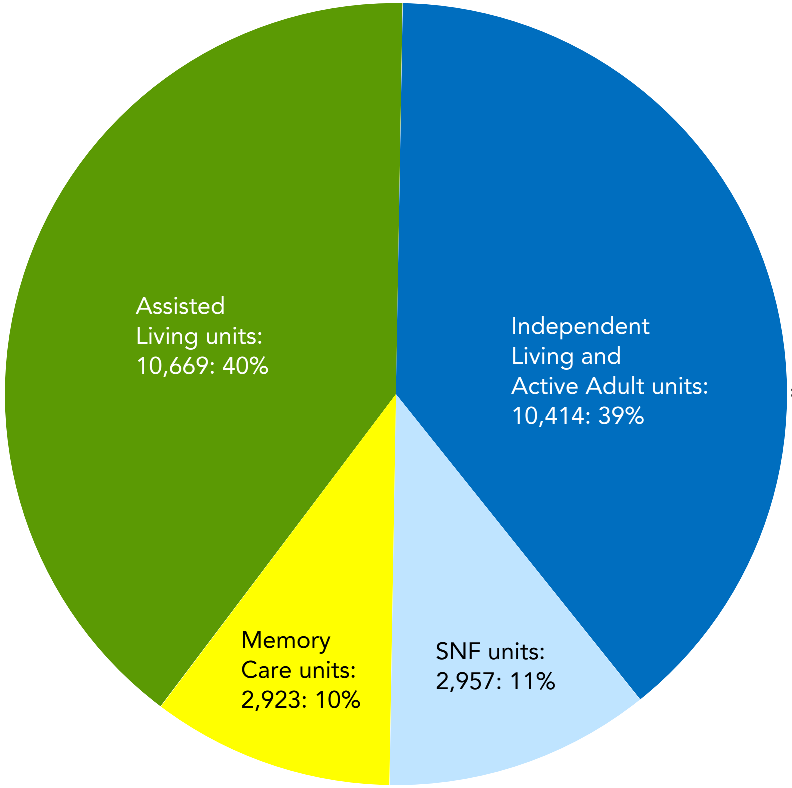
(dollars in thousands, except investment per unit or square foot)

	Number of Properties	Square Feet or Number of Units		Gross Book Value of Real Estate Assets	% of Total Gross Book Value of Real Estate Assets	Investment Per Square Foot or Unit	Q1 2021 Revenues (1)	% of Q1 2021 Total Revenues	Q1 2021 NOI (1)	% of Q1 2021 Total NOI
Life science	32	4,327,559		$ 1,936,835	23.5 %	$ 448	$ 44,015	12.1 %	$ 32,088	42.6 %
Medical office	90	6,862,727		1,835,128	22.2 %	$ 267	49,308	13.6 %	29,942	39.7 %
Subtotal Office Portfolio	122	11,190,286	sq. ft.	3,771,963	45.7 %	$ 337	93,323	25.7 %	62,030	82.3 %
SHOP	235	26,963	units	4,049,693	49.1 %	$ 150,194	259,966	71.7 %	3,868	5.1 %
Other triple net leased senior living communities	29	2,366	units	249,328	3.0 %	$ 105,380	6,179	1.7 %	6,179	8.3 %
Wellness centers	10	812,000	sq. ft.	178,110	2.2 %	$ 219	3,256	0.9 %	3,256	4.3 %
Total	396			$ 8,249,094	100.0 %		$ 362,724	100.0 %	$ 75,333	100.0 %

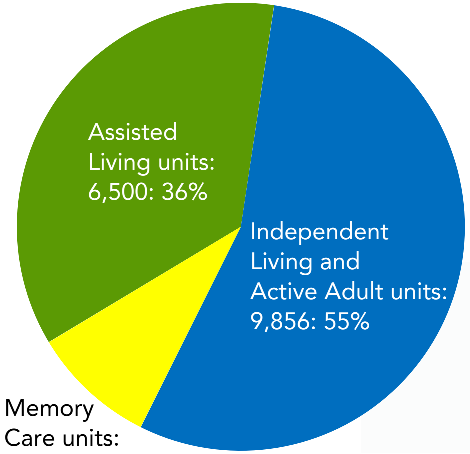
(1) Includes $370 of revenues and $374 of NOI from properties that we sold and $2,460 of revenues and $2,226 of NOI from properties classified as held for sale in our condensed consolidated balance sheet as of March 31, 2021.

SHOP Unit Count

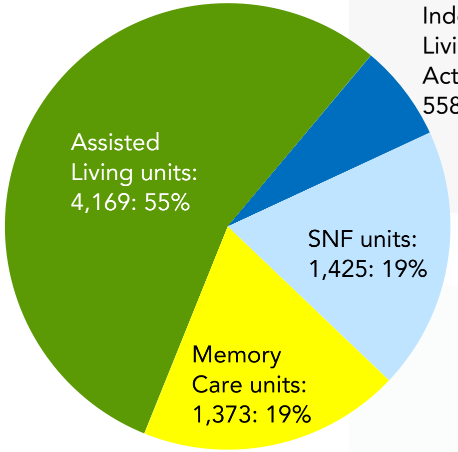
SHOP Unit Count as of March 31, 2021



Pro Forma Five Star Retained Communities Unit Count as of March 31, 2021 (1)



Pro Forma Operator Transition Communities Unit Count as of March 31, 2021



(1) Excludes 1,532 SNF units that are scheduled for closure and/or repositioning.

Rent Coverage and Occupancy

Rent Coverage (1):

	As of and For the Twelve Months Ended				
	12/31/2020	9/30/2020	6/30/2020	3/31/2020	12/31/2019
Other triple net leased senior living communities	1.48 x	1.61 x	1.63 x	1.66 x	1.69 x
Wellness centers (2)	0.91 x	1.05 x	1.30 x	1.73 x	1.82 x
Total	1.26 x	1.37 x	1.49 x	1.69 x	1.75 x

Occupancy (1):

	For the Twelve Months Ended				
	12/31/2020	9/30/2020	6/30/2020	3/31/2020	12/31/2019
Occupancy: Other triple net leased senior living communities	80.6 %	83.4 %	85.4 %	86.8 %	87.3 %
Same Property Occupancy: Other triple net leased senior living communities (3)	80.6 %	83.4 %	85.4 %	86.8 %	87.3 %

(1) All tenant operating data presented is based upon the operating results provided by our tenants for the indicated periods. We report our operating data one quarter in arrears as this is the most recent prior period for which tenant operating results are available to us from our tenants. We have not independently verified tenant operating data.
(2) Wellness centers' rent coverage does not include the impacts of lease amendments that we entered into during the first quarter of 2021 with Starmark Holdings, LLC.
(3) Same property occupancy includes those properties classified as same property for the three months ended March 31, 2021 for all periods presented.

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Office Portfolio and Same Property - Results of Operations

DIVERSIFIED HEALTHCARE TRUST

Three Months Ended March 31, 2021 and 2020

OFFICE PORTFOLIO - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended March 31, 2021			As of and For the Three Months Ended March 31, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	32	90	122	34	96	130
Square Feet	4,328	6,862	11,190	4,532	7,186	11,718
Occupancy	95.2 %	90.5 %	92.3 %	94.3 %	91.6 %	92.6 %
Rental Income	$ 44,015	$ 49,308	$ 93,323	$ 46,630	$ 52,140	$ 98,770
NOI	$ 32,088	$ 29,942	$ 62,030	$ 34,412	$ 31,652	$ 66,064
Cash Basis NOI	$ 29,041	$ 29,885	$ 58,926	$ 31,681	$ 31,292	$ 62,973
NOI Margin %	72.9 %	60.7 %	66.5 %	73.8 %	60.7 %	66.9 %
Cash Basis NOI Margin %	70.7 %	60.5 %	65.2 %	72.0 %	60.3 %	65.7 %
NOI % Change	(6.8)%	(5.4)%	(6.1)%			
Cash Basis NOI % Change	(8.3)%	(4.5)%	(6.4)%			

OFFICE PORTFOLIO SAME PROPERTY - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended March 31, 2021			As of and For the Three Months Ended March 31, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	25	88	113	25	88	113
Square Feet	3,807	6,797	10,604	3,802	6,797	10,599
Occupancy	99.2 %	90.4 %	93.6 %	97.5 %	91.6 %	93.7 %
Rental Income	$ 41,831	$ 48,782	$ 90,613	$ 42,740	$ 49,992	$ 92,732
NOI	$ 30,481	$ 29,640	$ 60,121	$ 31,298	$ 30,561	$ 61,859
Cash Basis NOI	$ 27,781	$ 29,573	$ 57,354	$ 28,881	$ 30,325	$ 59,206
NOI Margin %	72.9 %	60.8 %	66.3 %	73.2 %	61.1 %	66.7 %
Cash Basis NOI Margin %	70.8 %	60.6 %	65.1 %	71.5 %	60.8 %	65.6 %
NOI % Change	(2.6)%	(3.0)%	(2.8)%			
Cash Basis NOI % Change	(3.8)%	(2.5)%	(3.1)%			

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Office Portfolio and Same Property - Results of Operations (continued)

DIVERSIFIED HEALTHCARE TRUST

Trailing Five Quarters

OFFICE PORTFOLIO - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Number of Buildings	122	123	126	129	130
Square Feet	11,190	11,282	11,573	11,668	11,718
Occupancy	92.3 %	91.4 %	91.3 %	92.0 %	92.6 %
Rental Income	$ 93,323	$ 94,850	$ 94,235	$ 95,510	$ 98,770
NOI	$ 62,030	$ 62,141	$ 60,787	$ 64,617	$ 66,064
Cash Basis NOI	$ 58,926	$ 59,037	$ 58,350	$ 61,337	$ 62,973
NOI Margin %	66.5 %	65.5 %	64.5 %	67.7 %	66.9 %
Cash Basis NOI Margin %	65.2 %	64.2 %	63.4 %	66.4 %	65.7 %
Sequential NOI % Change	(0.2)%	2.2 %	(5.9)%	(2.2)%	
Sequential Cash Basis NOI % Change	(0.2)%	1.2 %	(4.9)%	(2.6)%	
Year Over Year NOI % Change	(6.1)%				
Year Over Year Cash Basis NOI % Change	(6.4)%				

OFFICE PORTFOLIO SAME PROPERTY - RESULTS OF OPERATIONS (1)

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Number of Buildings	113	113	113	113	113
Square Feet	10,604	10,604	10,599	10,599	10,599
Occupancy	93.6 %	93.7 %	93.0 %	93.4 %	93.7 %
Rental Income	$ 90,613	$ 91,294	$ 90,013	$ 90,337	$ 92,732
NOI	$ 60,121	$ 59,607	$ 57,906	$ 60,881	$ 61,859
Cash Basis NOI	$ 57,354	$ 56,869	$ 55,804	$ 58,171	$ 59,206
NOI Margin %	66.3 %	65.3 %	64.3 %	67.4 %	66.7 %
Cash Basis NOI Margin %	65.1 %	64.1 %	63.3 %	66.2 %	65.6 %
Sequential NOI % Change	0.9 %	2.9 %	(4.9)%	(1.6)%	
Sequential Cash Basis NOI % Change	0.9 %	1.9 %	(4.1)%	(1.7)%	
Year Over Year NOI % Change	(2.8)%				
Year Over Year Cash Basis NOI % Change	(3.1)%				

(1) Same property includes those properties classified as same property for the three months ended March 31, 2021 for all periods presented.

SHOP Segment and Same Property - Results of Operations

DIVERSIFIED HEALTHCARE TRUST

SHOP SEGMENT - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Number of Properties	235	235	239	241	244
Number of Units	26,963	26,969	28,232	28,348	28,960
Occupancy	69.5 %	72.2 %	75.2 %	78.7 %	82.7 %
Average Monthly Rate	$ 4,623	$ 4,541	$ 4,508	$ 4,496	$ 4,571
Year Over Year Average Monthly Rate % Change	1.1 %				
Residents Fees and Services	$ 259,966	$ 278,637	$ 290,101	$ 304,104	$ 331,969
Property Operating Expenses	(256,098)	(269,498)	(282,202)	(271,022)	(283,879)
NOI	$ 3,868	$ 9,139	$ 7,899	$ 33,082	$ 48,090
NOI Margin %	1.5 %	3.3 %	2.7 %	10.9 %	14.5 %
Sequential NOI % Change	(57.7)%	15.7 %	(76.1)%	(31.2)%	
Year Over Year NOI % Change	(92.0)%				

SHOP SEGMENT SAME PROPERTY - RESULTS OF OPERATIONS [(1)]

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Number of Properties	228	228	228	228	228
Number of Units	26,963	26,963	26,963	26,963	26,963
Occupancy	69.5 %	72.7 %	75.8 %	79.3 %	83.5 %
Average Monthly Rate	$ 4,620	$ 4,517	$ 4,487	$ 4,476	$ 4,560
Year Over Year Average Monthly Rate % Change	1.3 %				
Residents Fees and Services	$ 259,787	$ 271,990	$ 277,859	$ 291,049	$ 312,301
Property Operating Expenses	(255,415)	(259,347)	(264,588)	(255,820)	(261,961)
NOI	$ 4,372	$ 12,643	$ 13,271	$ 35,229	$ 50,340
NOI Margin %	1.7 %	4.6 %	4.8 %	12.1 %	16.1 %
Sequential NOI % Change	(65.4)%	(4.7)%	(62.3)%	(30.0)%	
Year Over Year NOI % Change	(91.3)%				

(1) Same property includes those properties classified as same property for the three months ended March 31, 2021 for all periods presented.

SHOP Segment and Same Property - Five Star Retained and Operator Transition Communities Results of Operations

DIVERSIFIED HEALTHCARE TRUST

Three Months Ended March 31, 2021 and 2020

SHOP SEGMENT - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended March 31, 2021			As of and For the Three Months Ended March 31, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties	120	115	235	129	115	244
Number of Units [(1)]	19,438	7,525	26,963	20,847	8,113	28,960
Occupancy	71.0 %	65.6 %	69.5 %	84.1 %	79.0 %	82.7 %
Average Monthly Rate	$ 4,479	$ 5,028	$ 4,623	$ 4,480	$ 4,821	$ 4,571
Average Monthly Rate % Change	0.0 %	4.3 %	1.1 %			
Residents Fees and Services	$ 185,468	$ 74,498	$ 259,966	$ 238,222	$ 93,747	$ 331,969
Property Operating Expenses	(174,819)	(81,279)	(256,098)	(198,174)	(85,705)	(283,879)
NOI	$ 10,649	$ (6,781)	$ 3,868	$ 40,048	$ 8,042	$ 48,090
NOI Margin %	5.7 %	(9.1)%	1.5 %	16.8 %	8.6 %	14.5 %
NOI % Change	(73.4)%	(184.3)%	(92.0)%			

SHOP SEGMENT SAME PROPERTY - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended March 31, 2021			As of and For the Three Months Ended March 31, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties	120	108	228	120	108	228
Number of Units [(1)]	19,438	7,525	26,963	19,438	7,525	26,963
Occupancy	71.0 %	65.6 %	69.5 %	84.6 %	80.4 %	83.5 %
Average Monthly Rate	$ 4,475	$ 5,026	$ 4,620	$ 4,446	$ 4,867	$ 4,560
Average Monthly Rate % Change	0.7 %	3.3 %	1.3 %			
Residents Fees and Services	$ 185,317	$ 74,470	$ 259,787	$ 222,275	$ 90,026	$ 312,301
Property Operating Expenses	(174,776)	(80,639)	(255,415)	(180,704)	(81,257)	(261,961)
NOI	$ 10,541	$ (6,169)	$ 4,372	$ 41,571	$ 8,769	$ 50,340
NOI Margin %	5.7 %	(8.3)%	1.7 %	18.7 %	9.7 %	16.1 %
NOI % Change	(74.6)%	(170.4)%	(91.3)%			

(1) Five Star retained communities include 1,532 SNF units as of March 31, 2021 that are scheduled for closure and/or repositioning.

Office Portfolio Leasing Summary

(dollars and sq. ft. in thousands, except per sq. ft. data)

	As of and For the Three Months Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
Buildings	122	123	126	129	130
Total square feet	11,190	11,282	11,573	11,668	11,718
Occupancy	92.3 %	91.4 %	91.3 %	92.0 %	92.6 %
Leasing Activity (sq. ft.):					
New leases	152	113	67	8	73
Renewals	60	300	135	52	229
Total	212	413	202	60	302
Rental Rate on New and Renewed Leases per Sq. Ft.:					
New leases	$ 66.99	$ 25.10	$ 42.62	$ 36.78	$ 39.52
Renewals	$ 34.96	$ 23.38	$ 28.58	$ 37.83	$ 10.15
Average net annual rent	$ 57.89	$ 23.85	$ 33.21	$ 37.70	$ 17.26
Leasing Costs and Concession Commitments:					
New leases	$ 32,250	$ 7,017	$ 3,632	$ 379	$ 5,805
Renewals	558	2,794	1,331	343	1,380
Total	$ 32,808	$ 9,811	$ 4,963	$ 722	$ 7,185
Leasing Costs and Concession Commitments per Sq. Ft.:					
New leases	$ 211.93	$ 62.00	$ 54.57	$ 50.17	$ 79.33
Renewals	$ 9.24	$ 9.30	$ 9.85	$ 6.62	$ 6.02
All new and renewed leases	$ 154.32	$ 23.73	$ 24.60	$ 12.16	$ 23.77
Weighted Average Lease Term (years):					
New leases	11.0	7.5	8.8	7.2	9.4
Renewals	8.7	4.5	5.7	5.8	5.7
All new and renewed leases	10.6	5.4	7.0	6.0	7.7
Leasing Costs and Concession Commitments per Sq. Ft. per Year:					
New leases	$ 19.31	$ 8.30	$ 6.20	$ 7.01	$ 8.48
Renewals	$ 1.06	$ 2.07	$ 1.73	$ 1.13	$ 1.05
All new and renewed leases	$ 14.57	$ 4.43	$ 3.51	$ 2.02	$ 3.07

The leasing summary on this page is based on leases entered into during the periods indicated.

Tenants Representing 1% Or More of Total Annualized Rental Income

DIVERSIFIED HEALTHCARE TRUST

As of March 31, 2021

(dollars in thousands)

	Tenant	Facility Type	Annualized Rental Income	% of Annualized Rental Income	Expiration
1	Vertex Pharmaceuticals Inc. (1)	Life science	$ 97,385	22.6 %	2028
2	Advocate Aurora Health	Medical office	16,896	3.9 %	2024
3	Cedars-Sinai Medical Center	Medical office	15,617	3.6 %	2021 - 2032
4	Brookdale Senior Living, Inc.	Senior living	9,446	2.2 %	2032
5	Life Time Athletic	Wellness center	9,105	2.1 %	2040
6	Ology Bioservices, Inc. (2)	Life science	8,324	1.9 %	2041
7	HCA Holdings Inc.	Medical office	7,043	1.6 %	2021 - 2029
8	Surgalign Holdings, Inc.	Life science	6,694	1.6 %	2034
9	Medtronic, Inc.	Medical office	5,726	1.3 %	2022
10	IQVIA Holdings Inc.	Life science	5,365	1.2 %	2023
11	Stratford Retirement, LLC	Senior living	4,620	1.1 %	2033
12	Boston Children's Hospital	Medical office	4,535	1.1 %	2028
13	Oaks Senior Living, LLC	Senior living	4,523	1.1 %	2024 - 2030
14	Magellan Health Inc.	Medical office	4,498	1.0 %	2025
15	Sonova Holding AG	Life science	4,432	1.0 %	2024
	All Other Tenants (3)		226,504	52.7 %	2021 - 2036
	Total Tenants		$ 430,713	100.0 %	

(1) The life science property leased by this tenant is owned in a joint venture arrangement in which we own a 55% equity interest. Rental income presented includes 100% of rental income consistent with GAAP.
(2) The property associated with this tenant was sold in April 2021.
(3) Includes NOI for the three months ended March 31, 2021, annualized, from senior living communities in our SHOP segment.

Office Portfolio Lease Expiration Schedule

As of March 31, 2021

(dollars in thousands)

Office Portfolio Annualized Rental Income Expiring

Year	Annualized Rental Income	Percent of Total Annualized Rental Income Expiring	Cumulative Percentage of Annualized Rental Income Expiring
2021	$ 29,309	7.8 %	7.8 %
2022	35,378	9.4 %	17.2 %
2023	20,467	5.4 %	22.6 %
2024	49,727	13.2 %	35.8 %
2025	25,135	6.7 %	42.5 %
2026	23,529	6.3 %	48.8 %
2027	13,515	3.6 %	52.4 %
2028	117,186	31.2 %	83.6 %
2029	10,367	2.8 %	86.4 %
2030 and thereafter	50,997	13.6 %	100.0 %
Total	$ 375,610	100.0 %	

Average remaining lease term for our office portfolio (weighted by annualized rental income): 5.9 years

Office Portfolio Square Feet with Leases Expiring

Year	Square Feet	Percent of Total Square Feet Expiring	Cumulative Percentage of Total Square Feet Expiring
2021	857,215	8.3 %	8.3 %
2022	1,298,524	12.6 %	20.9 %
2023	1,023,841	9.9 %	30.8 %
2024	1,814,693	17.6 %	48.4 %
2025	931,432	9.0 %	57.4 %
2026	744,787	7.2 %	64.6 %
2027	513,539	5.0 %	69.6 %
2028	1,560,437	15.1 %	84.7 %
2029	237,139	2.3 %	87.0 %
2030 and thereafter	1,348,782	13.0 %	100.0 %
Total	10,330,389	100.0 %	

Non-Segment Lease Expiration Schedule

As of March 31, 2021

(dollars in thousands)

Non-Segment Annualized Rental Income Expiring

Year	Number of Properties	Number of Units or Square Feet	Annualized Rental Income	Percent of Total Annualized Rental Income Expiring	Cumulative Percentage of Annualized Rental Income Expiring
2021	—	—	$ —	— %	— %
2022	—	—	—	— %	— %
2023	—	—	—	— %	— %
2024	2	180 units	2,885	7.3 %	7.3 %
2025	—	—	—	— %	7.3 %
2026	—	—	—	— %	7.3 %
2027	4	511 units	4,294	10.8 %	18.1 %
2028	6	354,000 sq. ft.	3,600	9.1 %	27.2 %
2029	1	155 units	547	1.4 %	28.6 %
2030 and thereafter	26	1,520 units and 458,000 sq. ft.	28,305	71.4 %	100.0 %
Total	39		$ 39,631	100.0 %	

28515 Westinghouse Place
Valencia, CA

Non-GAAP Financial Measures and Certain Definitions

Non-GAAP Financial Measures

We present certain "non-GAAP financial measures" within the meaning of applicable rules of the SEC, including net operating income, or NOI, Cash Basis NOI, same property NOI, same property Cash Basis NOI, earnings before interest, income tax, depreciation and amortization, or EBITDA, EBITDA for real estate, or EBITDA*re*, Adjusted EBITDA*re*, funds from operations attributable to common shareholders, or FFO attributable to common shareholders, and normalized funds from operations attributable to common shareholders, or Normalized FFO attributable to common shareholders. These measures do not represent cash generated by operating activities in accordance with GAAP and should not be considered alternatives to net income (loss) or net income (loss) attributable to common shareholders as indicators of our operating performance or as measures of our liquidity. These measures should be considered in conjunction with net income (loss) and net income (loss) attributable to common shareholders as presented in our condensed consolidated statements of income (loss). We consider these non-GAAP measures to be appropriate supplemental measures of operating performance for a REIT, along with net income (loss) and net income (loss) attributable to common shareholders. We believe these measures provide useful information to investors because by excluding the effects of certain historical amounts, such as depreciation and amortization, they may facilitate a comparison of our operating performance between periods and with other REITs and, in the case of NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI, reflecting only those income and expense items that are generated and incurred at the property level may help both investors and management to understand the operations of our properties.

NOI, Cash Basis NOI, Same Property NOI and Same Property Cash Basis NOI

The calculations of NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI exclude certain components of net income (loss) in order to provide results that are more closely related to our property level results of operations. We calculate NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI as shown on pages 16 through 22. We define NOI as income from our real estate less our property operating expenses. NOI excludes amortization of capitalized tenant improvement costs and leasing commissions that we record as depreciation and amortization. We define Cash Basis NOI as NOI excluding non-cash straight line rent adjustments, lease value amortization, lease termination fee amortization, if any, and non-cash amortization included in property operating expenses. We calculate same property NOI and same property Cash Basis NOI in the same manner that we calculate the corresponding NOI and Cash Basis NOI amounts, except that we only include same properties in calculating same property NOI and same property Cash Basis NOI. We use NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI to evaluate individual and company wide property level performance. Other real estate companies and REITs may calculate NOI, Cash Basis NOI, same property NOI and same property Cash Basis NOI differently than we do.

EBITDA, EBITDA*re* and Adjusted EBITDA*re*

We calculate EBITDA, EBITDA*re* and Adjusted EBITDA*re* as shown on page 23. EBITDA*re* is calculated on the basis defined by the National Association of Real Estate Investment Trusts, or Nareit, which is EBITDA, excluding gains or losses on the sale of properties, impairment of assets, if any, including adjustments to reflect our proportionate share of EBITDA*re* of our equity method investment in Five Star, as well as certain other adjustments currently not applicable to us. In calculating Adjusted EBITDA*re*, we adjust for the items shown on page 23. Other real estate companies and REITs may calculate EBITDA, EBITDA*re* and Adjusted EBITDA*re* differently than we do.

FFO and Normalized FFO Attributable to Common Shareholders

We calculate FFO attributable to common shareholders and Normalized FFO attributable to common shareholders as shown on page 24. FFO attributable to common shareholders is calculated on the basis defined by Nareit, which is net income (loss) attributable to common shareholders, calculated in accordance with GAAP, excluding any gain or loss on sale of properties, loss on impairment of real estate assets and gains or losses on equity securities, net, if any, including adjustments to reflect our proportionate share of FFO of our equity method investment in Five Star, plus real estate depreciation and amortization and minus FFO adjustments attributable to noncontrolling interest, as well as certain other adjustments currently not applicable to us. In calculating Normalized FFO attributable to common shareholders, we adjust for the items shown on page 24. FFO attributable to common shareholders and Normalized FFO attributable to common shareholders are among the factors considered by our Board of Trustees when determining the amount of distributions to our shareholders. Other factors include, but are not limited to, requirements to maintain our qualification for taxation as a REIT, limitations in the agreements governing our debt, the availability to us of debt and equity capital, our expectation of our future capital requirements and operating performance, and our expected needs for and availability of cash to pay our obligations. Other real estate companies and REITs may calculate FFO attributable to common shareholders and Normalized FFO attributable to common shareholders differently than we do.

Non-GAAP Financial Measures and Certain Definitions (Continued)

Adjusted total assets Adjusted total assets is the original cost of real estate assets calculated in accordance with GAAP before depreciation and after impairment write downs, if any, and excludes accounts receivable and intangible assets.

Annualized dividend yield Annualized dividend yield is the annualized dividend declared during the applicable period divided by the closing price of DHC's common shares on The Nasdaq Stock Market LLC at the end of the relevant period.

Annualized rental income Annualized rental income is based on rents pursuant to existing leases as of March 31, 2021. Annualized rental income includes estimated percentage rents, straight line rent adjustments and estimated recurring expense reimbursements for certain net and modified gross leases; excludes lease value amortization at certain of our medical office and life science properties and wellness centers. Annualized rental income amounts for our medical office and life science properties also include 100% of rental income as reported under GAAP from the life science property owned in a joint venture arrangement in which we own a 55% equity interest.

Average monthly rate Average monthly rate is calculated by taking the average daily rate, which is defined as total residents fees and services divided by occupied units during the period, and multiplying it by 30 days.

Building improvements Building improvements generally include expenditures to replace obsolete building components that extend the useful life of existing assets or other improvements to increase the marketability of the property.

Cash basis NOI margin % Cash basis NOI margin % is defined as cash basis NOI as a percentage of cash basis rental income. Cash basis rental income excludes non-cash straight line rent adjustments, lease value amortization and lease termination fee amortization, if any.

Consolidated income available for debt service Consolidated income available for debt service is earnings from operations excluding interest expense, depreciation and amortization, taxes, loss on asset impairment, gains or losses on equity securities, gains or losses on sales of properties and early extinguishment of debt, determined together with debt service for the applicable period.

Development, redevelopment and other activities Development, redevelopment and other activities generally include capital expenditures that reposition a property or result in new sources of revenue. From time to time we invest in revenue producing capital improvements at certain of our triple net leased senior living communities. As a result, annual rents payable to us increase pursuant to the terms of the applicable leases. These capital improvements are not included in our development, redevelopment and other activities.

Estimated completion date Estimated completion date can depend on various factors, including when lease agreements are signed with tenants. Therefore, the actual completion date may vary.

Estimated project costs Estimated project costs include estimated leasing capital up to stabilization.

Five Star retained communities Five Star retained communities are senior living communities in our SHOP segment that we expect Five Star to continue to operate following the amendments to our management arrangements with Five Star announced in April 2021, pursuant to which, among other things, Five Star will cooperate with us in transitioning 108 of our senior living communities with approximately 7,500 living units to other third party operators without our payment of any termination fee to Five Star, and Five Star will continue to manage 120 of our senior living communities, with approximately 18,000 living units for our account.

GAAP GAAP is U.S. generally accepted accounting principles.

Non-GAAP Financial Measures and Certain Definitions (Continued)

Gross book value of real estate assets Gross book value of real estate assets is real estate assets at cost plus certain acquisition costs, before depreciation and purchase price allocations, less impairment writedowns, if any. Includes four properties with gross book value of real estate assets of $66,988, which are classified as held for sale in our condensed consolidated balance sheet as of March 31, 2021.

Gross purchase price Gross purchase price includes assumed debt, if any, and excludes acquisition costs and purchase price allocation adjustments, if any.

Gross sales price Gross sales price excludes closing costs.

Incurrence covenants Incurrence covenants are financial covenants which we are required to comply with in order to incur additional debt under our revolving credit facility and the indentures governing our senior unsecured notes.

Interest rate Interest rate includes the effect of mark to market accounting for certain assumed mortgages and premiums and discounts on certain mortgages and unsecured notes. Excludes effects of debt issuance costs and the 30 basis points facility fee on our revolving credit facility.

Investment per square foot or unit Investment per square foot or unit represents gross book value of real estate assets divided by number of rentable square feet or living units, as applicable, at March 31, 2021.

Lease related costs Lease related costs generally include capital expenditures to improve tenants' space or amounts paid directly to tenants to improve their space and leasing related costs, such as brokerage commissions and tenant inducements.

Leasing costs and concession commitments Leasing costs and concession commitments include commitments made for leasing expenditures and concessions, such as tenant improvements, leasing commissions, tenant reimbursements and free rent.

Maintenance covenant Our maintenance covenant is a financial covenant which we are required to comply with on a quarterly basis pursuant to the indentures governing our senior unsecured notes.

Net debt Net debt is total debt less cash.

NOI margin % NOI margin % is defined as NOI as a percentage of rental income or residents fees and services, as appropriate.

Non-Segment Non-Segment operations consists of triple net leased senior living communities that are leased to third party operators and wellness centers, and any other income or expenses that are not attributable to a specific reporting segment.

Occupancy Occupancy for our Office Portfolio is presented as of the end of the period shown; occupancy for our SHOP segment and other tenants is presented for the duration of the period shown, or the most recent prior period of equivalent length for which tenant and manager operating results are available to us. Excludes data for our wellness centers. Life science and medical office occupancy data includes (i) out of service assets undergoing redevelopment, (ii) space which is leased but is not occupied or is being offered for sublease by tenants and (iii) space being fitted out for occupancy. Other triple net leased senior living communities occupancy excludes data for periods prior to our ownership of certain properties, as well as properties sold or classified as held for sale, or for which there was a transfer of operations during the periods presented.

Non-GAAP Financial Measures and Certain Definitions (Continued)

Office Portfolio Office Portfolio consists of medical office properties leased to medical providers and other medical related businesses, as well as life science properties leased to biotech laboratories and other similar tenants. Our medical office and life science property leases include some triple net leases where, in addition to paying fixed rents, the tenants assume the obligation to operate and maintain the properties at their expense, and some net and modified gross leases where we are responsible for the operation and maintenance of the properties and we charge tenants for some or all of the property operating costs. A small percentage of our medical office and life science property leases are full-service leases where we receive fixed rent from our tenants and no reimbursement for our property operating costs.

Operator transition communities Operator transition communities are senior living communities in our SHOP segment currently operated by Five Star, which we expect to transition to other third party operators following the amendments to our management arrangements with Five Star announced in April 2021.

Principal balance Principal balances are the amounts stated in the contracts. In accordance with GAAP, our carrying values and recorded interest expense may be different because of market conditions at the time we assumed certain of these debts. The principal balance of our revolving credit facility includes amounts outstanding as of the date presented.

Rent coverage Rent coverage is calculated as operating cash flows from our tenants' facility operations of our properties, before subordinated charges, if any, divided by rent payable to us. Excludes data for periods prior to our ownership of certain properties, as well as properties sold or classified as held for sale, or for which there was a transfer of operations from one operator to another during the periods presented.

Same Property For the three months ended March 31, 2021, same property consists of properties owned, in service and operated by the same operator continuously since January 1, 2020, including the life science property owned in a joint venture arrangement in which we own a 55% equity interest; excludes properties classified as held for sale, closed or out of service undergoing redevelopment, if any.

SHOP SHOP, or Senior Housing Operating Portfolio, consists of senior living communities managed by Five Star that provide short term and long term residential living and in some cases care and other services for residents where we pay fees to the operator to manage the communities for our account. Properties in this segment include independent living communities, assisted living communities, active adult rental communities and SNFs.

SNF SNF is a skilled nursing facility.

Square feet Square feet measurements are subject to modest changes when space is periodically remeasured or reconfigured for new tenants. Square feet for prior periods exclude space remeasurements made subsequent to those periods. Includes data from the life science property owned in a joint venture arrangement in which we own a 55% equity interest.

Total gross assets Total gross assets is total assets plus accumulated depreciation.

Total unencumbered assets Total unencumbered assets is the original cost of real estate assets not encumbered by mortgage debt calculated in accordance with GAAP before depreciation and after impairment write downs, if any, and exclude accounts receivable and intangible assets.

Triple net leased senior living communities Triple net leased senior living communities include independent and assisted living communities and SNFs.

Unit count Unit count is by the type of living units at our senior living communities within our SHOP segment.

Weighted average lease term Weighted average lease term is weighted based on annualized rental income pursuant to existing leases as of March 31, 2021.

Warning Concerning Forward-Looking Statements

This presentation of supplemental operating and financial data may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Whenever we use words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate”, “will”, “may” and negatives or derivatives of these or similar expressions, we are making forward-looking statements. These forward-looking statements are based upon our present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Actual results may differ materially from those contained in or implied by our forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond our control.

For example:

- Although our board of trustees and Five Star’s board of directors, including the independent trustees and independent directors, have agreed in principal to the terms of the changes to the management arrangements, definitive documentation related to these changes has not been entered into; therefore, the timing and terms thereof may be delayed or may change.
- We may be unable to identify new operators for the 108 senior living communities being transitioned from Five Star that we believe are sufficiently qualified or may be unable to reach agreement with any such operators on management terms before year end 2021 or at all, and any agreement we may reach with any such operators may not be on the terms we currently expect or desire, and may not be equal to or more favorable to us than the terms of our current management arrangements with Five Star.

The information contained in our filings with the SEC, including under “Risk Factors” in our periodic reports, or incorporated therein, identifies important factors that could cause our actual results to differ materially from those stated in or implied by our forward-looking statements. Our filings with the SEC are available on the SEC's website at www.sec.gov. You should not place undue reliance upon forward-looking statements. Except as required by law, we do not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.