



SUPPLEMENTAL INFORMATION

2Q 2021

Strong.
Resilient.
Growing.

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<http://www.sabrahealth.com/investors/financials/reports-presentations/non-gaap>

SENIOR MANAGEMENT

Rick Matros

Chairman of the Board, President
and Chief Executive Officer

Harold Andrews Jr.

Executive Vice President, Chief
Financial Officer and Secretary

Talya Nevo-Hacohen

Executive Vice President, Chief
Investment Officer and Treasurer

Michael Costa

Executive Vice President – Finance,
Chief Accounting Officer

BOARD OF DIRECTORS

Rick Matros

Chairman of the Board, President
and Chief Executive Officer

Ronald Geary

Director

Jeffrey Malehorn

Director

Craig Barbarosh

Director

Lynne Katzmann

Director

Clifton Porter II

Director

Katie Cusack

Director

Ann Kono

Director

Michael Foster

Lead Independent Director

Raymond Lewis

Director

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Financial Metrics

Dollars in thousands, except per share data

	June 30, 2021	
	Three Months Ended	Six Months Ended
Revenues	\$ 152,932	\$ 305,297
Net operating income ⁽¹⁾	121,349	242,689
Cash net operating income ⁽¹⁾	115,958	231,200
Diluted per share data:		
EPS	\$ (0.61)	\$ (0.46)
FFO	0.39	0.78
Normalized FFO	0.41	0.81
AFFO	0.39	0.77
Normalized AFFO	0.40	0.79
Dividends per common share	0.30	0.60

Capitalization and Market Facts

	June 30, 2021
Common shares outstanding	220.8 million
Common equity Market Capitalization	\$4.0 billion
Consolidated Debt	\$2.3 billion
Consolidated Enterprise Value	\$6.2 billion
Common stock closing price	\$18.20
Common stock 52-week range	\$12.86 - \$18.95
Common stock ticker symbol	SBRA

Key Credit Metrics ⁽²⁾

	June 30, 2021
Net Debt to Adjusted EBITDA	4.75x
Interest Coverage	5.20x
Fixed Charge Coverage Ratio	5.03x
Total Debt/Asset Value	33 %
Secured Debt/Asset Value	1 %
Unencumbered Assets/Unsecured Debt	300 %

Portfolio ⁽³⁾

Dollars in thousands

As of June 30, 2021

	Property Count	Investment	Beds/Units	Occupancy Percentage ⁽⁴⁾
Investment in Real Estate Properties, gross				
Triple-Net Portfolio:				
Skilled Nursing / Transitional Care	283	\$ 3,631,838	31,321	72.0 %
Senior Housing - Leased	62	705,048	4,147	78.5
Specialty Hospitals and Other	29	687,494	1,228	81.9
Total Triple-Net Portfolio	374	5,024,380	36,696	
Senior Housing - Managed	49	1,008,080	5,140	77.3
Consolidated Equity Investments	423	6,032,460	41,836	
Investment in Sales-Type Lease, net	1	25,116		
Investments in Loans Receivable, gross ⁽⁵⁾	18	56,046		
Preferred Equity Investments, gross ⁽⁶⁾	7	49,297		
Total Investments	449	\$ 6,162,919		

Includes 75 relationships in 41 U.S. states and Canada

⁽¹⁾ Balance includes \$0.5 million of Grant Income for each of the three and six months ended June 30, 2021 and \$1.5 million and \$4.2 million of COVID-19 Pandemic Expenses for the three and six months ended June 30, 2021, respectively.

⁽²⁾ See page 20 of this supplement for important information about these credit metrics.

⁽³⁾ Excludes (i) three real estate properties held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽⁴⁾ Occupancy Percentage is presented for the trailing twelve month period and one quarter in arrears, except for our Senior Housing - Managed portfolio, which is presented for the current period on a trailing three month basis.

⁽⁵⁾ One of our investments in loans receivable contains a purchase option on one Senior Housing development with 21 units.

⁽⁶⁾ Our preferred equity investments include investments in entities owning six Senior Housing developments with an aggregate of 812 units and one Skilled Nursing/Transitional Care development with 120 beds.

Triple-Net Portfolio

Dollars in thousands

As of June 30, 2021

	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Specialty Hospitals and Other	Total
Number of Properties	283	62	29	374
Number of Beds/Units	31,321	4,147	1,228	36,696
Investment	\$ 3,631,838	\$ 705,048	\$ 687,494	\$ 5,024,380

Triple-Net Portfolio – EBITDARM Coverage ⁽²⁾

	2Q 2021	1Q 2021	4Q 2020	3Q 2020	2Q 2020
Skilled Nursing/Transitional Care	1.99x	1.99x	1.93x	1.84x	1.66x
Specialty Hospitals and Other	3.91x	3.67x	3.55x	3.38x	3.31x
Aggregate Acute/Post Acute and Other	2.27x	2.25x	2.17x	2.07x	1.91x
Senior Housing - Leased	1.12x	1.23x	1.25x	1.31x	1.38x

Triple-Net Portfolio – Operating Statistics ⁽²⁾

Dollars in thousands

	2Q 2021	1Q 2021	4Q 2020	3Q 2020	2Q 2020
Skilled Nursing/Transitional Care					
Number of Properties	283	285	287	287	290
Number of Beds	31,321	31,533	31,761	32,019	32,516
Cash NOI	\$ 74,387	\$ 76,195	\$ 74,571	\$ 78,047	\$ 75,011
Occupancy	72.0 %	74.9 %	77.3 %	80.0 %	82.1 %
Skilled Mix	40.0 %	39.6 %	39.5 %	39.0 %	39.0 %
Senior Housing - Leased					
Number of Properties	62	65	65	64	65
Number of Units	4,147	4,217	4,282	4,242	4,290
Cash NOI	\$ 12,561	\$ 12,541	\$ 11,966	\$ 11,975	\$ 13,046
Occupancy	78.5 %	81.0 %	83.1 %	85.1 %	86.3 %
Specialty Hospitals and Other					
Number of Properties	29	28	27	27	25
Number of Beds	1,228	1,228	1,092	1,193	1,193
Cash NOI	\$ 13,946	\$ 13,826	\$ 13,317	\$ 13,277	\$ 13,164
Occupancy	81.9 %	77.3 %	75.3 %	72.7 %	70.7 %

⁽¹⁾ All metrics, except Cash NOI, exclude properties held for sale as of the end of the respective period.

⁽²⁾ Occupancy Percentage and Skilled Mix (together, "Operating Statistics") and EBITDARM Coverage for each period presented include only Stabilized Facilities owned by the Company as of the end of such period and only for the duration such facilities were owned by the Company and classified as Stabilized Facilities. In addition, EBITDARM Coverage and Operating Statistics are presented for the twelve months ended at the end of the respective period and one quarter in arrears, and therefore, EBITDARM Coverage and Operating Statistics exclude assets acquired after March 31, 2021.

Same Store Triple-Net Portfolio ⁽²⁾

Dollars in thousands

	Number of Properties	Number of Beds/Units		Cash NOI	
		2Q 2021	1Q 2021	2Q 2021	1Q 2021
Skilled Nursing/Transitional Care	282	31,321	31,321	\$ 74,300	\$ 75,881
Senior Housing - Leased	62	4,147	4,147	\$ 12,561	\$ 12,541
Specialty Hospitals and Other	27	1,228	1,228	\$ 13,911	\$ 13,748

Same Store Triple-Net Portfolio – EBITDARM Coverage ⁽³⁾

	2Q 2021	1Q 2021
Skilled Nursing/Transitional Care	2.00x	2.00x
Specialty Hospitals and Other	4.10x	3.93x
Aggregate Acute/Post Acute and Other	2.30x	2.28x
Senior Housing - Leased	1.12x	1.24x

Same Store Triple-Net Portfolio – Operating Statistics ⁽³⁾

	Occupancy		Skilled Mix	
	2Q 2021	1Q 2021	2Q 2021	1Q 2021
Skilled Nursing/Transitional Care	71.8 %	74.8 %	40.2 %	39.9 %
Senior Housing - Leased	79.1 %	81.5 %	N/A	N/A
Specialty Hospitals and Other	79.9 %	79.1 %	N/A	N/A

⁽¹⁾ Excludes three real estate properties held for sale as of the end of the current period.

⁽²⁾ Same store triple-net portfolio includes all facilities held for investment for the full period in both comparison periods.

⁽³⁾ Same store EBITDARM Coverage and Operating Statistics are presented for the twelve months ended at the end of the respective period and one quarter in arrears for Stabilized Facilities owned for the full period in both comparison periods.

Top 10 Relationships

Relationship	Primary Facility Type	Tenant/Borrower Credit Exposure				Senior Housing - Managed Operator Exposure		COVID-19 Mitigation Sources					
		As of June 30, 2021 ⁽²⁾		EBITDARM Coverage Twelve Months Ended ⁽³⁾		As of June 30, 2021 ⁽²⁾		PRF	Suspension of Medicare Sequestration	FMAP	AAMP	Employer Payroll Tax Delay	PPP
		Number of Sabra Investments	% of Annualized Cash NOI	June 30, 2021	March 31, 2021	Number of Sabra Investments	% of Annualized Cash NOI						
Avamere Family of Companies	Skilled Nursing	28	9.3 %	1.54x	1.53x	—	—	✓	✓	✓		✓	✓
North American Healthcare	Skilled Nursing	24	7.9 %	1.61x	1.75x	—	—	✓	✓	✓	✓	✓	N/A
Signature Healthcare	Skilled Nursing	45	7.9 %	1.91x	1.84x	—	—	✓	✓	✓	✓	✓	N/A
Cadia Healthcare ⁽⁴⁾	Skilled Nursing	10	7.6 %	1.64x	1.78x	—	—	✓	✓		✓		N/A
Signature Behavioral ⁽⁵⁾	Behavioral Hospitals	6	7.1 %	1.94x	1.77x	—	—	✓			✓	✓	N/A
Genesis Healthcare, Inc. ⁽⁶⁾	Skilled Nursing	8	4.6 %	1.04x	1.27x	—	—	✓	✓	✓	✓	✓	N/A
Holiday AL Holdings LP	Independent Living	—	—	N/A	N/A	22	4.2 %					✓	N/A
Healthmark Group	Skilled Nursing	20	3.6 %	2.10x	1.99x	—	—	✓	✓	✓		✓	✓
The McGuire Group	Skilled Nursing	7	3.3 %	2.53x	2.44x	—	—	✓	✓	✓	✓	✓	N/A
CommuniCare	Skilled Nursing	14	3.3 %	2.22x	2.26x	—	—	✓	✓	✓	✓		N/A
		162	54.6 %	1.80x	1.80x	22	4.2 %						
Remaining 65 relationships		238	36.9 %	2.63x	2.61x	27	4.3 %						
		400	91.5 %	2.13x	2.12x	49	8.5 %						

COVID-19 Mitigation Summary ⁽⁷⁾

Mitigation Source	Mitigates EBITDARM Reductions	Description	Estimated Available (All Sabra Relationships)
PRF	Yes	The CARES Act has, to date, appropriated \$178 billion to the Provider Relief Fund ("PRF") for hospitals and other health care providers nationwide to prevent, prepare for and respond to COVID-19, with such amount to be distributed through grants and other payment mechanisms. Thus far, approximately \$145 billion of such appropriated amount has been funded, or made available for funding, through three phases of general distributions, various targeted distributions and certain performance-based incentive payments. However, some portion of the previously distributed funds has reportedly been returned by certain health care provider recipients resulting in an estimated remaining balance of \$43.7 billion available for distribution.	\$250 million ⁽⁹⁾
Suspension of Medicare sequestration	Yes	The CARES Act initially suspending the Medicare sequester (2% of all Medicare fee-for-service payments) from May 1–December 31, 2020 has since been extended to December 31, 2021.	\$10 million
FMAP	Yes	The Families First Coronavirus Response Act provides a temporary 6.2% increase in Federal Medical Assistance Percentages ("FMAP") retroactive to January 1, 2020 with continuation through December 31, 2021. States have discretion regarding the distribution of these funds to various healthcare providers.	\$80 million
AAMP	⁽⁸⁾	The CARES Act expanded the existing program to allow acute, cancer and children's hospitals to request accelerated and advance Medicare payment ("AAMP") of up to 100% of their Medicare payments for a six-month period, while critical access hospitals may request up to 125%. Other Medicare providers and suppliers (including physicians) may request up to three months advance payment. Repayment will not begin for one year from when the first loan disbursement was made and will be interest-free for up to 29 months.	\$140 million ⁽¹⁰⁾
Employer payroll tax delay	⁽⁸⁾	Under the CARES Act, employers can defer payment of the 6.2% FICA tax on wages paid from March 27–December 31, 2020. 50% of the deferred payment is due by December 31, 2021, and the remaining 50% is due by December 31, 2022. All employers are eligible unless they have had a loan forgiven through the Paycheck Protection Program (see PPP below).	\$40 million
PPP	Potentially	The Paycheck Protection Program ("PPP") established by the CARES Act has thus far been authorized to provide a total of up to \$943 billion to fund special new loans to small businesses with fewer than 500 employees that have been affected by COVID-19. Through the PPP, the Small Business Association can provide businesses a maximum loan equal to 2.5x times its average monthly payroll costs, capped at \$10 million with an aggregate corporate cap of \$20 million. Loan amounts spent on payroll and certain other costs for eight weeks following loan origination would be forgiven.	\$80 million

⁽¹⁾ Excludes (i) three real estate properties held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ Consists of our direct investments.

⁽³⁾ EBITDARM Coverage is presented for Stabilized Facilities operated by the applicable tenant and is presented one quarter in arrears.

⁽⁴⁾ EBITDARM Coverage excludes one non-stabilized facility representing 1.2% of Annualized Cash NOI.

⁽⁵⁾ EBITDARM Coverage excludes one non-stabilized facility representing 0.9% of Annualized Cash NOI.

⁽⁶⁾ EBITDARM Coverage excludes a prorated portion of the residual rents due to Sabra from prior asset sales under our 2017 memorandum of understanding with Genesis representing 2.2% of Annualized Cash NOI.

⁽⁷⁾ The following summarizes the aggregate amounts reported as being received by or made available to our operators from funding sources provided under the CARES Act.

⁽⁸⁾ Provides additional near-term liquidity for our operators.

⁽⁹⁾ Amount includes estimated distribution to eligible senior housing operators equal to 2% of annual patient care revenue.

⁽¹⁰⁾ Benefit may be limited depending on reserve requirements under any working capital or other loans utilized by our operators.

Senior Housing – Managed Portfolio by Operator ⁽²⁾

Dollars in thousands, except REVPOR

As of June 30, 2021

Property Type	Holiday		Enlivant		Sienna		Other		Total
	IL	AL	AL	IL	IL	AL	AL	IL	
Number of Properties	22	11		8		8		49	
Number of Units	3,117	631		757		635		5,140	
Investment ⁽³⁾	\$ 589,466	\$ 128,707		\$ 138,148		\$ 151,759		\$ 1,008,080	
Capital Expenditures: ⁽³⁾									
Recurring	\$ 1,486	\$ 206		\$ 134		\$ 37		\$ 1,863	
Non-recurring	\$ —	\$ —		\$ 208		\$ 124		\$ 332	
Resident fees and services ⁽⁴⁾	\$ 18,190	\$ 7,756		\$ 4,750		\$ 8,422		\$ 39,118	
Cash NOI ⁽⁴⁾	\$ 5,061	\$ 1,445		\$ 1,236		\$ 2,475		\$ 10,217	
Cash NOI Margin %	27.8 %	18.6 %		26.0 %		29.4 %		26.1 %	
REVPOR	\$ 2,522	\$ 5,979		\$ 2,698		\$ 5,856		\$ 3,277	
Occupancy	78.9 %	68.5 %		77.5 %		79.1 %		77.3 %	

Senior Housing – Managed Portfolio ⁽²⁾

Dollars in thousands, except REVPOR

	2Q 2021	1Q 2021	4Q 2020	3Q 2020	2Q 2020
Number of Properties	49	48	47	47	47
Number of Units	5,140	5,024	4,924	4,924	4,922
Capital Expenditures: ⁽³⁾					
Recurring	\$ 1,863	\$ 1,356	\$ 3,232	\$ 1,440	\$ 542
Non-recurring	\$ 332	\$ 181	\$ 685	\$ 381	\$ 70
Resident fees and services ⁽⁴⁾	\$ 39,118	\$ 36,231	\$ 38,505	\$ 39,850	\$ 39,329
Cash NOI ⁽⁴⁾	\$ 10,217	\$ 7,143	\$ 10,235	\$ 11,707	\$ 10,789
Cash NOI Margin %	26.1 %	19.7 %	26.6 %	29.4 %	27.4 %
REVPOR – AL	\$ 5,925	\$ 5,846	\$ 6,081	\$ 5,979	\$ 5,900
REVPOR – IL	\$ 2,558	\$ 2,567	\$ 2,543	\$ 2,557	\$ 2,542
Occupancy	77.3 %	77.0 %	80.0 %	81.6 %	83.9 %

Same Store Senior Housing – Managed Portfolio ⁽⁵⁾

Dollars in thousands, except REVPOR

	2Q 2021	1Q 2021	4Q 2020	3Q 2020	2Q 2020
Number of Properties	47	47	47	47	47
Resident fees and services ⁽⁴⁾	\$ 36,802	\$ 35,836	\$ 38,505	\$ 39,850	\$ 39,329
Cash NOI ⁽⁴⁾	\$ 9,362	\$ 6,985	\$ 10,235	\$ 11,707	\$ 10,789
Cash NOI Margin %	25.4 %	19.5 %	26.6 %	29.4 %	27.4 %
REVPOR – AL	\$ 6,046	\$ 5,968	\$ 6,081	\$ 5,979	\$ 5,900
REVPOR – IL	\$ 2,558	\$ 2,567	\$ 2,543	\$ 2,557	\$ 2,542
Occupancy	77.0 %	76.9 %	80.0 %	81.6 %	83.9 %

⁽¹⁾ Excludes our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ REVPOR and Occupancy Percentage are presented for the three months ended at the end of the respective period and include only Stabilized Facilities owned by the Company as of the end of such period and only for the duration such facilities were owned by the Company and classified as Stabilized Facilities. In addition, revenues, Cash NOI and REVPOR have been adjusted for changes in the foreign currency exchange rate where applicable.

⁽³⁾ Balances related to properties in Canada are based on the exchange rate as of the end of the period presented. The exchange rate as of June 30, 2021 was \$0.8067 per 1 CAD.

⁽⁴⁾ Revenues and Cash NOI balances include \$0.5 million, \$0.6 million and \$1.2 million of Grant Income for 2Q 2021, 4Q 2020 and 3Q 2020, respectively; Cash NOI balances also include \$0.4 million, \$0.9 million, \$1.0 million, \$1.2 million and \$1.7 million of COVID-19 Pandemic Expenses for 2Q 2021, 1Q 2021, 4Q 2020, 3Q 2020 and 2Q 2020, respectively.

⁽⁵⁾ Same store Senior Housing – Managed portfolio includes all facilities owned for the full period in all comparison periods. Same store REVPOR and Occupancy Percentage are presented for the three months ended at the end of the respective period for Stabilized Facilities owned for the full period in all comparison periods. In addition, revenues, Cash NOI and REVPOR have been adjusted for changes in the foreign currency exchange rate where applicable.

Loans Receivable and Other Investments

Dollars in thousands

As of June 30, 2021

Loan Type	Number of Loans	Property Type	Principal Balance	Book Value	Weighted Average Contractual Interest Rate	Weighted Average Annualized Effective Interest Rate	Interest Income Three Months Ended June 30, 2021 ⁽¹⁾	Maturity Date
Mortgage	1	Specialty Hospital	\$ 19,000	\$ 19,000	10.0 %	10.0 %	\$ 480	01/31/27
Construction	1	Senior Housing	3,343	3,349	8.0 %	7.8 %	68	09/30/22
Other	16	Multiple	41,843	37,851	6.8 %	6.9 %	607	12/03/21-08/31/28
	18		64,186	60,200	7.8 %	7.9 %	\$ 1,155	
Allowance for loan losses			—	(4,269)				
			\$ 64,186	\$ 55,931				

Other Investment Type	Number of Investments	Property Type	Total Funding Commitments	Total Amount Funded	Book Value	Rate of Return	Other Income Three Months Ended June 30, 2021 ⁽¹⁾
Preferred Equity	7	Skilled Nursing / Senior Housing	\$ 48,493	\$ 40,874	\$ 49,297	11.2 %	\$ 1,260

Proprietary Development Pipeline ⁽²⁾

Dollars in thousands

As of June 30, 2021

State	Investment Type		Property Type		Investment Amount ⁽³⁾		Estimated Real Estate Value Upon Completion		Weighted Average Initial Cash Lease Yield	Certificate of Occupancy Timing ⁽⁴⁾
	Loan	Preferred Equity	Skilled Nursing/Transitional Care	Senior Housing	Skilled Nursing/Transitional Care	Senior Housing	Skilled Nursing/Transitional Care	Senior Housing		
Indiana	—	1	—	1	\$ —	\$ 7,601	\$ —	\$ 38,000	7.6 %	Q3 2017
Missouri	—	1	—	1	—	3,391	—	73,300	6.5 %	Q4 2022
Ohio	—	2	—	2	—	11,318	—	67,000	7.3 %	Q1 2018-Q4 2019
Texas	1	1	1	1	3,609	3,337	14,475	5,700	8.6 %	Q3 2016-Q1 2020
	1	5	1	5	\$ 3,609	\$ 25,647	\$ 14,475	\$ 184,000	7.2 %	

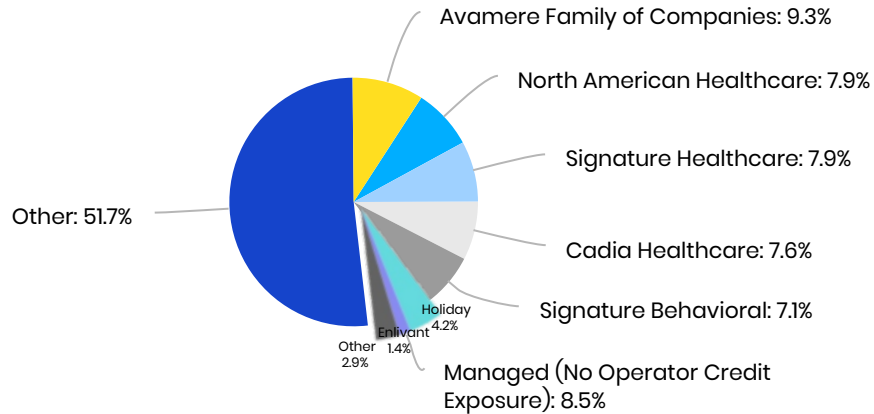
⁽¹⁾ Includes income related to loans receivable and other investments held as of June 30, 2021.

⁽²⁾ Includes projects invested in or committed to as of June 30, 2021.

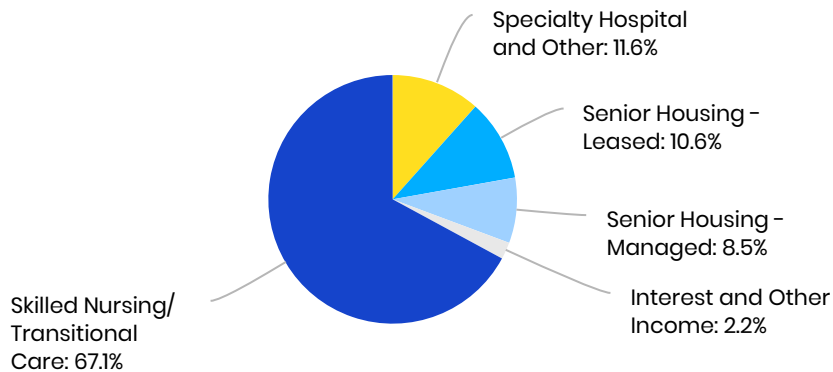
⁽³⁾ Investment amount excludes accrued and unpaid interest receivable.

⁽⁴⁾ Certificate of occupancy timing represents the period in which the certificate of occupancy has been received for a development project where construction has been completed or when the certificate of occupancy is expected to be received for a development project that is currently under construction.

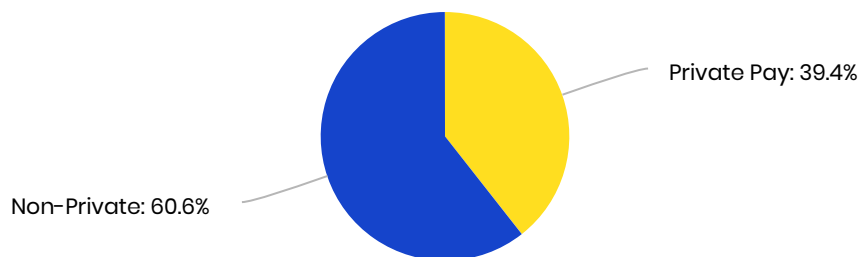
RELATIONSHIP CONCENTRATION



ASSET CLASS CONCENTRATION



PAYOR SOURCE CONCENTRATION ⁽²⁾



⁽¹⁾ Concentrations are calculated using Annualized Cash NOI and exclude (i) three real estate properties held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units. Relationship and asset class concentrations use Annualized Cash NOI for real estate investments and investments in loans receivable and other investments. Payor source concentration excludes Annualized Cash NOI from investments in loans receivable and other investments.

⁽²⁾ Tenant and borrower revenue presented one quarter in arrears.

Property Type

As of June 30, 2021

Location	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Specialty Hospitals and Other	Total	% of Total
Texas	38	9	6	14	67	15.8 %
California	24	1	1	4	30	7.1
Kentucky	25	1	—	2	28	6.6
Oregon	15	4	—	—	19	4.5
Indiana	13	3	—	2	18	4.3
Massachusetts	18	—	—	—	18	4.3
Washington	15	1	1	—	17	4.0
North Carolina	13	—	2	—	15	3.5
Missouri	13	—	1	—	14	3.3
Michigan	1	9	1	—	11	2.6
Other (31 states & Canada)	108	34	37	7	186	44.0
Total	283	62	49	29	423	100.0 %
% of Total	66.9 %	14.7 %	11.6 %	6.8 %	100.0 %	

Distribution of Beds/Units

As of June 30, 2021

Location	Total Number of Properties	Property Type				Total	% of Total
		Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Specialty Hospitals and Other		
Texas	67	4,666	577	856	366	6,465	15.5 %
Kentucky	28	2,598	142	—	100	2,840	6.8
California	30	2,058	58	102	340	2,558	6.1
Massachusetts	18	2,209	—	—	—	2,209	5.3
Indiana	18	1,439	432	—	48	1,919	4.6
Oregon	19	1,520	377	—	—	1,897	4.5
Washington	17	1,591	52	113	—	1,756	4.2
North Carolina	15	1,454	—	237	—	1,691	4.0
New York	10	1,566	—	107	—	1,673	4.0
Missouri	14	1,075	—	184	—	1,259	3.0
Other (31 states & Canada)	187	11,145	2,509	3,541	374	17,569	42.0
Total	423	31,321	4,147	5,140	1,228	41,836	100.0 %
% of Total		74.9 %	9.9 %	12.3 %	2.9 %	100.0 %	

⁽ⁱ⁾ Excludes (i) three real estate properties held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

Investment

Dollars in thousands

As of June 30, 2021

Location	Total Number of Properties	Property Type				Total	% of Total
		Skilled Nursing/ Transitional Care	Senior Housing - Leased	Senior Housing - Managed	Specialty Hospitals and Other		
Texas	67	\$ 382,039	\$ 81,305	\$ 182,938	\$ 196,035	\$ 842,317	13.9 %
California	30	435,612	18,160	36,819	225,361	715,952	11.9
Oregon	19	261,316	86,860	—	—	348,176	5.8
Maryland	9	329,025	3,250	—	—	332,275	5.5
New York	10	297,573	—	20,045	—	317,618	5.3
Kentucky	28	230,136	23,669	—	39,687	293,492	4.9
Indiana	18	169,222	88,824	—	10,669	268,715	4.4
Washington	17	188,551	10,686	27,814	—	227,051	3.8
Arizona	8	34,532	10,348	38,329	121,757	204,966	3.4
North Carolina	15	123,462	—	68,682	—	192,144	3.2
Other (31 states & Canada) ⁽²⁾	202	1,180,370	381,946	633,453	93,985	2,289,754	37.9
Total	423	\$ 3,631,838	\$ 705,048	\$ 1,008,080	\$ 687,494	\$ 6,032,460	100.0 %
% of Total		60.2 %	11.7 %	16.7 %	11.4 %	100.0 %	

⁽¹⁾ Excludes (i) three real estate properties held for sale as of the end of the current period and (ii) our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

⁽²⁾ Investment balance in Canada is based on the exchange rate as of June 30, 2021 of \$0.8067 per 1 CAD.

Lease Expirations ⁽¹⁾

Dollars in thousands

As of June 30, 2021

	Skilled Nursing/ Transitional Care	Senior Housing - Leased	Specialty Hospitals and Other	Total Annualized Revenues	% of Total
2021 ⁽²⁾	\$ —	\$ 501	\$ —	\$ 501	0.1 %
2022	24,724	5,310	—	30,034	7.0 %
2023	9,303	—	—	9,303	2.2 %
2024	21,912	2,397	—	24,309	5.6 %
2025	14,798	3,202	1,308	19,308	4.5 %
2026	29,026	1,317	—	30,343	7.0 %
2027	41,968	—	34,191	76,159	17.7 %
2028	15,044	6,746	4,037	25,827	6.0 %
2029	58,840	5,881	5,700	70,421	16.3 %
2030	12,711	—	3,035	15,746	3.7 %
Thereafter	95,184	25,801	7,769	128,754	29.9 %
Total Annualized Revenues	\$ 323,510	\$ 51,155	\$ 56,040	\$ 430,705	100.0 %

⁽¹⁾ Excludes (i) Senior Housing - Managed communities and (ii) three real estate properties held for sale as of the end of the current period. Annualized Revenues are net of repositioning reserves, if applicable.

⁽²⁾ All 2021 lease expirations are in the fourth quarter.

Investment Activity

Dollars in thousands

Location	Initial Investment Date	Property Type	Number of Properties	Beds/Units	2021 Amounts Invested ⁽¹⁾	Rate of Return/ Initial Cash Yield
Real Estate						
The Claiborne at West Lake ⁽²⁾	03/05/21	Senior Housing – Managed	1	100	\$ 26,500	7.60 %
Landmark Pensacola ⁽³⁾	03/15/21	Specialty Hospitals and Other	1	60	2,000	9.00 %
Baxter Senior Living ⁽⁴⁾	05/01/21	Senior Housing – Managed	1	116	32,500	7.75 %
Signature Healthcare of Elizabethtown ⁽⁵⁾	05/27/21	Skilled Nursing/ Transitional Care	1	124	1,363	8.50 %
Additions to Real Estate ⁽⁶⁾	Various	Multiple	N/A	N/A	9,730	8.49 %
Total Real Estate Investments					72,093	7.84 %
Preferred Equity						
Shelbourne – Chesterfield ⁽⁷⁾	06/21/21	Senior Housing	1	150	3,382	10.00 %
All Investments through June 30, 2021					\$ 75,475	7.94 %

⁽¹⁾ Excludes capitalized acquisition costs and origination fees.

⁽²⁾ Transaction includes a potential earnout of up to \$5.5 million if certain performance metrics are achieved after one year. Yield assumes maximum earnout payment and estimated post-earnout trailing 3-month Cash NOI.

⁽³⁾ Bed count reflects expected capacity at the completion of a \$3.2 million construction project currently in progress.

⁽⁴⁾ Transaction includes a potential earnout if certain performance metrics are achieved after 18 months. Yield assumes estimated earnout payment and estimated post-earnout trailing 3-month Cash NOI.

⁽⁵⁾ Bed count reflects expected capacity at the completion of a \$19.6 million construction project currently in progress.

⁽⁶⁾ Excludes capital expenditures for the Senior Housing – Managed portfolio and recurring capital expenditures for the Triple-Net portfolio.

⁽⁷⁾ Unit count reflects expected capacity at the completion of development. Sabra has the option to purchase the development at fair market value upon achievement of specified milestones.

SIGNATURE HEALTHCARE OF ELIZABETHTOWN



Investment Date

May 27, 2021

Investment Amount

\$21.0 million (\$1.4 million as of June 30, 2021)

Investment Type

Real Estate

Number of Properties

1

Location

KentuckyBeds ⁽¹⁾**124**

Property Type

Skilled Nursing/Transitional CareAnnualized GAAP Income ⁽¹⁾**\$1.9 million**

Initial Cash Yield

8.50%

⁽¹⁾ Reflects amounts expected at the completion of a \$19.6 million construction project currently in progress and estimated to be completed in mid 2022.

SHELBOURNE – CHESTERFIELD ⁽¹⁾



Investment Date

June 21, 2021

Commitment Amount

\$11.0 million (\$3.4 million funded as of June 30, 2021)

Investment Type

Preferred Equity

Number of Properties

1

Location

Missouri

Units ⁽¹⁾

150

Property Type

Senior Housing

Annualized GAAP Income ⁽²⁾

\$1.1 million

Rate of Return

10.00%

⁽¹⁾ Unit count reflects expected capacity at the completion of development. Upon the completion of development and the achievement of certain milestones, Sabra has the option to purchase the facility at fair market value.

⁽²⁾ Represents expected income once the remaining \$7.6 million commitment is fully funded.

Debt

Dollars in thousands

As of June 30, 2021

	Consolidated Debt
Secured debt	\$ 79,200
Revolving credit facility	—
Term loans	945,837
Senior unsecured notes	1,250,000
Total	<u>2,275,037</u>
Deferred financing costs and premiums/discouts, net	(8,726)
Total, net	<u>\$ 2,266,311</u>

Revolving Credit Facility

Dollars in thousands

As of June 30, 2021

Credit facility availability	\$ 1,000,000
Credit facility capacity	1,000,000

Enterprise Value

Dollars in thousands, except per share amounts

As of June 30, 2021

	Shares Outstanding		Price		Value
Common stock	220,824,104	\$	18.20	\$	4,018,999
Consolidated Debt					2,275,037
Cash and cash equivalents					(69,347)
Consolidated Enterprise Value				\$	<u>6,224,689</u>

At-The-Market Common Stock Offering Program

Dollars in thousands, except per share amounts

Three Months Ended June 30, 2021

Shares issued	4,893,055
Net proceeds	\$ 84,994
Weighted average price per share	\$ 17.76
Availability as of June 30, 2021	\$ 75,787

Common Stock and Equivalents

Weighted Average Common Shares

	Three Months Ended June 30, 2021			Six Months Ended June 30, 2021		
	EPS	FFO and Normalized FFO	AFFO and Normalized AFFO	EPS	FFO and Normalized FFO	AFFO and Normalized AFFO
Common stock	216,250,332	216,250,332	216,250,332	213,856,454	213,856,454	213,856,454
Common equivalents	13,875	13,875	13,875	13,875	13,875	13,875
Basic common and common equivalents	<u>216,264,207</u>	<u>216,264,207</u>	<u>216,264,207</u>	<u>213,870,329</u>	<u>213,870,329</u>	<u>213,870,329</u>
Dilutive securities:						
Restricted stock units	—	1,143,670	1,627,697	—	1,100,333	1,635,424
Forward equity sale agreements	—	54,827	54,827	—	44,564	44,564
Diluted common and common equivalents	<u>216,264,207</u>	<u>217,462,704</u>	<u>217,946,731</u>	<u>213,870,329</u>	<u>215,015,226</u>	<u>215,550,317</u>

Fixed | Variable Rate Debt

Dollars in thousands

As of June 30, 2021

	Principal	Weighted Average Interest Rate ⁽¹⁾	% of Total
Fixed Rate Debt			
Secured debt	\$ 79,200	3.40 %	3.5 %
Unsecured senior notes	1,250,000	4.76 %	54.9 %
Total fixed rate debt	1,329,200	4.68 %	58.4 %
Variable Rate Debt			
Term loans ⁽²⁾	945,837	2.59 %	41.6 %
Consolidated Debt	\$ 2,275,037	3.81 %	100.0 %

Secured | Unsecured Debt

Dollars in thousands

As of June 30, 2021

	Principal	Weighted Average Interest Rate ⁽¹⁾	% of Total
Secured Debt			
Secured debt	\$ 79,200	3.40 %	3.5 %
Unsecured Debt			
Unsecured senior notes	1,250,000	4.76 %	54.9 %
Term loans	945,837	2.59 %	41.6 %
Total unsecured debt	2,195,837	3.83 %	96.5 %
Consolidated Debt	\$ 2,275,037	3.81 %	100.0 %

⁽¹⁾ Weighted average interest rate includes private mortgage insurance and impact of interest rate derivative agreements.

⁽²⁾ Term loans include \$845.0 million subject to swap agreements that fix LIBOR at a weighted average rate of 1.37%, and \$100.8 million (CAD \$125.0 million) subject to swap agreements that fix CDOR at 1.10%.

Debt Maturity Schedule

Dollars in thousands

As of June 30, 2021

	Secured Debt		Unsecured Senior Notes		Term Loans		Revolving Credit Facility ⁽¹⁾		Consolidated Debt	
	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾	Principal	Rate ⁽²⁾
07/01/21 - 12/31/21	\$ 17,420	3.05 %	\$ —	—	\$ —	—	\$ —	—	\$ 17,420	3.05 %
2022	2,412	2.88 %	—	—	—	— %	—	—	2,412	2.88 %
2023	2,478	2.89 %	—	—	345,000	1.35 %	—	1.20 %	347,478	1.36 %
2024	2,545	2.90 %	300,000	4.80 %	600,837	1.40 %	—	—	903,382	2.54 %
2025	2,615	2.91 %	—	—	—	—	—	—	2,615	2.91 %
2026	2,687	2.92 %	500,000	5.13 %	—	—	—	—	502,687	5.11 %
2027	2,761	2.93 %	100,000	5.88 %	—	—	—	—	102,761	5.80 %
2028	2,837	2.94 %	—	—	—	—	—	—	2,837	2.94 %
2029	2,914	2.96 %	350,000	3.90 %	—	—	—	—	352,914	3.89 %
2030	2,994	2.98 %	—	—	—	—	—	—	2,994	2.98 %
Thereafter	37,537	3.27 %	—	—	—	—	—	—	37,537	3.27 %
Total	79,200		1,250,000		945,837		—		2,275,037	
Premium, net	—		5,834		—		—		5,834	
Deferred financing costs, net	(1,106)		(7,309)		(6,145)		—		(14,560)	
Total, net	\$ 78,094		\$1,248,525		\$ 939,692		\$ —		\$2,266,311	
Wtd. avg. maturity/years	17.7		5.5		2.8		2.2		4.8	
Wtd. avg. interest rate ⁽³⁾	3.40 %		4.76 %		2.59 %		1.20 %		3.81 %	

⁽¹⁾ Revolving Credit Facility is subject to two six-month extension options.

⁽²⁾ Represents actual contractual interest rates excluding private mortgage insurance and impact of interest rate derivative agreements.

⁽³⁾ Weighted average interest rate includes private mortgage insurance and impact of interest rate derivative agreements.

Key Credit Metrics ⁽¹⁾

	<u>December 31, 2020</u>	<u>June 30, 2021</u>
Net Debt to Adjusted EBITDA ⁽²⁾⁽³⁾	4.88x	4.75x
Interest Coverage ⁽²⁾	5.32x	5.20x
Fixed Charge Coverage Ratio ⁽²⁾	5.14x	5.03x
Total Debt/Asset Value	35 %	33 %
Secured Debt/Asset Value	1 %	1 %
Unencumbered Assets/Unsecured Debt	282 %	300 %
Cost of Permanent Consolidated Debt ⁽⁴⁾	3.65 %	3.81 %

Unsecured Notes Ratings

S&P (Stable outlook)	BBB-
Fitch (Stable outlook)	BBB-
Moody's (Negative outlook)	Ba1

⁽¹⁾ Key credit statistics (except Net Debt to Adjusted EBITDA) are calculated in accordance with the credit agreement relating to the revolving credit facility and the indentures relating to our unsecured senior notes.

⁽²⁾ Based on the trailing twelve month period ended as of the date indicated.

⁽³⁾ Net Debt to Adjusted EBITDA is calculated based on Annualized Adjusted EBITDA, which is Adjusted EBITDA, as adjusted for annualizing adjustments that give effect to the acquisitions and dispositions completed during the respective period as though such acquisitions and dispositions were completed as of the beginning of the period presented. See "Reconciliations of Non-GAAP Financial Measures" on our website at <http://www.sabrahealth.com/investors/financials/reports-presentations/non-gaap> for additional information.

⁽⁴⁾ Excludes revolving credit facility balance that had an interest rate of 120% and 124% as of June 30, 2021 and December 31, 2020, respectively.

2021 Guidance

Diluted per share data

Net loss	\$ (0.15) – \$ (0.13)
FFO	\$ 1.53 – \$ 1.55
Normalized FFO	\$ 1.56 – \$ 1.58
AFFO	\$ 1.51 – \$ 1.53
Normalized AFFO	\$ 1.53 – \$ 1.55
Dividend per share	\$1.20

Senior Housing – Managed Portfolio Average Quarterly Occupancy (2H 2021) ⁽¹⁾

- 76.8% – 78.9%

Investments and Dispositions (2H 2021)

- Investments of \$111.0 million with a weighted average initial cash yield of 8.2%.
- Dispositions and loan repayments of \$95.6 million, with associated annualized Cash NOI of \$6.4 million.
- Capital expenditures in our Senior Housing – Managed portfolio of \$11.7 million. ⁽¹⁾

Unconsolidated Joint Venture (2H 2021)

- Expect investment to be held through the end of 2021.
- FFO and NFFO contribution: \$4.4 million – \$5.4 million
- AFFO and NAFFO contribution: \$3.3 million – \$4.5 million

Other Assumptions (FY 2021)

- Non-cash rental income: \$18.6 million
- Interest and other income: \$12.2 million
- Recurring, cash general and administrative expense: \$26.8 million
- Stock-based compensation expense: \$9.2 million
- Cash interest expense: \$89.8 million
- Non-cash interest expense: \$7.2 million
- Lower cash basis tenant rents of between \$4.6 million and \$6.8 million
- The estimated amounts above do not include any anticipated funds from the Provider Relief Fund for our Senior Housing – Managed communities. ⁽¹⁾

⁽¹⁾ Excludes our unconsolidated joint venture which consists of 158 facilities and 7,056 units.

Condensed Consolidated Statements of (Loss) Income

Dollars in thousands, except per share data

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Revenues:				
Rental and related revenues	\$ 110,783	\$ 112,727	\$ 224,166	\$ 219,239
Interest and other income	3,031	2,606	5,972	5,457
Resident fees and services	39,118	38,584	75,159	78,567
Total revenues	152,932	153,917	305,297	303,263
Expenses:				
Depreciation and amortization	44,491	44,202	88,866	88,370
Interest	24,270	25,292	48,713	50,996
Triple-net portfolio operating expenses	5,000	5,331	10,135	10,232
Senior housing - managed portfolio operating expenses	28,901	27,970	57,846	55,231
General and administrative	8,811	8,673	17,749	17,434
(Recovery of) provision for loan losses and other reserves	(109)	129	1,916	796
Total expenses	111,364	111,597	225,225	223,059
Other income (expense):				
Loss on extinguishment of debt	(54)	(392)	(847)	(392)
Other (expense) income	(24)	(66)	109	2,193
Net (loss) gain on sales of real estate	(3,752)	330	(2,439)	113
Total other (expense) income	(3,830)	(128)	(3,177)	1,914
Income before loss from unconsolidated joint venture and income tax expense	37,738	42,192	76,895	82,118
Loss from unconsolidated joint venture	(169,789)	(12,136)	(174,799)	(15,803)
Income tax expense	(522)	(433)	(1,222)	(1,475)
Net (loss) income	\$ (132,573)	\$ 29,623	(99,126)	64,840
Net (loss) income, per:				
Basic common share	\$ (0.61)	\$ 0.14	\$ (0.46)	\$ 0.32
Diluted common share	\$ (0.61)	\$ 0.14	\$ (0.46)	\$ 0.31
Weighted-average number of common shares outstanding, basic	216,264,207	205,593,653	213,870,329	205,493,829
Weighted-average number of common shares outstanding, diluted	216,264,207	206,219,162	213,870,329	206,194,282

Condensed Consolidated Balance Sheets

Dollars in thousands, except per share data

	June 30, 2021 (unaudited)	December 31, 2020
Assets		
Real estate investments, net of accumulated depreciation of \$763,830 and \$681,657 as of June 30, 2021 and December 31, 2020, respectively	\$ 5,269,447	\$ 5,285,038
Loans receivable and other investments, net	105,228	102,839
Investment in unconsolidated joint venture	113,962	288,761
Cash and cash equivalents	69,347	59,076
Restricted cash	4,588	6,447
Lease intangible assets, net	79,654	82,796
Accounts receivable, prepaid expenses and other assets, net	179,915	160,646
Total assets	\$ 5,822,141	\$ 5,985,603
Liabilities		
Secured debt, net	\$ 78,094	\$ 79,065
Term loans, net	939,692	1,044,916
Senior unsecured notes, net	1,248,525	1,248,393
Accounts payable and accrued liabilities	119,419	146,276
Lease intangible liabilities, net	53,348	57,725
Total liabilities	2,439,078	2,576,375
Equity		
Preferred stock, \$0.01 par value; 10,000,000 shares authorized, zero shares issued and outstanding as of June 30, 2021 and December 31, 2020	—	—
Common stock, \$0.01 par value; 500,000,000 shares authorized, 220,824,104 and 210,560,815 shares issued and outstanding as of June 30, 2021 and December 31, 2020, respectively	2,208	2,106
Additional paid-in capital	4,341,533	4,163,228
Cumulative distributions in excess of net income	(944,504)	(716,195)
Accumulated other comprehensive loss	(16,174)	(39,911)
Total equity	3,383,063	3,409,228
Total liabilities and equity	\$ 5,822,141	\$ 5,985,603

Condensed Consolidated Statements of Cash Flows

Dollars in thousands

	Six Months Ended June 30,	
	2021	2020
Cash flows from operating activities:		
Net (loss) income	\$ (99,126)	\$ 64,840
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	88,866	88,370
Non-cash rental and related revenues	(10,627)	(6,567)
Non-cash interest income	(914)	(1,135)
Non-cash interest expense	3,645	4,458
Stock-based compensation expense	4,559	4,735
Loss on extinguishment of debt	847	392
Provision for loan losses and other reserves	1,916	796
Net loss (gain) on sales of real estate	2,439	(113)
Other-than-temporary impairment of unconsolidated joint venture	164,126	—
Loss from unconsolidated joint venture	10,673	15,803
Distributions of earnings from unconsolidated joint venture	—	7,083
Changes in operating assets and liabilities:		
Accounts receivable, prepaid expenses and other assets, net	(2,361)	(1,377)
Accounts payable and accrued liabilities	(11,777)	(8,680)
Net cash provided by operating activities	<u>152,266</u>	<u>168,605</u>
Cash flows from investing activities:		
Acquisition of real estate	(62,107)	(92,945)
Origination and fundings of loans receivable	—	(1,651)
Origination and fundings of preferred equity investments	(3,394)	—
Additions to real estate	(21,736)	(19,867)
Repayments of loans receivable	1,135	1,610
Repayments of preferred equity investments	513	3,064
Net proceeds from the sales of real estate	8,381	9,516
Distributions in excess of earnings from unconsolidated joint venture	—	1,305
Net cash used in investing activities	<u>(77,208)</u>	<u>(98,968)</u>
Cash flows from financing activities:		
Net borrowings from revolving credit facility	—	73,000
Principal payments on term loans	(110,000)	—
Principal payments on secured debt	(1,446)	(1,669)
Payments of deferred financing costs	(7)	(722)
Issuance of common stock, net	172,698	1,860
Dividends paid on common stock	(128,050)	(154,068)
Net cash used in financing activities	<u>(66,805)</u>	<u>(81,599)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	8,253	(11,962)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	159	(376)
Cash, cash equivalents and restricted cash, beginning of period	65,523	49,143
Cash, cash equivalents and restricted cash, end of period	<u>\$ 73,935</u>	<u>\$ 36,805</u>
Supplemental disclosure of cash flow information:		
Interest paid	<u>\$ 45,658</u>	<u>\$ 47,667</u>
Supplemental disclosure of non-cash investing activities:		
Decrease in loans receivable and other investments due to acquisition of real estate	<u>\$ —</u>	<u>\$ 20,731</u>
Secured debt assumed by buyer in connection with sale of real estate	<u>\$ —</u>	<u>\$ 14,219</u>

FFO, Normalized FFO, AFFO and Normalized AFFO

Dollars in thousands

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Net (loss) income	\$ (132,573)	\$ 29,623	\$ (99,126)	\$ 64,840
Add:				
Depreciation and amortization of real estate assets	44,491	44,202	88,866	88,370
Depreciation and amortization of real estate assets related to unconsolidated joint venture	5,879	5,549	11,723	11,134
Net loss (gain) on sales of real estate	3,752	(330)	2,439	(113)
Net (gain) loss on sales of real estate related to unconsolidated joint venture	(18)	9,079	15	10,808
Other-than-temporary impairment of unconsolidated joint venture	164,126	—	164,126	—
FFO	\$ 85,657	\$ 88,123	\$ 168,043	\$ 175,039
Write-offs of straight-line rental income receivable and lease intangibles	—	401	—	6,222
Loss on extinguishment of debt	54	392	847	392
(Recovery of) provision for doubtful accounts and loan losses, net	(109)	129	1,916	796
Support payment paid to joint venture manager	2,450	—	2,450	—
Other normalizing items ⁽ⁱ⁾	316	330	704	(1,783)
Normalized FFO	\$ 88,368	\$ 89,375	\$ 173,960	\$ 180,666
FFO	\$ 85,657	\$ 88,123	\$ 168,043	\$ 175,039
Stock-based compensation expense	2,271	2,375	4,559	4,735
Non-cash rental and related revenues	(4,914)	(6,202)	(10,627)	(6,567)
Non-cash interest income	(502)	(574)	(914)	(1,135)
Non-cash interest expense	1,749	2,225	3,645	4,458
Non-cash portion of loss on extinguishment of debt	54	392	847	392
(Recovery of) provision for loan losses and other reserves	(109)	129	1,916	796
Other non-cash adjustments related to unconsolidated joint venture	(618)	404	(1,214)	943
Other non-cash adjustments	361	402	533	455
AFFO	\$ 83,949	\$ 87,274	\$ 166,788	\$ 179,116
Support payment paid to joint venture manager	2,450	—	2,450	—
Other normalizing items ⁽ⁱ⁾	237	309	558	(1,826)
Normalized AFFO	\$ 86,636	\$ 87,583	\$ 169,796	\$ 177,290
Amounts per diluted common share:				
Net (loss) income	\$ (0.61)	\$ 0.14	\$ (0.46)	\$ 0.31
FFO	\$ 0.39	\$ 0.43	\$ 0.78	\$ 0.85
Normalized FFO	\$ 0.41	\$ 0.43	\$ 0.81	\$ 0.88
AFFO	\$ 0.39	\$ 0.42	\$ 0.77	\$ 0.87
Normalized AFFO	\$ 0.40	\$ 0.42	\$ 0.79	\$ 0.86
Weighted average number of common shares outstanding, diluted:				
Net (loss) income	216,264,207	206,219,162	213,870,329	206,194,282
FFO and Normalized FFO	217,462,704	206,219,162	215,015,226	206,194,282
AFFO and Normalized AFFO	217,946,731	207,003,252	215,550,317	206,933,563

⁽ⁱ⁾ FFO and AFFO for the six months ended June 30, 2021 and 2020 include \$0.2 million and \$2.1 million, respectively, earned during the period related to legacy Care Capital Properties, Inc. investments. In addition, other normalizing items for FFO and AFFO include triple-net operating expenses, net of recoveries.

We disclose components of our business relevant to calculate NAV. We consider NAV to be a useful supplemental measure that assists both management and investors to estimate the fair value of our Company. The calculation of NAV involves significant estimates and can be calculated using various methods. Each individual investor must determine the specific methodology, assumptions and estimates to use to arrive at an estimated NAV of the Company.

The components of NAV do not consider potential changes in our investment portfolio. The components include non-GAAP financial measures, such as Cash NOI. Although these measures are not presented in accordance with GAAP, investors can use these non-GAAP financial measures as supplemental information to evaluate our business.

Annualized Cash NOI

Dollars in thousands

Skilled Nursing/Transitional Care	\$	323,512
Senior Housing - Leased		51,153
Senior Housing - Managed		40,805
Specialty Hospitals and Other		56,040
Annualized Cash NOI (excluding loans receivable and other investments)	\$	<u>471,510</u>

Obligations

Dollars in thousands

Secured debt ⁽²⁾	\$	79,200
Unsecured senior notes ⁽²⁾		1,250,000
Term loans ⁽²⁾		945,837
Consolidated Debt		<u>2,275,037</u>
Add (less):		
Cash and cash equivalents and restricted cash		(73,935)
Accounts payable and accrued liabilities ⁽³⁾		86,302
Net obligations	\$	<u>2,287,404</u>

Other Assets

Dollars in thousands

Loans receivable and other investments, net	\$	105,228
Investment in unconsolidated joint venture		113,962
Accounts receivable, prepaid expenses and other assets, net ⁽³⁾		47,928
Total other assets	\$	<u>267,118</u>

Common Shares Outstanding

Total shares	<u>220,824,104</u>
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⁽¹⁾ Excludes our unconsolidated joint venture which consists of 158 facilities and 7,056 units and our 49% share of the unconsolidated joint venture's debt which was \$376.1 million as of June 30, 2021.

⁽²⁾ Amounts represent principal amounts due and exclude deferred financing costs, net and premiums/discounts, net.

⁽³⁾ Includes balances that impact cash or NOI and excludes non-cash items.

Disclaimer

This supplement contains “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995. These statements may be identified, without limitation, by the use of “expects,” “believes,” “intends,” “should” or comparable terms or the negative thereof. Examples of forward-looking statements include all statements regarding our expected future financial position, results of operations (including our 2021 guidance), cash flows, liquidity, business strategy, growth opportunities, potential investments, and plans and objectives for future operations.

Our actual results may differ materially from those projected or contemplated by our forward-looking statements as a result of various factors, including, among others, the following: the ongoing COVID-19 pandemic, including the risk of additional surges of COVID-19 infections due to the rate of public acceptance and efficacy of COVID-19 vaccines or to new and more contagious and/or vaccine resistant variants, and measures intended to prevent its spread, and the related impact on our tenants, operators and Senior Housing - Managed communities; our dependence on the operating success of our tenants; the potential variability of our reported rental and related revenues following the adoption of Accounting Standards Update (“ASU”) 2016-02, Leases, as amended by subsequent ASUs, on January 1, 2019; operational risks with respect to our Senior Housing - Managed communities; the effect of our tenants declaring bankruptcy or becoming insolvent; our ability to find replacement tenants and the impact of unforeseen costs in acquiring new properties; the impact of litigation and rising insurance costs on the business of our tenants; changes in healthcare regulation and political or economic conditions; the impact of required regulatory approvals of transfers of healthcare properties; competitive conditions in our industry; our concentration in the healthcare property sector, particularly in skilled nursing/transitional care facilities and senior housing communities, which makes our profitability more vulnerable to a downturn in a specific sector than if we were investing in multiple industries; the significant amount of and our ability to service our indebtedness; covenants in our debt agreements that may restrict our ability to pay dividends, make investments, incur additional indebtedness and refinance indebtedness on favorable terms; increases in market interest rates; the phasing out of the London Interbank Offered Rate (“LIBOR”) benchmark beginning after 2021; our ability to raise capital through equity and debt financings; risks associated with our investment in the Enlivant Joint Venture; changes in foreign currency exchange rates; the relatively illiquid nature of real estate investments; the loss of key management personnel; uninsured or underinsured losses affecting our properties and the possibility of environmental compliance costs and liabilities; the impact of a failure or security breach of information technology in our operations; our ability to maintain our status as a real estate investment trust (“REIT”) under the federal tax laws; changes in tax laws and regulations affecting REITs (including the potential effects of the Tax Cuts and Jobs Act); compliance with REIT requirements and certain tax and tax regulatory matters related to our status as a REIT; and the ownership limits and takeover defenses in our governing documents and under Maryland law, which may restrict change of control or business combination opportunities.

Additional information concerning risks and uncertainties that could affect our business can be found in our filings with the Securities and Exchange Commission (the “SEC”), including in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020. We do not intend, and we undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this supplement or to reflect the occurrence of unanticipated events, unless required by law to do so.

Note Regarding Non-GAAP Financial Measures

This supplement includes the following financial measures defined as non-GAAP financial measures by the SEC: net operating income (“NOI”), Cash NOI, funds from operations (“FFO”), Normalized FFO, Adjusted FFO (“AFFO”), Normalized AFFO, FFO per diluted common share, Normalized FFO per diluted common share, AFFO per diluted common share, Normalized AFFO per diluted common share and Adjusted EBITDA (defined below). These measures may be different than non-GAAP financial measures used by other companies, and the presentation of these measures is not intended to be considered in isolation or as a substitute for financial information prepared and presented in accordance with U.S. generally accepted accounting principles. An explanation of these non-GAAP financial measures is included under “Reporting Definitions” in this supplement and reconciliations of these non-GAAP financial measures to the GAAP financial measures we consider most comparable are included on the Investors section of our website at <http://www.sabrahealth.com/investors/financials/reports-presentations/non-gaap>.

Tenant and Borrower Information

This supplement includes information regarding certain of our tenants that lease properties from us and our borrowers, most of which are not subject to SEC reporting requirements. The information related to our tenants and borrowers that is provided in this supplement has been provided by, or derived from information provided by, such tenants and borrowers. We have not independently verified this information. We have no reason to believe that such information is inaccurate in any material respect. We are providing this data for informational purposes only.

Sabra Information

The information in this supplemental information package should be read in conjunction with the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other information filed with the SEC. The Reporting Definitions and Reconciliations of Non-GAAP Measures are an integral part of the information presented herein.

On Sabra's website, www.sabrahealth.com, you can access, free of charge, Sabra's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Sections 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after such material is filed with, or furnished to, the SEC. The information contained on Sabra's website is not incorporated by reference into, and should not be considered a part of, this supplemental information package. All material filed with the SEC can also be accessed through its website, www.sec.gov.

For more information, contact Investor Relations at (888) 393-8248 or investorrelations@sabrahealth.com.

Adjusted EBITDA*

Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation and amortization (“EBITDA”) excluding the impact of merger-related costs, stock-based compensation expense under the Company’s long-term equity award program, and loan loss reserves. Adjusted EBITDA is an important non-GAAP supplemental measure of operating performance.

Annualized Cash Net Operating Income (“Annualized Cash NOI”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers Annualized Cash NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines Annualized Cash NOI as Annualized Revenues less operating expenses, excluding COVID-19 Pandemic Expenses, and non-cash revenues and expenses. Annualized Cash NOI excludes all other financial statement amounts included in net income.

Annualized Revenues

The annual contractual rental revenues under leases and interest and other income generated by the Company’s loans receivable and other investments based on amounts invested and applicable terms as of the end of the period presented. Annualized Revenues do not include tenant recoveries, additional rents or Grant Income and are net of repositioning reserves, if applicable.

Cash Net Operating Income (“Cash NOI”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers Cash NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines Cash NOI as total revenues less operating expenses and non-cash revenues and expenses. Cash NOI excludes all other financial statement amounts included in net income.

Cash NOI Margin

Cash NOI Margin is calculated as Cash NOI divided by resident fees and services.

Consolidated Debt

The principal balances of the Company’s revolving credit facility, term loans, senior unsecured notes, and secured indebtedness as reported in the Company’s consolidated financial statements.

Consolidated Debt, Net

The carrying amount of the Company’s revolving credit facility, term loans, senior unsecured notes, and secured indebtedness, as reported in the Company’s consolidated financial statements.

Consolidated Enterprise Value

The Company believes Consolidated Enterprise Value is an important measurement as it is a measure of a company’s value. The Company calculates Consolidated Enterprise Value as market equity capitalization plus Consolidated Debt. Market equity capitalization is calculated as (i) the number of shares of common stock multiplied by the closing price of the Company’s common stock on the last day of the period presented plus (ii) the number of shares of preferred stock multiplied by the closing price of the Company’s preferred stock on the last day of the period presented. Consolidated Enterprise Value includes the Company’s market equity capitalization and Consolidated Debt, less cash and cash equivalents.

COVID-19 Pandemic Expenses

COVID-19 Pandemic Expenses consist primarily of (i) personal protective equipment (“PPE”) costs, (ii) incremental labor costs (including bonuses, hero pay and additional labor needed to implement new health and safety protocols) and (iii) incremental supply costs required to implement new health and safety protocols (e.g., disposable food containers and stronger disinfectants), in each case incurred by communities in our Senior Housing – Managed portfolio specifically as a result of the COVID-19 pandemic.

EBITDARM

Earnings before interest, taxes, depreciation, amortization, rent and management fees (“EBITDARM”) for a particular facility accruing to the operator/tenant of the property (not the Company), for the period presented. The Company uses EBITDARM in determining EBITDARM Coverage. EBITDARM has limitations as an analytical tool. EBITDARM does not reflect historical cash expenditures or future cash requirements for facility capital expenditures or contractual commitments. In addition, EBITDARM does not represent a property’s net income or cash flows from operations and should not be considered an alternative to those indicators. The Company utilizes EBITDARM to evaluate the core operations of the properties by eliminating management fees, which may vary by operator/tenant and operating structure, and as a supplemental measure of the ability of the Company’s operators/tenants and relevant guarantors to generate sufficient liquidity to meet related obligations to the Company.

EBITDARM Coverage

Represents the ratio of EBITDARM to cash rent for owned facilities (excluding Senior Housing – Managed communities) for the period presented. EBITDARM Coverage is a supplemental measure of a property’s ability to generate cash flows for the operator/tenant (not the Company) to meet the operator’s/tenant’s related cash rent and other obligations to the Company. However, its usefulness is limited by, among other things, the same factors that limit the usefulness of EBITDARM. EBITDARM Coverage includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

Funds From Operations (“FFO”) and Adjusted Funds from Operations (“AFFO”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company also believes that funds from operations, or FFO, as defined in accordance with the definition used by the National Association of Real Estate Investment Trusts (“Nareit”), and adjusted funds from operations, or AFFO (and related per share amounts) are important non-GAAP supplemental measures of the Company’s operating performance. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a real estate investment trust that uses historical cost accounting for depreciation could be less informative. Thus, Nareit created FFO as a supplemental measure of operating performance for real estate investment trusts that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined as net income, computed in accordance with GAAP, excluding gains or losses from real estate dispositions and the Company’s share of gains or losses from real estate dispositions related to its unconsolidated joint venture, plus real estate depreciation and amortization, net of amounts related to noncontrolling interests, plus the Company’s share of depreciation and amortization related to its unconsolidated joint venture, and real estate impairment charges of both consolidated and unconsolidated entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. AFFO is defined as FFO excluding merger and acquisition costs, stock-based compensation expense, non-cash rental and related revenues, non-cash interest income, non-cash interest expense, non-cash portion of loss on extinguishment of debt, provision for loan losses and other reserves, non-cash lease termination income and deferred income taxes, as well as other non-cash revenue and expense items (including ineffectiveness gain/loss on derivative instruments, and non-cash revenue and expense amounts related to noncontrolling interests) and the Company’s share of non-cash adjustments related to its unconsolidated joint venture. The Company believes that the use of FFO and AFFO (and the related per share amounts), combined with the required GAAP presentations, improves the understanding of the Company’s operating results among investors and makes comparisons of operating results among real estate investment trusts more meaningful. The Company considers FFO and AFFO to be useful measures for reviewing comparative operating and financial performance because, by excluding the applicable items listed above, FFO and AFFO can help investors compare the operating performance of the Company between periods or as compared to other companies. While FFO and AFFO are relevant and widely used measures of operating performance of real estate investment trusts, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company’s liquidity or operating performance. FFO and AFFO also do not consider the costs associated with capital expenditures related to the Company’s real estate assets nor do they purport to be indicative of cash available to fund the Company’s future cash requirements. Further, the Company’s computation of FFO and AFFO may not be comparable to FFO and AFFO reported by other real estate investment trusts that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define AFFO differently than the Company does.

Grant Income

Grant income consists of funds specifically paid to communities in our Senior Housing – Managed portfolio from state or federal governments related to the pandemic and were incremental to the amounts that would have otherwise been received for providing care to residents.

Investment

Represents the carrying amount of real estate assets after adding back accumulated depreciation and amortization and excludes net intangible assets and liabilities.

Market Capitalization

Total common shares of Sabra outstanding multiplied by the closing price per common share as of a given period.

Net Debt*

The principal balances of the Company’s revolving credit facility, term loans, senior unsecured notes, and secured indebtedness as reported in the Company’s consolidated financial statements, net of cash and cash equivalents as reported in the Company’s consolidated financial statements.

Net Operating Income (“NOI”)*

The Company believes that net income as defined by GAAP is the most appropriate earnings measure. The Company considers NOI an important supplemental measure because it allows investors, analysts and its management to evaluate the operating performance of its investments. The Company defines NOI as total revenues less operating expenses. NOI excludes all other financial statement amounts included in net income.

Normalized FFO and Normalized AFFO*

Normalized FFO and Normalized AFFO represent FFO and AFFO, respectively, adjusted for certain income and expense items that the Company does not believe are indicative of its ongoing operating results. The Company considers Normalized FFO and Normalized AFFO to be useful measures to evaluate the Company's operating results excluding these income and expense items to help investors compare the operating performance of the Company between periods or as compared to other companies. Normalized FFO and Normalized AFFO do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating the Company's liquidity or operating performance. Normalized FFO and Normalized AFFO also do not consider the costs associated with capital expenditures related to the Company's real estate assets nor do they purport to be indicative of cash available to fund the Company's future cash requirements. Further, the Company's computation of Normalized FFO and Normalized AFFO may not be comparable to Normalized FFO and Normalized AFFO reported by other real estate investment trusts that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define FFO and AFFO or Normalized FFO and Normalized AFFO differently than the Company does.

Occupancy Percentage

Occupancy Percentage represents the facilities' average operating occupancy for the period indicated. The percentages are calculated by dividing the actual census from the period presented by the available beds/units for the same period. Occupancy includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

REVPOR

REVPOR represents the average revenues generated per occupied unit per month at Senior Housing - Managed communities for the period indicated. It is calculated as resident fees and services revenues, excluding Grant Income, divided by average monthly occupied unit days. REVPOR includes only Stabilized Facilities.

Senior Housing

Senior Housing communities include independent living, assisted living, continuing care retirement and memory care communities.

Senior Housing - Managed

Senior Housing communities operated by third-party property managers pursuant to property management agreements.

Skilled Mix

Skilled Mix is defined as the total Medicare and non-Medicaid managed care patient revenue at Skilled Nursing/Transitional Care facilities divided by the total revenues at Skilled Nursing/Transitional Care facilities for the period indicated. Skilled Mix includes only Stabilized Facilities and excludes facilities for which data is not available or meaningful.

Skilled Nursing/Transitional Care

Skilled Nursing/Transitional Care facilities include skilled nursing, transitional care, multi-license designation and mental health facilities.

Specialty Hospitals and Other

Includes acute care, long-term acute care, rehabilitation and behavioral hospitals, facilities that provide residential services, which may include assistance with activities of daily living, and other facilities not classified as Skilled Nursing/Transitional Care or Senior Housing.

Stabilized Facility

At the time of acquisition, the Company classifies each facility as either stabilized or non-stabilized. In addition, the Company may classify a facility as non-stabilized after acquisition. Circumstances that could result in a facility being classified as non-stabilized include newly completed developments, facilities undergoing major renovations or additions, facilities being repositioned or transitioned to new operators, and significant transitions within the tenants' business model. Such facilities are typically reclassified to stabilized upon the earlier of maintaining consistent occupancy (85% for Skilled Nursing/Transitional Care facilities and 90% for Senior Housing communities) or 24 months after the date of classification as non-stabilized. Stabilized Facilities exclude (i) facilities held for sale, (ii) strategic disposition candidates, (iii) facilities being transitioned to a new operator, (iv) facilities being transitioned from being leased by the Company to being operated by the Company and (v) facilities acquired during the three months preceding the period presented.

***Non-GAAP Financial Measures**

Reconciliations, definitions and important discussions regarding the usefulness and limitations of the Non-GAAP Financial Measures used in this supplement can be found at <http://www.sabrahealth.com/investors/financials/reports-presentations/non-gaap>.