



NEWS RELEASE

Diversified Healthcare Trust and Five Star Senior Living Complete Restructuring of Business Arrangements

1/2/2020

NEWTON, Mass.--(BUSINESS WIRE)--Diversified Healthcare Trust (Nasdaq: DHC) and Five Star Senior Living Inc. (Nasdaq: FVE) today announced that the previously announced restructuring of their business arrangements was completed effective January 1, 2020. Pursuant to the restructuring transaction, the five existing master leases for 166 of DHC's senior living communities (18,676 living units) that were leased to FVE and the existing management agreements and pooling agreements between DHC and FVE for an additional 77 of DHC's senior living communities (10,168 living units) have been terminated and replaced with new management agreements for all 243 DHC senior living communities that are operated by FVE.

Also pursuant to the restructuring transaction, on January 1, 2020 FVE issued 10,268,158 of its common shares to DHC and an aggregate of approximately 16,119,560 of its common shares to DHC's shareholders of record as of December 13, 2019. In consideration of these share issuances, DHC paid or assumed \$75 million of FVE's working capital liabilities.

DHC, formerly known as Senior Housing Properties Trust, is a real estate investment trust, or REIT, that owns medical office and life science properties, senior living communities and wellness centers throughout the United States.

FVE is a senior living and healthcare services company that operates 267 independent living, assisted living, continuing care retirement and skilled nursing communities throughout the United States.

DHC and FVE are managed by The RMR Group LLC, the majority owned operating subsidiary of The RMR Group Inc.

(Nasdaq: RMR), an alternative asset management company that is headquartered in Newton, MA.