



NEWS RELEASE

Diversified Healthcare Trust Completes the Sale of Four Assets for a Combined Sales Price of Approximately \$56 Million

4/2/2020

Sales Include Three Communities from the Senior Housing Operating Portfolio and One Medical Office Building

NEWTON, Mass.--(BUSINESS WIRE)-- **Diversified Healthcare Trust (Nasdaq:DHC)** has completed the previously announced sale of four assets for a combined sales price of approximately \$56 million.

These sales include:

- A portfolio of three senior living communities with a combined 599 units located in California for \$47 million.
- A 70,229 square foot medical office property located in Austin, TX for approximately \$8.8 million.

These sales were part of DHC's previously announced disposition plan to sell up to \$900 million of assets in connection with the restructuring of its business arrangements with Five Star Senior Living Inc. DHC expects to use the proceeds from these sales to repay debt and for general business purposes.

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, by property type and location. As of December 31, 2019, DHC's \$8.4 billion portfolio included more than 420 properties in 39 states and Washington, D.C., occupied by more than 600 tenants, and totaling approximately 12 million square feet of medical office and life science properties and more than 30,000 living units. DHC is managed by the operating subsidiary of The RMR Group Inc. 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:

- This press release states that the asset sales announced today were part of DHC’s previously approved disposition plan to sell up to \$900 million of assets. DHC cannot be sure that it will be able to sell additional assets or that any additional assets it may sell, when combined with proceeds from previous DHC sales, will aggregate \$900 million. Further, DHC is not obligated to continue to pursue its disposition plan and may elect to abandon its current disposition plan at any time. If DHC does not complete its disposition plan, its credit ratings may be adversely impacted and it may be limited in pursuing its business strategies.
- This press release states that DHC expects to use the net proceeds from the sales of these assets announced today to repay debt and for general business purposes. However, DHC may elect to use these proceeds for other reasons. Further, any reduction in DHC’s debt that may result from any repayment of its debt with these sales proceeds may be offset by future debt that DHC may incur.
- Further, the COVID-19 pandemic that is currently prevalent across the globe, including within the United States, has had profound negative consequences on economic activity, which DHC expects will slow its disposition program considerably for an indefinite, extended period. This may imply that asset sales will recommence if market conditions improve; however, any future asset sales may be delayed indefinitely, they may not occur or, if they do occur, assets may be sold at prices less than previously expected and DHC may realize losses from those assets and any reduction in its financial leverage resulting from any such sales may be less than previously planned.

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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