DIVERSIFIED HEALTHCARE TRUST

THIRD QUARTER 2021

Supplemental Operating and Financial Data

ALL AMOUNTS IN THIS REPORT ARE UNAUDITED.

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DIVERSIFIED HEALTHCARE TRUST

Please refer to Non-GAAP Financial Measures and Certain Definitions beginning on page 39 for terms used throughout this document.

DHC
Nasdaq Listed

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 included in 136 market indices and comprises more than 1% of the following indices as of September 30, 2021: BI North America Healthcare REIT Valuation Peers (BIHLCRNP), Bloomberg Real Estate Investment Trust Mid Cap Index (BBREMIDC) and the Invesco S&P SmallCap 600 Pure Value ETF INAV Index (RZVIV).

Management:

DHC is managed by The RMR Group (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 September 30, 2021, RMR had $32.7 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 37,000 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:

Executive Officers:

Jennifer F. Francis
President and Chief Executive Officer

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

Contact Information:

Investor Relations
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

(dollars in thousands, except per share data)	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Selected Balance Sheet Data:					
Total gross assets	$ 8,907,220	$ 8,972,324	$ 9,285,312	$ 8,171,325	$ 8,186,982
Total assets	$ 7,066,048	$ 7,179,852	$ 7,542,706	$ 6,476,424	$ 6,535,118
Total liabilities	$ 4,656,391	$ 4,674,703	$ 4,997,516	$ 3,857,202	$ 3,893,412
Total equity	$ 2,409,657	$ 2,505,149	$ 2,545,190	$ 2,619,222	$ 2,641,706
Selected Income Statement Data:					
Total revenues	$ 337,416	$ 346,341	$ 362,724	$ 384,909	$ 394,339
Net loss	$ (88,004)	$ (32,645)	$ (66,183)	$ (14,920)	$ (105,788)
Net loss attributable to common shareholders	$ (89,343)	$ (34,222)	$ (67,505)	$ (16,228)	$ (106,888)
NOI	$ 71,343	$ 81,709	$ 75,333	$ 82,702	$ 78,689
Adjusted EBITDAre	$ 63,080	$ 87,789	$ 73,203	$ 87,218	$ 80,828
FFO attributable to common shareholders	$ (13,799)	$ (1,525)	$ 3,698	$ 22,633	$ 8,861
Normalized FFO attributable to common shareholders	$ (9,449)	$ 12,215	$ 5,823	$ 22,254	$ 15,134
Per Common Share Data (basic and diluted):					
Net loss attributable to common shareholders	$ (0.38)	$ (0.14)	$ (0.28)	$ (0.07)	$ (0.45)
FFO attributable to common shareholders	$ (0.06)	$ (0.01)	$ 0.02	$ 0.10	$ 0.04
Normalized FFO attributable to common shareholders	$ (0.04)	$ 0.05	$ 0.02	$ 0.09	$ 0.06
Dividends:					
Annualized dividend declared per common share	$ 0.04	$ 0.04	$ 0.04	$ 0.04	$ 0.04
Annualized dividend yield (at end of period)	1.2 %	1.0 %	0.8 %	1.0 %	1.1 %
Normalized FFO attributable to common shareholders payout ratio	(25.0)%	20.0 %	50.0 %	11.1 %	16.7 %

Condensed Consolidated Balance Sheets

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands, except share data)

	As of September 30, 2021	As of December 31, 2020
Assets		
Real estate properties:		
Land	$ 793,555	$ 789,125
Buildings and improvements	6,760,990	6,621,605
Total real estate properties, gross	7,554,545	7,410,730
Accumulated depreciation	(1,841,172)	(1,694,901)
Total real estate properties, net	5,713,373	5,715,829
Assets of properties held for sale	—	112,437
Cash and cash equivalents	794,739	74,417
Restricted cash	16,698	16,432
Acquired real estate leases and other intangible assets, net	252,629	286,513
Other assets, net	288,609	270,796
Total assets	$ 7,066,048	$ 6,476,424
Liabilities and Equity		
Revolving credit facility	$ 800,000	$ —
Term loan, net	—	199,049
Senior unsecured notes, net	2,805,154	2,608,189
Secured debt and finance leases, net	689,044	691,573
Liabilities of properties held for sale	—	3,525
Accrued interest	47,234	23,772
Assumed real estate lease obligations, net	61,335	67,830
Other liabilities	253,624	263,264
Total liabilities	4,656,391	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, 238,995,435 and 238,268,478 shares issued and outstanding, respectively	2,390	2,383
Additional paid in capital	4,615,162	4,613,904
Cumulative net income	1,722,039	1,913,109
Cumulative distributions	(4,040,709)	(4,033,559)
Total equity attributable to common shareholders	2,298,882	2,495,837
Noncontrolling interest:		
Total equity attributable to noncontrolling interest	110,775	123,385
Total equity	2,409,657	2,619,222
Total liabilities and equity	$ 7,066,048	$ 6,476,424

Advanced Bionics LLC
28515 Westinghouse Place
Valencia, CA

Condensed Consolidated Statements of Income (Loss)

(amounts in thousands, except per share data)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Revenues:				
Rental income	$ 101,403	$ 104,238	$ 306,555	$ 320,943
Residents fees and services	236,013	290,101	739,926	926,174
Total revenues	337,416	394,339	1,046,481	1,247,117
Expenses:				
Property operating expenses	266,073	315,650	818,096	934,150
Depreciation and amortization	68,702	67,211	202,743	204,466
General and administrative	8,870	6,988	25,538	23,132
Acquisition and certain other transaction related costs	3,108	53	15,179	803
Impairment of assets	—	64,202	(174)	106,611
Total expenses	346,753	454,104	1,061,382	1,269,162
Gain (loss) on sale of properties	200	(211)	30,838	2,403
Gains and losses on equity securities, net	(14,755)	12,510	(26,943)	14,541
Interest and other income [(1)]	976	134	19,849	8,008
Interest expense (including net amortization of debt premiums, discounts and issuance costs of $3,948, $2,448, $9,777 and $5,574, respectively)	(64,493)	(58,091)	(192,241)	(143,715)
Gain on lease termination	—	—	—	22,896
Loss on early extinguishment of debt	—	—	(2,410)	(427)
Loss from continuing operations before income tax expense	(87,409)	(105,423)	(185,808)	(118,339)
Income tax expense	(595)	(365)	(1,024)	(1,048)
Net loss	(88,004)	(105,788)	(186,832)	(119,387)
Net income attributable to noncontrolling interest	(1,339)	(1,100)	(4,238)	(3,838)
Net loss attributable to common shareholders	$ (89,343)	$ (106,888)	$ (191,070)	$ (123,225)
Weighted average common shares outstanding (basic)	238,008	237,752	237,905	237,707
Weighted average common shares outstanding (diluted)	238,008	237,752	237,905	237,707
Per common share data (basic and diluted):				
Net loss attributable to common shareholders	$ (0.38)	$ (0.45)	$ (0.80)	$ (0.52)

(1) See footnote on the following page.

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

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2021	2020	2021	2020
Additional Data:				
General and administrative expenses / total assets (at end of period)	0.1 %	0.1 %	0.4 %	0.4 %
Non-cash straight line rent adjustments included in rental income	$ 1,679	$ 491	$ 3,804	$ 3,029
Lease value amortization included in rental income	$ 1,848	$ 1,856	$ 5,563	$ 5,559
Non-cash share based compensation	$ 742	$ 502	$ 1,645	$ 1,166
Non-cash amortization included in property operating expenses	$ 199	$ 199	$ 597	$ 597
Non-cash amortization included in general and administrative expenses	$ 744	$ 744	$ 2,231	$ 2,231
CARES Act [1]	$ 786	$ –	$ 18,967	$ 7,346

(1) We recognized as other income funds received under the Coronavirus Aid, Relief, and Economic Security Act, or the CARES Act, in our SHOP segment of $786 and $0 during the three months ended September 30, 2021 and 2020, respectively, and $18,967 and $7,346 during the nine months ended September 30, 2021 and 2020, respectively.

Debt Summary

DIVERSIFIED HEALTHCARE TRUST

As of September 30, 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	0.3
Weighted average rate / total floating rate debt	**2.850%**	**2.850%**	**$ 800,000**		**$ 800,000**	**0.3**
Unsecured Fixed Rate Debt:						
Senior unsecured notes due 2024	4.750%	4.790%	$ 250,000	5/1/2024	$ 250,000	2.6
Senior unsecured notes due 2025 (3)	9.750%	9.750%	1,000,000	6/15/2025	1,000,000	3.7
Senior unsecured notes due 2028	4.750%	4.966%	500,000	2/15/2028	500,000	6.4
Senior unsecured notes due 2031	4.375%	4.375%	500,000	3/1/2031	500,000	9.4
Senior unsecured notes due 2042	5.625%	5.625%	350,000	8/1/2042	350,000	20.8
Senior unsecured notes due 2046	6.250%	6.250%	250,000	2/1/2046	250,000	24.4
Weighted average rate / total unsecured fixed rate debt	**6.678%**	**6.719%**	**$ 2,850,000**		**$ 2,850,000**	**9.0**
Weighted average rate / total floating and unsecured fixed rate debt	**5.839%**	**5.871%**	**$ 3,650,000**		**$ 3,650,000**	**7.1**
Secured Fixed Rate Debt:						
Mortgage - secured by 1 property	6.280%	5.170%	$ 11,304	7/1/2022	$ 10,744	0.8
Mortgage - secured by 1 property	4.850%	3.790%	10,542	10/1/2022	10,287	1.0
Mortgage - secured by 2 properties	5.750%	5.110%	15,546	10/6/2022	15,182	1.0
Mortgage - secured by 1 property	6.640%	4.920%	15,318	6/1/2023	14,522	1.7
Finance leases - 2 properties	7.700%	7.700%	6,937	4/30/2026	155	4.6
Mortgages - secured by 1 property (4)	3.530%	3.530%	620,000	8/6/2026	620,000	4.9
Mortgage - secured by 1 property	4.444%	4.444%	10,298	7/1/2043	1,698	21.8
Weighted average rate / total secured fixed rate debt	**3.770%**	**3.683%**	**$ 689,945**		**$ 672,588**	**4.8**
Weighted average rate / total debt	**5.510%**	**5.523%**	**$ 4,339,945**		**$ 4,322,588**	**6.7**

(1) In October 2021, we exercised our option to extend the maturity date of our revolving credit facility by one year to January 2023. Subject to the payment of an extension fee and meeting other conditions, we have an additional option to extend the maturity date of this facility by one year 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 provided first mortgage liens on 61 of our medical office and life science properties.

(3) 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.

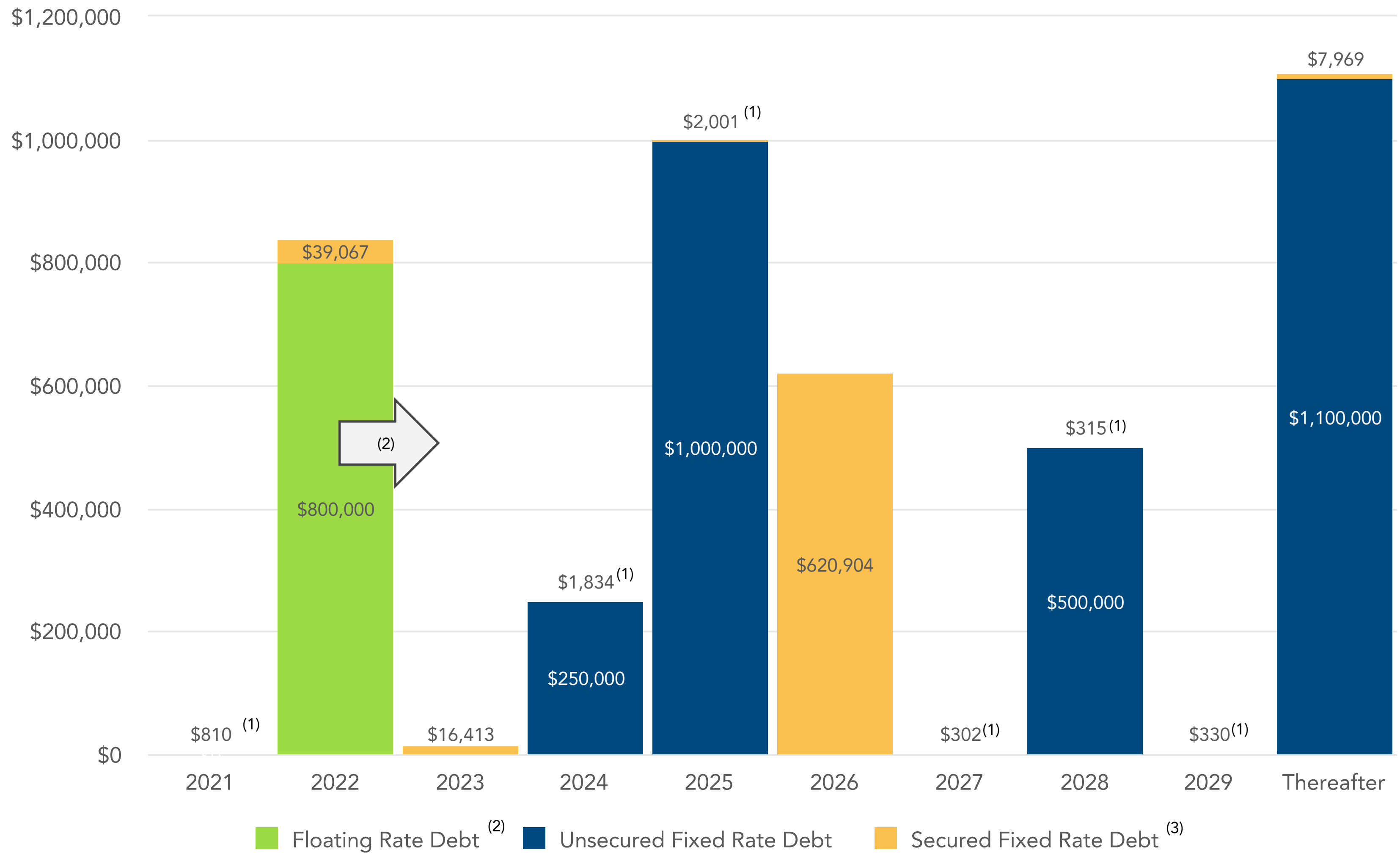
(4) The life science property encumbered by these mortgages is owned in a joint venture arrangement in which we own a 55% equity interest. The principal amounts listed in the table for these debts have not been adjusted to reflect the equity interests in the joint venture that we do not own.

Debt Maturity Schedule

DIVERSIFIED HEALTHCARE TRUST

As of September 30, 2021

(dollars in thousands)



(1) Represents Secured Fixed Rate Debt payments.
(2) Represents outstanding borrowings under our revolving credit facility as of September 30, 2021. In October 2021, we exercised our option to extend the maturity date of our revolving credit facility by one year to January 2023. Subject to the payment of an extension fee and meeting other conditions, we have an additional option to extend the maturity date of this facility by one year to January 2024.
(3) Includes $6,937 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				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Leverage Ratios:					
Net debt / total gross assets	39.8%	38.9%	40.9%	42.4%	42.3%
Net debt / gross book value of real estate assets	43.0%	42.5%	46.0%	42.2%	42.0%
Secured debt / total assets	9.8%	9.6%	9.2%	10.7%	10.6%
Variable rate debt / net debt	22.6%	22.9%	21.1%	5.8%	5.8%
Coverage Ratios:					
Net debt / annualized Adjusted EBITDA*re*	13.9x	9.9x	12.9x	10.1x	10.6x
Adjusted EBITDA*re* / interest expense	1.0x	1.3x	1.2x	1.5x	1.4x

	As of and For the Trailing Twelve Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Public Debt Covenants:					
Maintenance Covenant					
Total unencumbered assets / unsecured debt - required minimum 150.0%	232.7%	231.8%	210.8%	246.6%	247.0%
Incurrence Covenants					
Total debt / adjusted total assets - allowable maximum 60.0%	47.8%	47.5%	49.2%	42.5%	42.4%
Secured debt / adjusted total assets - allowable maximum 40.0%	16.4%	16.3%	15.8%	8.3%	8.3%
Consolidated income available for debt service / debt service - required minimum 1.50x [1]	1.23x	1.31x	1.60x	1.98x	2.31x

(1) As of September 30, 2021, our ratio of consolidated income available for debt service to debt service was below the requirement under our revolving credit facility and our public debt covenants, and as a result, we are not allowed to incur additional debt while this ratio is below the required level on a pro forma basis.

Express Scripts, Inc.
4700 North Hanley Road
St. Louis, MO

Summary of Capital Expenditures

DIVERSIFIED HEALTHCARE TRUST

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

	For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Office Portfolio lease related costs	$ 5,910	$ 10,044	$ 8,358	$ 6,071	$ 4,411
Office Portfolio building improvements	3,332	4,437	2,176	6,756	4,990
SHOP fixed assets and capital improvements	23,270	19,283	22,530	27,035	15,988
Recurring capital expenditures	$ 32,512	$ 33,764	$ 33,064	$ 39,862	$ 25,389
Office Portfolio avg. sq. ft. during period	10,927	11,059	11,236	11,428	11,621
SHOP avg. units managed during period	25,424	26,193	26,966	27,601	28,290
Office Portfolio building improvements per avg. sq. ft. during period	$ 0.30	$ 0.40	$ 0.19	$ 0.59	$ 0.43
SHOP fixed assets and capital improvements per avg. unit during period	$ 915	$ 736	$ 835	$ 979	$ 565
Development, redevelopment and other activities - Office Portfolio	$ 6,824	$ 9,689	$ 12,718	$ 17,655	$ 14,832
Development, redevelopment and other activities - SHOP	2,217	5,345	6,092	7,172	4,927
Total development, redevelopment and other activities	$ 9,041	$ 15,034	$ 18,810	$ 24,827	$ 19,759

Office Portfolio Redevelopment Information as of September 30, 2021

(dollars in millions)

Project	Location	Type of Property	Square Feet [1]	Estimated Project Costs	Total Costs Incurred as of September 30, 2021	Estimated Completion Date
4 Maguire Road	Lexington, MA	Life Science	54,633	$ 28.7	$ 15.4	Q2 2022
1415 West 3rd Street	Tempe, AZ	Life Science	82,257	$ 11.4	$ 0.7	Q2 2022


Rendering of 4 Maguire Road
Lexington, MA

(1) Represents estimated square footage upon project completion.

Property Acquisitions / Dispositions Information Since January 1, 2021

(dollars in thousands)

Acquisitions:

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

Calculation and Reconciliation of NOI and Cash Basis NOI

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended					For the Nine Months Ended	
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	9/30/2021	9/30/2020
Calculation of NOI and Cash Basis NOI:							
Revenues:							
Rental income	$ 101,403	$ 102,394	$ 102,758	$ 106,272	$ 104,238	$ 306,555	$ 320,943
Residents fees and services	236,013	243,947	259,966	278,637	290,101	739,926	926,174
Total revenues	337,416	346,341	362,724	384,909	394,339	1,046,481	1,247,117
Property operating expenses	(266,073)	(264,632)	(287,391)	(302,207)	(315,650)	(818,096)	(934,150)
NOI	71,343	81,709	75,333	82,702	78,689	228,385	312,967
Non-cash straight line rent adjustments included in rental income	(1,679)	(1,321)	(804)	(3,040)	(491)	(3,804)	(3,029)
Lease value amortization included in rental income	(1,848)	(1,849)	(1,866)	(1,846)	(1,856)	(5,563)	(5,559)
Non-cash amortization included in property operating expenses	(199)	(199)	(199)	(200)	(199)	(597)	(597)
Cash Basis NOI	$ 67,617	$ 78,340	$ 72,464	$ 77,616	$ 76,143	$ 218,421	$ 303,782
Reconciliation of Net Income (Loss) to NOI and Cash Basis NOI:							
Net loss	$ (88,004)	$ (32,645)	$ (66,183)	$ (14,920)	$ (105,788)	$ (186,832)	$ (119,387)
Income tax expense	595	191	238	202	365	1,024	1,048
Loss on early extinguishment of debt	—	370	2,040	—	—	2,410	427
Gain on lease termination	—	—	—	—	—	—	(22,896)
Interest expense	64,493	67,657	60,091	57,768	58,091	192,241	143,715
Interest and other income	(976)	(16,038)	(2,835)	(10,213)	(134)	(19,849)	(8,008)
Losses (gains) on equity investments, net	14,755	3,849	8,339	(19,565)	(12,510)	26,943	(14,541)
(Gain) loss on sale of properties	(200)	(30,760)	122	(4,084)	211	(30,838)	(2,403)
Impairment of assets	—	—	(174)	361	64,202	(174)	106,611
Acquisition and certain other transaction related costs	3,108	12,071	—	11	53	15,179	803
General and administrative	8,870	9,126	7,542	7,461	6,988	25,538	23,132
Depreciation and amortization	68,702	67,888	66,153	65,681	67,211	202,743	204,466
NOI	71,343	81,709	75,333	82,702	78,689	228,385	312,967
Non-cash straight line rent adjustments included in rental income	(1,679)	(1,321)	(804)	(3,040)	(491)	(3,804)	(3,029)
Lease value amortization included in rental income	(1,848)	(1,849)	(1,866)	(1,846)	(1,856)	(5,563)	(5,559)
Non-cash amortization included in property operating expenses	(199)	(199)	(199)	(200)	(199)	(597)	(597)
Cash Basis NOI	$ 67,617	$ 78,340	$ 72,464	$ 77,616	$ 76,143	$ 218,421	$ 303,782

NOI and Cash Basis NOI

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended			For the Nine Months Ended		
	9/30/2021	9/30/2020	% Change	9/30/2021	9/30/2020	% Change
NOI:						
Life Science	$ 29,781	$ 32,577	(8.6)%	$ 93,837	$ 100,862	(7.0)%
Medical Office	29,353	28,210	4.1 %	88,810	90,606	(2.0)%
Total Office Portfolio	59,134	60,787	(2.7)%	182,647	191,468	(4.6)%
SHOP	2,326	7,899	(70.6)%	16,830	89,071	(81.1)%
Non-Segment	9,883	10,003	(1.2)%	28,908	32,428	(10.9)%
Total	$ 71,343	$ 78,689	(9.3)%	$ 228,385	$ 312,967	(27.0)%
Cash Basis NOI:						
Life Science	$ 27,178	$ 30,117	(9.8)%	$ 85,066	$ 92,996	(8.5)%
Medical Office	28,127	28,233	(0.4)%	87,019	89,664	(2.9)%
Total Office Portfolio	55,305	58,350	(5.2)%	172,085	182,660	(5.8)%
SHOP	2,326	7,899	(70.6)%	16,830	89,071	(81.1)%
Non-Segment	9,986	9,894	0.9 %	29,506	32,051	(7.9)%
Total	$ 67,617	$ 76,143	(11.2)%	$ 218,421	$ 303,782	(28.1)%

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Same Property NOI and Cash Basis NOI

(dollars in thousands)

	For the Three Months Ended			For the Nine Months Ended		
	9/30/2021	9/30/2020	% Change	9/30/2021	9/30/2020	% Change
NOI:						
Life Science	$ 29,915	$ 30,276	(1.2)%	$ 91,682	$ 92,584	(1.0)%
Medical Office	29,530	27,466	7.5 %	88,625	87,316	1.5 %
Total Office Portfolio	59,445	57,742	2.9 %	180,307	179,900	0.2 %
SHOP	5,532	13,506	(59.0)%	25,018	92,384	(72.9)%
Non-Segment	9,883	9,044	9.3 %	28,909	29,549	(2.2)%
Total	$ 74,860	$ 80,292	(6.8)%	$ 234,234	$ 301,833	(22.4)%
Cash Basis NOI:						
Life Science	$ 27,544	$ 28,171	(2.2)%	$ 83,762	$ 85,691	(2.3)%
Medical Office	28,304	27,442	3.1 %	86,787	86,629	0.2 %
Total Office Portfolio	55,848	55,613	0.4 %	170,549	172,320	(1.0)%
SHOP	5,532	13,506	(59.0)%	25,018	92,384	(72.9)%
Non-Segment	9,986	8,919	12.0 %	29,507	29,122	1.3 %
Total	$ 71,366	$ 78,038	(8.5)%	$ 225,074	$ 293,826	(23.4)%

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:	**9/30/2021**	**6/30/2021**	**3/31/2021**	**12/31/2020**	**9/30/2020**
Rental income	$ 91,520	$ 92,804	$ 93,323	$ 94,850	$ 94,235
Property operating expenses	(32,386)	(31,321)	(31,293)	(32,709)	(33,448)
NOI	$ 59,134	$ 61,483	$ 62,030	$ 62,141	$ 60,787
NOI	$ 59,134	$ 61,483	$ 62,030	$ 62,141	$ 60,787
Less:					
Non-cash straight line rent adjustments included in rental income	1,800	1,597	1,083	1,114	438
Lease value amortization included in rental income	1,830	1,833	1,822	1,790	1,800
Non-cash amortization included in property operating expenses	199	199	199	200	199
Cash Basis NOI	$ 55,305	$ 57,854	$ 58,926	$ 59,037	$ 58,350
Reconciliation of NOI to Same Property NOI:					
NOI	$ 59,134	$ 61,483	$ 62,030	$ 62,141	$ 60,787
Less:					
NOI of properties not included in same property results	(311)	531	2,121	2,735	3,045
Same Property NOI	$ 59,445	$ 60,952	$ 59,909	$ 59,406	$ 57,742
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 59,445	$ 60,952	$ 59,909	$ 59,406	$ 57,742
Less:					
Non-cash straight line rent adjustments included in rental income	1,578	1,335	785	798	134
Lease value amortization included in rental income	1,830	1,833	1,832	1,801	1,811
Non-cash amortization included in property operating expenses	189	189	188	184	184
Same Property Cash Basis NOI	$ 55,848	$ 57,595	$ 57,104	$ 56,623	$ 55,613

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:	**9/30/2021**	**6/30/2021**	**3/31/2021**	**12/31/2020**	**9/30/2020**
Residents fees and services	$ 236,013	$ 243,947	$ 259,966	$ 278,637	$ 290,101
Property operating expenses	(233,687)	(233,311)	(256,098)	(269,498)	(282,202)
NOI / Cash Basis NOI	$ 2,326	$ 10,636	$ 3,868	$ 9,139	$ 7,899
Reconciliation of NOI / Cash Basis NOI to Same Property NOI / Same Property Cash Basis NOI:					
NOI / Cash Basis NOI	$ 2,326	$ 10,636	$ 3,868	$ 9,139	$ 7,899
Less:					
NOI / Cash Basis NOI of properties not included in same property results	(3,206)	(978)	(4,005)	(5,204)	(5,607)
Same Property NOI / Same Property Cash Basis NOI	$ 5,532	$ 11,614	$ 7,873	$ 14,343	$ 13,506

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:	**9/30/2021**	**6/30/2021**	**3/31/2021**	**12/31/2020**	**9/30/2020**
Rental income	$ 9,883	$ 9,590	$ 9,435	$ 11,422	$ 10,003
Property operating expenses	—	—	—	—	—
NOI	$ 9,883	$ 9,590	$ 9,435	$ 11,422	$ 10,003
NOI	$ 9,883	$ 9,590	$ 9,435	$ 11,422	$ 10,003
Less:					
Non-cash straight line rent adjustments included in rental income	(121)	(276)	(279)	1,926	53
Lease value amortization included in rental income	18	16	44	56	56
Non-cash amortization included in property operating expenses	—	—	—	—	—
Cash Basis NOI	$ 9,986	$ 9,850	$ 9,670	$ 9,440	$ 9,894
Reconciliation of NOI to Same Property NOI:					
NOI	$ 9,883	$ 9,590	$ 9,435	$ 11,422	$ 10,003
Less:					
NOI of properties not included in same property results	—	—	—	218	959
Same Property NOI	$ 9,883	$ 9,590	$ 9,435	$ 11,204	$ 9,044
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 9,883	$ 9,590	$ 9,435	$ 11,204	$ 9,044
Less:					
Non-cash straight line rent adjustments included in rental income	(121)	(276)	(279)	1,928	70
Lease value amortization included in rental income	18	16	44	55	55
Non-cash amortization included in property operating expenses	—	—	—	—	—
Same Property Cash Basis NOI	$ 9,986	$ 9,850	$ 9,670	$ 9,221	$ 8,919

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:	**9/30/2021**	**6/30/2021**	**3/31/2021**	**12/31/2020**	**9/30/2020**
Rental income / residents fees and services	$ 337,416	$ 346,341	$ 362,724	$ 384,909	$ 394,339
Property operating expenses	(266,073)	(264,632)	(287,391)	(302,207)	(315,650)
NOI	$ 71,343	$ 81,709	$ 75,333	$ 82,702	$ 78,689
NOI	$ 71,343	$ 81,709	$ 75,333	$ 82,702	$ 78,689
Less:					
Non-cash straight line rent adjustments included in rental income	1,679	1,321	804	3,040	491
Lease value amortization included in rental income	1,848	1,849	1,866	1,846	1,856
Non-cash amortization included in property operating expenses	199	199	199	200	199
Cash Basis NOI	$ 67,617	$ 78,340	$ 72,464	$ 77,616	$ 76,143
Reconciliation of NOI to Same Property NOI:					
NOI	$ 71,343	$ 81,709	$ 75,333	$ 82,702	$ 78,689
Less:					
NOI of properties not included in same property results	(3,517)	(447)	(1,884)	(2,251)	(1,603)
Same Property NOI	$ 74,860	$ 82,156	$ 77,217	$ 84,953	$ 80,292
Reconciliation of Same Property NOI to Same Property Cash Basis NOI:					
Same Property NOI	$ 74,860	$ 82,156	$ 77,217	$ 84,953	$ 80,292
Less:					
Non-cash straight line rent adjustments included in rental income	1,457	1,059	506	2,726	204
Lease value amortization included in rental income	1,848	1,849	1,876	1,856	1,866
Non-cash amortization included in property operating expenses	189	189	188	184	184
Same Property Cash Basis NOI	$ 71,366	$ 79,059	$ 74,647	$ 80,187	$ 78,038

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

DIVERSIFIED HEALTHCARE TRUST

(dollars in thousands)

	For the Three Months Ended					For the Nine Months Ended	
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	9/30/2021	9/30/2020
Net loss	$ (88,004)	$ (32,645)	$ (66,183)	$ (14,920)	$ (105,788)	$ (186,832)	$ (119,387)
Interest expense	64,493	67,657	60,091	57,768	58,091	192,241	143,715
Income tax expense	595	191	238	202	365	1,024	1,048
Depreciation and amortization	68,702	67,888	66,153	65,681	67,211	202,743	204,466
EBITDA	45,786	103,091	60,299	108,731	19,879	209,176	229,842
(Gain) loss on sale of properties	(200)	(30,760)	122	(4,084)	211	(30,838)	(2,403)
Impairment of assets	—	—	(174)	361	64,202	(174)	106,611
Adjustments to reflect our share of EBITDA*re* attributable to an equity method investment	(2,345)	(2,673)	2,310	1,967	2,419	(2,708)	(302)
EBITDA*re*	43,241	69,658	62,557	106,975	86,711	175,456	333,748
General and administrative expense paid in common shares	742	675	228	402	502	1,645	1,166
Acquisition and certain other transaction related costs	3,108	12,071	—	11	53	15,179	803
Gain on lease termination	—	—	—	—	—	—	(22,896)
Loss on early extinguishment of debt	—	370	2,040	—	—	2,410	427
Costs and payment obligations related to compliance assessment at one of our senior living communities	—	—	—	(402)	6,172	—	6,172
Losses (gains) on equity securities, net	14,755	3,849	8,339	(19,565)	(12,510)	26,943	(14,541)
Adjustments to reflect our share of Adjusted EBITDA*re* attributable to an equity method investment	1,234	1,166	39	(203)	(100)	2,439	9,229
Adjusted EBITDA*re*	$ 63,080	$ 87,789	$ 73,203	$ 87,218	$ 80,828	$ 224,072	$ 314,108

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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					For the Nine Months Ended	
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	9/30/2021	9/30/2020
Net loss attributable to common shareholders	$ (89,343)	$ (34,222)	$ (67,505)	$ (16,228)	$ (106,888)	$ (191,070)	$ (123,225)
Depreciation and amortization	68,702	67,888	66,153	65,681	67,211	202,743	204,466
(Gain) loss on sale of properties	(200)	(30,760)	122	(4,084)	211	(30,838)	(2,403)
Impairment of assets	—	—	(174)	361	64,202	(174)	106,611
Losses (gains) on equity securities, net	14,755	3,849	8,339	(19,565)	(12,510)	26,943	(14,541)
FFO adjustments attributable to noncontrolling interest	(5,273)	(5,275)	(5,273)	(5,275)	(5,275)	(15,821)	(15,825)
Adjustments to reflect our share of FFO attributable to an equity method investment	(2,440)	(3,005)	2,036	1,743	1,910	(3,409)	(904)
FFO attributable to common shareholders	(13,799)	(1,525)	3,698	22,633	8,861	(11,626)	154,179
Acquisition and certain other transaction related costs	3,108	12,071	—	11	53	15,179	803
Costs and payment obligations related to compliance assessment at one of our senior living communities	—	—	—	(402)	6,172	—	6,172
Gain on lease termination	—	—	—	—	—	—	(22,896)
Loss on early extinguishment of debt	—	370	2,040	—	—	2,410	427
Adjustments to reflect our share of Normalized FFO attributable to an equity method investment	1,242	1,299	85	12	48	2,626	9,175
Normalized FFO attributable to common shareholders	$ (9,449)	$ 12,215	$ 5,823	$ 22,254	$ 15,134	$ 8,589	$ 147,860
Weighted average common shares outstanding (basic)	238,008	237,871	237,834	237,834	237,752	237,905	237,707
Weighted average common shares outstanding (diluted)	238,008	237,871	237,834	237,834	237,752	237,905	237,707
Per Common Share Data (basic and diluted):							
Net loss attributable to common shareholders	$ (0.38)	$ (0.14)	$ (0.28)	$ (0.07)	$ (0.45)	$ (0.80)	$ (0.52)
FFO attributable to common shareholders	$ (0.06)	$ (0.01)	$ 0.02	$ 0.10	$ 0.04	$ (0.05)	$ 0.65
Normalized FFO attributable to common shareholders	$ (0.04)	$ 0.05	$ 0.02	$ 0.09	$ 0.06	$ 0.04	$ 0.62

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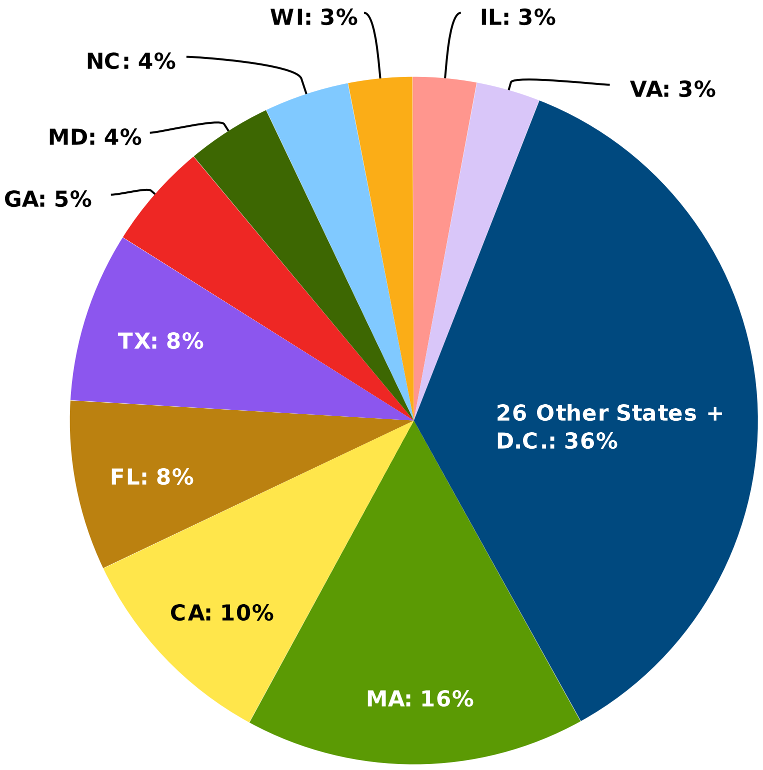
Portfolio Summary by Geographic Diversification and Property Type

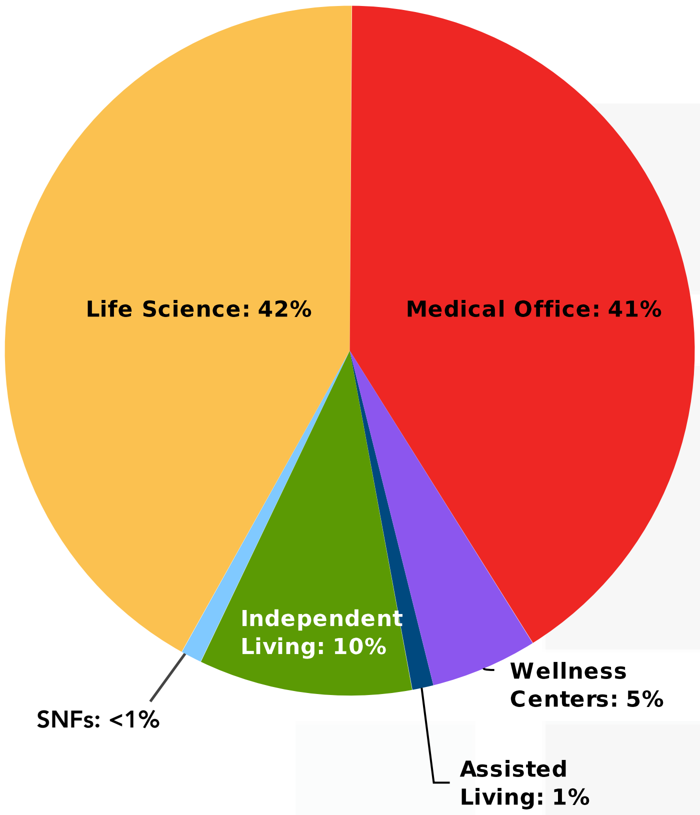
Geographic Diversification

(based on Gross Book Value of Real Estate Assets as of September 30, 2021)



Property Type[(1) (2)]

(based on Q3 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

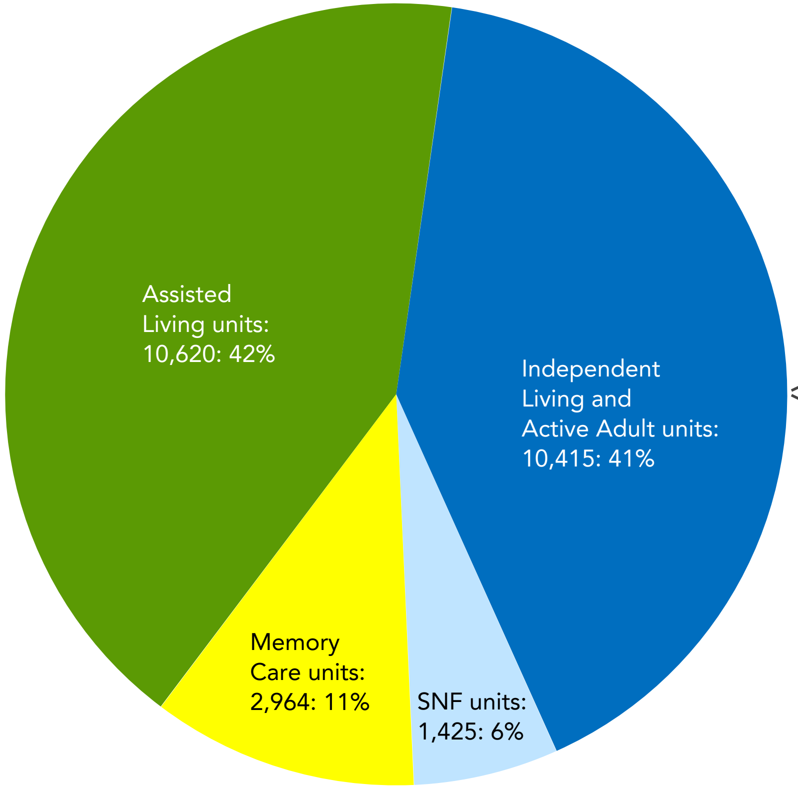
As of September 30, 2021

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

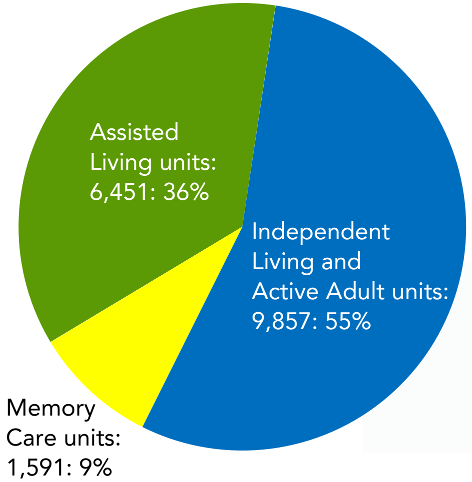
	Number of Properties	Square Feet or Number of Units		Gross Book Value of Real Estate Assets	% of Total Gross Book Value of Real Estate Assets	Investment Per Square Foot or Unit	Q3 2021 Revenues	% of Q3 2021 Total Revenues	Q3 2021 NOI	% of Q3 2021 Total NOI
Life science	30	4,130,226		$ 1,898,870	23.0 %	$ 460	$ 42,074	12.5 %	$ 29,781	41.7 %
Medical office	88	6,797,179		1,831,379	22.2 %	$ 269	49,446	14.6 %	29,353	41.2 %
Subtotal Office Portfolio	118	10,927,405	sq. ft.	3,730,249	45.2 %	$ 341	91,520	27.1 %	59,134	82.9 %
SHOP	235	25,424	units	4,089,259	49.6 %	$ 160,842	236,013	69.9 %	2,326	3.3 %
Other triple net leased senior living communities	29	2,327	units	250,273	3.0 %	$ 107,552	6,239	1.9 %	6,239	8.7 %
Wellness centers	10	812,000	sq. ft.	178,110	2.2 %	$ 219	3,644	1.1 %	3,644	5.1 %
Total	392			$ 8,247,891	100.0 %		$ 337,416	100.0 %	$ 71,343	100.0 %

SHOP Unit Count

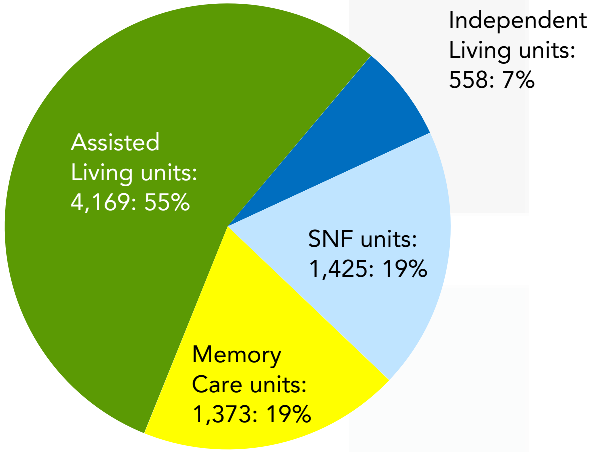
SHOP Unit Count as of September 30, 2021



Pro Forma Five Star Retained Communities Unit Count as of September 30, 2021



Pro Forma Operator Transition Communities Unit Count as of September 30, 2021



Rent Coverage and Occupancy

Rent Coverage [1]**:**

	For the Twelve Months Ended				
	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
Other triple net leased senior living communities	1.27 x	1.38 x	1.48 x	1.61 x	1.63 x
Wellness centers	1.17 x	0.94 x	0.91 x	1.05 x	1.30 x
Total	1.24 x	1.24 x	1.26 x	1.37 x	1.49 x

Occupancy - Other triple net leased senior living communities [1]**:**

	For the Twelve Months Ended				
	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020
Occupancy	76.3 %	77.7 %	80.6 %	83.4 %	85.4 %
Same Property Occupancy [2]	76.3 %	77.7 %	80.6 %	83.4 %	85.4 %

(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) Same property occupancy includes those properties classified as same property for the three months ended September 30, 2021 for all periods presented.

Office Portfolio and Same Property - Results of Operations

DIVERSIFIED HEALTHCARE TRUST

Three Months Ended September 30, 2021 and 2020

OFFICE PORTFOLIO - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended September 30, 2021			As of and For the Three Months Ended September 30, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	30	88	118	34	92	126
Square Feet	4,130	6,797	10,927	4,554	7,019	11,573
Occupancy	93.7 %	89.8 %	91.3 %	91.3 %	91.2 %	91.3 %
Rental Income	$ 42,074	$ 49,446	$ 91,520	$ 44,697	$ 49,538	$ 94,235
NOI	$ 29,781	$ 29,353	$ 59,134	$ 32,577	$ 28,210	$ 60,787
Cash Basis NOI	$ 27,178	$ 28,127	$ 55,305	$ 30,117	$ 28,233	$ 58,350
NOI Margin %	70.8 %	59.4 %	64.6 %	72.9 %	56.9 %	64.5 %
Cash Basis NOI Margin %	68.7 %	58.2 %	62.9 %	71.2 %	56.8 %	63.4 %
NOI % Change	(8.6)%	4.1 %	(2.7)%			
Cash Basis NOI % Change	(9.8)%	(0.4)%	(5.2)%			

OFFICE PORTFOLIO SAME PROPERTY - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended September 30, 2021			As of and For the Three Months Ended September 30, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	25	87	112	25	87	112
Square Feet	3,807	6,705	10,512	3,802	6,705	10,507
Occupancy	96.0 %	90.9 %	92.7 %	96.7 %	91.3 %	93.2 %
Rental Income	$ 41,480	$ 49,391	$ 90,871	$ 41,702	$ 47,842	$ 89,544
NOI	$ 29,915	$ 29,530	$ 59,445	$ 30,276	$ 27,466	$ 57,742
Cash Basis NOI	$ 27,544	$ 28,304	$ 55,848	$ 28,171	$ 27,442	$ 55,613
NOI Margin %	72.1 %	59.8 %	65.4 %	72.6 %	57.4 %	64.5 %
Cash Basis NOI Margin %	70.3 %	58.6 %	63.9 %	71.0 %	57.3 %	63.5 %
NOI % Change	(1.2)%	7.5 %	2.9 %			
Cash Basis NOI % Change	(2.2)%	3.1 %	0.4 %			

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

DIVERSIFIED HEALTHCARE TRUST

Nine Months Ended September 30, 2021 and 2020

OFFICE PORTFOLIO - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Nine Months Ended September 30, 2021			As of and For the Nine Months Ended September 30, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	30	88	118	34	92	126
Square Feet	4,130	6,797	10,927	4,554	7,019	11,573
Occupancy	93.7 %	89.8 %	91.3 %	91.3 %	91.2 %	91.3 %
Rental Income	$ 129,700	$ 147,947	$ 277,647	$ 136,702	$ 151,813	$ 288,515
NOI	$ 93,837	$ 88,810	$ 182,647	$ 100,862	$ 90,606	$ 191,468
Cash Basis NOI	$ 85,066	$ 87,019	$ 172,085	$ 92,996	$ 89,664	$ 182,660
NOI Margin %	72.3 %	60.0 %	65.8 %	73.8 %	59.7 %	66.4 %
Cash Basis NOI Margin %	70.2 %	59.4 %	64.3 %	72.0 %	59.3 %	65.2 %
NOI % Change	(7.0)%	(2.0)%	(4.6)%			
Cash Basis NOI % Change	(8.5)%	(2.9)%	(5.8)%			

OFFICE PORTFOLIO SAME PROPERTY - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Nine Months Ended September 30, 2021			As of and For the Nine Months Ended September 30, 2020		
	Life Science	Medical Office	Total Office Portfolio	Life Science	Medical Office	Total Office Portfolio
Number of Buildings	25	87	112	25	87	112
Square Feet	3,807	6,705	10,512	3,802	6,705	10,507
Occupancy	96.0 %	90.9 %	92.7 %	96.7 %	91.3 %	93.2 %
Rental Income	$ 125,709	$ 146,770	$ 272,479	$ 126,278	$ 145,188	$ 271,466
NOI	$ 91,682	$ 88,625	$ 180,307	$ 92,584	$ 87,316	$ 179,900
Cash Basis NOI	$ 83,762	$ 86,787	$ 170,549	$ 85,691	$ 86,629	$ 172,320
NOI Margin %	72.9 %	60.4 %	66.2 %	73.3 %	60.1 %	66.3 %
Cash Basis NOI Margin %	71.0 %	59.7 %	64.8 %	71.6 %	59.8 %	65.2 %
NOI % Change	(1.0)%	1.5 %	0.2 %			
Cash Basis NOI % Change	(2.3)%	0.2 %	(1.0)%			

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

Trailing Five Quarters

OFFICE PORTFOLIO - RESULTS OF OPERATIONS

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Number of Buildings	118	118	122	123	126
Square Feet	10,927	10,927	11,190	11,282	11,573
Occupancy	91.3 %	91.0 %	92.3 %	91.4 %	91.3 %
Rental Income	$ 91,520	$ 92,804	$ 93,323	$ 94,850	$ 94,235
NOI	$ 59,134	$ 61,483	$ 62,030	$ 62,141	$ 60,787
Cash Basis NOI	$ 55,305	$ 57,854	$ 58,926	$ 59,037	$ 58,350
NOI Margin %	64.6 %	66.3 %	66.5 %	65.5 %	64.5 %
Cash Basis NOI Margin %	62.9 %	64.7 %	65.2 %	64.2 %	63.4 %
Sequential NOI % Change	(3.8)%	(0.9)%	(0.2)%	2.2 %	
Sequential Cash Basis NOI % Change	(4.4)%	(1.8)%	(0.2)%	1.2 %	
Year Over Year NOI % Change	(2.7)%				
Year Over Year Cash Basis NOI % Change	(5.2)%				

OFFICE PORTFOLIO SAME PROPERTY - RESULTS OF OPERATIONS (1)

(dollars and sq. ft. in thousands)

	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Number of Buildings	112	112	112	112	112
Square Feet	10,512	10,512	10,512	10,512	10,507
Occupancy	92.7 %	93.0 %	93.8 %	93.9 %	93.2 %
Rental Income	$ 90,871	$ 91,447	$ 90,160	$ 90,811	$ 89,544
NOI	$ 59,445	$ 60,952	$ 59,909	$ 59,406	$ 57,742
Cash Basis NOI	$ 55,848	$ 57,595	$ 57,104	$ 56,623	$ 55,613
NOI Margin %	65.4 %	66.7 %	66.4 %	65.4 %	64.5 %
Cash Basis NOI Margin %	63.9 %	65.2 %	65.2 %	64.2 %	63.5 %
Sequential NOI % Change	(2.5)%	1.7 %	0.8 %	2.9 %	
Sequential Cash Basis NOI % Change	(3.0)%	0.9 %	0.8 %	1.8 %	
Year Over Year NOI % Change	2.9 %				
Year Over Year Cash Basis NOI % Change	0.4 %				

(1) Same property includes those properties classified as same property for the three months ended September 30, 2021 for all periods presented.

SHOP Segment and Same Property - Results of Operations

DIVERSIFIED HEALTHCARE TRUST

Trailing Five Quarters

SHOP SEGMENT - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Number of Properties	235	235	235	235	239
Number of Units	25,424	25,423	26,963	26,969	28,232
Occupancy	71.3 %	70.9 %	69.5 %	72.2 %	75.2 %
Average Monthly Rate	$ 4,234	$ 4,307	$ 4,623	$ 4,541	$ 4,508
Year Over Year Average Monthly Rate % Change	(6.1)%				
Residents Fees and Services	$ 236,013	$ 243,947	$ 259,966	$ 278,637	$ 290,101
Property Operating Expenses	(233,687)	(233,311)	(256,098)	(269,498)	(282,202)
NOI	$ 2,326	$ 10,636	$ 3,868	$ 9,139	$ 7,899
NOI Margin %	1.0 %	4.4 %	1.5 %	3.3 %	2.7 %
Sequential NOI % Change	(78.1)%	175.0 %	(57.7)%	15.7 %	
Year Over Year NOI % Change	(70.6)%				

SHOP SEGMENT SAME PROPERTY - RESULTS OF OPERATIONS (1)

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Number of Properties	159	159	159	159	159
Number of Units	20,669	20,669	20,669	20,669	20,669
Occupancy	72.5 %	72.0 %	71.7 %	74.9 %	77.9 %
Average Monthly Rate	$ 4,023	$ 4,094	$ 4,136	$ 4,022	$ 4,112
Year Over Year Average Monthly Rate % Change	(2.2)%				
Residents Fees and Services	$ 184,932	$ 194,460	$ 211,142	$ 219,646	$ 223,575
Property Operating Expenses	(179,400)	(182,846)	(203,269)	(205,303)	(210,069)
NOI	$ 5,532	$ 11,614	$ 7,873	$ 14,343	$ 13,506
NOI Margin %	3.0 %	6.0 %	3.7 %	6.5 %	6.0 %
Sequential NOI % Change	(52.4)%	47.5 %	(45.1)%	6.2 %	
Year Over Year NOI % Change	(59.0)%				

(1) Same property includes those properties classified as same property for the three months ended September 30, 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 September 30, 2021 and 2020

SHOP SEGMENT - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended September 30, 2021			As of and For the Three Months Ended September 30, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties (1)	120	115	235	124	115	239
Number of Units	17,899	7,525	25,424	20,129	8,103	28,232
Occupancy	73.4 %	66.6 %	71.3 %	76.5 %	72.2 %	75.2 %
Average Monthly Rate	$ 3,937	$ 5,008	$ 4,234	$ 4,383	$ 4,840	$ 4,508
Average Monthly Rate % Change	(10.2)%	3.5 %	(6.1)%			
Residents Fees and Services	$ 158,509	$ 77,504	$ 236,013	$ 203,304	$ 86,797	$ 290,101
Property Operating Expenses	(151,235)	(82,452)	(233,687)	(192,181)	(90,021)	(282,202)
NOI	$ 7,274	$ (4,948)	$ 2,326	$ 11,123	$ (3,224)	$ 7,899
NOI Margin %	4.6 %	(6.4)%	1.0 %	5.5 %	(3.7)%	2.7 %
NOI % Change	(34.6)%	53.5 %	(70.6)%			

SHOP SEGMENT SAME PROPERTY - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Three Months Ended September 30, 2021			As of and For the Three Months Ended September 30, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties (1)	120	39	159	120	39	159
Number of Units	17,899	2,770	20,669	17,899	2,770	20,669
Occupancy	73.4 %	67.2 %	72.5 %	78.5 %	73.7 %	77.9 %
Average Monthly Rate	$ 3,937	$ 4,632	$ 4,023	$ 4,034	$ 4,652	$ 4,112
Average Monthly Rate % Change	(2.4)%	(0.4)%	(2.2)%			
Residents Fees and Services	$ 158,509	$ 26,423	$ 184,932	$ 194,520	$ 29,055	$ 223,575
Property Operating Expenses	(151,028)	(28,372)	(179,400)	(181,302)	(28,767)	(210,069)
NOI	$ 7,481	$ (1,949)	$ 5,532	$ 13,218	$ 288	$ 13,506
NOI Margin %	4.7 %	(7.4)%	3.0 %	6.8 %	1.0 %	6.0 %
NOI % Change	(43.4)%	(776.7)%	(59.0)%			

(1) As of November 3, 2021, we had executed agreements with 10 new third party managers to transition 107 senior living communities. Of these 107 senior living communities, 99 have been transitioned to new third party managers.

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

DIVERSIFIED HEALTHCARE TRUST

Nine Months Ended September 30, 2021 and 2020

SHOP SEGMENT - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Nine Months Ended September 30, 2021			As of and For the Nine Months Ended September 30, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties (1)	120	115	235	124	115	239
Number of Units	17,899	7,525	25,424	20,129	8,103	28,232
Occupancy	72.3 %	66.2 %	70.6 %	80.3 %	75.3 %	78.9 %
Average Monthly Rate	$ 4,161	$ 4,997	$ 4,389	$ 4,415	$ 4,826	$ 4,526
Average Monthly Rate % Change	(5.8)%	3.5 %	(3.0)%			
Residents Fees and Services	$ 512,659	$ 227,267	$ 739,926	$ 657,119	$ 269,055	$ 926,174
Property Operating Expenses	(482,354)	(240,742)	(723,096)	(575,105)	(261,998)	(837,103)
NOI	$ 30,305	$ (13,475)	$ 16,830	$ 82,014	$ 7,057	$ 89,071
NOI Margin %	5.9 %	(5.9)%	2.3 %	12.5 %	2.6 %	9.6 %
NOI % Change	(63.0)%	(290.9)%	(81.1)%			

SHOP SEGMENT SAME PROPERTY - RESULTS OF OPERATIONS

(dollars in thousands, except average monthly rate)

	As of and For the Nine Months Ended September 30, 2021			As of and For the Nine Months Ended September 30, 2020		
	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment	Five Star Retained Communities	Operator Transition Communities	Total SHOP Segment
Number of Properties (1)	120	39	159	120	39	159
Number of Units	17,899	2,770	20,669	17,899	2,770	20,669
Occupancy	73.0 %	66.3 %	72.1 %	82.4 %	77.5 %	81.7 %
Average Monthly Rate	$ 4,001	$ 4,669	$ 4,084	$ 3,992	$ 4,612	$ 4,071
Average Monthly Rate % Change	0.2 %	1.2 %	0.3 %			
Residents Fees and Services	$ 512,480	$ 78,054	$ 590,534	$ 622,783	$ 90,198	$ 712,981
Property Operating Expenses	(481,950)	(83,566)	(565,516)	(536,044)	(84,553)	(620,597)
NOI	$ 30,530	$ (5,512)	$ 25,018	$ 86,739	$ 5,645	$ 92,384
NOI Margin %	6.0 %	(7.1)%	4.2 %	13.9 %	6.3 %	13.0 %
NOI % Change	(64.8)%	(197.6)%	(72.9)%			

(1) As of November 3, 2021, we had executed agreements with 10 new third party managers to transition 107 senior living communities. Of these 107 senior living communities, 99 have been transitioned to new third party managers.

Office Portfolio Leasing Summary

DIVERSIFIED HEALTHCARE TRUST

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

	As of and For the Three Months Ended				
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Buildings	118	118	122	123	126
Total square feet	10,927	10,927	11,190	11,282	11,573
Occupancy	91.3 %	91.0 %	92.3 %	91.4 %	91.3 %
Leasing Activity (sq. ft.):					
New leases	101	65	152	113	67
Renewals	271	567	60	300	135
Total	372	632	212	413	202
Rental Rate on New and Renewed Leases per Sq. Ft.:					
New leases	$ 58.73	$ 45.63	$ 66.99	$ 25.10	$ 42.62
Renewals	$ 29.76	$ 38.05	$ 34.96	$ 23.38	$ 28.58
Average net annual rent	$ 37.61	$ 38.83	$ 57.89	$ 23.85	$ 33.21
Leasing Costs and Concession Commitments:					
New leases	$ 15,645	$ 5,191	$ 32,250	$ 7,017	$ 3,632
Renewals	8,647	21,241	558	2,794	1,331
Total	$ 24,292	$ 26,432	$ 32,808	$ 9,811	$ 4,963
Leasing Costs and Concession Commitments per Sq. Ft.:					
New leases	$ 155.24	$ 80.38	$ 211.93	$ 62.00	$ 54.57
Renewals	$ 31.87	$ 37.43	$ 9.24	$ 9.30	$ 9.85
All new and renewed leases	$ 65.28	$ 41.82	$ 154.32	$ 23.73	$ 24.60
Weighted Average Lease Term (years):					
New leases	9.1	9.3	11.0	7.5	8.8
Renewals	7.5	9.1	8.7	4.5	5.7
All new and renewed leases	8.2	9.1	10.6	5.4	7.0
Leasing Costs and Concession Commitments per Sq. Ft. per Year:					
New leases	$ 17.09	$ 8.60	$ 19.31	$ 8.30	$ 6.20
Renewals	$ 4.25	$ 4.13	$ 1.06	$ 2.07	$ 1.73
All new and renewed leases	$ 7.99	$ 4.60	$ 14.57	$ 4.43	$ 3.51

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

As of September 30, 2021

(dollars in thousands)

	Tenant	Facility Type		Annualized Rental Income	% of Annualized Rental Income	Expiration
1	Vertex Pharmaceuticals Inc. [(1)]	Life science	$	97,385	23.1 %	2028
2	Cedars-Sinai Medical Center	Medical office		17,053	4.0 %	2021 - 2031
3	Advocate Aurora Health	Medical office		16,896	4.0 %	2024
4	Brookdale Senior Living, Inc.	Senior living		9,446	2.2 %	2032
5	Life Time Athletic	Wellness center		9,105	2.2 %	2040
6	HCA Holdings Inc.	Medical office		7,071	1.7 %	2022 - 2029
7	Surgalign Holdings, Inc. [(2)]	Life science		6,694	1.6 %	2034
8	Medtronic, Inc.	Medical office		5,726	1.4 %	2022 - 2023
9	Starmark Holdings, LLC	Wellness center		5,400	1.3 %	2028
10	IQVIA Holdings Inc.	Life science		5,365	1.3 %	2023
11	KSQ Therapeutics, Inc. [(3)]	Life science		4,779	1.1 %	2032
12	Stratford Retirement, LLC	Senior living		4,745	1.1 %	2033
13	Boston Children's Hospital	Medical office		4,551	1.1 %	2028
14	Oaks Senior Living, LLC	Senior living		4,523	1.1 %	2024 - 2030
15	Magellan Health Inc.	Medical office		4,498	1.1 %	2025
16	Sonova Holding AG	Life science		4,432	1.1 %	2024
17	Stellar Senior Living, LLC	Senior living		4,353	1.0 %	2027
	All Other Tenants [(4)]			209,811	49.6 %	2021 - 2043
	Total Tenants		$	421,833	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) In March 2021, we entered into a 12-year lease with Surgalign Holdings, Inc. The lease relates to a recently redeveloped property we own in San Diego, CA. The term of the lease commences upon our delivery of the completed space, which is estimated to occur in the first quarter of 2022.
(3) In July 2021, we entered into a 10-year lease with KSQ Therapeutics, Inc. The lease relates to an ongoing redevelopment of a property we own in Lexington, MA. The term of the lease commences upon our delivery of the completed space, which is estimated to occur in the second quarter of 2022.
(4) Includes NOI for the three months ended September 30, 2021, annualized, from senior living communities in our SHOP segment.

Office Portfolio Lease Expiration Schedule

As of September 30, 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	$ 7,674	2.1 %	2.1 %
2022	26,715	7.2 %	9.3 %
2023	21,212	5.7 %	15.0 %
2024	49,788	13.4 %	28.4 %
2025	24,377	6.6 %	35.0 %
2026	26,029	7.0 %	42.0 %
2027	15,216	4.1 %	46.1 %
2028	116,842	31.5 %	77.6 %
2029	12,919	3.5 %	81.1 %
2030 and thereafter	70,142	18.9 %	100.0 %
Total	$ 370,914	100.0 %	

Average remaining lease term for our office portfolio (weighted by annualized rental income): 6.0 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	217,612	2.2 %	2.2 %
2022	1,017,888	10.2 %	12.4 %
2023	1,122,592	11.3 %	23.7 %
2024	1,797,794	18.0 %	41.7 %
2025	910,758	9.1 %	50.8 %
2026	808,918	8.1 %	58.9 %
2027	619,779	6.2 %	65.1 %
2028	1,483,126	14.9 %	80.0 %
2029	347,653	3.5 %	83.5 %
2030 and thereafter	1,645,337	16.5 %	100.0 %
Total	9,971,457	100.0 %	

1145 19th Street NW
Washington, D.C.

Non-Segment Lease Expiration Schedule

As of September 30, 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	6.9 %	6.9 %
2025	—	—	—	— %	6.9 %
2026	—	—	—	— %	6.9 %
2027	4	534 units	4,353	10.5 %	17.4 %
2028	6	354,000 sq. ft.	5,400	13.0 %	30.4 %
2029	1	155 units	547	1.3 %	31.7 %
2030 and thereafter	26	1,458 units and 458,000 sq. ft.	28,430	68.3 %	100.0 %
Total	39		$ 41,615	100.0 %	

Non-GAAP Financial Measures and Certain Definitions

DIVERSIFIED HEALTHCARE TRUST

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 September 30, 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 the 120 senior living communities in our SHOP segment that Five Star will continue to manage pursuant to our June 2021 amended management agreements with Five Star.

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.

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 September 30, 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, which have been or will be transitioned from Five Star to other third party managers or closed or repositioned pursuant to the amendments to our management arrangements with Five Star in June 2021. As of November 3, 2021, we had executed agreements with 10 new third party managers to transition 107 senior living communities. Of these 107 senior living communities, 99 have been transitioned to new third party managers.

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 September 30, 2021, same property consists of properties owned, in service and operated by the same operator continuously since July 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. For the nine months ended September 30, 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 and other third party managers 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 managers to operate the communities. 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 September 30, 2021.

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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:

- The results of operations for the 107 senior living communities being transitioned may not improve under the management of new managers as a result of the transition as we currently expect, and the results of operations of, and our returns from, any or all of our senior living communities may decline, including for reasons beyond our, the new managers’ or Five Star’s control. This may also imply that we will successfully complete these transitions on the timing we expect. However, certain of these communities have not yet been transitioned and those transitions are subject to conditions. As a result, these transitions may not occur or they may be delayed or their terms may change.
- Our redevelopment projects may not be successful and may cost more or take longer to complete than we currently expect. In addition, the terms of the leases we entered into with respect to our redevelopment projects may not commence on the currently expected dates or at all.

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.