National Health Investors



Q3 2023 Supplemental

NHI
NATIONAL HEALTH INVESTORS

TABLE OF CONTENTS

COMPANY	
COMPANY INFORMATION & LEADERSHIP	02
PORTFOLIO	
PORTFOLIO OVERVIEW	03
REAL ESTATE INVESTMENTS	04
SENIOR HOUSING OPERATING PORTFOLIO	05
OPERATING PARTNERS	06
EBITDARM LEASE COVERAGE & OCCUPANCY	07
PURCHASE OPTIONS & LEASE MATURITIES	08
INVESTMENTS	
INVESTMENT RATIONALE	09
RECENT INVESTMENTS	10
CAPITALIZATION	
CAPITALIZATION OVERVIEW	11
CAPITAL STRUCTURE	12
DEBT MATURITIES	13
SELECT DEBT COVENANTS	14
FINANCIAL	
FINANCIAL PROFILE	15
PERFORMANCE	16
BALANCE SHEETS	17
STATEMENTS OF INCOME	18
FFO & FAD RECONCILIATION	19
ADJUSTED EBITDA RECONCILIATION	20
NOI RECONCILIATIONS	21-22
DISPOSITIONS	23
DEFERRALS & ABATEMENTS	24
GLOSSARY	
GLOSSARY	25-26

FORWARD LOOKING STATEMENTS AND RISK FACTORS:

This Supplemental Information and other materials we have filed or may file with the Securities and Exchange Commission, as well as information included in oral statements made, or to be made, by our senior management contain certain "forward-looking" statements as that term is defined by the Private Securities Litigation Reform Act of 1995. All statements regarding our expected future financial position, results of operations, cash flows, funds from operations, continued performance improvements, ability to service and refinance our debt obligations, ability to finance growth opportunities, and similar statements including, without limitations, those containing words such as "may," "will," "believes," anticipates," "expects," "intends," "estimates," "plans," and other similar expressions are forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties that may cause our actual results in future periods to differ materially from those projected or contemplated in the forward-looking statements. Such risks and uncertainties include, among other things, the impact of COVID-19 on our tenants; the operating success of our tenants and borrowers for collection of our lease and interest income; the success of property development and construction activities; the risk that the cash flows of our tenants and borrowers would be adversely affected by increased liability claims and liability insurance costs; risks related to environmental laws and the costs associated with liabilities related to hazardous substances; the risk of damage from catastrophic weather and other natural or man-made disasters and the physical effects of climate change; our ability to reinvest cash in real estate investments in a timely manner and on acceptable terms; the risk that the illiquidity of real estate investments could impede our ability to respond to adverse changes in the performance of our properties; operational risks with respect to our senior housing operating portfolio structured communities; risks related to our ability to maintain the privacy and security of Company information; and other risks which are described under the heading "Risk Factors" in Item 1A in our Form 10-K for the year ended December 31, 2022 and under the heading "Risk Factors" in Item 1A in our Form 10-Q for the quarter ended September 30, 2023. In this Supplemental Information, we refer to non-GAAP financial measures. These non-GAAP measures are not prepared in accordance with generally accepted accounting principles. A reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures is included in this presentation. Throughout this presentation, certain abbreviations and acronyms are used to simplify the format. A list of definitions is provided at the end of this presentation to clarify the meaning of any reference that may be ambiguous. Unless otherwise noted, all amounts are unaudited and are as of or for the quarter ended September 30, 2023.

COVER: Bickford of Chesapeake is a senior living community operated by Bickford Senior Living in Chesapeake, VA.

WE INVEST IN RELATIONSHIPS

NATIONAL HEALTH INVESTORS, INC. (NYSE: NHI), National Health Investors, Inc. (NYSE: NHI) is a real estate investment trust specializing in sale-leasebacks, joint-ventures, senior housing operating partnerships, and mortgage and mezzanine financing of need-driven and discretionary senior housing and medical investments. NHI's portfolio consists of independent living, assisted living and memory care communities, entrance-fee retirement communities, skilled nursing facilities, and specialty hospitals.



ERIC MENDELSOHN

President & CEO



KRISTIN S. GAINES

Chief Transaction Officer



KEVIN PASCOE

Chief Investment Officer



JOHN SPAID

Chief Financial Officer



DAVID TRAVIS

Chief Accounting Officer



MICHELLE KELLY

SVP, Investments



DANA HAMBLY

VP, Finance & IR

ANALYST COVERAGE

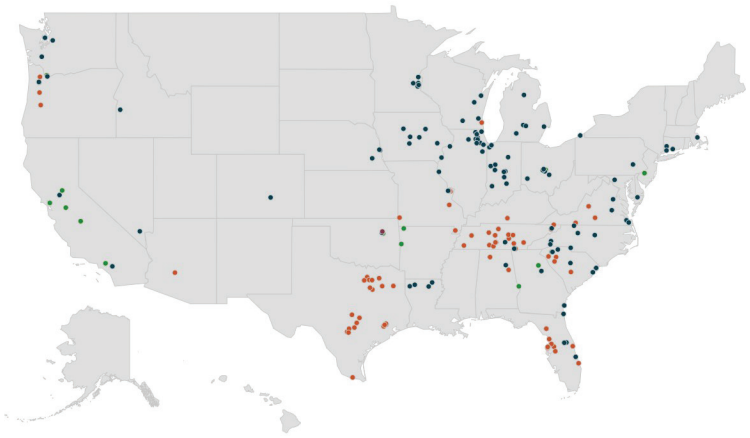
BMO Capital Markets: Juan Sanabria
Jefferies: Joe Dickstein
KeyBanc Capital Markets: Austin Wurschmidt
Stifel: Stephen Manaker
Truist Securities: Michael Lewis
Wedbush: Richard Anderson
Wells Fargo: Connor Siversky

CONTACT INFORMATION

National Health Investors, Inc.
222 Robert Rose Drive
Murfreesboro, Tennessee 37129
615.890.9100 | investorrelations@nhireit.com

Transfer Agent
Computershare Trust Company, N.A
P.O. Box 43078
Providence, RI 02940-3078
800.942.5909

PORTFOLIO OVERVIEW



AS OF SEPTEMBER 30, 2023

104 SENIOR HOUSING

72 SKILLED NURSING

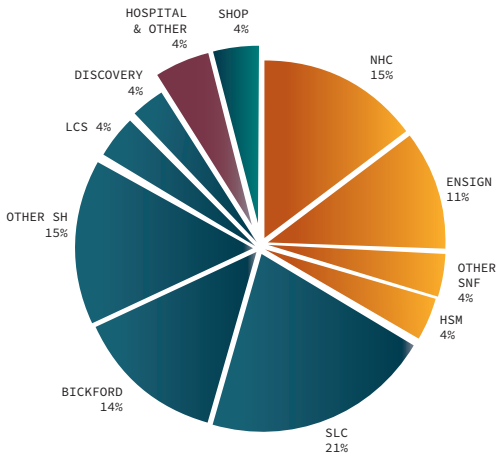
1 SPECIALTY HOSPITAL

15 SHOP

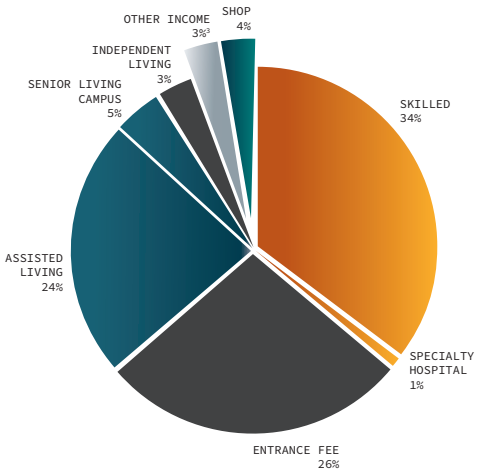
Portfolio (DOLLARS IN THOUSANDS)	Properties[1]	Units[1]	Investment	Adjusted NOI[1]	Annualized	% of Total
Triple Net						
Senior Housing	97	8,697	$1,831,408	37,376	$135,495	53.8%
Skilled Nursing	65	8,614	557,996	20,757	82,543	32.8%
Specialty Hospital	1	64	40,250	898	3,594	1.4%
Mortgages and Other Notes Receivable						
Senior Housing	7	720	114,362	2,257	9,026	3.6%
Skilled Nursing	7	731	45,000	844	3,374	1.3%
Other			99,406	2,146	8,590	3.4%
Senior Housing Operating	15	1,734	344,387	2,322	9,289	3.7%
Total	**192**	**20,560**	**$3,032,809**	**$66,600**	$251,911	100%

[1] Adjusted segment NOI includes the impact of assets held for sale, disposals, and loan payoffs during the quarter. The annualized impact excludes these items.

PARTNERS[2]



ASSET CLASS[2]



[1] Based on annualized adjusted NOI of $251.9 million in place at September 30, 2023.
[2] Other Income consists primarily of revenue from non-mortgage notes receivable.

Sr. Hsng. Need-Driven	*29 %*	*Other*	*3 %*
Sr. Hsng. Discretionary	*29 %*	*SHOP*	*4%*
SNF/Hospital	*35%*		

REAL ESTATE INVESTMENTS NOI

(DOLLARS IN THOUSANDS)

	Properties	Units	Q3 2023 NOI	Straight Line Revenue	NOI Less Straight Line Revenue	Non-cash Adjustments	Q3 2023 Adjusted NOI	Full Year Impact	Real Estate Investments Annualized Adjusted NOI[1]
Leases									
Senior Housing - Need Driven									
Assisted Living	71	3,882	$ 15,505	$ 782	$ 14,723	$ 88	$ 14,811	$ 38,980	$ 53,791
Senior Living Campus	8	995	4,418	133	4,285	—	4,285	7,389	11,674
Total Senior Housing - Need	79	4,877	19,923	915	19,008	88	19,096	46,369	65,465
Senior Housing - Discretionary									
Independent Living	7	903	2,084	302	1,782	—	1,782	5,230	7,012
Entrance-Fee Communities	11	2,917	15,040	(80)	15,120	635	15,755	47,263	63,018
Total Senior Housing -	18	3,820	17,124	222	16,902	635	17,537	52,493	70,030
Total Senior Housing	97	8,697	37,047	1,137	35,910	723	36,633	98,862	135,495
Medical Facilities									
Skilled Nursing	65	8,614	20,536	(221)	20,757	—	20,757	61,786	82,543
Hospitals	1	64	1,022	124	898	—	898	2,696	3,594
Total Medical Facilities	66	8,678	21,558	(97)	21,655	—	21,655	64,482	86,137
Disposals and Held for Sale			743	—	743	—	743	(743)	—
Total Leases	163	17,375	$ 59,348	$ 1,040	$ 58,308	$ 723	$ 59,031	$ 162,601	$ 221,632
Mortgages and Other Notes									
Senior Housing - Need Driven	6	472	$ 1,729		$ 1,729	(65)	$ 1,664	$ 4,991	$ 6,655
Senior Housing - Discretionary	1	248	593		593	—	593	1,778	2,371
Skilled Nursing	7	731	869		869	(25)	844	2,530	3,374
Other Notes Receivable			2,145		2,145	1	2,146	6,444	8,590
Total Mortgage and Other Notes	14	1,451	$ 5,336		$ 5,336	$ (89)	$ 5,247	$ 15,743	$ 20,990
Total Real Estate Investments			$ 64,684	$ 1,040	$ 63,644	$ 634	$ 64,278	$ 178,344	$ 242,622

[1] *Annualized adjusted NOI excludes repayments of deferrals, asset dispositions, and assets held for sale.*

SENIOR HOUSING OPERATING PORTFOLIO (SHOP)

(DOLLARS IN THOUSANDS EXCEPT REVPOR)

Portfolio Overview	Q3 2023	Q2 2023	Q1 2023	Q4 2022 [1]	Q3 2022
Properties	15	15	15	15	15
Units	1,734	1,734	1,734	1,732	1,731
Occupancy	79.0%	75.5%	75.2%	75.8%	76.9%
REVPOR	$3,010	$3,004	$2,989	$2,994	$3,010
Resident fees	$12,367	$11,793	$11,700	$11,791	$12,013
Operating expenses	(9,428)	(9,094)	(9,215)	(9,253)	(8,639)
Management fees	(616)	(588)	(584)	(589)	(600)
NOI	$2,322	$2,111	$1,901	$1,949	$2,774
NOI Margin	18.8 %	17.9 %	16.2%	16.5%	23.1%
Recurring capex	$722	$277	$407	$130	$130

[1] NOI includes $0.3 million in transition costs.

INDUSTRY PARTNERS

		OWNERSHIP	MARKET FOCUS	% OF NOI[1]
SENIORLIVING COMMUNITIES	Senior Living Communities owns and operates luxury retirement communities located in Connecticut, South Carolina, North Carolina, Florida, Georgia and Indiana.	Private	EFC	21%
NHC National Healthcare Corporation	NHC affiliates operate for themselves and third parties 68 skilled nursing facilities with 8,732 beds. NHC affiliates also operate 23 assisted living communities with 1,181 units, five independent living communities with 475 units, three behavioral health hospitals, 34 homecare agencies, and 30 hospice agencies.	Public	SNF	15%
Bickford	Bickford Senior Living manages or operates over 60 independent living, assisted living, and memory care branches throughout the country. They are also an experienced developer, constructing over 150 communities.	Private	SH	14%
ENSIGN GROUP	The Ensign Group, Inc.'s independent operating subsidiaries provide a broad spectrum of skilled nursing and assisted living services, physical, occupational and speech therapies and other rehabilitative and healthcare services at multiple locations across 13 states.	Public	SNF	11%
LCS	Based in Des Moines, Iowa, and established in 1971, Life Care Services operates and develops continuing care retirement communities, stand-alone assisted living, memory care, and rental communities nationwide.	Private	EFC	4%
HSM	Health Services Management is a non-profit formed in 2000. The Company operates more than 20 skilled nursing and assisted living facilities located in Florida, Indiana, Tennessee, and Texas.	NFP	SNF	4%
DISCOVERY Senior Living	For more than 25 years, Discovery Senior Living has become a recognized industry leader in developing, building and operating luxury, resort-style communities across the United States. Discovery provides more than 8,500 homes for seniors which include: villas, senior apartments, independent living, supervised independent living, assisted living and memory care homes.	Private	SH	4%
ENCORE SENIOR LIVING	Encore Senior Living develops, renovates and manages senior living communities. The company's portfolio consists of 43 communities in five states providing the continuum of senior care including independent living, assisted living, and memory care.	Private	SH	3%
WATERMARK RETIREMENT COMMUNITIES	Headquartered in Tucson, Arizona, Watermark currently manages 72 communities in 22 states, including CCRCs, standalone independent living, assisted living, and memory care communities in addition to Medicare-certified rehabilitation and skilled nursing neighborhoods. Watermark has ownership interests in many of these assets, both on its own and through its development arm, The Freshwater Group.	Private	EFC	3%
Prestige Care, Inc. Prestige Senior Living, L.L.C.	Prestige Care operates a family of more than 80 senior communities throughout the western United States. Prestige Care provides a comprehensive senior service experience, offering assisted living, independent living, memory care, skilled nursing and rehabilitation. The company holds firm to a set of core values – respect, integrity, commitment and trust – that guide every aspect of its mission to personally touch lives every day.	Private	SH/SNF	3%

[1] Based on annualized Adjusted NOI of $251.9 million for contracts in place at September 30, 2023.

LEASE PORTFOLIO
EBITDARM COVERAGE & OCCUPANCY

NHI TOTAL PORTFOLIO[1]

PROPERTY TYPE	SHO	SNF	MEDICAL NON-SNF	TOTAL
Properties	89	68	1	158
2Q22 Coverage	1.18x	2.47x	2.60x	1.66x
2Q22 Occupancy	83.7%	76.5%	74.1%	80.0%
2Q23 Coverage	1.32x	2.62x	2.73x	1.84x
2Q23 Occupancy	84.6%	79.7%	76.5%	82.0%

PROPERTY CLASS	NEED DRIVEN	NEED DRIVEN EXCL. BICKFORD	DISCRETIONARY	DISCRETIONARY EXCL. SLC	MEDICAL	MEDICAL EXCL. NHC
Properties	75	37	14	5	69	34
2Q22 Coverage	1.01x	0.98x	1.38x	1.70x	2.47x	1.95x
2Q22 Occupancy	84.4%	84.9%	82.8%	84.9%	76.5%	68.8%
2Q23 Coverage	1.26x	1.09x	1.38x	1.50x	2.62x	2.12x
2Q23 Occupancy	85.2%	87.0%	83.6%	84.5%	79.7%	72.2%

CUSTOMERS	NHC[1]	SLC[2]	BICKFORD[2]
Properties	35	10	38
2Q22 Coverage	3.24x	1.25x	1.04x
2Q22 Occupancy	82.8%	81.3%	83.7%
2Q23 Coverage	3.29x	1.31x	1.45x
2Q23 Occupancy	86.0%	82.7%	82.9%

NHI DISPOSITIONS

PROPERTY TYPE	LEGACY SHO	SHO DISPOSITIONS	SHO	LEGACY TOTAL	TOTAL DISPOSITIONS	TOTAL
Properties	118	29	89	192	34	158
2Q22	1.09x	0.56x	1.18x	1.59x	1.13x	1.66x
2Q23	1.18x	0.51x	1.32x	1.74x	1.14x	1.84x

CUSTOMERS	LEGACY BICKFORD	BICKFORD DISPOSITIONS[3]	BICKFORD
Properties	49	11	38
2Q22	0.91x	0.50x	1.04x
2Q23	1.16x	0.44x	1.45x

SLC & BICKFORD VERSUS NICMAP VISION OCCUPANCY

PROPERTY TYPE	PROPERTIES	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023
SLC						
NICMAP Metro Markets		83.5%	84.8%	85.1%	85.3%	86.3%
Covered	6	83.6%	82.6%	82.1%	81.9%	81.9%
Non-Covered	4	82.5%	84.3%	83.9%	80.6%	79.2%
Total	10	83.2%	83.2%	82.7%	81.4%	81.0%
Bickford						
NICMAP Metro Markets		79.0%	79.8%	80.1%	81.1%	82.1%
Covered	27	83.9%	83.5%	81.3%	81.5%	83.9%
Non-Covered	12	87.2%	85.2%	82.6%	83.6%	84.9%
Total	39	84.6%	83.9%	81.6%	82.0%	84.2%

All tables based on trailing 12 months; excludes transitioned properties under cash-flow based leases, loans, mortgages; excludes development and lease up properties in operation less than 24 months; includes proforma cash rent for stabilized acquisitions in the portfolio less than 24 months;

[1] NHC Fixed Charge Coverage Ratio and displayed occupancies are on corporate-level. The occupancies are for the SNF portfolio only as can be seen in NHC's public filings.
[2] There are no longer any significant PPP funds included in any of the coverages above. SLC operates 9 discretionary CCRC properties and one need driven assisted living community.
[3] Includes a transitioned property to another operator in NHI portfolio.

PURCHASE OPTIONS & LEASE MATURITIES

TENANT PURCHASE OPTIONS (DOLLARS IN THOUSANDS)

ASSET TYPE	PROPERTIES	LEASE EXPIRATION	1ST OPTION OPEN YEAR	OPTION TYPE	CURRENT CASH RENT ($)	% OF TOTAL[1]
SH	2	May 2035	2027	A	6,092	2.5%
SNF	1	September 2028	2028	B	501	0.2%
						2.7%

Option Type:
A. Greater of fixed base price or fair market value
B. Fixed base price

[1] *Based on Real Estate Investments adjusted NOI of $242.6 million for contracts in place at September 30, 2023.*

LEASE MATURITIES (ANNUALIZED CASH RENT; DOLLARS IN THOUSANDS)

	Properties	SH($)	SNF ($)	Other ($)	Total ($)
2023	—	—	—	—	—
2024	—	—	—	—	—
2025	3	565	1,800	—	2,365
2026	35	1,503	36,434	—	37,937
2027	3	13,887	—	—	13,887
2028	13	11,394	501	—	11,895
2029	28	58,282	14,502	—	72,784
2030	4	1,800	—	—	1,800
2031	3	4,868	—	—	4,868
2032	3	2,885	2,556	—	5,441
Thereafter	71	40,309	26,750	3,594	70,653

WE INVEST IN RELATIONSHIPS, NOT JUST PROPERTIES

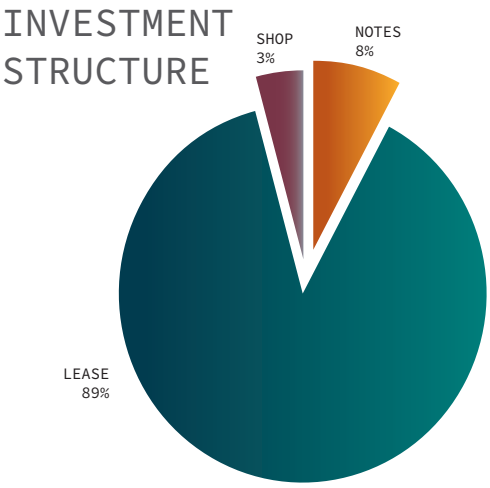
FOCUSED ON GROWING WITH OUR 29 OPERATING PARTNERS AND SELECT NEW CUSTOMERS

DIVERSIFIED INVESTMENT PLAN EMPHASIZING PRIVATE PAY SENIOR HOUSING PROPERTIES AND BEST-IN-CLASS SNF OPERATORS

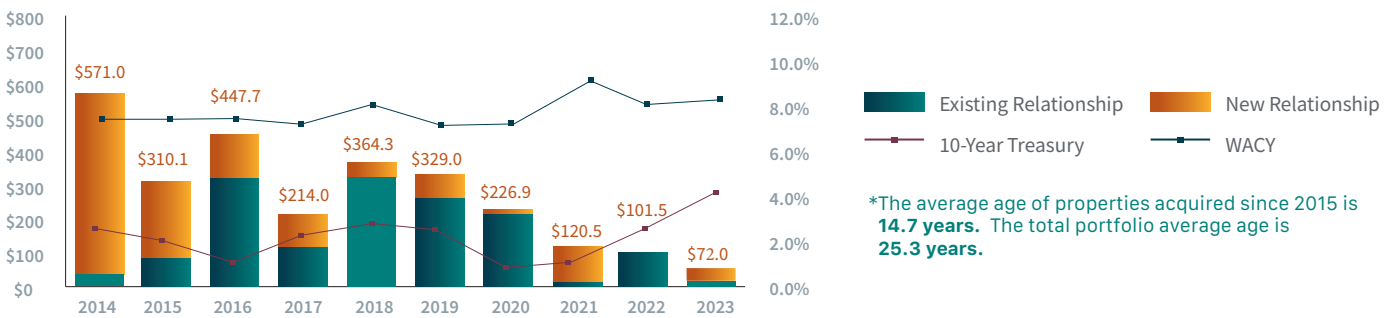
EXPERIENCED OPERATORS WITH PROVEN RECORD OF QUALITY CARE AND VALUE CREATION

LOW LEVERAGE BALANCE SHEET AND STAGGERED LONG-TERM DEBT MATURITIES

TARGET 60/40 EQUITY/DEBT FUNDING MIX



INVESTMENT HISTORY* (DOLLARS IN MILLIONS)



*The average age of properties acquired since 2015 is **14.7 years.** The total portfolio average age is **25.3 years.**

RECENT INVESTMENTS

RECENT LEASE ACTIVITIES (DOLLARS IN THOUSANDS)

	Asset Class	Investment Type	Units/ Buildings[1]	Location	Yield	Total	
Q1 2023							
Silverado Senior Living	SH	Lease	120/2	NV,MD	7.50%	$ 37,500	
Bickford Senior Living	SH	Lease	64/1	VA	8.00%	17,300	[2]
						$ 54,800	
Q4 2022							
Bickford Senior Living	SH	Lease	60/1	VA	8.00%	$ 17,200	[3]
Q2 2022							
Encore Senior Living	SH	Lease	53/1	WI	7.25 %	13,300	[4]
						$ 30,500	
Q2 2021							
Vizion Health*	HOSP	Lease	64/1	OK	8.50 %	40,250	
Navion Senior Solutions	SH	Lease	48/1	TN	7.50 %	6,600	
						$ 46,850	

RECENT LOAN ORIGINATION AND OTHER DEVELOPMENT (DOLLARS IN THOUSANDS)

	Asset Class	Investment Type	Units/ Buildings[1]	Location	Yield	Total	Funded	Remaining
Q3 2023								
Capital Funding Group	N/A	Mezzanine Loan	N/A	N/A	10.00%	$17,239	$(17,239)	—
Q4 2022								
Capital Funding Group	SNF	Corporate	N/A	N/A	7.25%	$42,500	$(42,500)	—
Q1 2022								
Encore Senior Living	SH	Construction Loan	108/1	WI	8.50%[5]	28,500	(26,141)	2,359
						$ 71,000	$(68,641)	$2,359
Q2 2021								
Montecito Medical*	MOB	Mezzanine Loan	N/A	N/A	9.50%[5]	$50,000	$(20,255)	$29,745
Vizion-Health Brookhaven*	HOSP	Corporate	N/A	N/A	8.50%	20,000	(20,000)	—
Navion Senior Solutions	SH	Corporate	N/A	N/A	8.00%	3,600	(3,600)	—
						$ 73,600	$(43,855)	$29,745
Other Loan and Development Commitments								
Encore Senior Living	SH	Construction Loan	110 /1	WI	8.50%	$22,200	$(22,200)	—
Watermark Retirement	EFC	Working Capital Note	493/2	CT	7.50%	5,000	(2,476)	2,524
Timber Ridge OpCo	EFC	Working Capital Note	N/A	N/A	6.00%	5,000	—	5,000
Bickford Senior Living	SH	Construction Loan	64/1	MI	9.00%	14,700	(14,700)	—
Senior Living Communities	SH	Revolving Credit	N/A	N/A	8.00%	20,000	(16,250)	3,750
Watermark Retirement	EFC	Renovation	493/2	CT	7.50%	6,500	(6,500)	—
Navion Senior Solutions	SH	Renovation	48/1	NC	8.00%	3,500	(1,655)	1,845
Kind Care Senior Living	SH	Mezzanine Loan	N/A	N/A	6.00%	893	(893)	—
Others	N/A	Various	N/A	N/A	Various	11,655	(9,042)	2,623

**Indicates new relationship*
[1]Building count excludes renovations.
[2]Acquisition was partially funded with the cancellation of a $14.2 million construction loan and a reduction of $2.5 million in rent deferrals due from Bickford.
[3]Acquisition was partially funded with the cancellation of a $14.0 million construction loan and a reduction of $3.0 million in rent deferrals due from Bickford.
[4]Acquisition was partially funded with the cancellation of a $9.1 million second mortgage due from Encore Senior Living.
[5]NHI can earn an additional 2.5% in interest based upon certain future capital events including asset sales and recapitalizations.

CAPITALIZATION OVERVIEW

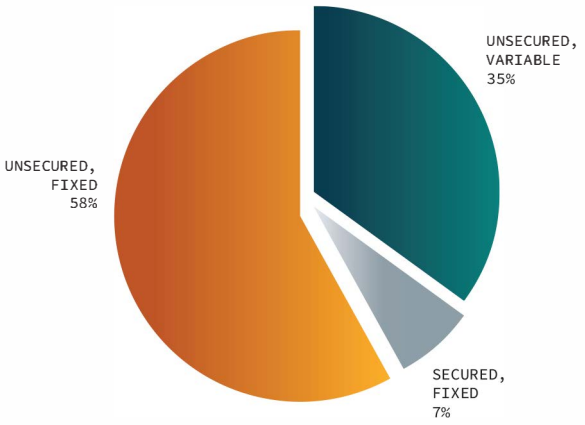
(DOLLAR AND SHARE AMOUNTS IN THOUSANDS)

	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Balance Sheet Data					
Gross cost of real estate assets	$ 2,776,591	$ 2,773,797	$ 2,790,615	$ 2,729,898	$ 2,740,276
Total assets	2,499,090	2,498,495	2,533,230	2,507,424	2,508,785
Total liabilities	1,218,265	1,208,120	1,244,634	1,217,518	1,182,140
Total noncontrolling interests	20,714	21,407	21,107	19,681	20,275
Total stockholder's equity attributable to NHI	1,260,111	1,268,968	1,267,489	1,270,225	1,306,370
Operating Data					
Total revenue	$ 80,106	$ 77,876	$ 82,388	$ 70,669	$ 76,298
Rental revenue - GAAP	62,255	60,952	65,299	53,764	59,394
Straight-line rents	1,040	2,875	2,097	(5,322)	2,476
Amortization of lease incentives	723	766	299	78	58
Rental revenue - Cash	59,030	54,865	58,083	53,901	54,560
Net Operating Income	67,153	64,982	69,970	58,591	64,701
Adjusted EBITDA[1]	63,441	61,208	62,190	59,283	61,583
Funds Available for Distribution	48,170	44,586	47,739	44,712	47,378
Interest expense	15,086	14,194	14,027	12,445	11,412
General & administrative expense	4,430	4,306	5,653	4,875	4,744
Diluted common shares outstanding	43,389	43,389	43,391	43,393	44,403
NAREIT FFO per diluted common share	1.08	1.05	1.16	0.74	1.04
Normalized FFO per diluted common share	1.08	1.06	1.11	0.85	1.06
Capitalization					
Common shares outstanding at end of each period	43,410	43,410	43,389	43,389	43,389
Market value of equity at end of each period	$ 2,229,538	$ 2,275,552	$ 2,238,005	$ 2,265,774	$ 2,452,780
Total debt	1,144,438	1,134,815	1,176,014	1,147,511	1,114,999
Secured debt	76,345	76,446	76,546	76,649	76,748
Net debt	1,127,859	1,117,404	1,162,139	1,128,220	1,086,188
Total enterprise value	3,357,397	3,392,956	3,400,144	3,393,994	3,538,968
Ratios					
Interest coverage ratio	4.2x	4.3x	4.4x	4.8x	5.4x
Fixed charge coverage ratio	4.4x	4.5x	4.6x	4.8x	5.5x
Net debt to adjusted EBITDA (annualized)	4.4x	4.6x	4.6x	4.7x	4.5x
Net debt as a percentage of market capitalization	33.6%	32.9%	34.2%	33.2%	30.7%
Total Debt / Gross Assets	36.3%	36.2%	37.2%	36.8%	35.9%
Secured Debt / Gross Assets	2.4%	2.4%	2.4%	2.5%	2.5%
Dividend Information					
Regular dividends declared per common share	$ 0.90	$ 0.90	$ 0.90	$ 0.90	$ 0.90
Normalized FFO payout ratio per common share	83.3%	84.9%	81.1%	105.9%	84.9%
Dividends declared	$ 39,069	$ 39,069	$ 39,050	$ 39,050	$ 39,050
Normalized FFO payout ratio	83.6%	85.3%	81.3%	105.5 %	82.7%
Normalized FAD payout ratio	81.1%	87.6%	81.8%	87.3 %	82.4%
Shares repurchased	—	—	—	—	1,272
Gross repurchase amount	—	—	—	—	82,000
Portfolio Statistics					
Number of Properties	192	192	193	192	190

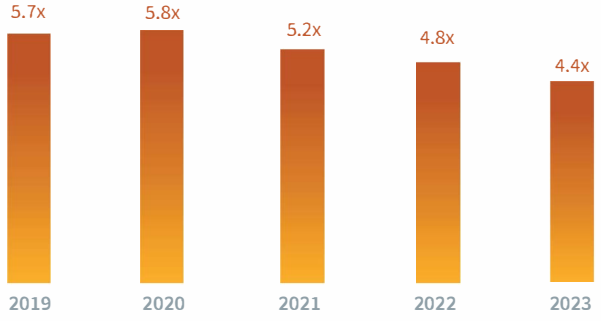
[1] *For all periods presented the calculation of EBITDA includes GAAP interest expense, which excludes amounts capitalized during the period.*

CAPITAL STRUCTURE

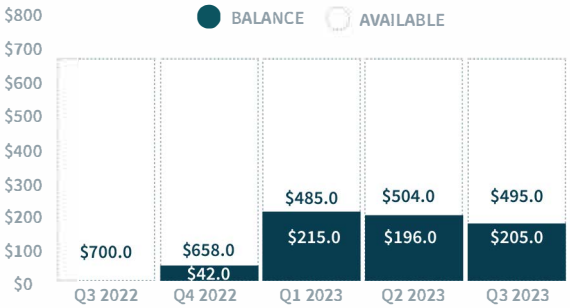
DEBT[1]



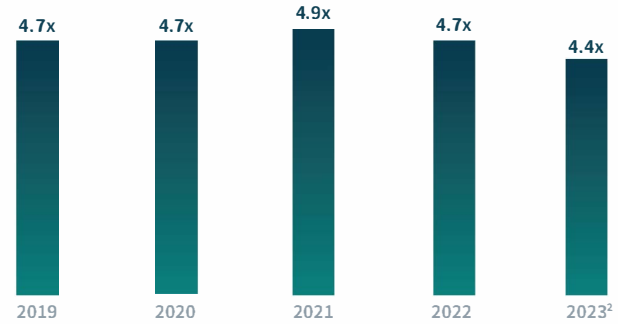
FIXED CHARGE COVERAGE



REVOLVER LIQUIDITY (DOLLARS IN MILLIONS)



NET DEBT TO ADJUSTED EBITDA



September 30, 2023 (dollars in thousands)		Amount	Rate[1]	% of Total	Maturity[3]
Secured Debt					
Fixed Rate					
Fannie Mae Mortgage Loans	$	76,345	3.96%	6.6%	2 years
Total Secured Debt	$	76,345			
Unsecured Debt					
Fixed Rate					
Private Placement		275,000	4.22%	23.8%	2 years
Public Bonds		400,000	3.00%	34.6%	7 years
Variable Rate					
Revolving Credit Facility		205,000	6.47%	17.7%	2.5 years
Term Loan		200,000	6.67%	17.3%	2 years
Total Unsecured Debt	$	1,080,000			
Subtotal		1,156,345	4.60%	100.0%	4 years
Note Discounts		(2,358)			
Unamortized Loan Costs		(9,549)			
Total Debt	$	1,144,438			

[1] Excludes impact of unamortized discounts and loan costs
[2] Annualized, see page 20 for reconciliation
[3] Weighted average

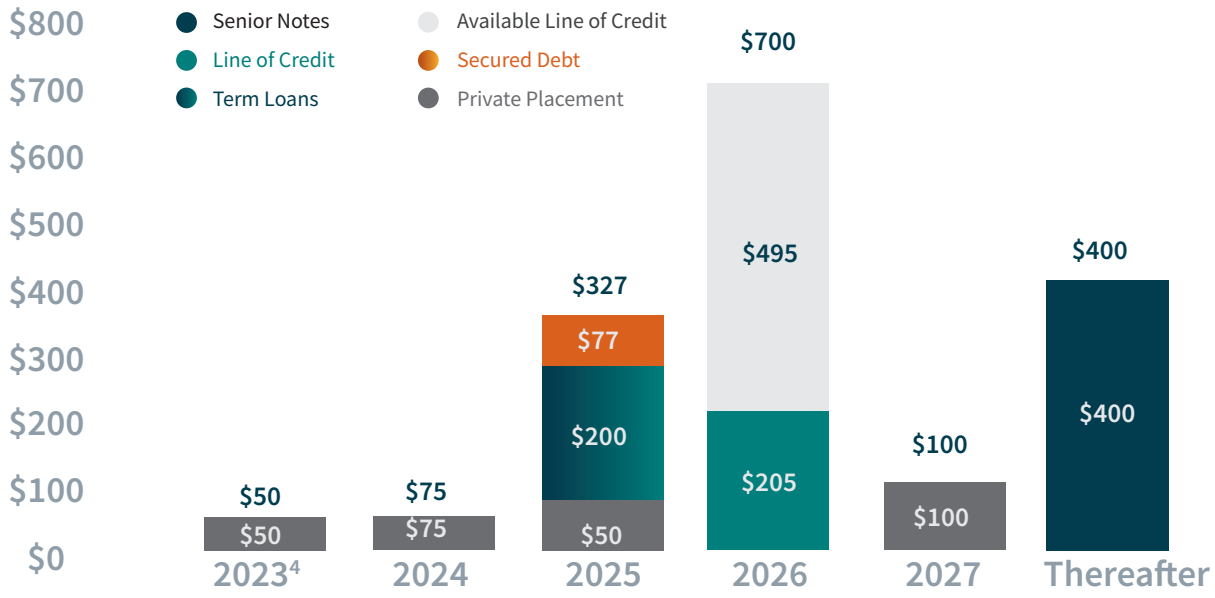
DEBT MATURITIES

DEBT SCHEDULE (DOLLARS IN THOUSANDS)

Financial Instrument	Amount Outstanding [1]	Interest Rate[2]	Fixed/ Variable	Maturity[3]	Years to Maturity	Secured
Credit Facility						
$700MM Revolver (S + 105)	$205,000	6.47%	Variable	Mar-26	2.5	No
Bank Term Loan (S + 125)	200,000	6.67%	Variable	Jun-25	1.7	No
$50MM Private Placement Term Loan[4]	50,000	3.99%	Fixed	Nov-23	0.1	No
$75MM Private Placement Term Loan	75,000	3.93%	Fixed	Sep-24	1.0	No
$50MM Private Placement Term Loan	50,000	4.33%	Fixed	Nov-25	2.1	No
$100MM Private Placement Term Loan	100,000	4.51%	Fixed	Jan-27	3.3	No
$400MM Senior Unsecured Notes	400,000	3.00%	Fixed	Feb-31	7.3	No
Fannie Mae Term Loans	60,139	3.79%	Fixed	Apr-25	1.5	Yes
Fannie Mae Term Loan	16,206	4.60%	Fixed	Jul-25	1.8	Yes
Total Debt	$1,156,345					
Weighted Average Interest Rate		4.60%			3.8	

[1] *As of September 30, 2023.*
[2] *Variable rates based on 1-month term SOFR plus a 10 basis points spread adjustment as of September 29, 2023.*
[3] *Excludes optional extensions for the revolver and bank term loans.*
[4] *Term loan paid off at maturity on November 3, 2023.*

DEBT MATURITY SCHEDULE[1] (DOLLARS IN MILLIONS)



SELECT DEBT COVENANTS[1]

Credit Facility	Requirement	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Leverage ratio	<= 60%	38%	38%	39%	38%	37%	36%
Unencumbered leverage ratio	<= 60%	41%	41%	43%	42%	41%	39%
Secured leverage ratio	<= 30%	2%	2%	2%	2%	2%	2%
Fixed charge coverage ratio	>= 1.75	4.58	4.76	5.21	5.54	6.08	5.39
Tangible net worth	$1.57bn	Pass	Pass	Pass	Pass	Pass	Pass

Private Placement	Requirement	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Leverage ratio	<= 60%	39%	41%	41%	41%	42%	42%
Unencumbered leverage ratio	<= 60%	43%	45%	45%	45%	46%	46%
Secured leverage ratio	<= 30%	2%	3%	3%	3%	3%	2%
Fixed charge coverage ratio	>= 2.00	4.09	4.29	4.69	5.59	4.92	5.35
Tangible net worth	$1.57bn	Pass	Pass	Pass	Pass	Pass	Pass

Public Bonds	Requirement	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Leverage ratio	<= 60%	37%	37%	39%	37%	36%	40%
Secured leverage ratio	<= 40%	2%	3%	3%	3%	3%	2%
Debt service ratio	>= 1.50	4.39	4.39	4.66	5.72	5.64	6.93
Unencumbered asset ratio	>= 150%	274%	274%	265%	275%	283%	258%

Credit Ratings	Moody's	S&P Global	Fitch Ratings
Senior Unsecured Debt	Baa3	BBB-	BBB-
Issuer	Baa3	BBB-	BBB-
Outlook	Stable	Stable	Stable

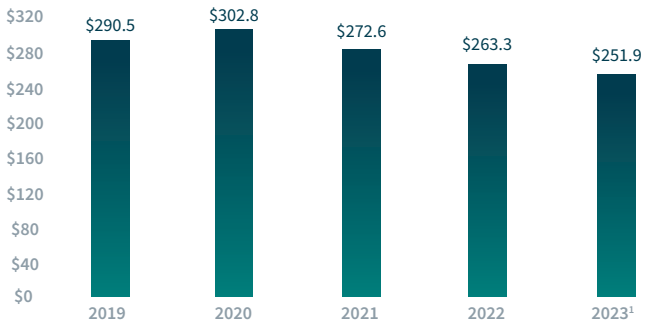
[1] *These calculations are made in accordance with the respective debt agreements and may be different than other metrics presented.*

A DISCIPLINED APPROACH TO VALUE CREATION

- REVENUE AND CASH FLOW STABILIZING
- STRONG RELATIVE LONG-TERM PERFORMANCE
- HEALTHY DIVIDEND PAYOUT RATIO

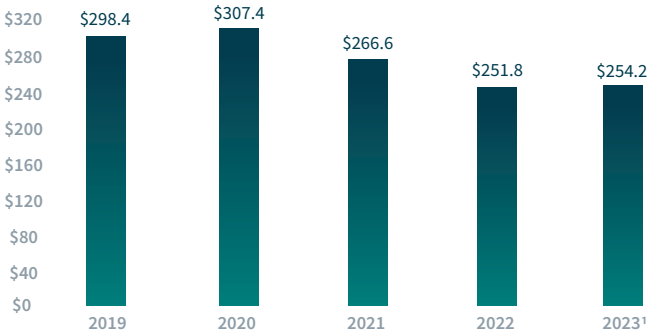
ADJUSTED NOI: (3.5)% CAGR

(DOLLARS IN MILLIONS)



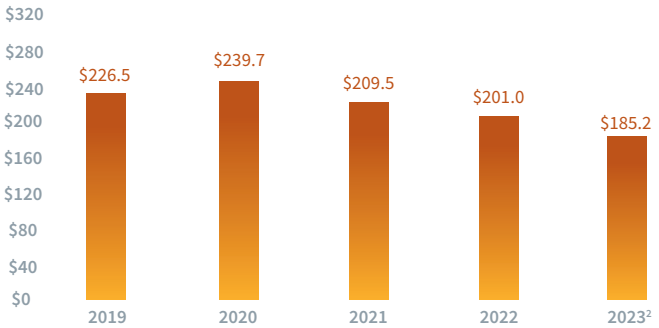
ADJUSTED EBITDA: (3.9)% CAGR

(DOLLARS IN MILLIONS)

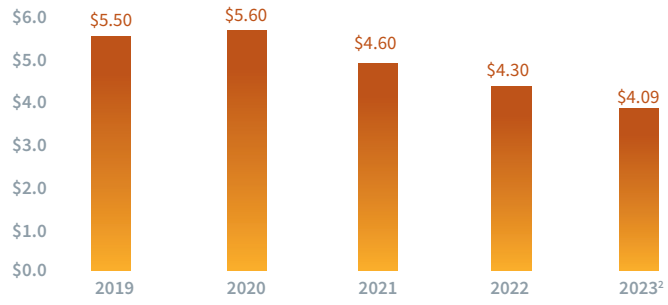


NORMALIZED FAD: (4.9)% CAGR

(DOLLARS IN MILLIONS)



NFFO PER SHARE: (7.1)% CAGR



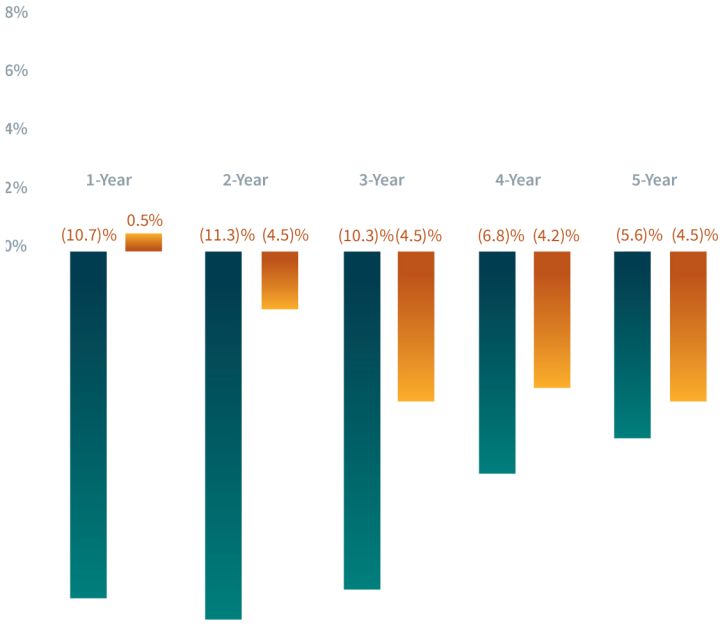
¹Based on annualized quarterly results.

²Based on trailing twelve month results through Q3 2023.

PERFORMANCE

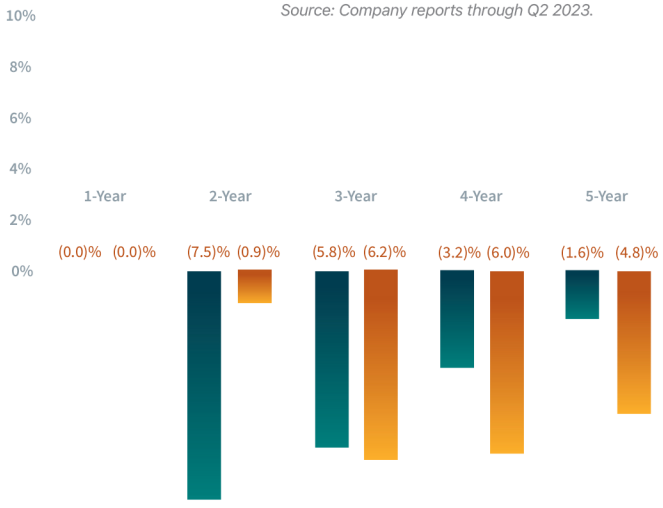
NORMALIZED FFO / SHARE (CAGR) NHI vs Peer Avg

Source: Company reports through Q2 2023.

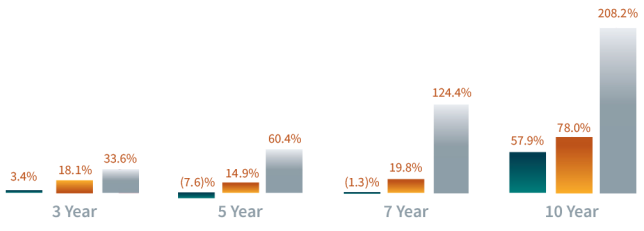


DIVIDENDS / SHARE (CAGR) NHI vs Peer Avg

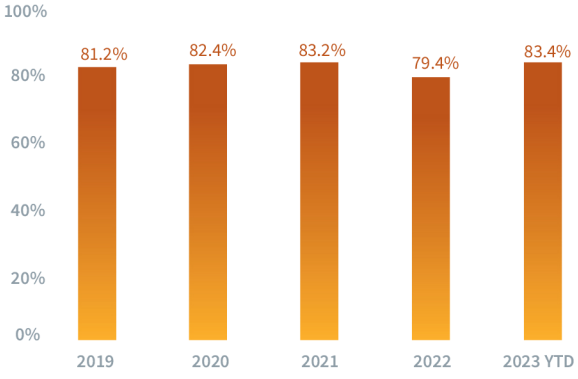
Source: Company reports through Q2 2023.



TOTAL RETURN NHI MSCI US REIT Index S&P 500 TR

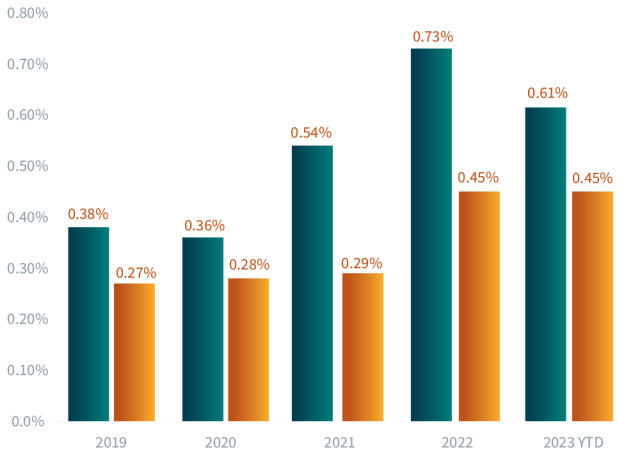


FAD PAYOUT RATIO

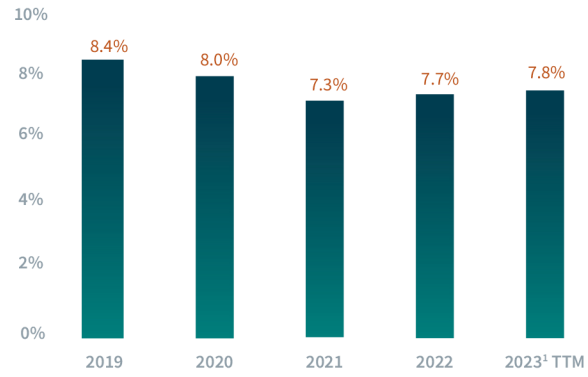


GENERAL & ADMINISTRATIVE AS % OF GROSS ASSETS

G&A EXPENSE G&A EXPENSE EXCL.STOCK COMPENSATION



RETURN ON INVESTED CAPITAL



[1]*Based on trailing twelve month results through 3Q 2023.*

BALANCE SHEETS

(DOLLARS IN THOUSANDS)

	Q3 2023	Q4 2022
Assets		
Real estate properties		
Land	$ 180,749	$ 177,527
Buildings and improvements	2,588,823	2,549,019
Construction in progress	7,019	3,352
	2,776,591	2,729,898
Less accumulated depreciation	(656,155)	(611,688)
Real estate properties, net	2,120,436	2,118,210
Mortgage and other notes receivable, net	242,960	233,141
Cash and cash equivalents	16,579	19,291
Straight-line rent receivable	83,549	76,895
Assets held for sale, net	10,875	43,302
Other assets	24,691	16,585
Total Assets	$ 2,499,090	$ 2,507,424
Liabilities and Stockholders' Equity		
Debt	$ 1,144,438	$ 1,147,511
Accounts payable and accrued expenses	29,326	25,905
Dividends payable	39,069	39,050
Deferred income	5,432	5,052
Total Liabilities	1,218,265	1,217,518
Commitments and Contingencies	—	—
Redeemable noncontrolling interest	9,922	9,825
National Health Investors Stockholders' Equity:		
Common stock, $0.01 par value; 100,000,000 shares authorized;		
43,409,841 shares issued and outstanding	434	434
Capital in excess of par value	1,602,892	1,599,427
Retained earnings	2,434,799	2,331,190
Cumulative dividends	(2,778,014)	(2,660,826)
Total National Health Investors Stockholders' Equity	1,260,111	1,270,225
Noncontrolling interests	10,792	9,856
Total Equity	1,270,903	1,280,081
Total Liabilities and Stockholders' Equity	$ 2,499,090	$ 2,507,424

STATEMENTS OF INCOME

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	Q3 2023	Q3 2022
Revenues	(unaudited)	(unaudited)
Rental income	$ 62,255	$ 59,394
Resident fees and revenues	12,367	12,013
Interest income and other	5,484	4,891
	$ 80,106	$ 76,298
Expenses		
Depreciation	17,515	17,533
Interest	15,086	11,412
Senior Housing operating expenses	10,045	9,239
Legal	67	88
Franchise, excise and other taxes	2	225
General and administrative	4,430	4,744
Taxes and insurance on leased properties	2,908	2,358
Loan and realty losses (gains)	1,959	11,329
	52,012	56,928
Gains on sale of real estate, net	737	14,840
Gain on operations transfer	—	19
Loss on early retirement of debt	202	—
Income before income taxes	29,033	34,229
Income tax expense	—	—
Net Income	29,033	34,229
Add: net (income) loss attributable to noncontrolling interests	313	239
Net income attributable to stockholders	29,346	34,468
Less: net (income) loss attributable to unvested restricted stock awards	(19)	—
Net income attributable to common stockholders	$ 29,327	$ 34,468
Weighted average common shares outstanding:		
Basic	43,388,841	44,339,975
Diluted	43,388,841	44,402,582
Earnings per common share:		
Net income attributable to common stockholders - basic	$ 0.68	$ 0.78
Net income attributable to common stockholders - diluted	$ 0.68	$ 0.78

FFO & FAD RECONCILIATION

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	Q3 2023	Q3 2022
Net income attributable to common stockholders	$ 29,327	$ 34,468
Elimination of certain non-cash items in net income:		
Real estate depreciation	17,380	17,467
Real estate depreciation related to noncontrolling interests	(396)	(394)
Gains on sales of real estate, net	(737)	(14,840)
Impairments of real estate	1,173	9,526
NAREIT FFO attributable to common stockholders	46,747	46,227
(Gain) Loss on operations transfer, net	—	(19)
Non-cash write-offs of straight-line receivable and lease incentives	—	1,001
Normalized FFO attributable to common stockholders	46,747	47,209
Non-cash lease revenue adjustments, net	(433)	(3,384)
Non-real estate depreciation, net	122	62
Amortization of debt issuance costs and discounts, net	720	609
Adjustments related to equity method investments, net	(429)	(169)
Recurring capital expenditures, net	(644)	(235)
Equity method investment non-refundable entrance fees	435	418
Note receivable credit loss expense (benefit)	786	1,803
Non-cash share-based compensation	866	1,065
Normalized FAD attributable to common stockholders	$ 48,170	$ 47,378
BASIC		
Weighted average common shares outstanding	43,388,841	44,339,975
NAREIT FFO attributable to common stockholders per share	$ 1.08	$ 1.04
Normalized FFO attributable to common stockholders per share	$ 1.08	$ 1.06
DILUTED		
Weighted average common shares outstanding	43,388,841	44,402,582
NAREIT FFO attributable to common stockholders per share	$ 1.08	$ 1.04
Normalized FFO attributable to common stockholders per share	$ 1.08	$ 1.06
PAYOUT RATIOS		
Regular dividends per common share	$ 0.90	$ 0.90
Normalized FFO payout ratio per diluted common share	83.3%	84.9%
Dividends declared	$ 39,069	$ 39,050
Normalized FFO payout ratio	83.6%	82.7%
Normalized FAD payout ratio	81.1%	82.4%

ADJUSTED EBITDA RECONCILIATION

(DOLLARS IN THOUSANDS)

		Q3 2023		Q3 2022
ADJUSTED EBITDA RECONCILIATION				
Net income	$	29,033	$	34,229
Interest expense		15,086		11,412
Franchise, excise, and other taxes		2		225
Depreciation		17,515		17,533
NHI's share of EBITDA adjustments for unconsolidated entities		583		713
Gains on sales of real estate, net		(737)		(14,840)
Impairment of real estate		1,173		9,526
(Gain) loss on operations transfer, net		—		(19)
Non-cash write-off of straight-line rent receivable		—		1,001
Note receivable credit loss		786		1,803
Adjusted EBITDA	$	63,441	$	61,583
Interest expense at contractual rates		14,387	$	10,821
Principal payments		101		290
Fixed Charges	$	14,488	$	11,111
Fixed Charge Coverage		4.4x		5.5x

NET DEBT TO ADJUSTED EBITDA		
Consolidated Total Debt	$	1,144,438
Less cash and cash equivalents		(16,579)
Consolidated Net Debt	$	1,127,859
Adjusted EBITDA	$	63,441
Annualizing Adjustment		190,323
Annualized impact of recent investments, disposals and payoffs		473
Annualized Adjusted EBITDA	$	254,237
Consolidated Net Debt to Adjusted EBITDA		4.4x

NOI RECONCILIATIONS

(DOLLARS IN THOUSANDS)

	Q3 2023	Q3 2022
NOI SEGMENT RECONCILIATION		
Triple-net leased rental income		
Senior Housing	$ 37,047	$ 34,247
Skilled Nursing	20,536	20,014
Hospital	1,022	1,022
Held for Sale and Disposal Revenue	743	1,753
Triple -net leased NOI	$ 59,348	$ 57,036
SHOP Resident Fees	12,367	12,013
SHOP operating expenses	(10,045)	(9,239)
SHOP NOI	2,322	2,774
Interest income and other	5,483	4,891
NOI	$ 67,153	$ 64,701
NOI TO ADJUSTED NOI RECONCILIATION		
Straight-line revenue	(1,040)	(3,477)
Non-cash write-off of stright-line rent receivable	—	1,001
Non-Segment/Corporate	(147)	(71)
Amortization of lease incentives	723	58
Amortization of commitment fees and discounts	(89)	(73)
Adjusted NOI	$ 66,600	$ 62,139

NOI RECONCILIATIONS

(DOLLARS IN THOUSANDS)

		Q3 2023		Q3 2022
ADJUSTED NOI RECONCILIATION				
Net Income	$	29,033	$	34,229
Interest		15,086		11,412
Gains on sales of real estate		(737)		(14,840)
Gain on operations transfer		—		(19)
Franchise, excise and other taxes		2		225
Legal		67		88
Loan and realty losses		1,959		11,329
General and administrative		4,430		4,744
Depreciation		17,515		17,533
Other non-operating income		(202)		—
Consolidated NOI	$	67,153	$	64,701
Non-cash write-off of straight-line rent receivable		—		1,001
Straight-line revenue		(1,040)		(3,477)
Amortization of lease incentives		723		58
Amortization of commitment fees and discounts		(89)		(73)
Non-segment/Corporate		(147)		(71)
Adjusted NOI	$	66,600	$	62,139

DISPOSITIONS

	Operator	Units	Properties	Net Proceeds	Annualized Cash Rent	Property Cash NOI	Implied Cash Rent Yield[1]	Property Cash NOI Yield[1]	EBITDARM Coverage
SENIOR HOUSING COMPLETED DISPOSITIONS									
Q2 2021	Bickford Senior Living[2]	247	6	$39,924					
Q3 2021	Holiday Retirement	1,030	9	119,799					
Q3 2021	Senior Living Management	131	1	12,847					
Q4 2021	Brookdale Senior Living	76	1	11,880					
Q4 2021	Senior Living Management	98	1	7,275					
Q4 2021	Genesis Healthcare	180	1	3,723					
Q1 2022	Vitality Senior Living	135	1	8,302					
Q2 2022	Holiday Retirement	83	1	2,990					
Q2 2022	Chancellor Health Care	74	2	7,305					
Q2 2022	Bickford Senior Living	67	1	3,857					
Q2 2022	Comfort Care Senior Living	237	4	40,000					
Q2 2022	Bickford Senior Living	171	2	22,102					
Q3 2022	Discovery Senior Living	90	1	8,235					
Q3 2022	Discovery Senior Living	148	1	8,144					
Q1 2023	BAKA Enterprises	120	1	7,478					
Q1 2023	Bickford Senior Living	45	1	2,553					
Q2 2023	Milestone Retirement	76	2	3,803					
Q2 2023	Chancellor Health Care	25	1	2,355					
Q2 2023	Chancellor Health Care	64	1	7,633					
Q2 2023	Milestone Retirement	25	1	1,602					
Q2 2023	Chancellor Health Care	227	1	23,724					
Q2 2023	Chancellor Health Care	25	1	2,363					
Q3 2023	Chancellor Health Care	29	1	2,923					
Q4 2023	Senior Living Management	90	3	5,382					
	Total Senior Housing	3,468	44	$353,835	$39,382	$11,182	11.1%	3.2%	0.57x
HOSPITAL & MOB COMPLETED DISPOSITIONS									
Q2 2021	North Okaloosa	110	1	3,887					
Q3 2021	Trustpoint Hospital	217	1	31,215					
Q3 2021	Kentucky River	55	1	8,314					
Q1 2021	HCA	24	1	4,868					
Q2 2022	Helix Healthcare	24	1	19,500					
Q3 2022	National Healthcare Corporation	780	7	43,686					
	Total Hospital & MOB	1,210	12	$ 111,470	$12,749	NA	11.4%	NA	2.90x
	Total Completed Dispositions	4,678	56	$465,305	$52,131	NA	11.2%	NA	1.04x

[1] Based on annualized three month results through the most recent quarter in which the property was sold.
[2] Excludes $13.0 million second mortgage provided by NHI.

DEFERRALS & ABATEMENTS[1,2]

DEFERRALS	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022[3]	2022	Q1 2023[4]	Q2 2023	Q3 2023[5]	CUMULATIVE
Bickford	$ 18,250	$ 4,000	$ —	$ —	$ (3,000)	$ 1,000	$ (2,500)	$ —	—	$ 20,500
All Others	6,087	3,470	3,894	1,354	(707)	7,944	500	1,601	(500)	17,717
Total	$ 24,337	$ 7,470	$ 3,894	$ 1,354	$ (3,707)	$ 8,944	$ (2,000)	$ 1,601	(500)	$ 38,217

REPAYMENTS[6]	2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022[3]	2022	Q1 2023[4]	Q2 2023	Q3 2023[5]	CUMULATIVE
Bickford	$ —	$ —	$ —	$ —	$ 183	$ 183	$ 200	$ 354	765	$ 1,502
All Others	87	89	113	86	258	546	303	358	1,501	2,796
Total	$ 87	$ 89	$ 113	$ 86	$ 422	$ 729	$ 503	$ 712	$2,266	$ 4,297

[1] Includes all rent concessions accounted for as variable lease payments and as lease modifications.
[2] Prior periods adjusted to reflect the satisfaction of deferral balances upon disposition of properties.
[3] Q4 2022 includes a $3.0 million credit to the Bickford deferral balance as well as a $1.5 million forgiveness related to another operator.
[4] Q1 2023 includes a $2.5 million credit to the Bickford deferral balance.
[5] Q3 2023 includes a $1.0 million credit to a senior housing operator deferral balance.
[6] Includes principal and interest repayments.

GLOSSARY

Adjusted EBITDA & EBITDARM

We consider Adjusted EBITDA to be an important supplemental measure because it provides information which we use to evaluate our performance and serves as an indication of our ability to service debt. We define Adjusted EBITDA as consolidated earnings before interest, taxes, depreciation and amortization, including amounts in discontinued operations, excluding real estate asset impairments and gains on dispositions and certain items which, due to their infrequent or unpredictable nature, may create some difficulty in comparing Adjusted EBITDA for the current period to similar prior periods, and may include, but are not limited to, impairment of non-real estate assets, gains and losses attributable to the acquisition and disposition of assets and liabilities, and recoveries of previous write-downs. Adjusted EBITDA also includes our proportionate share of unconsolidated equity method investments presented on a similar basis. Since others may not use our definition of Adjusted EBITDA, caution should be exercised when comparing our Adjusted EBITDA to that of other companies.

EBITDARM is earnings before interest, taxes, depreciation, amortization, rent and management fees.

ADJUSTED NET OPERATING INCOME

We define Adjusted NOI as total revenues, less straight-line revenue, less corporate interest income, less tenant reimbursements and property operating expenses, and adjusted for non-cash revenue items including, but not limited to, amortization of commitment fees, deferred financing costs and original issue discounts and lease incentive amortization.

CAGR

The acronym CAGR refers to the Compound Annual Growth Rate. The compound annual growth rate represents the year-over-year growth rate over a specified time period.

FFO, NORMALIZED FFO & FAD

These operating performance measures may not be comparable to similarly titled measures used by other REITs. Consequently, our FFO, normalized FFO, & normalized FAD may not provide a meaningful measure of our performance as compared to that of other REITs. Since other REITs may not use our definition of these operating performance measures, caution should be exercised when comparing our Company's FFO, normalized FFO, & normalized FAD to that of other REITs. These financial performance measures do not represent cash generated from operating activities in accordance with generally accepted accounting principles ("GAAP") (these measures do not include changes in operating assets and liabilities) and therefore should not be considered an alternative to net earnings as an indication of operating performance, or to net cash flow from operating activities as determined by GAAP as a measure of liquidity, and are not necessarily indicative of cash available to fund cash needs.

FFO, as defined by the National Association of Real Estate Investment Trusts ("NAREIT") and applied by us, is net income (computed in accordance with GAAP), excluding gains (or losses) from sales of real estate property, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures, if any. The Company's computation of FFO may not be comparable to FFO reported by other REITs that do not define the term in accordance with the current NAREIT definition or have a different interpretation of the current NAREIT definition from that of the Company; therefore, caution should be exercised when comparing our Company's FFO to that of other REITs.

Diluted FFO assumes the exercise of stock options and other potentially dilutive securities. Normalized FFO excludes from FFO certain items which, due to their infrequent or unpredictable nature, may create some difficulty in comparing FFO for the current period to similar prior periods, and may include, but are not limited to, impairment of non-real estate assets, gains and losses attributable to the acquisition and disposition of assets and liabilities, and recoveries of previous write-downs.

We believe that FFO and normalized FFO are important supplemental measures of operating performance for a REIT. Because the historical cost accounting convention used for real estate assets requires depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen and fallen with market conditions, presentations of operating results for a REIT that uses historical cost accounting for depreciation could be less informative, and should be supplemented with a measure such as FFO. The term FFO was designed by the REIT industry to address this issue.

In addition to the adjustments included in the calculation of Normalized FFO, Normalized FAD excludes the impact of any straight-line rent revenue, amortization of the original issue discount on our senior unsecured notes, amortization of debt issuance costs, non-cash stock based compensation, as well as certain non-cash items related to our equity method investment.

Normalized FAD is an important supplemental performance measure for a REIT. GAAP requires a lessor to recognize contractual lease payments into income on a straight-line basis over the expected term of the lease. This straight-line adjustment has the effect of reporting lease income that is significantly more or less than the contractual cash flows received pursuant to the terms of the lease agreement. GAAP also requires the original issue discount of our senior unsecured notes and debt issuance costs to be amortized as non-cash adjustments to earnings. We also adjust Normalized FAD for the net change in our allowance for expected credit losses, non-cash stock based compensation as well as certain non-cash items related to our equity method investments such as straight-line lease expense and amortization of purchase accounting adjustments. Normalized FAD is an important supplemental measure of liquidity for a REIT as a useful indicator of the ability to distribute dividends to stockholders.

GLOSSARY

Facility Types

SH - Senior housing
EFC - Entrance Fee Community
SNF - Skilled nursing facility
HOSP - Hospital
MOB - Medical office building

Fixed Charges

The term Fixed Charges refers to interest expense and debt principal.

NET OPERATING INCOME

Net operating income ("NOI") is a U.S. non-GAAP supplemental financial measure used to evaluate the operating performance of real estate. We define NOI as total revenues, less tenant reimbursements and property operating expenses. We believe NOI provides investors relevant and useful information as it measures the operating performance of our properties at the property level on an unleveraged basis. We use NOI to make decisions about resource allocations and to assess the property level performance of our properties.

OCCUPANCY

Occupancy is the average percentage of all units in our SHOP segment that are occupied during the time period described. We define occupancy as the average number of units occupied in any given time period divided by the total number of available units.

PEER AVERAGE

The peer average calculations provided by Wells Fargo Securities include the following diversified healthcare REITs:

Ventas, Inc. **LTC Properties, Inc.** **Sabra Health Care REIT, Inc.**
Welltower, Inc. **Healthpeak Properties**

RevPOR

RevPOR is the average monthly revenue generated by occupied units in our SHOP segment. We define RevPOR as monthly resident fees and services revenue divided the number of monthly occupied units.

RETURN ON INVESTED CAPITAL (ROIC)

ROIC is a performance metric that intends to measure the percentage return earned on capital invested by a company. NHI calculates ROIC as TTM Normalized FAD plus contractual interest divided by the average of total assets plus accumulated deprecation less straight-line rent receivable over the TTM period.

Stabilized Lease

A newly acquired triple-net lease property is generally considered stabilized upon lease-up (typically when senior-care residents occupy at least 85% of the total number of certified units over at least a 12 month period) Newly completed developments, including redevelopments, are considered stabilized upon lease-up, as described above.

Total Return

The term Total Return refers to the total return an investor would have realized on an annual basis over a certain period assuming that all dividends are reinvested on the dividend payment date.

WACY

The acronym WACY refers to Weighted Average Cash Yield, which is the anticipated rate of return upon initial investment excluding the impact of any discounts received or premiums paid.



National Health Investors

Q3 2023 Supplemental