



NEWS RELEASE

Diversified Healthcare Trust Announces Further Management Transition Progress and Business Updates

9/13/2021

Enters into Management Agreement for Seven Communities with Northstar Senior Living

New Agreements for Approximately 84% of the Transitioning Communities Have Been Executed

August Month End Occupancy in the 120 DHC Communities that Five Star Will Continue to Manage was 74.7%, a 100 Basis Point Increase Compared to July Month End

NEWTON, Mass.--(BUSINESS WIRE)-- **Diversified Healthcare Trust (Nasdaq: DHC)** announced today that it has entered into a new management agreement with Northstar Senior Living for five memory care communities and one assisted living community in California, and one assisted living community in Arizona, totaling 422 units within its Senior Housing Operating Portfolio, or SHOP. DHC has now entered into new management agreements representing approximately 84% of its SHOP communities to be transitioned from Five Star Senior Living Inc. (Nasdaq: FVE), or Five Star, to other third-party operators as previously announced. DHC continues to expect to complete all the management transitions at the 108 transitioning communities by year end.

In addition, DHC also provided intra-quarter occupancy data at the 120 SHOP communities (excluding skilled nursing units at such communities) that Five Star will continue to manage. August month end occupancy in this portfolio was 74.7%, an increase of approximately 100 basis points compared to July month end occupancy, while August average occupancy in this portfolio was 73.4%, an increase of 50 basis points compared to July average occupancy.

Diversified Healthcare Trust (Nasdaq: DHC) is a real estate investment trust (REIT) focused on owning high-quality healthcare properties located throughout the United States. DHC seeks diversification across the health services spectrum: by care delivery and practice type, by scientific research disciplines, and by property type and location. As of June 30, 2021, DHC's \$8.2 billion portfolio included 392 properties in 36 states and Washington, D.C., occupied by almost 600 tenants, and totaling approximately 10.9 million square feet of life science and medical office properties and approximately 28,000 senior living units. DHC is managed by the operating subsidiary of The RMR Group Inc. (Nasdaq: RMR), an alternative asset management company that is headquartered in Newton, MA. To learn more about DHC, visit www.dhcreit.com.

WARNING REGARDING FORWARD-LOOKING STATEMENTS

This press release contains statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other securities laws. Also, whenever DHC uses words such as "believe", "expect", "anticipate", "intend", "plan", "estimate", "will", "may" and negatives or derivatives of these or similar expressions, DHC is making forward-looking statements. These forward-looking statements are based upon DHC's present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Actual results may differ materially from those contained in or implied by DHC's forward-looking statements as a result of various factors. Forward-looking statements involve known and unknown risks, uncertainties and other factors, some of which are beyond DHC's control. For example:

- DHC may be unable to identify additional new operators for the other 17 of 108 senior living communities being transitioned from Five Star that DHC believes are sufficiently qualified or may be unable to reach agreement with any such operators on management terms before year end 2021 or at all, and any agreement DHC may reach with any such operators may not be on the terms DHC currently expects or desires, and may not be equal to or more favorable to DHC than the terms of DHC's current management arrangements with Five Star.

The information contained in DHC's filings with the Securities and Exchange Commission, or SEC, including under "Risk Factors" in DHC's periodic reports, or incorporated therein, identifies other important factors that could cause DHC's actual results to differ materially from those stated in or implied by DHC's forward-looking statements. DHC's filings with the SEC are available on the SEC's website at www.sec.gov.

You should not place undue reliance upon forward-looking statements.

Except as required by law, DHC does not intend to update or change any forward-looking statements as a result of new information, future events or otherwise.

A Maryland Real Estate Investment Trust with transferable shares of beneficial interest listed on the Nasdaq.
No shareholder, Trustee or officer is personally liable for any act or obligation of the Trust.

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