UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to __________

Commission file number: 001-39153

National Healthcare Properties, Inc.

(Exact name of registrant as specified in its charter)

Maryland	**38-3888962**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
540 Madison Ave., 27th Floor, New York, NY	**10022**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (332) 258-8770

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.01 par value per share	NHP	The Nasdaq Global Market
7.375% Series A Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value per share	NHPAP	The Nasdaq Global Market
7.125% Series B Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value per share	NHPBP	The Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of July 30, 2026, the registrant had 28,629,876 shares of common stock outstanding and 44,275,000 shares of Class A common stock outstanding.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Part I — FINANCIAL INFORMATION

Item 1. Financial Statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except per share data)
(Unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Real estate investments, at cost:		
Land	$ 181,140	$ 174,535
Buildings, fixtures and improvements	1,859,780	1,785,952
Acquired intangible assets	250,440	246,544
Construction in progress	7,170	2,994
Total real estate investments, at cost	2,298,530	2,210,025
Less: accumulated depreciation and amortization	(706,002)	(691,200)
Total real estate investments, net	1,592,528	1,518,825
Cash and cash equivalents	245,695	57,620
Restricted cash	56,681	50,832
Derivative assets, at fair value	2,367	569
Straight-line rent receivable, net	21,924	21,486
Operating lease right-of-use assets	7,299	7,377
Prepaid expenses and other assets, net	22,417	23,019
Accounts receivable, net	7,157	9,252
Deferred costs, net	20,201	22,792
Total assets	$ 1,976,269	$ 1,711,772
LIABILITIES AND EQUITY		
Liabilities		
Mortgage notes payable, net	$ 367,629	$ 367,629
Fannie Mae secured debt	331,854	334,739
Revolving credit facility	—	186,000
Term loan, net	148,674	148,405
Market lease intangible liabilities, net	4,381	4,851
Derivative liabilities, at fair value	—	188
Accounts payable and accrued expenses	48,249	44,381
Operating lease liabilities	8,417	8,467
Deferred rent	7,038	9,247
Distributions payable	2,808	3,340
Total liabilities	919,050	1,107,247
Commitments and Contingencies		
Equity		
7.375% Series A cumulative redeemable perpetual preferred stock, $0.01 par value, 4,052 and 4,608 authorized as of June 30, 2026 and December 31, 2025, respectively; 3,289 and 3,846 issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	33	38
7.125% Series B cumulative redeemable perpetual preferred stock, $0.01 par value, 2,900 and 3,467 authorized as of June 30, 2026 and December 31, 2025, respectively; 2,850 and 3,417 issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	29	35
Common stock, $0.01 par value, 300,000 shares authorized, 28,630 and 28,427 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	1,132	1,132
Class A common stock, $0.01 par value, 100,000 and zero authorized as of June 30, 2026 and December 31, 2025, respectively; 44,275 and zero issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	443	—
Additional paid-in capital	3,001,481	2,531,315
Accumulated other comprehensive income	4,810	5,604
Distributions in excess of accumulated earnings	(1,953,804)	(1,938,060)
Total stockholders' equity	1,054,124	600,064
Non-controlling interests	3,095	4,461
Total equity	1,057,219	604,525
Total liabilities and equity	$ 1,976,269	$ 1,711,772

The accompanying notes are an integral part of these consolidated financial statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except per share data)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Revenue from tenants	$ 87,530	$ 85,332	$ 173,815	$ 171,775
Operating expenses:				
Property operating and maintenance	54,119	54,179	107,037	112,035
Impairment charges	3,780	15,212	3,780	27,111
Acquisition and transaction related	130	497	183	548
General and administrative	6,604	5,075	12,071	9,971
Depreciation and amortization	17,811	18,539	35,549	42,245
Total expenses	82,444	93,502	158,620	191,910
Operating income (loss) before gain (loss) on sale of real estate investments	5,086	(8,170)	15,195	(20,135)
Gain (loss) on sale of real estate investments	—	2,652	(2)	27,641
Operating income (loss)	5,086	(5,518)	15,193	7,506
Other income (expense):				
Interest expense	(12,723)	(15,836)	(27,394)	(30,365)
Interest and other income, net	2,345	231	2,516	216
Gain on extinguishment of debt	—	257	—	257
(Loss) gain on non-designated derivatives	(47)	32	142	31
Total other expenses, net	(10,425)	(15,316)	(24,736)	(29,861)
Loss before income taxes	(5,339)	(20,834)	(9,543)	(22,355)
Income tax (expense) benefit	(47)	—	(124)	6
Net loss	(5,386)	(20,834)	(9,667)	(22,349)
Net loss (income) attributable to non-controlling interests	30	31	2	(23)
Allocation for preferred stock	(2,785)	(3,386)	(6,079)	(6,836)
Net loss attributable to common stockholders	(8,141)	(24,189)	(15,744)	(29,208)
Other comprehensive loss:				
Unrealized loss on designated derivatives	(266)	(2,205)	(794)	(7,199)
Comprehensive loss attributable to common stockholders	$ (8,407)	$ (26,394)	$ (16,538)	$ (36,407)
Weighted-average shares outstanding — Basic and Diluted [(1)]	61,597	28,296	45,059	28,296
Net loss per share attributable to common stockholders — Basic and Diluted [(1)]	$ (0.13)	$ (0.85)	$ (0.35)	$ (1.03)

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(1) Potential common shares are not included in the computation of diluted earnings per share (“EPS”) when a net loss exists as the effect would be an antidilutive per share amount.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In thousands)
(Unaudited)

Three months ended June 30, 2026

	Series A Preferred Stock		Series B Preferred Stock		Common stock		Class A Common Stock							
	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Additional paid-in capital	Accumulated other comprehensive income	Distributions in excess of accumulated earnings	Total stockholders' equity	Non-controlling interests	Total equity
Balance, March 31, 2026	3,846	$ 38	3,417	$ 35	28,336	$1,132	—	$ —	$2,531,539	$ 5,076	$(1,945,664)	$ 592,156	$ 4,387	$ 596,543
Equity-based compensation	—	—	—	—	—	—	—	—	1,615	—	—	1,615	—	1,615
Common stock issuance, net of tax withholdings	—	—	—	—	16	—	—	—	—	—	—	—	—	—
Class A common stock issuance, net of offering costs	—	—	—	—	—	—	44,275	443	493,811	—	—	494,254	—	494,254
Distributions declared on Series A Preferred Stock, $0.46 per share	—	—	—	—	—	—	—	—	—	—	(1,515)	(1,515)	—	(1,515)
Distributions declared on Series B Preferred Stock, $0.45 per share	—	—	—	—	—	—	—	—	—	—	(1,269)	(1,269)	—	(1,269)
Repurchase of Series A Preferred Stock	(557)	(5)	—	—	—	—	—	—	(12,688)	—	—	(12,693)	—	(12,693)
Repurchase of Series B Preferred Stock	—	—	(567)	(6)	—	—	—	—	(12,911)	—	—	(12,917)	—	(12,917)
Distributions to non-controlling interest holders	—	—	—	—	—	—	—	—	—	—	—	—	(22)	(22)
Acquisition of non-controlling interest	—	—	—	—	—	—	—	—	164	—	—	164	(1,289)	(1,125)
Rebalancing of ownership percentage	—	—	—	—	—	—	—	—	(49)	—	—	(49)	49	—
Unrealized loss on designated derivatives	—	—	—	—	—	—	—	—	—	(266)	—	(266)	—	(266)
Net loss	—	—	—	—	—	—	—	—	—		(5,356)	(5,356)	(30)	(5,386)
Balance, June 30, 2026	3,289	$ 33	2,850	$ 29	28,352	$1,132	44,275	$443	$3,001,481	$ 4,810	$(1,953,804)	$1,054,124	$ 3,095	$1,057,219

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In thousands)
(Unaudited)

	Three months ended June 30, 2025													
	Series A Preferred Stock		Series B Preferred Stock		Common stock		Class A Common Stock							
	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Additional paid-in capital	Accumulated other comprehensive income	Distributions in excess of accumulated earnings	Total stockholders' equity	Non-controlling interests	Total equity
Balance, March 31, 2025	3,977	$ 40	3,630	$ 36	28,296	$1,132	—	$ —	$2,533,737	$ 11,646	$(1,872,012)	$ 674,579	$ 5,541	$ 680,120
Equity-based compensation	—	—	—	—	—	—	—	—	570	—	—	570	—	570
Distributions declared on Series A Preferred Stock, $0.46 per share	—	—	—	—	—	—	—	—	—	—	(1,800)	(1,800)	—	(1,800)
Distributions declared on Series B Preferred Stock, $0.45 per share	—	—	—	—	—	—	—	—	—	—	(1,585)	(1,585)	—	(1,585)
Distributions to non-controlling interest holders	—	—	—	—	—	—	—	—	—	—	—	—	(46)	(46)
Repurchase of Series A Preferred Stock	(57)	—	—	—	—	—	—	—	(822)	—	—	(822)	—	(822)
Repurchase of Series B Preferred Stock	—	—	(66)	(1)	—	—	—	—	(915)	—	—	(916)	—	(916)
Net loss	—	—	—	—	—	—	—	—	—	—	(20,803)	(20,803)	(31)	(20,834)
Unrealized gain on designated derivatives	—	—	—	—	—	—	—	—	—	(2,205)	—	(2,205)	—	(2,205)
Rebalancing of ownership percentage	—	—	—	—	—	—	—	—	15	—	—	15	(15)	—
Balance, June 30, 2025	3,920	$ 40	3,564	$ 35	28,296	$1,132	—	$ —	$2,532,585	$ 9,441	$(1,896,200)	$ 647,033	$ 5,449	$ 652,482

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In thousands)
(Unaudited)

	Six months ended June 30, 2026													
	Series A Preferred Stock		Series B Preferred Stock		Common stock		Class A Common Stock							
	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Additional paid-in capital	Accumulated other comprehensive income	Distributions in excess of accumulated earnings	Total stockholders' equity	Non-controlling interests	Total equity
Balance, December 31, 2025	3,846	$ 38	3,417	$ 35	28,307	$1,132	$ —	$ —	$2,531,315	$ 5,604	$(1,938,060)	$ 600,064	$ 4,461	$ 604,525
Equity-based compensation	—	—	—	—	—	—	—	—	2,227	—	—	2,227	—	2,227
Common stock issuance, net of tax withholdings	—	—	—	—	45	—	—	—	(443)	—	—	(443)	—	(443)
Class A common stock issuance, net of offering costs	—	—	—	—	—	—	44,275	443	493,811	—	—	494,254	—	494,254
Distributions declared on Series A Preferred Stock, $0.92 per share	—	—	—	—	—	—	—	—	—	—	(3,288)	(3,288)	—	(3,288)
Distributions declared on Series B Preferred Stock, $0.90 per share	—	—	—	—	—	—	—	—	—	—	(2,791)	(2,791)	—	(2,791)
Repurchase of Series A Preferred Stock	(557)	(5)	—	—	—	—	—	—	(12,688)	—	—	(12,693)	—	(12,693)
Repurchase of Series B Preferred Stock	—	—	(567)	(6)	—	—	—	—	(12,911)	—	—	(12,917)	—	(12,917)
Distributions to non-controlling interest holders	—	—	—	—	—	—	—	—	—	—	—	—	(69)	(69)
Acquisition of non-controlling interest	—	—	—	—	—	—	—	—	164	—	—	164	(1,289)	(1,125)
Rebalancing of ownership percentage	—	—	—	—	—	—	—	—	6	—	—	6	(6)	—
Unrealized loss on designated derivatives	—	—	—	—	—	—	—	—	—	(794)	—	(794)	—	(794)
Net loss	—	—	—	—	—	—	—	—	—	—	(9,665)	(9,665)	(2)	(9,667)
Balance, June 30, 2026	3,289	$ 33	2,850	$ 29	28,352	$1,132	44,275	$443	$3,001,481	$ 4,810	$(1,953,804)	$1,054,124	$ 3,095	$1,057,219

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In thousands)
(Unaudited)

	Six months ended June 30, 2025													
	Series A Preferred Stock		Series B Preferred Stock		Common stock		Class A Common Stock							
	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Number of shares	Par value	Additional paid-in capital	Accumulated other comprehensive income	Distributions in excess of accumulated earnings	Total stockholders' equity	Non-controlling interests	Total equity
Balance, December 31, 2024	3,977	$ 40	3,630	$ 36	28,296	$1,132	—	$ —	$2,533,706	$ 16,640	$(1,866,994)	$ 684,560	$ 5,565	$ 690,125
Equity-based compensation	—	—	—	—	—	—	—	—	570	—	—	570	—	570
Distributions declared on Series A Preferred Stock, $0.92 per share	—	—	—	—	—	—	—	—	—	—	(3,634)	(3,634)	—	(3,634)
Distributions declared on Series B Preferred Stock, $0.89 per share	—	—	—	—	—	—	—	—	—	—	(3,200)	(3,200)	—	(3,200)
Distributions to non-controlling interest holders	—	—	—	—	—	—	—	—	—	—	—	—	(93)	(93)
Repurchase of Series A Preferred Stock	(57)	—	—	—	—	—	—	—	(822)	—	—	(822)	—	(822)
Repurchase of Series B Preferred Stock	—	—	(66)	(1)	—	—	—	—	(915)	—	—	(916)	—	(916)
Net loss	—	—	—	—	—	—	—	—	—	—	(22,372)	(22,372)	23	(22,349)
Unrealized loss on designated derivatives	—	—	—	—	—	—	—	—	—	(7,199)	—	(7,199)	—	(7,199)
Rebalancing of ownership percentage	—	—	—	—	—	—	—	—	46	—	—	46	(46)	—
Balance, June 30, 2025	3,920	$ 40	3,564	$ 35	28,296	$1,132	—	$ —	$2,532,585	$ 9,441	$(1,896,200)	$ 647,033	$ 5,449	$ 652,482

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash flows from operating activities:		
Net loss	$ (9,667)	$ (22,349)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	35,549	42,245
Amortization of deferred financing costs and mortgage discounts (premiums)	2,102	2,339
Accretion of terminated swap	(2,968)	—
(Accretion) amortization of market lease and other intangibles, net	(293)	2,196
Equity-based compensation amortization expense	2,227	570
Gain on sale of real estate investments	—	(27,641)
Cash received from non-designated derivative instruments	608	1,775
Gain on non-designated derivative instruments	(142)	(31)
Impairment charges	3,780	27,111
Gain on extinguishment of debt	—	(257)
Deferred tax valuation allowance	(122)	946
Changes in assets and liabilities:		
Straight-line rent receivable, net	(436)	(1,658)
Prepaid expenses and other assets, net	957	(1,990)
Accounts receivable, net	2,091	4,076
Accounts payable, accrued expenses and other liabilities	910	(36,416)
Deferred leasing costs	(1,767)	(6,223)
Deferred rent	(2,209)	2,130
Net cash provided by (used in) operating activities	30,620	(13,177)
Cash flows from investing activities:		
Acquisitions of real estate	(98,031)	(250)
Capital expenditures	(10,609)	(12,365)
Investments in non-designated interest rate caps, net	(154)	—
Proceeds from sales of real estate, net	—	88,759
Net cash (used in) provided by investing activities	(108,794)	76,144
Cash flows from financing activities:		
Repayments under revolving credit facility and term loan	(186,000)	—
Repayments of Fannie Mae secured debt	(2,885)	(24,593)
Repayments of mortgage notes payable	(443)	(429)
Payments of deferred financing costs	(187)	(205)
Taxes paid for net settlement of equity-based awards	(444)	—
Payment of offering costs	(3,950)	—
Common stock issuance, net	499,422	—
Repurchase of Preferred Stock	(25,610)	(1,738)
Dividends paid on Series A Preferred Stock	(3,545)	(3,634)
Dividends paid on Series B Preferred Stock	(3,043)	(3,200)
Distributions to non-controlling interest holders	(92)	(93)
Purchase of non-controlling interest	(1,125)	—
Net cash provided by (used in) financing activities	272,098	(33,892)
Net change in cash, cash equivalents and restricted cash	193,924	29,075
Cash, cash equivalents and restricted cash, beginning of period	108,452	74,095
Cash, cash equivalents and restricted cash, end of period	$ 302,376	$ 103,170

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six months ended June 30,	
	2026	2025
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ (28,235)	$ (26,252)
Cash paid for taxes, net [1]	(365)	(243)
Non-cash investing and financing activities:		
Preferred stock dividend declared	$ 2,808	$ 3,478
Mortgage notes payable repaid with proceeds from real estate sales	—	(82,540)
Net change in accrued capital expenditures for the period	1,504	3,375
Assets acquired and liabilities assumed from acquisitions		
Real estate investments	1,084	—
Prepaid expenses and other assets, net	79	—
Accounts payable and accrued expenses	(1,163)	—

(1) For the six months ended June 30, 2026, relates to cash paid for income taxes, net of refunds. For the six months ended June 30, 2025, relates to cash paid for income and franchise taxes.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2026
(Unaudited)

Note 1 — Organization

National Healthcare Properties, Inc. (including, as required by context, National Healthcare Properties Operating Partnership, L.P. (the “OP”) and its subsidiaries, the “Company”) is a real estate investment trust (“REIT”) for U.S. federal income tax purposes. The Company acquires, owns and manages a diversified portfolio of healthcare-related real estate focused on senior housing operating portfolio (“SHOP”) communities and outpatient medical facilities (“OMF”). Substantially all of the Company’s business is conducted through the OP and its wholly-owned subsidiaries, which include certain taxable REIT subsidiaries (“TRSs”).

As of June 30, 2026, the Company owned 170 properties (including one land parcel) located in 29 states, consisting of 39 senior housing communities, with 3,616 units, and 130 outpatient medical facilities, with approximately 3.7 million square feet of gross leasable area.

The Company operates two operating and reportable business segments: SHOP and OMF. In the SHOP segment, the Company invests in senior housing communities through the REIT Investment Diversification and Empowerment Act of 2007 (“RIDEA”) structure. Under RIDEA, a REIT may lease “qualified healthcare properties” on an arm’s length basis to a TRS if the property is operated on behalf of such subsidiary by a person who qualifies as an “eligible independent contractor.” As of June 30, 2026, the Company had three eligible independent contractors operating 39 senior housing communities. In the OMF segment, the Company owns, manages and leases single and multi-tenant OMFs where, in addition to base rent, tenants are required to pay their pro rata share of property operating expenses and certain capital expenditures, which may be subject to expense exclusions and floors. As of June 30, 2026, the Company managed all OMFs directly, without the use of third party service providers.

On April 23, 2026, pursuant to a registration statement on Form S-11 (File No. 333-294895) filed with the United States Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as amended, the Company completed its public offering (the “Offering”) and issued an aggregate of 44,275,000 shares of Class A common stock, $0.01 par value per share (“Class A common stock”), for aggregate gross offering proceeds of approximately $531.3 million. In connection with the Offering, the Class A common stock became listed on The Nasdaq Global Market (“Nasdaq”) under the symbol “NHP” and began trading on April 22, 2026. Each share of Class A common stock will automatically convert into one share of the Company’s existing common stock, $0.01 par value per share, on October 18, 2026 and all shares of common stock will subsequently be listed and freely tradeable on Nasdaq under the symbol “NHP.”

Note 2 — Summary of Significant Accounting Policies

The accompanying unaudited consolidated financial statements of the Company included herein were prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and with the instructions to this Quarterly Report on Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. The information furnished includes all adjustments and accruals of a normal recurring nature, which, in the opinion of management, are necessary for a fair statement of results for the interim periods. The results of operations for the three and six months ended June 30, 2026 and 2025 are not necessarily indicative of the results for the entire year or any subsequent interim periods.

These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto as of and for the year ended December 31, 2025, which are included in the Company’s Annual Report on Form 10-K filed with the SEC on February 20, 2026. Except for those required by new accounting pronouncements discussed below, there have been no significant changes to the Company’s significant accounting policies during the six months ended June 30, 2026.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2026
(Unaudited)

Principles of Consolidation and Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Company, the OP and its subsidiaries. All intercompany accounts and transactions are eliminated in consolidation. In determining whether the Company has a controlling financial interest in a joint venture and the requirement to consolidate the accounts of that entity, management considers factors such as ownership interest, authority to make decisions and contractual and substantive participating rights of the other partners or members as well as whether the entity is a variable interest entity ("VIE") for which the Company is the primary beneficiary. The Company has determined the OP is a VIE of which the Company is the primary beneficiary. Substantially all of the Company's assets and liabilities are held by the OP.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Management makes significant estimates regarding revenue recognition, purchase price allocations to record investments in real estate, impairments, fair value measurements and income taxes, as applicable.

Recently Issued Accounting Pronouncements

Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2023-09, *Improvements to Income Tax Disclosures* ("ASU 2023-09"), which requires public entities on an annual basis to (i) disclose specific categories in the rate reconciliation and (ii) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than five percent of the amount computed by multiplying pretax income or loss by the applicable statutory income tax rate). During the year ended December 31, 2025, the Company adopted ASU 2023-09 prospectively and disclosed a new rate reconciliation table and an income tax payment schedule. The adoption did not have an impact on the Company's consolidated financial position, results of operations or cash flows.

Not yet adopted

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* ("ASU 2024-03"). ASU 2024-03 requires public business entities (PBEs) to provide disaggregated disclosure in tabular format in the notes to financial statements of specific expenses, including but not limited to: (i) employee compensation, (ii) depreciation, and (iii) intangible asset amortization. In January 2025, the FASB issued ASU No. 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*: *Clarifying the Effective Date*, to clarify that all public business entities are required to adopt the guidance in annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is evaluating the impact of the adoption of these ASUs on its consolidated financial statements.

Reclassifications

Certain 2025 amounts have been reclassified from general and administrative to property operating and maintenance on the Company's consolidated statements of operations and comprehensive loss to align with the current period presentation. This reclassification did not affect the total assets, total liabilities, stockholder's equity, net loss or earnings per share in any of the periods reported. Certain 2025 amounts have been reclassified on the Company's consolidated statements of cash flows to align with current period presentation.

Note 3 — Real Estate Investments, Net

Property Acquisitions

During the six months ended June 30, 2026, the Company acquired two SHOP communities for an aggregate purchase price of $98.0 million under the RIDEA structure, with such communities managed by an existing operating partner of the Company.

Concentration Risk

As of June 30, 2026, the Company had one tenant (including for this purpose, all affiliates of such tenant) in the OMF segment whose annualized rental income on a straight-line basis represented 10% or greater of total annualized rental income for the segment on a straight-line basis. As of June 30, 2025, the Company had no tenants in the OMF segment whose annualized rental income on a straight-line basis represented 10% or greater of total annualized rental income for the segment on a straight-line basis.

Annualized rental income for the Company consists of: (i) for the OMF segment, annualized June 30, 2026 rental income on a straight-line basis for the leases in place as of June 30, 2026, which includes tenant concessions such as free rent, as applicable, and (ii) for the SHOP segment, annualized gross revenue for the quarter ended June 30, 2026.

The following table lists the states where the Company had concentrations of properties where annualized rental income on a straight-line basis represented 10% or more of total annualized rental income on a straight-line basis for all properties as of June 30, 2026 and 2025.

	As of June 30,	
State	**2026**	**2025**
Florida	22.9%	22.4%
Pennsylvania	11.1%	10.7%
Iowa	10.7%	10.3%
Georgia	10.6%	11.1%

Intangible Assets and Liabilities

The following table discloses amounts recognized within the consolidated statements of operations and comprehensive loss related to amortization of in-place lease intangible and other intangible assets, amortization and accretion of above- and below-market lease intangible assets and liabilities, net and the amortization and accretion of above- and below-market ground leases, net, for the periods presented (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	**2025**	**2026**	**2025**
Amortization of in-place lease and other intangible assets (1)	$ 1,786	$ 2,168	$ 3,781	$ 4,683
Accretion of above- and below-market lease intangibles, net (2)	(170)	(158)	$ (340)	$ (197)
Amortization of above- and below-market ground leases, net (3)	32	32	$ 63	$ 2,410

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(1) Reflected within depreciation and amortization expense.

(2) Reflected within revenue from tenants.

(3) Reflected within property operating and maintenance expense.

Dispositions

During the six months ended June 30, 2026, the Company did not dispose of any properties.

In May 2026, the Company entered into a definitive purchase and sale agreement with an unaffiliated third party to sell a portfolio of 86 OMFs for approximately $528.2 million (before transaction expenses, property operating prorations and other adjustments), including approximately $278.0 million of secured debt to be defeased or assumed by the purchaser. Closing of the sale is subject to the approval by the lenders of loan assumption and other customary closing conditions as specified in the purchase and sale agreement. In addition, the Company continues to explore strategic opportunities related to the remainder of the OMF portfolio.

In May 2026, the Company entered into a definitive purchase and sale agreement to sell one non-core SHOP community in California for approximately $42.0 million.

Assets Held-for-Sale

There were no properties classified as held-for-sale as of June 30, 2026 or December 31, 2025.

Impairment Charges

The following table presents impairment charges by segment recorded during the three and six months ended June 30, 2026 and 2025 (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
OMF	$ —	$ 1,142	$ —	$ 1,889
SHOP	3,780	14,070	3,780	25,222
Total impairment charges[1]	$ 3,780	$ 15,212	$ 3,780	$ 27,111

(1) During the six months ended June 30, 2026, impairment is attributed to one held-for-use SHOP community. The community was impaired to its contractual sales price as determined by the purchase and sale agreement executed after the reporting date. Amounts presented for the six months ended June 30, 2025 relate to two held-for-use SHOP communities, two held-for-use OMF and one SHOP community held for sale during this period. These properties were impaired to their contractual sales price as determined by their purchase and sale agreements and were subsequently sold during 2025.

Note 4 — Leases

Lessor Accounting

The following table summarizes the Company’s lease income (dollars in thousands). Rental income from the OMF operating leases consists of fixed and variable lease payments. The variable payments primarily represent reimbursements of various property-level operating and maintenance expenses that the Company pays on behalf of its tenants. Substantially all of the resident fees and services earned from the SHOP segment represent fixed income from operating leases and have not been included in the table below (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Fixed income from operating leases	$ 23,189	$ 23,357	$ 46,327	$ 48,372
Variable income from operating leases	5,993	5,895	11,509	11,515

During the three and six months ended June 30, 2026, the Company recorded reductions in revenue of $0.4 million and $1.0 million, respectively, related to uncollectible accounts. During the three and six months ended June 30, 2025, the Company recorded reductions in revenue of $0.4 million and $0.6 million, respectively, related to uncollectable accounts.

Note 5 — Mortgage Notes Payable and Other Debt

The following table reflects the Company's mortgage notes payable and other debt as of June 30, 2026 and December 31, 2025 (dollars in thousands):

	Encumbered properties at June 30, 2026	Outstanding balance as of June 30, 2026	Outstanding balance as of December 31, 2025	Effective interest rate as of June 30, 2026	Effective interest rate as of December 31, 2025	Interest rate	Maturity
Secured Term Loan 1 due 2028	15	$ 85,771	$ 85,771	4.60 %	4.60 %	Fixed	May 2028
Secured Term Loan 3 due 2031	7	33,066	33,066	2.93 %	2.93 %	Fixed	Dec 2031
Secured Term Loan 4 due 2033	56	219,500	219,500	6.54 %	6.54 %	Fixed	Jun 2033
Single Property Mortgage 1 due 2047	1	6,195	6,289	4.04 %	4.04 %	Fixed	May 2047
Single Property Mortgage 2 due 2049	1	14,197	14,412	2.99 %	2.99 %	Fixed	May 2049
Single Property Mortgage 3 due 2049	1	8,809	8,942	2.99 %	2.99 %	Fixed	May 2049
Multi Property Mortgage 1 due 2034	4	7,500	7,500	6.94 %	6.94 %	Fixed	Mar 2034
Gross mortgage notes payable [(1)]	85	375,038	375,480	5.53 %	5.52 %		
Deferred financing costs, net		(6,354)	(6,753)				
Mortgage premiums and discounts, net		(1,055)	(1,098)				
Mortgage notes payable, net		$ 367,629	$ 367,629				
Fannie Mae Secured Debt 1 due 2026	11	$ 198,096	$ 199,866	6.20 %	6.63 %	Variable	Nov 2026
Fannie Mae Secured Debt 2 due 2026	10	133,758	134,873	6.25 %	6.68 %	Variable	Nov 2026
Total Fannie Mae Secured Debt [(1)(2)]	21	$ 331,854	$ 334,739	6.22 %	6.65 %		
Term Loan due 2028 [(3)]	—	$ 150,000	$ 150,000	5.36 %	5.51 %	Variable	Dec 2028
Deferred financing costs, net		(1,326)	(1,595)				
Unsecured term loan, net		$ 148,674	$ 148,405				
Unsecured revolving credit facility	59	$ —	$ 186,000	5.65 %	5.94 %	Variable	Dec 2028

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(1) For total gross mortgage notes payable and total Fannie Mae Secured Debt as of June 30, 2026 and December 31, 2025, effective interest rate is calculated on a weighted average basis.

(2) The Fannie Mae Secured Debt had interest rate caps that limit one-month SOFR (as defined below) at 3.50%.

(3) The Term Loan due 2028 has interest rate swaps that convert variable interest rates to fixed interest rates.

Mortgage Notes Payable

As of June 30, 2026, the Company had pledged $684.3 million in total real estate investments, at cost, as collateral for its $375.0 million of gross mortgage notes payable. The collateralized real estate investments are not available to satisfy other debts and obligations unless first satisfying the mortgage notes payable secured by these properties. The Company makes payments of principal and interest, or interest only, depending upon the specific requirements of each mortgage note, on a monthly basis.

Some of the Company's mortgage note agreements require compliance with certain property-level financial covenants, including debt service coverage ratios. Notably, the Secured Term Loan 4 due 2033 loan agreement requires the OP to comply with certain covenants, including, maintaining combined cash and cash equivalents totaling at least $12.5 million at all times.

Fannie Mae Secured Debt

On October 31, 2016, the Company, through wholly-owned subsidiaries of the OP, entered into a master secured debt agreement with KeyBank (the "KeyBank Secured Debt") and a master secured debt agreement with Capital One Multifamily

Finance LLC, an affiliate of Capital One (the "Capital One Secured Debt" and, together with the KeyBank Secured Debt, "Fannie Mae Secured Debt"). Advances made under these agreements were assigned by Capital One and KeyBank to Fannie Mae at closing for inclusion in Fannie Mae's Multifamily MBS program. Borrowings under the Fannie Mae Secured Debt bore monthly interest equal to the sum of the current SOFR for one-month denominated deposits and a spread of 2.41% and 2.46% for the Capital One Secured Debt and the KeyBank Secured Debt, respectively. The Fannie Mae Secured Debt was scheduled to mature on November 1, 2026. The Company fully prepaid the Fannie Mae Secured Debt on August 3, 2026.

Through June 30, 2026, the Company had provided cash deposits totaling $15.4 million to Fannie Mae because the debt service coverage ratios of the underlying properties of each facility were below the minimum required amounts per the debt agreements. These deposits were recorded as restricted cash on the Company's consolidated balance sheets and were pledged as additional collateral for the Fannie Mae Secured Debt. These deposits were fully refunded upon the prepayment of the Fannie Mae Secured Debt on August 3, 2026 in connection with the recast of the Credit Facilities (as defined below) on August 3, 2026.

As of June 30, 2026, the Company had pledged $597.6 million in total real estate investments, at cost as collateral under its Fannie Mae Secured Debt. All of the real estate assets pledged to secure borrowings under the Fannie Mae Secured Debt were released upon the prepayment of the Fannie Mae Secured Debt on August 3, 2026.

Unsecured Credit Facilities

On December 11, 2025, the Company, as guarantor, the OP, as borrower, and certain indirect subsidiaries of the Company entered into a credit agreement (the "2025 Credit Agreement") with Wells Fargo Bank, National Association, as administrative agent, and certain lenders party thereto. The 2025 Credit Agreement provided for (i) a $400 million senior unsecured revolving credit facility (the "Revolving Facility") and (ii) a $150 million senior unsecured term loan facility (the "Term Loan" and, together with the Revolving Facility, the "Credit Facilities"). The Credit Facilities were recast on August 3, 2026. See *Note 15 — Subsequent Events* for further information.

The Credit Facilities had a maturity date of December 11, 2028. The interest rates applicable to loans under the Credit Facilities were, at the OP's option, equal to either a base rate plus a margin ranging from 0.55% to 1.10% per annum or Daily Simple SOFR or Term SOFR plus a margin ranging from 1.55% to 2.10% per annum, in each case based on the Company's consolidated leverage ratio. The Credit Facilities were guaranteed, jointly and severally, by the Company and certain indirect subsidiaries of the Company. As of June 30, 2026, the Company had $870.4 million in total real estate investments, at cost as the borrowing base under the Credit Facilities.

On April 25, 2026, the Company used a portion of the net proceeds from the Offering to repay in full the $186.0 million of then outstanding indebtedness under its Revolving Facility.

Debt Maturities

As of June 30, 2026, the Company's indebtedness had the following maturities (dollars in thousands):

	Mortgage notes payable	Fannie Mae Secured Debt	Term Loan	Revolving Facility	Total
2026	$ 450	$ 331,854	$ —	$ —	$ 332,304
2027	922	—	—	—	922
2028	86,722	—	150,000	—	236,722
2029	982	—	—	—	982
2030	1,013	—	—	—	1,013
Thereafter	284,949	—	—	—	284,949
Total	$ 375,038	$ 331,854	$ 150,000	$ —	$ 856,892

The Company's existing principal demands for cash are to fund acquisitions, capital expenditures, the payment of its operating and administrative expenses, debt service obligations (including principal repayment) and distributions to holders of its Series A Preferred Stock, Series B Preferred Stock and common stock. The Company closely monitors its current and anticipated liquidity position relative to its current and anticipated demands for cash and believes that it has sufficient current liquidity to meet its financial obligations for at least the next 12 months. The Company expects to fund its future short-term operating liquidity requirements, including acquisitions and distributions to holders of its Series A Preferred Stock, Series B Preferred Stock and common stock, through a combination of current cash on hand, net cash provided by its operating activities and property dispositions, future takedowns under the Revolving Facility, issuance of equity securities and potential new financings utilizing certain of its unencumbered properties.

Note 6 — Derivatives and Hedging Activities

Risk Management Objective of Using Derivatives

The Company may use derivative financial instruments, including interest rate swaps, caps, collars, options, floors and other interest rate derivative contracts, to hedge all or a portion of the interest rate risk associated with its borrowings.

The principal objective of such arrangements is to minimize the risks and/or costs associated with the Company's operating and financial structure as well as to hedge specific anticipated transactions. Additionally, in using interest rate derivatives, the Company aims to add stability to interest expense and to manage its exposure to interest rate movements. The Company does not intend to utilize derivatives for speculative purposes or purposes other than interest rate risk management. The use of derivative financial instruments carries certain risks, including the risk that the counterparties to these contractual arrangements are not able to perform under the agreements. To mitigate this risk, the Company only enters into derivative financial instruments with counterparties with high credit ratings and with major financial institutions with which the Company, and its affiliates, may also have other financial relationships. The Company does not anticipate that any of its counterparties will fail to meet their obligations.

Cash Flow Hedges of Interest Rate Risk

Interest rate swaps designated as cash flow hedges involve the receipt of variable rate amounts from a counterparty in exchange for the Company making fixed rate payments over the life of the agreements without exchange of the underlying notional amount. These derivatives are used to hedge the variable cash flows associated with variable rate debt.

The changes in the fair value of derivatives designated and that qualify as cash flow hedges are recorded in accumulated other comprehensive loss and are subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings.

Amounts reported in accumulated other comprehensive income related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable rate debt. The Company estimates that during the 12 month period from July 1, 2026 through June 30, 2027, $3.7 million of unrealized gain will be reclassified from accumulated other comprehensive income into earnings as a decrease to interest expense.

The following table summarizes the Company's interest rate swaps, designated as cash flow hedges for interest rate risk (dollars in thousands):

	Number of instruments	Notional amount	Index	Pay rate	Effective date	Maturity date	Fair value
As of June 30, 2026							
Interest rate "pay-fixed" swap (1)	10	$150,000	USD-SOFR with -5 Day Lookback	3.34%	12/11/2025	12/11/2028	$ 1,987
As of December 31, 2025							
Interest rate "pay-fixed" swaps (2)	10	$150,000	USD-SOFR with -5 Day Lookback	3.34%	12/11/2025	12/11/2028	$ (188)

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(1) Recorded at fair value in "Derivative assets, at fair value" on the consolidated balance sheets.

(2) Recorded at fair value in "Derivative liabilities, at fair value" on the consolidated balance sheets.

The table below details the location in the financial statements of the gain (loss) recognized on interest rate derivatives designated as cash flow hedges for the periods presented (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Gain (loss) recognized in accumulated other comprehensive income on interest rate derivatives	$ 1,333	$ 58	$ 2,404	$ (1,141)
Gain reclassified from accumulated other comprehensive income into income as interest expense	$ 1,599	$ 2,263	$ 3,198	$ 6,058
Total interest expense presented in the consolidated statements of operations and comprehensive loss	$ (12,723)	$ (15,836)	$ (27,394)	$ (30,365)

Non-Designated Derivatives

The Company had the following interest rate derivatives that were not designated as hedges in qualifying hedging relationships as of June 30, 2026 and December 31, 2025 (dollars in thousands):

	June 30, 2026			December 31, 2025		
	Number of instruments	Notional amount	Fair value	Number of instruments	Notional amount	Fair value
Interest rate caps [(1)]	6	$ 336,004	$ 380	6	$ 337,999	$ 569

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(1) Recorded at fair value in "Derivative assets, at fair value" on the consolidated balance sheets. Fair and notional values may include contracts acquired but not yet effective as of the dates presented. All of the Company's interest rate cap agreements limit one-month Secured Overnight Financing Rate ("SOFR") to 3.50% with terms through November 2026. The actual one-month SOFR rates during the six months ended June 30, 2026 exceeded the strike price rate of 3.50% and the Company received payments under these agreements. While the Company does not apply hedge accounting for these interest rate caps, they are economically hedging the Fannie Mae Secured Debt. Changes in the fair market value of these non-designated derivatives, as well as any cash received, are presented within (Loss) gain on non-designated derivatives in the Company's consolidated statements of operations and comprehensive loss.

Credit-risk-related Contingent Features

The Company has agreements in place with each of its derivative counterparties that contain a provision where if the Company either defaults or is capable of being declared in default on any of its indebtedness, then the Company could also be declared in default on its derivative obligations.

Note 7 — Stockholders' Equity

Common Stock

As of June 30, 2026 and December 31, 2025, the Company had 28.6 million and 28.4 million shares of common stock issued and outstanding, respectively.

Class A Common Stock

On April 23, 2026, the Company issued an aggregate of 44.3 million shares of Class A common stock in connection with the Offering. Each share of Class A common stock will automatically convert into one share of the Company's existing common stock on October 18, 2026 and all shares of common stock will subsequently be listed and freely tradeable on Nasdaq under the symbol "NHP."

Preferred Stock

The Company is authorized to issue up to 50.0 million shares of preferred stock of which 4.1 million shares and 2.9 million shares are authorized and classified as 7.375% Series A Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value per share (the “Series A Shares”) and 7.125% Series B Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value per share (the “Series B Shares”), respectively.

In June 2026, the Company completed a tender offer for its Series A Shares and Series B Shares for $22.50 per share in cash. 556,454 Series A Shares and 566,229 Series B Shares were properly tendered for an aggregate purchase price of approximately $25.3 million, excluding fees and expenses relating to the tender offer. The tendered shares were retired, which reduced the authorized share counts. Upon completion of the tender offer, 3.29 million Series A Shares and 2.85 million Series B Shares remained outstanding as of June 30, 2026.

Note 8 — Accumulated Other Comprehensive Income

The following table illustrates the changes in accumulated other comprehensive income as of and for the period presented (dollars in thousand):

	Unrealized Gain on Designated Derivative
Balance, December 31, 2025	$ 5,604
Gain recognized in accumulated other comprehensive income on interest rate derivatives	2,404
Gain reclassified from accumulated other comprehensive income	(3,198)
Balance, June 30, 2026	$ 4,810

Note 9 — Fair Value

GAAP establishes a hierarchy of valuation techniques based on the observability of inputs used in measuring assets and liabilities at fair value. GAAP establishes market-based or observable inputs as the preferred source of values, followed by valuation models using management assumptions in the absence of market inputs. The three levels of the hierarchy are described below:

Level 1 — Quoted prices in active markets for identical assets and liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset and liability or can be corroborated with observable market data for substantially the entire contractual term of the asset or liability.

Level 3 — Unobservable inputs that reflect the entity’s own assumptions that market participants would use in the pricing of the asset or liability and are consequently not based on market activity, but rather through particular valuation techniques.

The determination of where an asset or liability falls in the hierarchy requires significant judgment and considers factors specific to the asset or liability. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company evaluates its hierarchy disclosures each quarter and depending on various factors, it is possible that an asset or liability may be classified differently from quarter to quarter. However, the Company expects that changes in classifications between levels will be rare.

Financial Instruments Measured at Fair Value on a Recurring Basis

Derivative Instruments

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with those derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. However, as of June 30, 2026, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of the Company's derivatives. As a result, the Company has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

The valuation of derivative instruments is determined using a discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, as well as observable market-based inputs, including interest rate curves and implied volatilities. In addition, credit valuation adjustments are incorporated into the fair values to account for the Company's potential nonperformance risk and the performance risk of the counterparties.

The following table presents information about the Company's financial instruments measured at fair value as of June 30, 2026 and December 31, 2025, aggregated by the level in the fair value hierarchy within which those instruments fall (dollars in thousands).

	Quoted Prices in Active Markets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Total
June 30, 2026				
Derivative assets, at fair value (non-designated)	$ —	$ 380	$ —	$ 380
Derivative assets, at fair value (designated)	—	1,987	—	1,987
Total	$ —	$ 2,367	$ —	$ 2,367
December 31, 2025				
Derivative assets, at fair value (non-designated)	$ —	$ 569	$ —	$ 569
Derivative liabilities, at fair value (designated)	—	(188)	—	(188)
Total	$ —	$ 381	$ —	$ 381

A review of the fair value hierarchy classification is conducted on a quarterly basis. Changes in the type of inputs may result in a reclassification for certain assets. There has been no transfer into or out of Level 3 financial instruments during the periods presented.

Real Estate Investments Measured at Fair Value on a Non-Recurring Basis

Real Estate Investments - Held-for-Use

The Company may impair real estate investments held-for-use, resulting in a fair value measurement arrived at using either Level 2 or Level 3 inputs. During the six months ended June 30, 2026, one held-for-use SHOP community was impaired to its contractual sales price as determined by the purchase and sale agreement executed after the reporting date.

Real Estate Investments - Held-for-Sale

Real estate investments held-for-sale are carried at fair value less cost costs to sell and are generally measured using Level 2 inputs.

Financial Instruments Not Measured at Fair Value

The Company is required to disclose the fair value of financial instruments for which it is practicable to estimate that value. The fair values of short-term financial instruments such as cash and cash equivalents, restricted cash, straight-line rent receivable, net, prepaid expenses and other assets, deferred costs, net, accounts payable and accrued expenses, deferred rent and distributions payable approximate their carrying value on the consolidated balance sheets due to their short-term nature.

The fair values of the Company's remaining financial instruments that are not reported at fair value on the consolidated balance sheets are as follows (dollars in thousands):

		June 30, 2026		December 31, 2025	
	Level	Carrying amount	Fair value	Carrying amount	Fair value
Gross mortgage notes payable and mortgage premium and discounts	3	$ 373,983	$ 357,537	$ 374,382	$ 362,947
Fannie Mae Secured Debt	3	331,854	332,701	334,739	335,158
Unsecured term loan	3	150,000	148,682	150,000	148,496
Unsecured revolving credit facility	3	—	—	186,000	184,135
Total debt	3	$ 855,837	$ 838,920	$ 1,045,121	$ 1,030,736

The fair value of the Company's indebtedness above is estimated using a discounted cash flow analysis, based on the Company's experience with similar types of borrowing arrangements, excluding the value of associated derivatives.

Note 10 — Equity-Based Compensation

On April 30, 2026, the Company awarded certain of its directors, executive officers and employees under its 2025 Omnibus Incentive Compensation Plan (the "Equity Incentive Plan") an aggregate of (i) 995,997 restricted shares of common stock and long term-incentive units of the OP ("LTIP units") as listing equity awards in connection with the Offering and (ii) 153,123 restricted shares of common stock and LTIP units and 136,457 performance-based restricted stock units ("RSUs") as part of the Company's annual long-term incentive equity grants for its employees. On May 15, 2026, the Company further awarded 39,719 LTIP units to its directors for their annual equity retainers.

The listing equity awards are time-based awards that vest on a graded schedule over a period of four years. The fair value of time-based restricted shares is based on the closing market price per share of the Company's common stock on the date of grant.

The fair value of LTIP units was based on the closing market price per share of the Company's common stock on the date of the grant and further adjusted by applying an additional discount as the LTIP units were not initially economically equivalent to restricted shares of common stock.

The annual long-term incentive equity grants and annual board equity retainers consist of time-based awards that vest on a graded schedule over a period of one year or three years and performance-based RSUs that vest, if at all, at the end of a three-year performance period subject to continued employment through the performance period and the achievement of performance goals set forth in the related award agreements. The number of performance-based RSUs that ultimately vest can be either 0% or vary from 50% to 200% of target depending on the level of achievement of the performance criteria. The fair value of performance-based RSUs is determined based on the closing market price per share of the Company's common stock on the date of grant and management's expectation of the amount of RSUs to be earned and vested at the end of the performance period.

The total grant date fair value of time-based restricted shares, time-based LTIP units and performance-based RSUs granted during the three and six months ended June 30, 2026 was $16.2 million.

Total equity-based compensation expense was $1.6 million and $2.2 million for the three and six months ended June 30, 2026, respectively, which was recognized in general and administrative expense in the Company's consolidated statements of operations and comprehensive loss. As of June 30, 2026, there was $19.4 million of future expenses related to unvested equity-based compensation arrangements granted under the Equity Incentive Plan, which is expected to be recognized over a weighted average period of 3.1 years.

Equity-based compensation was first granted to the executive officers and certain other employees in May 2025. Total equity-based compensation expense was $0.6 million for both the three and six months ended June 30, 2025.

Note 11 — Non-controlling Interests

Non-controlling interests on the Company's consolidated balance sheets is comprised of the following (dollars in thousands):

	Balance as of	
	June 30, 2026	December 31, 2025
Series A Preferred Units held by third parties	$ 1,289	$ 2,578
Common OP Units held by third parties	1,806	1,883
Total non-controlling interests in the OP	$ 3,095	$ 4,461

Net income attributable to non-controlling interests on the Company's consolidated statements of operations and comprehensive loss are comprised of the following (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Income attributable to Series A Preferred Units held by third parties	$ (23)	$ (46)	$ (69)	$ (92)
Loss attributable to Common OP Units held by third parties	53	91	71	98
Net income attributable to non-controlling interests in the OP	30	45	2	6
Income attributable to non-controlling interests in property-owning subsidiaries	—	(14)		(29)
Net loss (income) attributable to non-controlling interests	$ 30	$ 31	$ 2	$ (23)

Non-controlling Interests in the OP

Series A Preferred Units

During the three and six months ended June 30, 2026, Series A Preferred Unit holders were paid $46 thousand and $92 thousand in cash distributions, respectively. During the three and six months ended June 30, 2025, Series A Preferred Unit holders were paid $46 thousand and $93 thousand in cash distributions, respectively.

In June 2026, the Company repurchased 50,000 of the 100,000 then outstanding Series A Preferred Units at $22.50 per unit. A holder of Series A Preferred Units has the right to receive cash distributions equivalent to the cash distributions, if any, on the Company's Series A Shares.

Common OP Units, Class B Units and LTIP Units

As of June 30, 2026, the Company had 234,026 partnership units outstanding in the OP designated as "Common OP Units" and 971,147 LTIP Units outstanding. A holder of Common OP Units has the right to receive cash distributions equivalent to the cash distributions, if any, on the Company's common stock. After holding the Common OP Units for a period of one year, a holder of Common OP Units has the right to redeem Common OP Units for, at the option of the OP, the corresponding number of shares of the Company's common stock. Vested LTIP units can be converted to Common OP Units on a one-for-one basis once an equity transaction has occurred that results in the accretion of the member's capital account to the economic equivalent of a Common Unit. All LTIP units, whether vested or not, receive the same per unit cash distributions as Common OP Units.

Prior to the Offering, the Company had 405,998 Common OP Units and 359,250 Class B Units outstanding. In connection with the Offering, the Class B Units were converted into Common OP Units pursuant to the Class B Unit's terms and the number of Common OP Units was then consolidated into 234,026 Common OP Units to give effect to adjustments for the impact of the stock dividends from October to 2020 to January 2024 and the September 2024 one-for-four common stock reserve split, so the Common Units are redeemable for the Company's common stock on a one-for-one basis.

During the three and six months ended June 30, 2026 and 2025, no cash distributions were paid to Common OP Unit non-controlling interest holders.

Note 12 — Net Loss Per Share

The following is a summary of the net loss per basic and diluted share computation for the periods presented (amounts in thousands, except per share data):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net loss attributable to common stockholders	$ (8,141)	$ (24,189)	$ (15,744)	$ (29,208)
Denominator:				
Denominator for basic net loss attributable to common stockholders per share — weighted-average shares	61,597	28,296	45,059	28,296
Effect of dilutive securities:				
Unvested restricted shares, LTIP Units and RSUs [1]	144	3	90	1
Common OP Units [2][3]	234	234	234	234
Denominator for diluted net loss attributable to common stockholders per share — weighted-average shares	61,975	28,533	45,383	28,531
Basic and diluted net loss attributable to common stockholders per share [4]	$ (0.13)	$ (0.85)	$ (0.35)	$ (1.03)

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(1) Weighted average number of unvested restricted shares, LTIP Units and RSUs outstanding for the periods presented. There were 1,413,900 and 219,339 unvested restricted shares, LTIP Units and RSUs outstanding as of June 30, 2026 and 2025, respectively.

(2) Weighted average number of Common OP Units presented as shares outstanding for the periods presented, at the current redemption rate. There were 765,248 Common OP Units outstanding as of both June 30, 2026 and 2025.

(3) As of April 30, 2026, the Company's Class B Units have been converted to Common OP Units. The comparable prior period numbers have been restated to maintain comparability.

(4) Potential common stock equivalents are disregarded in diluted per share calculations when a net loss exists as the effect would be antidilutive. In this case, the diluted per share denominator is equal to the denominator for basic net loss per share.

Diluted net loss per share assumes the conversion of all common stock equivalents into an equivalent number of shares of common stock, unless the effect is antidilutive. The Company considers unvested restricted shares, LTIP units, RSUs, Common OP Units and Class B Units to be common stock equivalents. Series A Preferred Units are non-participating.

Note 13 — Segment Reporting

As of June 30, 2026, the Company had two operating and reportable business segments: SHOP and OMF.

The SHOP segment consists of direct investments in senior housing properties, primarily providing assisted living, independent living and memory care services, which are operated through engaging independent third-party operators. The OMF segment primarily consists of facilities leased to healthcare-related tenants under long-term leases, which may require such tenants to pay a pro rata share of property-related expenses as well as senior housing properties, hospitals, inpatient rehabilitation facilities and skilled nursing facilities under long-term leases, under which tenants are generally responsible to directly pay property-related expenses.

The Company's chief operating decision maker ("CODM") is its Chief Executive Officer. The CODM evaluates performance of the combined properties in each reportable business segment using net operating income ("NOI"), which is defined as total revenues from tenants, less property operating and maintenance expense. The CODM uses NOI to assess and compare property level performance and to make decisions concerning the operation of the properties. The Company believes that NOI is useful as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating expenses and acquisition activity on an unleveraged basis, providing perspective not immediately apparent from consolidated income (loss) before income taxes.

NOI excludes certain components from consolidated income (loss) before income taxes in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset and is often incurred at the corporate level. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. NOI presented by the Company may not be comparable to NOI reported by other REITs that define NOI differently.

Total assets by reportable business segment is not disclosed as the CODM does not review such information to evaluate business performance and allocate resources.

Reconciliation to Consolidated Financial Information

Summary information by reportable business segment is presented below (dollars in thousands):

	Three months ended June 30, 2026		
	SHOP	OMF	Total
Revenue from tenants	$ 58,348	$ 29,182	$ 87,530
Less:			
Compensation related expenses [1]	26,808	—	26,808
Other segment expenses [2]	18,527	8,784	27,311
Property operating and maintenance	45,335	8,784	54,119
NOI	$ 13,013	$ 20,398	33,411
Impairment charges			(3,780)
Acquisition and transaction related			(130)
General and administrative			(6,604)
Depreciation and amortization			(17,811)
Interest expense			(12,723)
Interest and other income, net			2,345
Loss on non-designated derivatives			(47)
Loss before income taxes			(5,339)
Income tax expense			(47)
Net loss			(5,386)
Net income attributable to non-controlling interests			30
Allocation for preferred stock			(2,785)
Net loss attributable to common stockholders			$ (8,141)

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(1) For the SHOP segment, compensation related expenses include costs incurred for salaries, benefits and other labor related costs.

(2) For the SHOP segment, other segment expenses include costs incurred for supplies, management fees and overhead. The expense details for the OMF segment provided to the CODM primarily consist of reimbursable expenses which are largely recoverable from tenants. As such, the CODM focuses on monitoring NOI to evaluate performance as a significant portion of the property-level operating expenses is recovered from tenants.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2026
(Unaudited)

	Three months ended June 30, 2025		
	SHOP	OMF	Total
Revenue from tenants	$ 56,080	$ 29,252	$ 85,332
Less:			
Compensation related expenses [(1)]	27,003	—	27,003
Other segment expenses [(2)]	18,832	8,344	27,176
Property operating and maintenance [(3)]	45,835	8,344	54,179
NOI	$ 10,245	$ 20,908	31,153
Impairment charges			(15,212)
Acquisition and transaction related			(497)
General and administrative [(3)]			(5,075)
Depreciation and amortization			(18,539)
Gain on sale of real estate investments			2,652
Interest expense			(15,836)
Interest and other income, net			231
Gain on non-designated derivatives			32
Gain on extinguishment of debt			257
Loss before income taxes			(20,834)
Income tax benefit			—
Net loss			(20,834)
Net income attributable to non-controlling interests			31
Allocation for preferred stock			(3,386)
Net loss attributable to common stockholders			$ (24,189)

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(1) For the SHOP segment, compensation related expenses include costs incurred for salaries, benefits and other labor related costs.

(2) For the SHOP segment, other segment expenses include costs incurred for supplies, management fees and overhead. The expense details for the OMF segment provided to the CODM primarily consist of reimbursable expenses which are largely recoverable from tenants. As such, the CODM focuses on monitoring NOI to evaluate performance as a significant portion of the property-level operating expenses is recovered from tenants.

(3) Certain 2025 amounts have been reclassified from general and administrative to property operating and maintenance to align with the current period presentation.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2026
(Unaudited)

	Six months ended June 30, 2026		
	SHOP	**OMF**	**Total**
Revenue from tenants	$ 115,979	$ 57,836	$ 173,815
Less:			
Compensation related expenses [1]	53,293	—	53,293
Other segment expenses [2]	36,910	16,834	53,744
Property operating and maintenance	90,203	16,834	107,037
NOI	$ 25,776	$ 41,002	66,778
Impairment charges			(3,780)
Acquisition and transaction related			(183)
General and administrative			(12,071)
Depreciation and amortization			(35,549)
Loss on sale of real estate investments			(2)
Interest expense			(27,394)
Interest and other income, net			2,516
Gain on non-designated derivatives			142
Loss before income taxes			(9,543)
Income tax expense			(124)
Net loss			(9,667)
Net income attributable to non-controlling interests			2
Allocation for preferred stock			(6,079)
Net loss attributable to common stockholders			$ (15,744)

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(1) For the SHOP segment, compensation related expenses include costs incurred for salaries, benefits and other labor related costs.

(2) For the SHOP segment, other segment expenses include costs incurred for supplies, management fees and overhead. The expense details for the OMF segment provided to the CODM primarily consist of reimbursable expenses which are largely recoverable from tenants. As such, the CODM focuses on monitoring NOI to evaluate performance as a significant portion of the property-level operating expenses is recovered from tenants.

NATIONAL HEALTHCARE PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2026
(Unaudited)

	Six months ended June 30, 2025		
	SHOP	OMF	Total
Revenue from tenants	$ 111,888	$ 59,887	$ 171,775
Less:			
Compensation related expenses [1]	53,849	—	53,849
Other segment expenses [2]	38,358	19,828	58,186
Property operating and maintenance [3]	92,207	19,828	112,035
NOI	$ 19,681	$ 40,059	59,740
Impairment charges			(27,111)
Acquisition and transaction related			(548)
General and administrative [3]			(9,971)
Depreciation and amortization			(42,245)
Gain on sale of real estate investments			27,641
Interest expense			(30,365)
Interest and other income, net			216
Gain on non-designated derivatives			31
Gain on extinguishment of debt			257
Loss before income taxes			(22,355)
Income tax benefit			6
Net loss			(22,349)
Net income attributable to non-controlling interests			(23)
Allocation for preferred stock			(6,836)
Net loss attributable to common stockholders			$ (29,208)

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(1) For the SHOP segment, compensation related expenses include costs incurred for salaries, benefits and other labor related costs.

(2) For the SHOP segment, other segment expenses include costs incurred for supplies, management fees and overhead. The expense details for the OMF segment provided to the CODM primarily consist of reimbursable expenses which are largely recoverable from tenants. As such, the CODM focuses on monitoring NOI to evaluate performance as a significant portion of the property-level operating expenses is recovered from tenants.

(3) Certain 2025 amounts have been reclassified from general and administrative to property operating and maintenance to align with the current period presentation.

Note 14 — Commitments and Contingencies

Litigation and Regulatory Matters

In the ordinary course of business, the Company may become subject to litigation, claims and regulatory matters. As of June 30, 2026, there are no material legal or regulatory proceedings pending or known to be contemplated against the Company or its properties.

Environmental Matters

In connection with the ownership and operation of real estate, the Company may potentially be liable for costs and damages related to environmental matters. As of June 30, 2026, the Company had not been notified by any governmental authority of any non-compliance, liability or other claim, and is not aware of any other environmental condition that it believes will have a material adverse effect on the results of operations.

Note 15 — Subsequent Events

The Company has evaluated subsequent events through the filing of this Quarterly Report on Form 10-Q and determined that there have not been any events that have occurred that would require adjustments to disclosures in the consolidated financial statements except for those listed below:

On July 1, 2026, the Company’s Board of Directors declared a quarterly dividend of $0.075 per share of its common stock (including its Class A Common Stock). The dividend was paid in cash on July 30, 2026 to holders of record as of the close of business on July 15, 2026.

In July 2026, the Company, through a joint venture with Discovery Senior Living, acquired 13 SHOP communities for an aggregate purchase price of $64.0 million. The Company owns approximately 98.5% of the joint venture and, as part of this transaction, the Company holds a right of first refusal and purchase option on an additional 13 senior living communities managed by Discovery Senior Living.

In July 2026, the Company acquired an additional four SHOP communities for an aggregate purchase price of $117.6 million to be managed by existing operating partners.

As of the date of this filing, the Company had entered into definitive agreements to acquire an additional five SHOP communities for approximately $120.3 million. However, the Company can provide no assurances that the acquisitions of these properties will be consummated on the terms and timing the Company expects, or at all.

On August 3, 2026, the Company recast the Credit Facilities by entering into an amended and restated credit agreement (the “2026 Credit Agreement”), which provides for, among other things, (i) increasing total lender commitments from $550 million to $1.2 billion, with the Revolving Facility increasing from $400 million to $750 million, the Term Loan increasing from $150 million to $300 million and a new $150 million delayed draw term loan facility being added, (ii) extending the maturity of the Revolving Facility and the Term Loan (including the delayed draw term loan) to August 2030 and August 2029, respectively, and (iii) reducing the applicable pricing for interest rates based on the Company's corporate leverage ratio. In connection with entering into the 2026 Credit Agreement, the Company also terminated the Fannie Mae Secured Debt and paid off the outstanding amount thereunder and entered into interest rate swaps with an aggregate notional amount of $300.0 million to hedge the variable interest rate exposure on the Term Loan through its initial maturity date.

On August 5, 2026, the Company announced the full redemption of its Series A Shares and Series B Shares for $25.00 per share at par for approximately $153.5 million in total (excluding accrued dividends and transaction costs), with the redemption dates being September 4, 2026 and October 6, 2026, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with the accompanying consolidated financial statements of National Healthcare Properties, Inc. and the notes thereto. As used herein, the terms the "Company," "we," "our" and "us" refer to National Healthcare Properties, Inc., a Maryland corporation, including, as required by context, National Healthcare Properties Operating Partnership, LP (our "OP"), a Delaware limited partnership, and its subsidiaries. Capitalized terms used herein, but not otherwise defined, have the meaning ascribed to those terms in "Part I — Financial Information" included in the notes to the consolidated financial statements and contained herein.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995 ("PSLRA"), Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include statements regarding the intent, belief or current expectations of the Company and members of our management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "anticipates," "believes," "estimates," "expects," "plans,", "projects," "potential," "predicts," "intends," "would," "could," "should" or similar expressions, although not all forward-looking statements contain these identifying words. Actual results may differ materially from those contemplated by such forward-looking statements. We believe these forward-looking statements are reasonable; however, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA.

These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of our control, which could cause actual results to differ materially from the results contemplated by the forward-looking statements. These risks and uncertainties include the risks associated with changes in economic cycles generally and in the real estate and healthcare markets specifically; the success of our growth strategy, including our ability to successfully identify, complete and integrate new acquisitions; our ability to complete acquisitions or dispositions on the terms and timing we expect, or at all; changes to inflation and interest rates; competition in the real estate and healthcare markets; our ability to retain certain key personnel; legislative and regulatory changes in the healthcare and real estate industries; reductions or changes in reimbursement from third-party payors, including Medicare and Medicaid; discovery of previously undetected environmentally hazardous conditions; our ability to pay down, refinance, restructure or extend our indebtedness as it becomes due; system failures, cyber incidents or deficiencies in our cybersecurity systems; the availability of capital on favorable terms, or at all; our ability to remain qualified as a REIT and our OP's ability to remain qualified as a partnership or a disregarded entity for U.S. federal income tax purposes. Some of the additional risks and uncertainties, although not all risks and uncertainties, that could cause our actual results to differ materially from those presented in our forward-looking statements are set forth in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2025, in Part II — Other Information, Item IA — Risk Factors of this Quarterly Report on Form 10-Q and as described from time to time in our other filings with the Securities and Exchange Commission.

Overview

National Healthcare Properties, Inc. is a real estate investment trust ("REIT") for U.S. federal income tax purposes. We acquire, own and manage a diversified portfolio of healthcare-related real estate focused on senior housing operating portfolio ("SHOP") communities and outpatient medical facilities ("OMF"). Substantially all of our business is conducted through the OP and our wholly-owned subsidiaries, which include certain taxable REIT subsidiaries ("TRSs").

As of June 30, 2026, we owned 170 properties (including one land parcel) located in 29 states, consisting of 39 senior housing communities, with 3,616 units, and 130 outpatient medical facilities, with approximately 3.7 million square feet of gross leasable area.

We operate two operating and reportable business segments: SHOP and OMF. In the SHOP segment, we invest in senior housing communities through the REIT Investment Diversification and Empowerment Act of 2007 ("RIDEA") structure. Under RIDEA, a REIT may lease "qualified healthcare properties" on an arm's length basis to a TRS if the property is operated on behalf of such subsidiary by a person who qualifies as an "eligible independent contractor." As of June 30, 2026, we had three eligible independent contractors operating 39 senior housing communities. In the OMF segment, we own, manage and lease single and multi-tenant OMFs where, in addition to base rent, tenants are required to pay their pro rata share of property operating expenses and certain capital expenditures, which may be subject to expense exclusions and floors. As of June 30, 2026, we managed all OMFs directly, without the use of third party service providers.

On April 23, 2026, pursuant to a registration statement on Form S-11 (File No. 333-294895) filed with the United States Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended, we completed our public offering (the "Offering") and issued an aggregate of 44,275,000 shares of Class A common stock, $0.01 par value per share ("Class A common stock") (which included shares issued pursuant to the underwriters' exercise of their overallotment option on April 28, 2026) for aggregate gross offering proceeds of approximately $531.3 million. In connection with the Offering, our Class A common stock became listed on The Nasdaq Global Market under the symbol "NHP" and began trading on April 22, 2026. Each share of Class A common stock will automatically convert into one share of our existing common stock, $0.01 par value per share, on October 18, 2026 and all shares of common stock will subsequently be listed and freely tradeable on The Nasdaq Global Market under the symbol "NHP."

Properties

The following table presents certain additional information about the properties we owned as of June 30, 2026 (dollars in thousands):

	Number of properties	Gross leasable area (sq. ft.)	Available units [1]	Percentage leased or occupied [1]	WALTR [2] (in years)	Gross asset value [3]
SHOP segment [4]	39	—	3,616	84.1%	N/A	$ 1,105,192
OMF segment	130	3,695,769	—	93.1%	5.3	1,173,091
Total Portfolio	169	3,695,769	3,616			$ 2,278,283

———

(1) Available units and percentage occupied for the SHOP segment represent the average for the three months ended June 30, 2026. Percentage leased for the OMF segment is presented as of the end of the period shown. For the SHOP segment, weighted by unit count. For the OMF segment, weighted by gross leasable area.

(2) WALTR means the average lease term remaining, weighted based on occupied square feet as of June 30, 2026.

(3) Gross asset value represents total real estate investments, at cost ($2.3 billion total as of June 30, 2026) net of gross market lease intangible liabilities ($19.6 million total as of June 30, 2026). Cumulative impairment charges are reflected within gross asset value.

(4) For the SHOP segment, excludes one parcel of land with a total gross asset value of $0.6 million.

N/A — Not applicable

Significant Accounting Estimates and Critical Accounting Policies

For a discussion about our significant accounting estimates and critical accounting policies, see the "Critical Accounting Policies and Estimates" section of our Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on February 20, 2026. Except for those required by new accounting pronouncements discussed below, there have been no material changes from these significant accounting estimates and critical accounting policies.

Recently Issued Accounting Pronouncements

See *Note 2 — Summary of Significant Accounting Policies, Recently Issued Accounting Pronouncements* of our consolidated financial statements in this Quarterly Report on Form 10-Q for further discussion.

Results of Operations

We, through our chief operating decision maker ("CODM"), evaluate the performance of the combined properties in each segment based on total revenues from tenants, less property operating costs. As such, this excludes all other items of expense and income included in the financial statements in calculating net loss (each item discussed separately in *"Other Results of Operations"* below). We use net operating income ("NOI") to assess and compare property level performance and to make decisions concerning the operation of our properties. We believe that NOI is useful as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating expenses and acquisition activity on an unleveraged basis, providing perspective not immediately apparent from consolidated loss before income taxes. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. We believe that in order to facilitate a clear understanding of our operating results, NOI should be examined in conjunction with net income (loss) and net income (loss) attributable to common stockholders (each as determined in accordance with GAAP) as presented in our consolidated financial statements. NOI should not be considered an alternative to net income (loss) and net income (loss) attributable to common stockholders (each as determined in accordance with GAAP) as an indication of our performance or to cash flows as a measure of our liquidity. A reconciliation of NOI to net income (loss) attributable to common stockholders can be found in *Note 13 — Segment Reporting* to our consolidated financial statements.

Comparison of the Three Months Ended June 30, 2026 and 2025

The following table shows our results of operations for the three months ended June 30, 2026 and 2025 and the period to period change by line item of the consolidated statements of operations (dollars in thousands) [1]:

	Three months ended June 30,		Increase (Decrease)	
	2026	2025	$	%
Revenue from tenants	$ 87,530	$ 85,332	$ 2,198	2.6 %
Operating expenses:				
Property operating and maintenance	54,119	54,179	(60)	(0.1)
Impairment charges	3,780	15,212	(11,432)	(75.2)
Acquisition and transaction related	130	497	(367)	(73.8)
General and administrative	6,604	5,075	1,529	30.1
Depreciation and amortization	17,811	18,539	(728)	(3.9)
Total expenses	82,444	93,502	(11,058)	(11.8)
Operating income (loss) before gain on sale of real estate investments	5,086	(8,170)	13,256	nm
Gain on sale of real estate investments	—	2,652	(2,652)	(100.0)
Operating income (loss)	5,086	(5,518)	10,604	nm
Other income (expense):				
Interest expense	(12,723)	(15,836)	(3,113)	(19.7)
Interest and other income, net	2,345	231	2,114	nm
Gain on extinguishment of debt	—	257	(257)	(100.0)
(Loss) gain on non-designated derivatives	(47)	32	(79)	nm
Total other expenses, net	(10,425)	(15,316)	(4,891)	(31.9)
Loss before income taxes	(5,339)	(20,834)	(15,495)	(74.4)
Income tax expense	(47)	—	(47)	nm
Net loss	(5,386)	(20,834)	15,448	74.1
Net loss attributable to non-controlling interests	30	31	(1)	3.2
Allocation for preferred stock	(2,785)	(3,386)	601	(17.7)
Net loss attributable to common stockholders	$ (8,141)	$ (24,189)	$ 16,048	66.3

* nm - not meaningful

(1) Certain 2025 amounts have been reclassified from general and administrative to property operating and maintenance to align with the current period presentation.

Segment Results — Senior Housing Operating Portfolio

The following table presents the results of operations and the period-to-period change within our SHOP segment for the three months ended June 30, 2026 and 2025 (dollars in thousands):

	Three months ended June 30,		Increase (Decrease) to NOI	
	2026	2025	$	%
Revenue from tenants	$ 58,348	$ 56,080	$ 2,268	4.0 %
Less: Property operating and maintenance	45,335	45,835	(500)	(1.1)
NOI	$ 13,013	$ 10,245	$ 2,768	27.0 %

	Number of Properties at June 30,		Average monthly revenue per occupied room for the three months ended June 30,		Average occupancy for the three months ended June 30,	
	2026	2025	2026	2025	2026	2025
Total communities [1]	39	41	$ 6,391	$ 6,036	84.1 %	81.4 %

(1) Excludes one land parcel for both the three months ended June 30, 2026 and 2025.

Revenues from tenants within our SHOP segment are generated in connection with rent and services offered to residents depending on the level of care required, as well as fees associated with other ancillary services. Property operating and maintenance expense relates to the costs associated with staffing to provide care for the residents, supplies, overhead and management fees paid to our third-party operators as well as costs associated with maintaining the physical site.

The increase in SHOP NOI for the three months ended June 30, 2026 over the same period in 2025 was primarily due to higher average occupancy and revenue per occupied room as well as reduced net operating losses attributed to seven SHOP dispositions during and subsequent to the comparable 2025 period.

Segment Results — Outpatient Medical Facilities

The following table presents the results of operations and the period-to-period change within our OMF segment for the three months ended June 30, 2026 and 2025 (dollars in thousands):

	Three months ended June 30,		Increase (Decrease) to NOI	
	2026	2025	$	%
Revenue from tenants	$ 29,182	$ 29,252	$ (70)	(0.2)%
Less: Property operating and maintenance	8,784	8,344	440	5.3
NOI	$ 20,398	$ 20,908	$ (510)	(2.4)%

	Number of properties at June 30,		Occupancy at June 30,	
	2026	2025	2026	2025
Total outpatient medical facilities	130	133	93.1 %	91.0 %

Revenue from tenants within our OMF segment primarily reflects contractual rent received from tenants and operating expense reimbursements. These reimbursements generally increase in proportion with the increase in property operating and maintenance expenses. Pursuant to many of our lease agreements, tenants are required to pay their pro rata share of such expenses, which may be subject to expense exclusions and floors in addition to base rent. Property operating and maintenance expense reflects the costs associated with our OMFs, including real estate taxes, utilities, repairs, maintenance and unaffiliated third-party property management fees. For the three months ended June 30, 2026, we managed all OMFs directly, without the use of third party service providers.

The decrease in OMF NOI for the three months ended June 30, 2026 over the same period in 2025 was primarily driven by certain nonrecurring revenue recognized only in the prior year period partially offset by the reduced net operating losses attributed to six OMF dispositions during and subsequent to the prior year period.

Corporate Results

Impairment Charges

We recorded $3.8 million of impairment charges during the three months ended June 30, 2026 related to a held-for-use SHOP community. We recorded $15.2 million of impairment charges during the three months ended June 30, 2025 related primarily to a held-for-use SHOP community ($14.1 million). The properties were impaired to their contractual sales price as determined by the purchase and sale agreement.

Acquisition and Transaction Related

Acquisition and transaction related expenses decreased by $367 thousand to $130 thousand for the three months ended June 30, 2026 from $497 thousand for the three months ended June 30, 2025 primarily due to non-recurring transaction costs paid to the external former advisor in 2025, which did not recur in the current year, and dead deal costs.

General and Administrative Expenses

General and administrative expenses increased by $1.5 million to $6.6 million for the three months ended June 30, 2026 from $5.1 million for the three months ended June 30, 2025 primarily due to equity-based compensation expense incurred in the three months ended June 30, 2026. Equity-based compensation was first granted to the executive officers and certain other employees in May 2025, resulting in a partial period of equity-based compensation expense incurred over the three months ended June 30, 2025. Additional awards were granted to the Company's executive officers and certain other employees in April 2026 in connection with the Offering and as part of the Company's annual long-term incentive equity grants.

Depreciation and Amortization Expenses

Depreciation and amortization expense decreased by $0.7 million to $17.8 million for the three months ended June 30, 2026 from $18.5 million for the three months ended June 30, 2025 primarily due to property dispositions during and subsequent to the prior year period.

Gain on Sale of Real Estate Investments

The disposal of three OMFs and three SHOP communities during the three months ended June 30, 2025 resulted in an aggregate gain on sale of real estate investments of $2.7 million for the period compared to no disposition activity recognized for the three months ended June 30, 2026.

Interest Expense

Interest expense decreased by $3.1 million to $12.7 million for the three months ended June 30, 2026 from $15.8 million for the three months ended June 30, 2025 primarily due to a $5.4 million decrease driven by repayment of a $330 million secured term loan in December 2025 and a $1.5 million decrease due to the amortization of a gain on a swap terminated in December 2025. Amortization of a gain on the terminated swap is expected to continue through December 2026. These decreases are partially offset by a $2.8 million increase in interest expense relating to the $150 million Term Loan (as defined below) entered into in December 2025 and a $2.2 million increase in interest expense due to less swap interest proceeds in 2026.

Interest and Other Income, net

Interest and other income, net includes interest income earned on cash and cash equivalents invested in short-term money market funds and expenses not covered by insurance, net of recoveries. Interest and other income, net increased by $2.1 million for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 primarily due to an increase in cash held in money market accounts as a result of our April 2026 Offering.

Gain on Extinguishment of Debt

The gain of $0.3 million recognized in the three months ended June 30, 2025 is in connection with the repayment of a loan prior to maturity in conjunction with the sale of a property. There was no debt extinguished during the three months ended June 30, 2026.

(Loss) Gain on Non-Designated Derivatives

(Loss) gain on non-designated derivative instruments includes mark-to-market adjustments of non-designated interest rate caps designed to protect us from adverse interest rate changes in connection with our Fannie Mae Secured Debt which have variable interest rates.

The loss of $47 thousand recognized in the three months ended June 30, 2026 reflects a decrease in future expected proceeds on the derivative assets over the current period. The gain of $32 thousand recognized in the three months ended June 30, 2025 reflects an increase in future expected proceeds over the comparative period.

Income Tax Expense

Income taxes generally relate to our SHOP communities, which are leased to our TRSs. We recorded an income tax expense of approximately $47 thousand for the three months ended June 30, 2026. Income tax benefit for the three months ended June 30, 2025 was not material.

Because of our TRSs' recent operating history of losses and the adverse economic impacts from increases in the rate of inflation in recent years on the results of operations of our SHOP communities, we are not able to conclude that it is more likely than not we will realize the future benefit of our deferred tax assets; thus we have recorded a 100% valuation allowance on our net deferred tax assets through June 30, 2026. If and when we believe it is more likely than not that we will recover our deferred tax assets, we will reverse the valuation allowance as an income tax benefit in our consolidated statements of comprehensive loss.

Allocation for Preferred Stock Distributions

Allocation for preferred stock decreased by $0.6 million to $2.8 million for the three months ended June 30, 2026 from $3.4 million for the three months ended June 30, 2025 due to repurchases and our self-tender offer for preferred stock subsequent to the second quarter of 2025.

Comparison of the Six Months Ended June 30, 2026 and 2025

The following table shows our results of operations for the six months ended June 30, 2026 and 2025 and the period to period change by line item of the consolidated statements of operations (dollars in thousands)[(1)]:

	Six months ended June 30,		Increase (Decrease)	
	2026	2025	$	%
Revenue from tenants	$ 173,815	$ 171,775	$ 2,040	1.2 %
Operating expenses:				
Property operating and maintenance	107,037	112,035	(4,998)	(4.5)
Impairment charges	3,780	27,111	(23,331)	(86.1)
Acquisition and transaction related	183	548	(365)	(66.6)
General and administrative	12,071	9,971	2,100	21.1
Depreciation and amortization	35,549	42,245	(6,696)	(15.9)
Total expenses	158,620	191,910	(33,290)	(17.3)
Operating income (loss) before (loss) gain on sale of real estate investments	15,195	(20,135)	35,330	nm
(Loss) gain on sale of real estate investments	(2)	27,641	(27,643)	nm
Operating income	15,193	7,506	7,687	102.4
Other income (expense):				
Interest expense	(27,394)	(30,365)	2,971	(9.8)
Interest and other income, net	2,516	216	2,300	nm
Gain on extinguishment of debt	—	257	(257)	(100.0)
Gain on non-designated derivatives	142	31	111	nm
Total other expenses, net	(24,736)	(29,861)	5,125	(17.2)
Loss before income taxes	(9,543)	(22,355)	12,812	(57.3)
Income tax (expense) benefit	(124)	6	(130)	nm
Net loss	(9,667)	(22,349)	12,682	(56.7)
Net loss (gain) attributable to non-controlling interests	2	(23)	25	nm
Allocation for preferred stock	(6,079)	(6,836)	757	(11.1)
Net loss attributable to common stockholders	$ (15,744)	$ (29,208)	$ 13,464	(46.1)

* nm - not meaningful

(1) Certain 2025 amounts have been reclassified from general and administrative to property operating and maintenance to align with the current period presentation.

Segment Results — Senior Housing Operating Portfolio

The following table presents the results of operations and the period-to-period change within our SHOP segment for the six months ended June 30, 2026 and 2025 (dollars in thousands):

	Six months ended June 30,		Increase (Decrease) to NOI	
	2026	2025	$	%
Revenue from tenants	$ 115,979	$ 111,888	$ 4,091	3.7 %
Less: Property operating and maintenance	90,203	92,207	(2,004)	(2.2)
NOI	$ 25,776	$ 19,681	$ 6,095	31.0 %

	Number of Properties at June 30,		Average monthly revenue per occupied room for the six months ended June 30,		Average occupancy for the six months ended June 30,	
	2026	2025	2026	2025	2026	2025
Total communities [(1)]	39	41	$ 6,366	$ 6,033	84.0 %	79.0 %

(1) Excludes one land parcel at both June 30, 2026 and 2025.

Revenues from tenants within our SHOP segment are generated in connection with rent and services offered to residents depending on the level of care required, as well as fees associated with other ancillary services. Property operating and maintenance expenses relate to the costs associated with staffing to provide care for the residents in our SHOP communities, as well as food, marketing, real estate taxes, management fees paid to our third-party operators and costs associated with maintaining the physical site.

The increase in SHOP NOI for the six months ended June 30, 2026 over the same period in 2025 was primarily due to higher average occupancy and revenue per occupied room as well as reduced net operating losses attributed to seven SHOP dispositions during and subsequent to the prior year period.

Segment Results — Outpatient Medical Facilities

The following table presents the results of operations and the period-to-period change within our OMF segment for the six months ended June 30, 2026 and 2025 (dollars in thousands):

	Six months ended June 30,		Increase (Decrease) to NOI	
	2026	2025	$	%
Revenue from tenants	$ 57,836	$ 59,887	$ (2,051)	(3.4)%
Less: Property operating and maintenance	16,834	19,828	(2,994)	(15.1)
NOI	$ 41,002	$ 40,059	$ 943	2.4 %

	Number of Properties at June 30,		Occupancy at June 30,	
	2026	2025	2026	2025
Total outpatient medical facilities	130	133	93.1 %	91.0 %

Revenue from tenants within our OMF segment primarily reflects contractual rent received from tenants and operating expense reimbursements. These reimbursements generally increase in proportion with the increase in property operating and maintenance expenses. Pursuant to many of our lease agreements, tenants are required to pay their pro rata share of such expenses, which may be subject to expense exclusions and floors in addition to base rent. Property operating and maintenance expense reflects the costs associated with our OMFs, including real estate taxes, utilities, repairs, maintenance and unaffiliated third-party property management fees. For the six months ended June 30, 2026, we managed all OMFs directly, without the use of third party service providers.

The increase in OMF NOI for the six months ended June 30, 2026 over the same period in 2025 was primarily driven by reduced net operating losses attributed to 18 OMF dispositions during and subsequent to the prior year period.

Corporate Results

Impairment Charges

We recorded $3.8 million of impairment charges during the six months ended June 30, 2026 related to a held-for-use SHOP community. We recorded $27.1 million of impairment charges during the six months ended June 30, 2025 on three held-for-use SHOP communities and two held-for-use OMFs. These properties were impaired to their contractual sales price as determined by their purchase and sale agreements.

Acquisition and Transaction Related

Acquisition and transaction related expenses decreased by $365 thousand to $183 thousand for the six months ended June 30, 2026 from $548 thousand for the six months ended June 30, 2025 primarily due to non-recurring transaction costs paid to the external former advisor in 2025, which did not recur in the current year, and dead deal costs.

General and Administrative Expenses

General and administrative expenses increased by $2.1 million to $12.1 million for the six months ended June 30, 2026 from $10.0 million for the six months ended June 30, 2025 primarily due to equity-based compensation expense incurred in the six months ended June 30, 2026. Equity-based compensation was first granted to the executive officers and certain other employees in May 2025, resulting in a partial period of equity-based compensation expense incurred during the six months ended June 30, 2025. Additional awards were granted to the Company's executive officers and certain other employees in April 2026 in connection with the Offering and as part of the Company's annual long-term incentive equity grants.

Depreciation and Amortization Expenses

Depreciation and amortization expense decreased by $6.7 million to $35.5 million for the six months ended June 30, 2026 from $42.2 million for the six months ended June 30, 2025 primarily due to property dispositions during and subsequent to the prior year period.

(Loss) Gain on Sale of Real Estate Investments

The disposal of 15 OMFs and three SHOP communities during the six months ended June 30, 2025 resulted in an aggregate gain on sale of real estate investments of $27.6 million for the period compared to no disposition activity recognized during the six months ended June 30, 2026.

Interest Expense

Interest expense decreased by $3.0 million to $27.4 million for the six months ended June 30, 2026 from $30.4 million for the six months ended June 30, 2025 primarily due to a $11.3 million decrease driven by repayment of a $330 million secured term loan in December 2025, a $1.8 million decrease attributed to declining variable rates on the Fannie Mae Secured Debt and a $3.0 million decrease due to the amortization of a gain on a swap terminated in December 2025. Amortization of the gain on the terminated swap is expected to continue through December 2026. The decreases in interest expense is partially offset by a $7.5 million increase in interest expense relating to the $150 million Term Loan entered into in December 2025 and a $5.8 million increase in interest expense due to less swap interest proceeds in 2026.

Interest and Other Income, Net

Interest and other income, net includes interest income earned on cash and cash equivalents invested in short-term money market funds and expenses not covered by insurance, net of recoveries. Interest and other income, net increased by $2.3 million for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 primarily due to an increase in cash held in money market accounts as a result of our April 2026 Offering.

Gain on Extinguishment of Debt

The gain of $0.3 million recognized in the six months ended June 30, 2025 is in connection with the repayment of a loan prior to maturity in conjunction with the sale of a property. There was no debt extinguished during the six months ended June 30, 2026.

Gain on Non-Designated Derivatives

Gain on non-designated derivative instruments includes mark-to-market adjustments of non-designated interest rate caps designed to protect us from adverse interest rate changes in connection with our Fannie Mae Secured Debt which have variable interest rates.

The gain of $0.1 million recognized in the six months ended June 30, 2026 reflects an increase in future expected proceeds on the derivative assets over the current period. The gain of $31 thousand recognized in the six months ended June 30, 2025 reflects an increase in the future expected proceeds on the derivative assets over the comparative period.

Income Tax (Expense) Benefit

Income taxes generally relate to our SHOP communities, which are leased to our TRSs. We recorded an income tax expense of approximately $0.1 million for the six months ended June 30, 2026. Income tax benefit for the six months ended June 30, 2025 was not material.

Because of our TRSs' recent operating history of losses and the adverse economic impacts from increases in the rate of inflation in recent years on the results of operations of our SHOP communities, we are not able to conclude that it is more likely than not we will realize the future benefit of our deferred tax assets; thus we have recorded a 100% valuation allowance on our net deferred tax assets through June 30, 2026. If and when we believe it is more likely than not that we will recover our deferred tax assets, we will reverse the valuation allowance as an income tax benefit in our consolidated statements of comprehensive loss.

Allocation for Preferred Stock Distributions

Allocation for preferred stock decreased by $0.8 million to $6.1 million for the six months ended June 30, 2026 from $6.8 million for the six months ended June 30, 2025 due to repurchases and our self-tender offer for preferred stock subsequent to the second quarter of 2025.

Cash Flows

The following table presents a reconciliation of our net cash provided by operations from our net loss for the six months ended June 30, 2026 and 2025 (dollars in thousands):

	Six months ended June 30,		Change	
	2026	2025	$	%
Cash, cash equivalents and restricted cash, beginning of period	$ 108,452	$ 74,095	$ 34,357	46.4 %
Net cash provided by (used in) operating activities	30,620	(13,177)	43,797	nm
Net cash (used in) provided by investing activities	(108,794)	76,144	(184,938)	nm
Net cash provided by (used in) financing activities	272,098	(33,892)	305,990	nm
Cash, cash equivalents and restricted cash, end of period	$ 302,376	$ 103,170	$ 199,206	nm

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* nm - not meaningful

Cash Flows from Operating Activities

Net cash provided by operating activities increased by $43.8 million for the six months ended June 30, 2026 compared to the same period in 2025 primarily due to a $30.3 million repayment of a promissory note made in 2025 to the former external advisor, which did not recur in 2026, as well as growth in our SHOP segment.

Cash Flows from Investing Activities

Net cash flows used in investing activities increased by $184.9 million for the six months ended June 30, 2026 compared to the same period in 2025 primarily due to $98.0 million disbursed for the acquisition of two SHOP communities during the six months ended June 30, 2026 and $88.8 million aggregate proceeds received from the sale of 15 OMFs and three SHOP communities during the six months ended June 30, 2025.

Cash Flows from Financing Activities

Cash flows provided by financing activities increased by $306.0 million for the six months ended June 30, 2026 compared to the same period in 2025 primarily due to the $495.5 million cash received, net of offering costs, from the Offering in April 2026, partially offset by the $186.0 million full repayment of the Revolving Facility (as defined below) and $26.7 million paid to repurchase our preferred stock in 2026.

Liquidity and Capital Resources

Our existing principal demands for cash are to fund acquisitions, capital expenditures, the payment of our operating and administrative expenses, debt service obligations (including principal repayment) and distributions to holders of our Series A Preferred Stock, Series B Preferred Stock and common stock. We closely monitor our current and anticipated liquidity position relative to our current and anticipated demands for cash and believe that we have sufficient current liquidity to meet our financial obligations for at least the next 12 months.

Our future liquidity requirements and available liquidity, however, depend on many factors, such as recent and continuing increases in inflation, labor shortages, supply chain disruptions and higher property insurance, property tax and interest rates, all of which have and may continue to have adverse impacts on our results of operations and thus ultimately our liquidity. Moreover, these adverse impacts may also impact our tenant and residents' ability to pay rent and thus our cash flows.

We expect to fund our future short-term operating liquidity requirements, including acquisitions and distributions to holders of Series A Preferred Stock, Series B Preferred Stock and common stock, through a combination of current cash on hand, net cash provided by our operating activities and property dispositions, future takedowns under our Revolving Facility, issuance of equity securities and potential new financings utilizing certain of our unencumbered properties. In April 2026, we completed the Offering and used the net proceeds to fully repay the outstanding borrowings under our Revolving Facility, which in turn substantially increased our available liquidity.

As of June 30, 2026, we had $529.3 million of total liquidity, comprised of $283.6 million of undrawn and available capacity under the Revolving Facility (pursuant to the terms of the Credit Agreement) and $245.7 million of cash and cash equivalents. The Secured Term Loan 4 due 2033 requires us to maintain a minimum balance of cash and cash equivalents of $12.5 million at all times.

Financings

As of June 30, 2026, our net debt leverage ratio (total debt net of cash and cash equivalents divided by total gross asset value) was approximately 26.8%. Net debt totaled $611.2 million, which represents gross debt ($856.9 million) less cash and cash equivalents ($245.7 million). Gross asset value totaled $2.3 billion, which represents total real estate investments, at cost ($2.3 billion) net of gross market lease intangible liabilities ($19.6 million). Cumulative impairment charges are reflected within gross asset value.

As of June 30, 2026, we had total gross borrowings of $856.9 million, at a weighted-average interest rate of 5.76% and a weighted-average remaining term of 3.6 years. The weighted-average interest rate includes the impact of "pay-fixed" swaps that are designated as hedging instruments on a portion of our variable-rate debt, but does not include the impact of our non-designated interest rate caps (discussed below). Inclusive of our non-designated interest rate caps, the weighted-average economic interest rate on our total gross borrowings was 5.69% as of June 30, 2026.

As of June 30, 2026, the carrying value of our real estate investments, at cost was $2.3 billion, with $684.3 million of this asset value pledged as collateral for mortgage notes payable, $597.6 million of this asset value pledged to secure advances under our Fannie Mae Secured Debt and $870.4 million of this asset value added to the borrowing base of our Credit Facilities. These real estate assets are not available to satisfy other debts and obligations, or to serve as collateral with respect to new indebtedness, as applicable, unless the existing indebtedness associated with the property is satisfied or the property is removed from the borrowing base of the Fannie Mae Secured Debt, which would impact availability thereunder.

Unencumbered real estate investments, at cost as of June 30, 2026 were $126.0 million. There can be no assurance as to the amount of liquidity we would be able to generate from leveraging these unencumbered real estate investments, if we are able to leverage them at all.

Mortgage Notes Payable

As of June 30, 2026, we had $375.0 million in mortgage notes payable outstanding, all of which are fixed-rate with a weighted-average annual interest rate of 5.53% and a weighted-average remaining term of 6.8 years.

Fannie Mae Secured Debt

As of June 30, 2026, $331.9 million was outstanding under our Fannie Mae Secured Debt, which bore interest at a weighted-average annual rate of 6.22% and had a weighted-average remaining term of 0.3 years. Inclusive of our non-designated interest rate caps, the weighted-average economic interest rate was 6.0% as of June 30, 2026. All of the real estate assets pledged to secure borrowings under the Fannie Mae Secured Debt were released upon the prepayment of the Fannie Mae Secured Debt on August 3, 2026.

Unsecured Credit Facilities

On December 11, 2025, we entered into (i) a $400 million senior unsecured revolving credit facility (the “Revolving Facility”) and (ii) a $150 million senior unsecured term loan facility (the “Term Loan” and, together with the Revolving Facility, the “Credit Facilities”) with Wells Fargo Bank, National Association, as administrative agent, and certain lenders party thereto. As of June 30, 2026, we had zero and $150.0 million outstanding under our Revolving Facility and Term Loan, respectively. The borrowings under our Revolving Facility and Term Loan both bore interest at a weighted-average annual rate of 5.65% and had a weighted-average remaining term of 2.4 years as of June 30, 2026. Inclusive of our interest rate swaps that convert variable interest rates to fixed interest rates, the economic interest rate on our Term Loan was 5.36% as of June 30, 2026.

On April 25, 2026, we used a portion of the net proceeds from the Offering to repay in full the $186.0 million of then outstanding indebtedness under the Revolving Facility.

On August 3, 2026, we recast the Credit Facilities by entering into an amended and restated credit agreement (the “2026 Credit Agreement”), which provides for, among other things, (i) increasing total lender commitments from $550 million to $1.2 billion, with the Revolving Facility increasing from $400 million to $750 million, the Term Loan increasing from $150 million to $300 million and a new $150 million delayed draw term loan facility being added, (ii) extending the maturity of the Revolving Facility and the Term Loan (including the delayed draw term loan) to August 2030 and August 2029, respectively, and (iii) reducing the applicable pricing for interest rates based on our corporate leverage ratio. In connection with entering into the 2026 Credit Agreement, we also terminated the Fannie Mae Secured Debt and paid off the outstanding amount thereunder.

Non-Designated Interest Rate Caps

Our interest rate caps are used to limit our exposure to interest rate movements on our Fannie Mae Secured Debt for economic purposes, however, we do not elect to apply hedge accounting to these instruments. As of June 30, 2026, we had six SOFR-based interest rate caps with an aggregate notional amount of $336 million which limit one-month SOFR to 3.50% and have varying maturities through November 2026. Although these interest rate caps are not designated hedging instruments, we consider them economically related to our variable rate secured debt.

As SOFR has increased beyond 3.50%, we received cash payments of $0.6 million and $1.8 million during the six months ended June 30, 2026 and 2025, respectively.

Capital Expenditures

During the six months ended June 30, 2026, our aggregate capital expenditures were $10.6 million. We anticipate our annual rate of capital expenditures for the OMF and SHOP segments in 2026 to be relatively consistent with 2025, excluding capital expenditures related to newly acquired communities and redevelopments or savings resulting from the sale of properties.

Subsequent Events

For a discussion of subsequent events, see *Note 15 — Subsequent Events* to our consolidated financial statements.

Preferred Stock Repurchase Program

On May 2, 2025, our Board authorized a stock repurchase program for up to an aggregate amount of $50.0 million of our Series A Preferred Stock and Series B Preferred Stock. Under the program, which does not have a stated expiration date, we may repurchase shares of Series A Preferred Stock and Series B Preferred Stock from time to time through open market purchases, including pursuant to Rule 10b5-1 pre-set trading plans, block trades, privately negotiated transactions, accelerated share repurchase transactions entered into with one or more counterparties or otherwise, in compliance with applicable securities laws and other legal requirements. The timing, volume, and nature of repurchases are subject to market conditions, applicable securities laws and other factors, and the program may be amended, suspended or discontinued at any time. The program does not obligate us to repurchase any specific number of shares of Series A Preferred Stock and Series B Preferred Stock.

Preferred Stock Tender Offer

In June 2026, we completed the tender offers for our Series A Preferred Stock and Series B Preferred Stock for $22.50 per share in cash. 556,454 shares of Series A Preferred Stock and 566,229 shares of Series B Preferred Stock were properly tendered for an aggregate purchase price of approximately $25.3 million, excluding fees and expenses relating to the tender offer. The tendered shares were retired, which reduced the authorized share counts. Upon completion of the tender offer, 3,289,061 shares of Series A Preferred Stock and 2,850,427 shares of Series B Preferred Stock remained outstanding as of June 30, 2026.

Commitments and Contingencies

For a discussion of our commitments and contingencies, see *Note 14 — Commitments and Contingencies* to our consolidated financial statements.

Dividends and Other Distributions

Distributions on our Series A Preferred Stock are declared quarterly in an amount equal to $1.84375 per share each year ($0.460938 per share per quarter), which is equivalent to 7.375% per annum on the $25.00 liquidation preference per share. Distributions on our Series B Preferred Stock are declared quarterly in an amount equal to $1.78125 per share each year ($0.445313 per share per quarter), which is equivalent to 7.125% per annum on the $25.00 liquidation preference per share. Distributions on the Series A Preferred Stock and the Series B Preferred Stock are cumulative and payable quarterly in arrears. Any accrued and unpaid dividends payable with respect to our Series A Preferred Stock or our Series B Preferred Stock become part of the liquidation preference thereof.

In mid-2020, we ceased regular cash dividends on our shares of common stock. We issued stock dividends to the shareholders from October 2020 until January 2024. The stock dividends were declared quarterly using a rate of $3.40 (as adjusted to reflect a reverse stock split effective as of September 30, 2024) per share per year. The number of shares issued with each dividend was based on the estimated per-share net asset value in effect on the applicable date.

On July 1, 2026, our Board of Directors declared a quarterly dividend of $0.075 per share on our common stock (including the Class A Common Stock). The dividend was paid in cash on July 30, 2026 to holders of record as of the close of business on July 15, 2026.

The amount of dividends and other distributions payable to our stockholders is determined by our Board of Directors (“the “Board”) and is dependent on a number of factors, including funds available for distribution, our financial condition, capital expenditure requirements, as applicable, requirements of Maryland law and annual distribution requirements needed to maintain our status as a REIT under the Internal Revenue Code of 1986 (the “Code”). Distribution payments are dependent on the availability of funds. The Board may reduce the amount of dividends or distributions paid or suspend dividend or distribution payments at any time and therefore dividend and distribution payments are not assured.

Our ability to pay distributions on our Series A Preferred Stock, Series B Preferred Stock, Series A Preferred Units, common OP units, LTIP units and common stock (including the Class A Common Stock) depends on our ability to increase the amount of cash we generate from property operations which in turn depends on a variety of factors, including but not limited to our ability to complete acquisitions of new properties and our ability to improve operations at our existing properties. There can be no assurance that we will complete acquisitions on a timely basis or on acceptable terms and conditions, if at all. Our ability to improve operations at our existing properties is also subject to a variety of risks and uncertainties, many of which are beyond our control, and there can be no assurance we will be successful in achieving this objective.

On August 5, 2026, we announced the full redemption of our Series A Preferred Stock and Series B Preferred Stock for $25.00 per share at par for approximately $153.5 million in total (excluding accrued dividends and transaction costs), with the redemption dates being September 4, 2026 and October 6, 2026, respectively. As of August 5, 2026, there were 3,289,061 shares of Series A Preferred Stock and 2,850,427 shares of Series B Preferred Stock issued and outstanding.

Non-GAAP Financial Measures

This section discusses certain of the non-GAAP financial measures we use to evaluate our performance, including Funds from Operations (“FFO”) and Normalized Funds from Operations (“Normalized FFO”). A description of these non-GAAP financial measures and reconciliations to the most directly comparable GAAP measure, which is net income (loss) attributable to common stockholders, are provided below.

We consider FFO and Normalized FFO to be useful supplemental measures for reviewing comparative operating and financial performance because, by excluding the applicable items listed below, FFO and Normalized FFO can help investors compare our operating performance between periods or to other companies (though other companies may calculate these measures differently than we do and the value of any such comparison may be limited). While FFO and Normalized FFO are relevant and widely used measures of operating performance of REITs, they do not represent, nor are they meant to replace, cash flows from operations and net income or loss as defined by GAAP, and should not be considered alternatives to those measures in evaluating our liquidity or operating performance. Rather, FFO and Normalized FFO should be reviewed in conjunction with these and other GAAP measurements as an indication of our operational performance and are not necessarily indicative of cash available to fund our future cash requirements, including our ability to pay dividends and other distributions to our stockholders. Additionally, our computation of FFO and Normalized FFO may not be comparable to FFO and Normalized FFO reported by other REITs that do not define FFO in accordance with the current National Association of Real Estate Investment Trusts (“NAREIT”) definition or that interpret the current NAREIT definition or define Normalized FFO differently than we do.

The methods utilized to evaluate the performance of equity REITs under GAAP should be construed as more relevant measures of operational performance and considered more prominently than the non-GAAP measures, FFO and Normalized FFO, and the adjustments to GAAP in calculating FFO and Normalized FFO.

Funds from Operations and Normalized Funds from Operations

Our consolidated financial statements are presented in accordance with GAAP, utilizing historical cost accounting which, among other things, requires depreciation of real estate investments. As a result, our operating results imply that the value of our real estate investments will decrease predictably over a set time period. However, we believe that the value of our real estate investments will fluctuate over time based on various market conditions and as such, depreciation under historical cost accounting may be less informative. FFO is a standard REIT industry metric defined by NAREIT as net income or loss (computed in accordance with GAAP), adjusted for (i) real estate-related depreciation and amortization, (ii) impairment charges on depreciable real property, (iii) gains or losses from sales of depreciable real property and (iv) similar adjustments for non-controlling interests and unconsolidated entities.

We believe that the use of FFO provides a more complete understanding of our operating performance to investors and to management, and when compared year-over-year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses and interest costs, which may not be immediately apparent from net loss. We believe that FFO is a recognized measure of operating performance by the REIT industry and is useful in comparing our operating performance with the operating performance of other real estate companies.

We also believe that Normalized FFO is a meaningful supplemental non-GAAP measure of our operating results. We calculate Normalized FFO by further adjusting FFO to reflect the performance of our portfolio for items we believe are not directly attributable to our operations. We believe that Normalized FFO is a beneficial indicator of our ongoing portfolio performance and isolates the financial results of our operations. Our adjustments to FFO to arrive at Normalized FFO include removing the impacts of: (i) acquisition and transaction related costs; (ii) termination fees to related parties; (iii) severance and other related costs; (iv) mark-to-market gains and losses on non-designated derivatives and amortization related to terminated derivatives; (v) casualty-related charges, net relating to significantly disruptive events that are infrequent in nature; (vi) gains and losses on extinguishment of debt; (vii) similar adjustments for non-controlling interests; and (viii) certain other items set forth in the Normalized FFO reconciliation included therein. We believe that Normalized FFO is useful because it allows investors, analysts and our management to compare our operating performance across periods on a consistent basis.

The table below reflects the items deducted from or added to net loss attributable to stockholders in our calculation of FFO and Normalized FFO attributable to common stockholders for the periods indicated (dollars in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net loss attributable to common stockholders	$ (8,141)	$ (24,189)	$ (15,744)	$ (29,208)
Depreciation and amortization related to real estate assets	16,402	17,127	32,808	39,408
Impairment charges	3,780	15,212	3,780	27,111
Loss (gain) on sale of real estate investments	—	(2,652)	2	(27,641)
Depreciation on real estate assets related to non-controlling interests	(89)	(146)	(161)	(202)
NAREIT FFO attributable to common stockholders	11,952	5,352	20,685	9,468
Acquisition and transaction related	130	497	183	548
Derivatives mark-to-market and terminations [(1)]	(1,236)	813	(2,625)	282
Casualty-related charges, net	7	7	149	122
Gain on extinguishment of debt	—	(257)	—	(257)
Normalizing items related to non-controlling interests	(7)	(13)	(11)	(32)
Other normalizing items	21	—	21	—
Normalized NFFO attributable to common stockholders	$ 10,867	$ 6,399	$ 18,402	$ 10,131

(1) For the three and six months ended June 30, 2026 and the six months ended June 30, 2025, include gains reclassified from other comprehensive income to earnings (recorded as a reduction to interest expense) relating to a terminated swap and a partial unwind of a hedge, respectively.

Inflation

Leases with residents at our SHOP communities typically do not have rent escalations, however, we are able to renew leases at market rates as they mature due to their short-term nature. As inflation rates increase or persist at high levels, the cost of providing medical care at our SHOP communities, particularly labor costs, will increase. If we are unable to admit new residents or renew resident leases at market rates, while bearing these increased costs from providing services to our residents, our results of operations may be affected.

We may also be adversely impacted by inflation on the leases with tenants in our OMF segment that do not contain indexed escalation provisions, or those leases which have escalations at rates which do not exceed or approximate current inflation rates. Recent increases in inflation, driven by factors such as labor shortages, supply chain disruptions, higher property insurance, property tax and interest rates and increased economic and political uncertainties due to the tariffs imposed by, or imposed on, the United States, have and may continue to have adverse impacts on our results of operations and our liquidity as well as our tenants' and residents' ability to pay rent. As of June 30, 2026, the increase to the 12-month Consumer Price Index for all items, as published by the Bureau of Labor Statistics, was 3.5%. To help mitigate the adverse impact of inflation, most of our leases with our tenants in our OMF segment contain rent escalation provisions which increase the cash that is due under these leases over time. These provisions generally increase rental rates during the terms of the leases either at fixed rates or indexed escalations (based on the Consumer Price Index or other measures). Although most of our leases with tenants in our OMF segment contain rent escalation provisions, these rates are generally below the current rate of inflation.

In addition to base rent, depending on the specific lease, OMF tenants are generally required to pay either (i) their pro rata share of property operating and maintenance expenses, which may be subject to expense exclusions and floors or (ii) their share of increases in property operating and maintenance expenses to the extent they exceed the properties' expenses for the base year of the respective leases. Property operating and maintenance expenses include common area maintenance costs, real estate taxes and insurance. Increased operating costs paid by our tenants under these net leases could have an adverse impact on our tenants if increases in their operating expenses exceed increases in their revenue, which may adversely affect our tenants' ability to pay rent owed to us or property expenses to be paid, or reimbursed to us, by our tenants. Renewals of leases or future leases for our net lease properties may not be negotiated on a triple-net basis or on a basis requiring the tenants to pay all or some of such expenses, in which event we may have to pay those costs. If we are unable to lease properties on a triple-net basis or on a basis requiring the tenants to pay all or some of such expenses, or if tenants fail to pay required tax, utility and other impositions, we could be required to pay those costs.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There has been no material change in our exposure to market risk during the six months ended June 30, 2026. For a discussion of our exposure to market risk, refer to Item 7A, "*Quantitative and Qualitative Disclosures about Market Risk*," contained in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer and Chief Financial Officer, together with other members of our management, carried out an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective as of June 30, 2026 at a reasonable level of assurance.

Changes in Internal Control Over Financial Reporting

During the three months ended June 30, 2026, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

We are not a party to, and none of our properties are subject to, any material pending legal proceedings.

Item 1A. Risk Factors.

There have been no material changes to the risk factors disclosed in Part I — Item 1A "*Risk Factors*" of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 20, 2026, and we direct your attention to those risk factors.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities.

All of the repurchases below were made pursuant to tender offers authorizing the repurchase up to $100 million of our preferred stock. We publicly announced such tender offers on May 18, 2026 (dollars in thousands, except per share information). See *Note 7 — Shareholders' Equity* of our consolidated financial statements in this Quarterly Report on Form 10-Q for further information. Pursuant to the tender offers, we repurchased 556,454 shares of Series A Preferred Stock and 566,229 shares of Series B Preferred Stock that were properly tendered at $22.50 per share for an aggregate purchase price of approximately $25.3 million, excluding fees and expenses relating to the tender offers.

During the three months ended June 30, 2026, we did not exercise any share repurchases of our Series A Preferred Stock or Series B Preferred Stock pursuant to the preferred stock repurchase plan authorized on May 2, 2025.

7.375% Series A Cumulative Redeemable Perpetual Preferred Stock

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly announced Plans or Programs	Maximum Dollar Value that May Yet be Purchased Under the Plans or Programs
April 1, 2026 to April 30, 2026	—	$—	—	$—
May 1, 2026 to May 31, 2026	—	—	—	—
June 1, 2026 to June 30, 2026	556,454	22.50	—	—
	556,454	$22.50	—	$—

7.125% Series B Cumulative Redeemable Perpetual Preferred Stock

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly announced Plans or Programs	Maximum Dollar Value that May Yet be Purchased Under the Plans or Programs
April 1, 2026 to April 30, 2026	—	$—	—	$—
May 1, 2026 to May 31, 2026	—	—	—	—
June 1, 2026 to June 30, 2026	566,229	22.50	—	—
	566,229	$22.50	—	$—

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Trading Plans

During our last fiscal quarter, no director or officer, as defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," each as defined in Regulation S-K Item 408.

Item 6. Exhibits.

The following exhibits are included, or incorporated by reference, in this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 (and are numbered in accordance with Item 601 of Regulation S-K):

Exhibit No.	Description
2.1 *	Agreement for Purchase and Sale of Real Property, dated May 4, 2026
4.1	Amended and Restated Agreement of Limited Partnership of the OP, dated as of April 30, 2026 (filed as an exhibit to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 14, 2026 and incorporated by reference herein)
31.1 *	Certification of the Principal Executive Officer of the Company pursuant to Securities Exchange Act Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2 *	Certification of the Principal Financial Officer of the Company pursuant to Securities Exchange Act Rule 13a-14(a) or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32 **	Written statements of the Principal Executive Officer and Principal Financial Officer of the Company pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS *	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH *	Inline XBRL Taxonomy Extension Schema Document
101.CAL *	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF *	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB *	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE *	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104 *	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

* Filed herewith.

** Furnished herewith.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NATIONAL HEALTHCARE PROPERTIES, INC.

By: /s/ Michael Anderson

Michael Anderson
Chief Executive Officer, President and Director
(Principal Executive Officer)

By: /s/ Andrew T. Babin

Andrew T. Babin
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Dated: August 6, 2026

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Michael Anderson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of National Healthcare Properties, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 6th day of August, 2026

/s/ Michael Anderson
Michael Anderson
Chief Executive Officer and President
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Andrew T. Babin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of National Healthcare Properties, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated this 6th day of August, 2026

/s/ Andrew T. Babin
Andrew T. Babin
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 32

SECTION 1350 CERTIFICATIONS

This Certificate is being delivered pursuant to the requirements of Section 1350 of Chapter 63 (Mail Fraud) of Title 18 (Crimes and Criminal Procedures) of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

The undersigned, who are the Chief Executive Officer and Chief Financial Officer of National Healthcare Properties, Inc. (the "Company"), each hereby certify as follows:

The Quarterly Report on Form 10-Q of the Company, which accompanies this Certificate, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and all information contained in this quarterly report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated this 6th day of August, 2026

/s/ Michael Anderson

Michael Anderson
Chief Executive Officer and President
(Principal Executive Officer)

/s/ Andrew T. Babin

Andrew T. Babin
Chief Financial Officer and Treasurer
(Principal Financial Officer)

[Pursuant to Item 601(b)(2)(ii) of Regulation S-K, portions of this exhibit have been omitted because the Company customarily and actually treats the omitted portions as private or confidential, and such portions are not material and would likely cause competitive harm to the Company if publicly disclosed. The Company will supplementally provide a copy of an unredacted copy of this exhibit to the U.S. Securities and Exchange Commission or its staff upon request.]

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY (this **"Agreement"**) is made and entered into as of the Effective Date (as defined below) by and between the entities itemized under "Seller" on Schedule 1 of this Agreement, each a Delaware limited liability company (individually and collectively, as context dictates, **"Seller"**), and [***] (**"Buyer"**).

In consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

1. Terms and Definitions. The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "**Assumption Approval**" means the written consent and approval of the Assumed Loan Lender to the Transfer and Assumption.

(b) "**Assumption Documents**" mean, collectively, any and all documents, instruments and agreements Buyer, and any guarantor, is responsible for or otherwise obligated to execute, notarize (if applicable) and deliver to Seller, Assumed Loan Lender, and Escrow Agent on or before Closing under the terms of this Agreement, the Assumed Loan Documents or otherwise, to evidence and timely effectuate the Transfer and Assumption in accordance with the terms and conditions set forth in this Agreement, provided that the same shall not impose any new material conditions with respect to the Assumed Loan or make any modifications to the Assumed Loan Documents other than typical revisions, as requested by Buyer or Assumed Loan Lender, to reflect the revised ownership structure of borrower and which otherwise are in form reasonably acceptable to Buyer. It is understood that Buyer and Assumed Loan Lender will determine as a part of the Assumption Approval which of the Assumed Loan Documents will remain in effect as between Assumed Loan Lender and Buyer, which will be modified, supplemented, terminated or replaced, and what, if any, additional instruments or agreements may become part of the documentation between Assumed Loan Lender and Buyer pertaining to the Assumed Loan.

(c) "**Assumed Loan**" means, as of the Effective Date, that certain loan in the original principal amount of approximately $219,500,366.84 with the Assumed Loan Lender.

(d) "**Assumed Loan Documents**" means, collectively, all loan documents, instruments and similar agreements in which Seller or any affiliate of Seller is obligated to Assumed Loan Lender in connection with the Assumed Loan as disclosed on Schedule 1(d) attached to this Agreement, as such documents, instruments and agreements have been assigned and otherwise amended, supplemented and/or modified from time to time by Seller as disclosed on Schedule 1(d).

(e) "**<u>Assumed Loan Lender</u>"** means Barclays Capital Real Estate Inc., Societe Generale Financial Corporation and KeyBank National Association.

(f) "**<u>Assumed Loan Properties</u>**" means those certain Properties listed on Schedule 2.

(g) **"<u>Closing</u>"** shall mean, as applicable, the consummation of the transaction contemplated herein concerning: the (i) First Tranche Properties, which shall occur on Monday, August 3, 2026, and (ii) Second Tranche Properties, which shall occur on Monday, August 3, 2026, subject in each case to extension as permitted under this Agreement. If any closing conditions set forth in this Agreement have not been satisfied by the Escrow Closing Date, Seller may extend the Escrow Closing Date and the Closing Date up to four (4) times with each extension being for 30 days (it being agreed that any such extension shall apply to both the Escrow Closing Date and the Closing Date).

(h) Notwithstanding the foregoing, in no event shall the Closing occur later than December 31, 2026. The date of Closing is sometimes hereinafter referred to as the "**<u>Closing Date</u>**." The Term "Closing" and "Closing Date" as used in this Agreement, shall mean the Closing or Closing Date with respect to the applicable Properties, as applicable. Neither party will need to be present at a Closing, it being anticipated that the parties will deliver all Closing documents and deliverables in escrow to the Escrow Agent prior to the date of the applicable Closing.

(i) "**<u>Defeasance Properties</u>**" means a subset of the Non-Assumed Loan Properties listed on Schedule 2.

(j) **"<u>Due Diligence Period</u>"** shall mean the period beginning upon the Effective Date and extending until 11:59 PM EST on the date that is the earliest of: (i) sixty (60) days thereafter; or (ii) the date on which Seller receives written notice of Buyer's waiver of the Due Diligence Period.

(k) "**<u>Earnest Money</u>"** shall mean the Initial Earnest Money (hereinafter defined) and, if deposited pursuant to the terms of this Agreement, the Additional Earnest Money (hereinafter defined), together with all interest accrued thereon. An amount equal to Two Hundred Thousand and No/100 Dollars ($200,000.00) (the "**<u>Initial Earnest Money</u>**") shall be deposited by Buyer in escrow with Escrow Agent within three (3) business days after the Effective Date, to be applied as part payment of the Purchase Price at the time the sale is closed, or disbursed as agreed upon in accordance with the terms of this Agreement. In the event Buyer has not terminated this Agreement prior to the expiration of the Due Diligence Period pursuant to <u>Section 6(b)</u> below, an additional amount equal to Two Million and No/100 Dollars ($2,000,000.00) (the "**<u>Additional Earnest Money</u>**") shall be deposited by Buyer in escrow with Escrow Agent within three (3) business days after the expiration of the Due Diligence Period, to be applied as part payment of the Purchase Price at the time the sale is closed, or disbursed as agreed upon in accordance with the terms of this Agreement. The Earnest Money shall be held by Escrow Agent in an insured, interest-bearing account.

(l) "**<u>Escrow Closing Date</u>**" shall mean the fifth (5^{th}) business day prior to the applicable Closing Date (as the applicable Closing Date may be extended), at which time Buyer and Seller shall tender the documents (but not the Purchase Price or any other funds or the final settlement statement, other than for the Defeasance Properties, which will require the Purchase Price and any other funds and the final settlement statement at least 1 business day prior to the applicable Closing Date) described in Section 10 to the Escrow Agent (unless a different date is otherwise noted in any subsection thereof).

(m) **"Effective Date"** This Agreement shall be signed by both Seller and Buyer. The date of execution and delivery of this Agreement by both Seller and Buyer shall be the "Effective Date" of this Agreement.

(n) **"Escrow Agent"** shall mean Stewart Title Guaranty Company, whose address is One Washington Mall, Suite 1400, Boston, MA 02108, Attention: Kimberly Fogarty, Telephone: (617) 933-2438; E-mail: kfogarty@stewart.com. The parties agree that the Escrow Agent shall be responsible for (i) organizing the issuance of the Title Commitment and Title Policy, (ii) preparation of the closing statement, and (iii) collection and disbursement of the funds.

(o) "**Fee Properties**" shall mean collectively those properties identified as "Fee" on Schedule 1 attached hereto.

(p) "**First Tranche Closing**" has the meaning set forth in the definition of "Closing".

(q) "**First Tranche Closing Date**" has the meaning set forth in the definition of "Closing".

(r) "**First Tranche Properties**" means, collectively, the Non-Assumed Loan Properties (including, for sake of clarity, the Defeasance Properties), subject to adjustment in accordance with the terms of this Agreement.

(s) **"Ground Leases"** shall mean collectively the ground leases itemized on Exhibit L attached hereto and incorporated herein. Each of the Ground Leases is referred to individually as a "**Ground Lease**."

(t) "**Ground Lease Properties**" mean collectively those properties identified as "Ground Lease" on Schedule 1 attached hereto. Each of the Ground Lease Properties is referred to individually as a "**Ground Lease Property**."

(u) **"Leases"** shall mean those certain lease agreements itemized on Exhibit G attached hereto and incorporated herein. The tenants thereunder are herein referred to as "**Tenants**". The term "Leases" does not include the Ground Leases.

(v) "**Net Loan Escrows**" means those certain escrow accounts funded by Seller pursuant to the Assumed Loan Documents as more particularly set forth on Schedule 1(r), which approximate amounts are as of the Effective Date. If the Net Loan Escrows are not fully released to Seller at Closing pursuant to the Transfer and Assumption but instead remain on deposit with the Assumed Loan Lender for the benefit of Buyer, then Seller shall receive a credit from Buyer in an amount equal to the additional amount of the Net Loan Escrows not released to Seller by the Assumed Loan Lender at Closing (but the Purchase Price with respect to the Properties shall remain unchanged). If Seller receives a credit for such Net Loan Escrows, then Seller shall assign all of its right and interest in the Net Loan Escrows at Closing to Buyer.

(w) "**No Change Affidavit**" means an affidavit in the form attached hereto as Exhibit O.

(x) "**Non-Assumed Loan Properties**" means those certain Properties listed on Schedule 2.

(y) **"Property"** shall mean all right, title and interest of Seller (i) in and to that certain real property more particularly described on Exhibit A attached hereto and incorporated herein (the "**Real Property**") together with the buildings, facilities and other improvements located thereon (collectively, the "**Improvements**"); (ii) in and to all air and subsurface rights appurtenant to the Real Property; (iii) under the Ground Leases; (iv) under the Leases and all prepaid rents and security deposits (if any) that Seller is holding pursuant to the Leases; (v) in and to the machinery, lighting, electrical, mechanical, plumbing and heating, ventilation, air conditioning systems and furniture used in connection with the Real Property and the Improvements, and all carpeting, draperies, appliances and other fixtures and equipment attached or appurtenant to the Real Property together with all personal property (other than furniture, equipment not necessary to operate the Improvements or building systems and not permanently affixed to the Improvements or Real Property, trade fixtures and inventory) owned by Seller and located on the Real Property or on and/or in the Improvements; (vi) in and to any unpaid award, if any, for (1) any taking or condemnation of the Property or any portion thereof, or (2) any damage to the Property or the Improvements or any portion thereof; (vii) in and to all easements, licenses, rights and appurtenances relating to any of the foregoing; (viii) in and to all plans, site plans, surveys and specifications, architectural drawings, building permits and other permits issued in connection with the construction, operation, use or occupancy of the Improvements, and any warranties, tradenames, logos (including any federal or state trademark or tradename registrations), or other identifying name or mark now used in connection with the Real Property and/or the Improvements, but expressly excluding any such property to the extent owned by any Tenant; and (ix) to the extent not terminated pursuant to the terms of this Agreement, all Service Contracts.

(z) **"Purchase Price"** shall mean Five Hundred Twenty-Eight Million One Hundred Sixty-Nine Thousand Seven Hundred Twenty-Five and No/100 Dollars ($528,169,725.00), subject to adjustment as set forth in this Agreement. The Purchase Price shall be allocated among the Properties as set forth on Exhibit H.

(aa) "**Second Tranche Closing**" has the meaning set forth in the definition of "Closing".

(ab) "**Second Tranche Closing Date**" has the meaning set forth in the definition of "Closing".

(ac) "**Second Tranche Properties**" means, collectively, the Assumed Loan Properties.

(ad) **Seller and Buyer's Notice addresses:**

(i) **"Buyer's Notice Address"** shall be as follows, except as same may be changed pursuant to the Notice section herein:

[***]

With a copy to:

Kane Russell Coleman Logan PC
901 Main Street, Suite 5200
Dallas, Texas 75202
Attn: John M. Inabnett
Tel. No.: (214) 777-4299
Email: jinabnett@krcl.com and kstewart@krcl.com

(ii) **"Seller's Notice Address"** shall be as follows, except as same may be changed pursuant to the Notice section herein:

National Healthcare Properties, Inc.
540 Madison Avenue, 27th Floor
New York, New York 10022
Attn: Michael Anderson and Jie Chai
Tel. No.: (212) 415-6507; (332) 456-7577
Email: manderson@nhpreit.com; JChai@nhpreit.com

With a copy to:

Greenberg Traurig, LLP
360 North Green Street, Suite 1300
Chicago, Illinois 60607
Attn: Michael Baum and Joey Rudas
Tel. No.: 312.476.5043; 312.364.1587
Email: BaumM@gtlaw.com; Joseph.Rudas@gtlaw.com

(ae) **"Service Contracts"** all agreements pursuant to which goods, services, supplies, or other items whatever are furnished for the maintenance, repair and operation of the Property, including any equipment leases and leasing commission agreements.

(af) "**Tranche**" means, as applicable, the First Tranche Closing or the Second Tranche Closing.

(ag) "**Transfer and Assumption**" means, collectively, the occurrence of the following events which shall occur on or before the Second Tranche Closing in accordance with the provisions of this Agreement: (i) Buyer's assumption of all of Seller's duties and obligations under the terms of the Assumed Loan and all of the other Assumed Loan Documents accruing from and after the Second Tranche Closing Date, in accordance with Assumption Documents reasonably acceptable to Buyer; (ii) the assumption by a guarantor acceptable to both Assumed Loan Lender and Buyer of any and all duties and obligations of the existing guarantor under the terms of the Assumed Loan Documents accruing from and after the Second Tranche Closing Date, in accordance with Assumption Documents reasonably acceptable to Buyer ("Buyer Guarantor"); (iii) either (x) Assumed Loan Lender shall release Seller, any guarantor and their affiliates from any and all claims and payment and performance obligations arising out of, related to, or in connection with, the Assumed Loan Properties, the Assumed Loan and the other Assumed Loan Documents accruing from and after the Second Tranche Closing Date, or (y) (1) Buyer shall provide an indemnity agreement in favor of Seller, any guarantor and their affiliates for all claims and payment and performance obligations arising out of, related to, or in connection with, the Assumed Loan Properties, the Assumed Loan and the other Assumed Loan Documents accruing from and after the Second Tranche Closing Date, and (2) Seller shall provide an indemnity agreement in favor of Buyer, any guarantor and their affiliates for all claims and payment and performance obligations arising out of, related to, or in connection with, the Assumed Loan Properties, the Assumed Loan and the other Assumed Loan Documents accruing prior to the Second Tranche Closing Date; (iv) the Escrow Agent will issue a new mortgagee's Title Policy or otherwise issue such endorsements to the existing mortgagee's title policy as the Assumed Loan Lender may require at Buyer's sole cost and expense; (v) Buyer has satisfied all terms, conditions and requirements of the "Transferee" under the assumption provisions set forth in the Assumed Loan Documents; and (vi) Seller and any existing guarantor have satisfied all terms, conditions and requirements imposed on such party under the Assumed Loan accruing prior to the Second Tranche Closing Date.

2. Purchase and Sale of the Property. Subject to the terms of this Agreement, Seller agrees to sell to Buyer, and Buyer agrees to purchase from Seller, the Property for the Purchase Price.

3. Payment of Purchase Price; Independent Consideration.

(a) The Purchase Price to be paid by Buyer to Seller shall be paid by wire transfer of immediately available funds in the amount of the Purchase Price plus or minus prorations, credits and adjustments as provided in Section 4 and elsewhere in this Agreement to Escrow Agent, at the time of Closing (or earlier), or as otherwise agreed to between Buyer and Seller. The parties agree that the allocated Purchase Price of any Assumed Loan Property that is subject to a Preemptive Right shall be increased by the amount of defeasance costs payable to release such Property from the Assumed Loan if such Property is to be conveyed by a defeasance of the Assumed Loan rather than an assumption (in whole or in part) of the Assumed Loan. Nothing contained in this Section 3(a) or the remainder of this Agreement shall require Buyer (or constitute an election of Buyer) to approve a defeasance of the Assumed Loan, it being acknowledged and agreed that Assumption Approval is a condition precedent to Buyer's obligation to accept title to the Assumed Loan Properties and consummate the transaction under this Agreement.

(b) Earn Out Funds. At Closing, a portion of the Purchase Price will be held back as an earn out (the "**Earn Out Funds**") to secure:

- a renewal of the existing lease for Suite 100, consisting of 13,757 RSF, at the real property known as Madison Medical Plaza (the "**Presence #100 Lease**") on the terms set forth on Schedule 3(b) attached hereto,
- a renewal of the existing lease for Suite 300, consisting of 7,840 RSF, at the real property known as Madison Medical Plaza (the "**Presence #300 Lease**") on the terms set forth on Schedule 3(b) attached hereto,
- a renewal of the existing lease for Suite 306, consisting of 3,960 RSF, at the real property known as Madison Medical Plaza (the "**Presence #306 Lease**") on the terms set forth on Schedule 3(b) attached hereto, and
- a renewal of the existing lease] for Suite 310, consisting of 4,135 RSF, at the real property known as Madison Medical Plaza (the "**Presence #310 Lease**" and with the foregoing leases associated with the Earnout Funds, the "**Earnout Leases**") on the terms set forth on Schedule 3(b) attached hereto.

- Seller shall be responsible for all Leasing Costs (defined below) of the Earnout Leases. The Earn Out Funds in the amounts set forth below shall be deposited into an escrow account with Escrow Agent (the "**Earn Out Escrow Account**") at Closing.

- $4,551,348.13 for the Presence #100 Lease (the "**Presence #100 Earnout**"),
- $2,593,775.48 for the Presence #300 Lease (the "**Presence #300 Earnout**"),
- $1,310,121.29 for the Presence #306 Lease (the "**Presence #306 Earnout**"), and

    - $1,368,018.06 for the Presence #310 Lease (the "**Presence #310 Earnout**").

- Within thirty (30) days following delivery to Buyer of:
    - an executed agreement memorializing the Presence #100 Lease, Escrow Agent shall disburse to Seller the Presence #100 Earnout;
    - an executed agreement memorializing the Presence #300 Lease, Escrow Agent shall disburse to Seller the Presence #300 Earnout;
    - an executed agreement memorializing the Presence #306 Lease, Escrow Agent shall disburse to Seller the Presence #306 Earnout; and/or
    - an executed agreement memorializing the Presence #310 Lease, Escrow Agent shall disburse to Seller the Presence #310 Earnout.

If Seller shall deliver an executed agreement memorializing any or all of the Earnout Leases at or prior to Closing, the Earn Out Funds applicable to such Lease(s), minus all Leasing Costs applicable thereto and subject to adjustment for base rent and/or tenant improvement allowance as set forth below, will be delivered to Seller at Closing. In the event that the applicable Earnout Lease(s) are entered into within ninety (90) days following the Closing (the "**Post Closing Earn Out Period**"), Escrow Agent will deliver to Seller the Earn Out Funds applicable to such Earnout Lease(s), minus all Leasing Costs applicable thereto and subject to adjustment for base rent and/or tenant improvement allowance as set forth below. During the Post Closing Earn Out Period, Seller shall serve as agent for Buyer for purposes of completing negotiations for and consummating any such Earnout Lease(s) on the terms set forth on Schedule 3(b), it being agreed that Buyer's prior written consent shall be required for any such Lease containing terms different from those set forth on Schedule 3(b). It is further agreed that if a lower base rent and/or higher tenant improvement allowance than what is contemplated in Schedule 3(b) is proposed for a Lease (and Buyer approves the lower base rent and/or the higher tenant improvement allowance in writing), the Earn Out Funds for such Lease shall be recalculated using the applicable "cap rate(s)" set forth on Schedule 3(b) applied to the new base rent and/or the new tenant improvement allowance. If any Earnout Lease is not fully executed prior to the expiration of the Post Closing Earn Out Period, or if any Earn Out Funds remain in escrow as of the expiration of the Post Closing Earn Out Period, the applicable Earn Out Funds shall be returned to Buyer without reduction and without further authorization from Seller, and Seller's authorization to act as Buyer's agent pursuant to this Section 3(b) shall terminate. This Section 3(b) shall survive the Closing.

(c) Contemporaneous with the execution and delivery of this Agreement, Buyer has delivered to Seller and Seller hereby acknowledges the receipt of the amount of One Hundred Dollars ($100) ("**Independent Consideration**"), which amount is the portion of the Deposit the parties bargained for and agreed to as consideration for Buyer's right to inspect and purchase the Property pursuant to this Agreement, and for Seller's execution, delivery and performance of this Agreement. The Independent Consideration is in addition to and independent of any other consideration or payment provided in this Agreement, is nonrefundable, and is fully earned and shall be retained by Seller notwithstanding any other provision of this Agreement, but shall be applicable to the Purchase Price upon the final Closing.

4. Proration of Expenses and Payment of Costs and Recording Fees.

(a) At each Closing there shall be adjustments between Buyer and Seller for real estate taxes, rollback taxes, personal property taxes, water and sewer use charges, and any other charges and assessments constituting a lien on the Property and to the extent not paid directly to the applicable authority by Tenants pursuant to the Leases (collectively **"Taxes and Assessments"**), in accordance with the custom prevalent to commercial real estate transactions in the vicinity of the Property. If any such taxes, charges or assessments are payable directly to the applicable taxing authority by any Tenant under the Leases, such charges shall not be apportioned between Seller and Buyer, but otherwise the proration of such taxes, charges and assessments shall take into account Seller's receipt of any Tenant payment attributable thereto pursuant to the applicable Lease.

(b) All rents under the Leases received by Seller shall be prorated as of the applicable Closing Date with Buyer being credited for rent attributable to the day of Closing through and including the last day of the calendar month in which the Closing Date occurs; provided, however, any rent under the Leases that has not been received by Seller as of the Closing Date ("**Delinquent Rent**") shall not be prorated. All rents received by Seller after Closing that Buyer is entitled to hereunder shall be immediately delivered to Buyer. Unpaid rent and Delinquent Rent collected by Seller and Buyer after the date of the applicable Closing shall be paid or retained, as applicable, as follows: (i) first, to the party that incurred actual out-of-pocket costs of collection; (ii) second, to Seller any rent to which Seller is entitled hereunder relating to the month of Closing; and (iii) third, to Buyer any rent to which Buyer is entitled hereunder relating to the month of Closing and any period thereafter. Buyer shall use good faith efforts for sixty (60) days after the Closing Date to collect all Rent (including Delinquent Rent) in the usual course of Buyer's operation of the Property, and Seller shall have the right after the applicable Closing Date to pursue monetary remedies against any Tenant with any Delinquent Rent allocable to the period prior to the Closing Date, but may not evict any Tenant or terminate any Lease.

(c) Seller shall be responsible for all operating costs and common area expenses and charges (collectively, "**CAM Charges**") incurred prior to the applicable Closing Date, and Buyer shall be responsible for all CAM Charges incurred on and subsequent to the applicable Closing Date (but only to the extent incurred under the Assumed Contracts). Seller is currently collecting from tenants under the Leases additional rent to cover the CAM Charges. Seller or Buyer shall each receive a charge or credit, as the case may be, for the difference between the aggregate tenants' current account balances for CAM Charges as of the applicable Closing and the amount of CAM Charges reimbursable to Seller. CAM Charges for Seller's period of ownership shall be reasonably estimated by the parties at the applicable Closing if final bills are not available. Buyer and Seller will adjust the prorations in cash within thirty (30) days of finalizing the reconciliation of CAM Charges for the year in which the applicable Closing occurs with the tenants pursuant to the terms of their Leases.

(d) For purposes hereof, "**Leasing Costs**" mean all leasing commissions, tenant allowances, tenant improvements costs, free rent and other similar lease inducement costs and attorney's fees in connection with a Lease. Seller shall be solely responsible for Leasing Costs of the Earnout Leases ("**Seller Leasing Costs**"). If, as of the applicable Closing, there remain unpaid Seller Leasing Costs, Buyer shall be responsible to pay such unpaid Seller Leasing Costs, and the prorations at the applicable Closing shall include a credit to Buyer in an amount equal to all such unpaid Seller Leasing Costs. Except for Leasing Costs of the Earnout Leases, Buyer shall be responsible for all Leasing Costs in connection with any new leases or extensions, renewals or expansions of leases entered into following the Effective Date and approved by Buyer in accordance with the terms of this Agreement (collectively, "**Buyer Leasing Costs**"). If, prior to the applicable Closing, Seller has paid any Buyer Leasing Costs, the prorations at the applicable Closing shall include a credit to Seller in an amount equal to the Buyer Leasing Costs paid by Seller. Notwithstanding the foregoing, there shall be no proration of anticipated Leasing Costs of Earnout Leases that have not been entered into prior to the applicable Closing, it being agreed that any such Leasing Costs shall be deducted from any Earn Out Funds to be released to Seller (and such Leasing Costs shall be released to Buyer at the same time the applicable net Earn Out Funds are released to Seller).

(e) All tenant security and rent deposits shall be paid or credited to Buyer at the applicable Closing to the extent held by Seller and not previously applied. Seller and Buyer shall notify all tenants under any Leases of the transfer of ownership of the Property from Seller to Buyer upon the applicable Closing.

(f) Seller and Buyer shall pay or be charged with the costs and expenses in connection with this transaction pursuant to the allocation set forth on Schedule 4(c) attached hereto and incorporated herein by reference. Notwithstanding anything to the contrary contained herein, (i) each party shall pay its own legal fees incidental to the negotiation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, and (ii) Seller and Buyer each shall pay one-half of all reasonable escrow fees charged by Escrow Agent.

(g) Interest accrued through the applicable Closing Date and not yet due and payable and any principal interest and other amounts due and payable on the applicable Closing Date pursuant to the Assumed Loan documents shall be prorated. At the applicable Closing, the applicable Seller shall assign to Buyer the amount of any tax or other escrows on deposit with the Assumed Loan Lender, and Seller shall receive a credit in such amount.

No later than one hundred eighty (180) days after the applicable Closing, Seller and Buyer shall make appropriate post-closing adjustments to the prorations above but in no event will any readjustment be made after the one hundred eightieth (180th) day after the applicable Closing Date; provided, however, that with respect to ad valorem tax prorations and the final reconciliation of CAM Charges for the year in which the applicable Closing occurs, the parties shall reprorate whenever the final tax bills are available and final reconciliations are actually complete. This Section 4 shall survive the Closing.

5. Title. At the applicable Closing, Seller agrees to convey to Buyer fee simple or ground lessee marketable title to the Property by deeds or assignments of ground lease evidencing a limited warranty with respect to Seller's actions during the term of Seller's ownership of the Property, as the case may be, free and clear of all liens, defects of title, conditions, easements, assessments, restrictions, and encumbrances except for Permitted Exceptions (as hereinafter defined).

6. Examination of Property. Seller and Buyer hereby agree as follows:

(a) On the Effective Date, Buyer shall order a title insurance commitment (the **"Title Commitment"**) for the Property from Escrow Agent. Within twenty (20) days of the Effective Date, Buyer shall order a current land title survey (the "**Survey**") for the Property. Except as otherwise provided in this Section 6(a), all matters shown in the Title Commitment (**"Title Matters"**) with respect to which Buyer fails to object prior to the date that is fifteen (15) days following Buyer's receipt of the Title Commitment, or the expiration of the Due Diligence Period, whichever is later, shall be deemed "**Permitted Exceptions**". Except as otherwise provided in this Section 6(a), all matters shown on the Survey ("**Survey Matters**") with respect to which Buyer fails to object prior to the date that is ten (10) days following Buyer's receipt of the Survey, or the expiration of the Due Diligence Period, whichever is later, shall be deemed

Permitted Exceptions. Amendment of the survey exception from the Title Policy for any particular Property shall be Buyer's responsibility, provided that, at the applicable Escrow Closing Date, Seller shall execute and deliver to Buyer and Escrow Agent a No Change Affidavit with respect to each Property listed in the attached Schedule 6(a). Notwithstanding the foregoing, Permitted Exceptions shall not include (and Buyer is not required to deliver a written objection to Seller with respect to any mortgage or other loan documents executed by Seller secured by the Property, and any judgment liens, mechanic's and materialmen's liens, and other liens and monetary encumbrances against the Property created by Seller (collectively, "**Liens**")). Seller shall, at its sole cost and expense, be required to cure or remove all Liens (by payment, bond deposit or indemnity acceptable to Escrow Agent) at or prior to the applicable Closing. Seller shall have no obligation to cure any Title Matter or Survey Matter (other than all Liens) objected to by Buyer, provided Seller notifies Buyer of any objections which Seller elects not to remove or cure within five (5) business days following receipt of Buyer's objections. If Seller fails to notify Buyer within the 5-business day period, Seller is deemed to have elected to remove or cure all such objections at or prior to the applicable Closing, failing which Buyer shall have the rights and remedies set forth in Section 9(b) of this Agreement. In the event that Seller notifies Buyer that it refuses to remove or cure any objections, Buyer shall have the right to terminate this Agreement upon written notice to Seller given within five (5) business days after receipt of Seller's notice (but in no event later than the expiration of the Due Diligence Period), upon which termination Buyer shall receive a refund of the Earnest Money and neither party shall have any further obligation hereunder, except as otherwise expressly set forth herein. If any matter not revealed in the Title Commitment or Survey is discovered by Buyer or by the Escrow Agent and is added to the Title Commitment or Survey, as applicable, at or prior to the applicable Closing, Buyer shall have until the earlier of (i) ten (10) days after the Buyer's receipt of the updated, revised Title Commitment or Survey, as applicable, showing the new title matter or survey matter, together with a legible copy of any such new matter, or (ii) three (3) business days prior to the date of the applicable Closing, to provide Seller with written notice of its objection to any such new matter (an **"Objection"**). If Seller does not remove or cure such Objection prior to the date of the applicable Closing, Buyer may terminate this Agreement, upon which termination Buyer shall receive a refund of the Earnest Money and neither party shall have any further obligation hereunder, except as otherwise expressly set forth herein.

(b) During the term of this Agreement, Buyer, its agents, contractors and designees (collectively, "**Buyer's Representatives**"), shall have the right to enter the Property for the purposes of inspecting the Property, conducting soil tests, making surveys, mechanical and structural engineering studies, inspecting construction, and conducting any other investigations and inspections as Buyer may reasonably require to assess the condition and suitability of the Property. During the Due Diligence Period, with Seller's consent (which shall not be unreasonably withheld, conditioned or delayed), Buyer also may schedule and, only with a Seller's representative present, conduct interviews with Tenants of the Property. All such activities by or on behalf of Buyer on the Property shall not damage the Property nor interfere with construction on the Property or the conduct of business by any Tenant under the Leases. Buyer shall indemnify and hold Seller harmless from and against any and all claims or damages to the extent resulting from the activities of Buyer on the Property, and Buyer shall repair any and all damage caused, in whole or in part, by Buyer, and return the Property to its condition prior to such damage, which obligation shall survive Closing or any termination of this Agreement; provided, however, that such indemnity and obligation to hold harmless shall not extend to and in no event shall Buyer be liable to Seller or any of such other indemnified parties to the extent any loss, injury, damage, cause of action, liability, claim, lien, cost or expense arises from (i) any negligence or willful conduct in connection with the diligence efforts of Buyer's Representatives of Seller or any other indemnified party or anyone acting by, through or under Seller or any other indemnified party, or (ii) any pre-existing conditions on or about the Property except to the extent that such conditions were exacerbated due to the acts or omissions of Buyer or anyone acting by, through or under Buyer. Seller shall reasonably cooperate with the efforts of Buyer and Buyer's Representatives to inspect the Property and the Improvements. Notwithstanding the foregoing, Buyer shall not have the right to conduct an environmental Phase II examination without the express prior written consent of Seller, which shall not be unreasonably withheld, conditioned or delayed if a Phase I expressly recommends such a Phase II examination. During the time period in which Buyer or Buyer's Representatives are accessing the Property, Buyer shall maintain, and shall cause Buyer's Representatives to maintain, at Buyer's expense, a policy of comprehensive general public liability insurance with a combined single limit of not less than $2,000,000 per occurrence for bodily injury and property damage, insuring Buyer and Seller, as additional insureds, against any injuries or damages to persons or property that may result from or are related to Buyer's or Buyer's Representative's entry upon the Property and any investigations or other activities conducted thereon. Prior to the first entry on the Property, Buyer shall deliver, and shall cause Buyer's Representatives to deliver, certificates of insurance to Seller confirming compliance with the foregoing insurance requirements. Upon Buyer's request, Seller shall provide Buyer with the name of a contact person(s) for the purpose of arranging site visits. Buyer shall give Seller reasonable written notice (which may be by e-mail to Seller sent to ttaylor@nhpreit.com, CVanGelder@nhpreit.com and JMckanna@nhpreit.com but in any event shall not be less than two (2) business days) before entering the Property, and Seller may have a representative present during any and all examinations, inspections, Tenant interviews and/or studies on the Property; provided, however, in no event may Seller's inability, or election not, to attend any such examinations, inspections and/or studies limit, restrict, prevent, prohibit or modify in any other way Buyer's entry and interview rights hereunder. Buyer shall have the unconditional right, for any reason or no reason, to terminate this Agreement by giving written notice thereof to Seller and the Escrow Agent prior to the expiration of the Due Diligence Period, in which event this Agreement shall become null and void, Buyer shall receive a refund of the Earnest Money, and all rights, liabilities and obligations of the parties under this Agreement shall expire, except as otherwise expressly set forth herein.

7. Risk of Loss/Condemnation. Upon an occurrence of a casualty, condemnation or taking of any Property or portion thereof, Seller shall promptly notify Buyer in writing of same. Until Closing, the risk of loss or damage to the Property, except as otherwise expressly provided herein, shall be borne by Seller. In the event all or any portion of the Property is damaged in any casualty or condemned or taken (or notice of any condemnation or taking is issued) so that: (a) any Tenant has a right of termination or abatement of rent under its Lease, or (b) with respect to any casualty, if the cost to repair such casualty would exceed $4,000,000.00, or (c) with respect to any condemnation or taking, any Improvements or access to the Property or more than ten percent (10%) of the Property is (or will be) condemned or taken, then, Buyer may elect to terminate this Agreement by providing written notice of such termination to Seller within ten (10) business days after Buyer's receipt of notice of such condemnation, taking or damage, upon which termination the Earnest Money shall be returned to the Buyer and neither party hereto shall have any further rights, obligations or liabilities under this Agreement, except as otherwise expressly set forth herein. With respect to any condemnation or taking (or any notice thereof), if Buyer does not elect to cancel this Agreement as aforesaid, there shall be no abatement of the Purchase Price and Seller shall assign to Buyer at the Closing the rights of Seller to the awards, if any, for the condemnation or taking, and Buyer shall be entitled to receive and keep all such awards. With respect to a casualty, if Buyer does not elect to terminate this Agreement or does not have the right to terminate this Agreement as aforesaid, there shall be no abatement of the Purchase Price and Seller shall assign to Buyer at the applicable Closing the rights of Seller to the proceeds under Seller's insurance policies covering the Property with respect to such damage or destruction (or pay to Buyer any such proceeds received prior to such Closing) and pay to Buyer the amount of any deductible with respect thereto, and Buyer shall be entitled to receive and keep any monies received from such insurance policies.

8. Earnest Money Disbursement. The Earnest Money shall be held by Escrow Agent, in trust, and disposed of only in accordance with the following provisions:

(a) If the final Closing occurs, Escrow Agent shall deliver the Earnest Money to, or upon the instructions of, Seller and Buyer on the Closing Date to be applied as part payment of the Purchase Price. For sake of clarity, the parties acknowledge and agree that with respect to a Closing of the initial Tranche (whether that be the First Tranche Closing or Second Tranche Closing), the Earnest Money shall not be applied to the Purchase Price and Escrow Agent shall continue to hold such amounts until the final Tranche Closing. If for any reason the Closing does not occur, Escrow Agent shall deliver the Earnest Money to Seller or Buyer only upon receipt of a written demand therefor from such party. If for any reason the final Tranche Closing does not occur and either party makes a written demand (the **"Demand"**) upon Escrow Agent for payment of the Earnest Money, Escrow Agent shall give written notice to the other party of the Demand within one business day after receipt of the Demand. If Escrow Agent does not receive a written objection from the other party to the proposed payment within five (5) business days after the giving of such notice by Escrow Agent, Escrow Agent is hereby authorized to make the payment set forth in the Demand. If Escrow Agent does receive such written objection within such period, Escrow Agent shall continue to hold such amount until otherwise directed by written instructions signed by Seller and Buyer or a final judgment of a court.

(b) The parties acknowledge that Escrow Agent is acting solely as a stakeholder at their request and for their convenience, that Escrow Agent shall not be deemed to be the agent of either of the parties, and that Escrow Agent shall not be liable to either of the parties for any action or omission on its part taken or made in good faith, and not in disregard of this Agreement, but shall be liable for its negligent acts and for any liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred by Seller or Buyer resulting from Escrow Agent's mistake of law respecting Escrow Agent's scope or nature of its duties. Seller and Buyer shall jointly and severally indemnify and hold Escrow Agent harmless from and against all liabilities (including reasonable attorneys' fees, expenses and disbursements) incurred in connection with the performance of Escrow Agent's duties hereunder, except with respect to actions or omissions taken or made by Escrow Agent in bad faith, in disregard of this Agreement or involving negligence on the part of Escrow Agent. Escrow Agent has executed this Agreement in the place indicated on the signature page hereof in order to confirm that Escrow Agent shall hold the Earnest Money in escrow and shall disburse the Earnest Money pursuant to the provisions of this Section 8.

9. Default

(a) In the event that Buyer defaults in any of its obligations under this Agreement and if such default continues for five (5) days after receipt of written notice of such default from Seller (except that no notice or cure period is required due to Buyer's failure to close on the Closing Date in violation of this Agreement), Seller shall be entitled to, as its sole and exclusive remedy to either: (i) waive such default and proceed to Closing in accordance with the terms and provisions hereof; or (ii) declare this Agreement to be terminated, and Seller shall be entitled to immediately receive all of the Earnest Money as liquidated damages as and for Seller's sole remedy. Upon such termination, neither Buyer nor Seller shall have any further rights, obligations or liabilities hereunder, except as otherwise expressly provided herein. Seller and Buyer agree that (x) actual damages due to Buyer's default hereunder would be difficult and inconvenient to ascertain and that such amount is not a penalty and is fair and reasonable in light of all relevant circumstances, (y) the amount specified as liquidated damages is not disproportionate to the damages that would be suffered and the costs that would be incurred by Seller as a result of having withdrawn the Property from the market, and (z) Buyer desires to limit its liability under this Agreement to the amount of the Earnest Money paid in the event

Buyer fails to complete Closing. Notwithstanding the foregoing, nothing contained herein shall limit or restrict Seller's ability to pursue any rights or remedies it may have against Buyer with respect to those obligations that expressly survive the termination of this Agreement as provided herein. In no event under this Section or otherwise shall Buyer or Seller be liable to the other for any punitive, speculative or consequential damages.

(b) In the event that Seller defaults in any of its obligations under this Agreement and if such default continues for five (5) days after receipt of written notice of such default from Buyer (except that no notice or cure period is required due to Seller's failure to close on the Closing Date in violation of this Agreement), Buyer may, as its sole and exclusive remedy, either: (i) waive any such default or unsatisfied conditions and proceed to Closing in accordance with the terms and provisions hereof; (ii) terminate this Agreement by delivering written notice thereof to Seller no later than Closing, upon which termination the Earnest Money shall be refunded to Buyer, and Seller shall pay to Buyer the actual out-of-pocket costs and expenses incurred by Buyer in connection with this Agreement and the pursuit of the transaction contemplated herein, including without limitation attorney's fees, costs of inspection and loan application fees ("**Pursuit Costs**") in an amount not to exceed $2,000,000.00; or (iii) enforce specific performance of Seller's obligation to execute the documents required to convey the Property to Buyer (it being understood, however, if specific performance is made unavailable as a remedy to Buyer because Seller has sold or encumbered the Property intentionally to impede Buyer's ability to obtain specific performance, then Buyer will be entitled to pursue all rights and remedies available at law or in equity against the defaulting Seller).

(c) The terms of this Section 9 shall survive the Closing and any termination of this Agreement.

10. Closing. The applicable Closing shall consist of the execution and delivery of documents by Seller and Buyer, as set forth below, and delivery by Buyer to Seller of the Purchase Price in accordance with the terms of this Agreement. Seller shall deliver to Escrow Agent on or before the Escrow Closing Date for the benefit of Buyer at Closing the following executed documents for the Property:

(a) A deed for each Fee Property executed and acknowledged by the applicable Seller; and an assignment and assumption of ground lease for each Ground Lease Property executed and acknowledged by the applicable Seller. The form of each deed and assignment and assumption of ground lease shall be reasonably approved by Buyer and Seller;

(b) An Assignment and Assumption of Leases (other than the Ground Leases) relative to each entity comprising Seller, in the form attached hereto as Exhibit C;

(c) A Bill of Sale for the personal property, if any, by each entity comprising Seller in the form attached hereto as Exhibit D;

(d) An Assignment and Assumption of Contracts, Permits, Licenses and Warranties relative to each entity comprising Seller in the form of Exhibit E;

(e) A settlement statement setting forth the Purchase Price, all prorations and other adjustments to be made pursuant to the terms hereof, and the funds required for the applicable Closing as contemplated hereunder;

(f) A certificate pursuant to Section 1445 of the Internal Revenue Code of 1986, as amended, or the regulations issued pursuant thereto, certifying the non-foreign status of each Seller;

(g) Letters to each Tenant in form of Exhibit F attached hereto;

(h) An owner's affidavit and such other instruments as are reasonably required by Escrow Agent to close the escrow and consummate the purchase of the Property in accordance with the terms hereof. The form of owner's affidavit shall include such statements as are required by Escrow Agent to enable the issuance of a comprehensive endorsement (or the applicable state equivalent) to the Title Policy; and

(i) The items set forth on Schedule 12 (the "**State Specific Deliverables**"); and

(j) Such documents and deliveries as may be required by the Assumed Loan Lender to effect the assumption of the Assumed Loan.

Except as set forth below, at final Closing, Buyer shall instruct Escrow Agent to deliver the Earnest Money to Seller which shall be applied to the Purchase Price for the final Tranche Closing, shall deliver the balance of the Purchase Price to Seller and shall execute and deliver execution counterparts, as applicable, of the closing documents referenced above. For sake of clarity, no Earnest Money shall be delivered or applied to the initial Tranche Closing. Each Closing shall be held through the mail by delivery of the closing documents to the Escrow Agent on or prior to the Closing or such other place or manner as the parties hereto may mutually agree.

Notwithstanding anything contained in this Agreement to the contrary, Buyer acknowledges that Seller's existing mortgage financing for the Defeasance Properties requires defeasance, and that in order to effectuate the defeasance of the existing financing, the balance of the Purchase Price (as adjusted for prorations, credits, and reimbursements under this Agreement) shall be deposited by Buyer with Escrow Agent no later than 12:00 p.m. (Eastern) on the business day preceding the applicable Closing Date by wire transfer of immediately available funds, time being of the essence. For clarity, it is agreed that Seller shall be responsible for (and shall pay) all defeasance costs with respect to the Defeasance Properties. If Buyer is in breach of such funding obligation and such breach causes Seller to incur "Delay Costs" (as hereinafter defined), then notwithstanding anything herein to the contrary, Buyer shall be responsible for and pay at the applicable Closing any and all bona fide additional third party fees, costs and expenses incurred by Seller as a result thereof (if any) and payable to Seller's lender for the Defeasance Properties, including any breakage, unwinding or re-pricing costs and/or additional interest or other financing costs associated with such delay and actually incurred by Seller (the "**Delay Costs**"). For clarity, Buyer's obligation to pay Delay Costs shall apply only if the Closing of the Defeasance Properties occurs and not otherwise.

11. Representations by Seller. For the purpose of inducing Buyer to enter into this Agreement and to consummate the sale and purchase of the Property in accordance herewith, each entity comprising Seller makes the following representations and warranties to Buyer as of the Effective Date and as of the applicable Closing Date:

(a) Each Seller entity is duly organized (or formed), validly existing and in good standing under the laws of its state of organization, and to the extent required by law, the State in which the Property is located. Subject to receipt of the consents set forth on Schedule 13(e), each such entity has or will have the power and authority to execute and deliver this Agreement and all closing documents to be executed by such entity, and to perform all of such entity's obligations hereunder and thereunder. Neither the execution and delivery of this

Agreement and all closing documents to be executed by such entity, nor the performance of the obligations of such entity hereunder or thereunder, will result in the violation of any law or any provision of the organizational documents of such entity or will conflict with any order or decree of any court or governmental instrumentality of any nature by which such entity is bound;

(b) Except for violations cured or remedied on or before the Effective Date, such entity has not received any written notice from (or delivered any notice to) (i) any governmental authority regarding (1) any violation of any law applicable to the applicable Property and such entity does not have knowledge of any such violations or (2) any condemnation proceedings relating to the Property and such entity does not have knowledge of any pending or threatened condemnation proceedings relating to the Property; and (ii) any third party that the applicable Property or the current use thereof violates any private covenant, restriction, easement or encumbrance and such entity does not have any knowledge of any such violation; and

(c) There are no occupancy rights, leases or tenancies affecting the applicable Property other than the Leases, Ground Leases or disclosed in the Title Commitments. To Seller's knowledge: (i) there is no default under or with respect to any Ground Lease on the part of the applicable ground lessor or on the part of Seller; (ii) there exists no condition or circumstance which, with the passage of time, would constitute a default under or with respect to any of the Ground Leases; (iii) there are no defaults under or with respect to any of the Leases on the part of Seller or any Tenant, and (iv) there exists no condition or circumstance which, with the passage of time, would constitute a default under or with respect to any of the Leases;

(d) To Seller's knowledge, there is no suit, action, proceeding or other litigation affecting the Property not fully covered by insurance nor, to Seller's knowledge, has any unresolved suit, action, proceeding or other litigation been threatened against Seller or the Property, with the exception of tax appeals currently pending as disclosed on Schedule 11(d) attached hereto (which appeals, notwithstanding anything to the contrary in this Agreement, may be pursued to completion by Seller, which right shall survive Closing). Seller shall provide Buyer with periodic status updates on the appeals when reasonably appropriate based on developments in the appeals.

(e) The Rent Rolls attached hereto as Schedule 11(e) are the rent rolls Seller relies upon in the operation of the Property and Seller has no actual knowledge of any material inaccuracy contained therein. Except as set forth on Schedule 11(e), no rent called for under the Leases has been paid more than one (1) month in advance of its due date. The list of deposits attached hereto as Schedule 11(e) is a true, correct and complete list of the security deposits and letters of credits held by Seller under the Leases.

(f) Except as set forth on Schedule 11(f), Seller has not given nor has Seller received any written notice of a default by any Tenant under a Lease which remains uncured.

(g) Except as set forth on Schedule 11(g), which Seller shall complete and provide to Buyer within ten (10) business days after the Effective Date, (i) all construction obligations of Seller, as landlord under the Leases, have been fully performed and fully paid for, (ii) no tenant improvement allowance or other cost obligation is due or payable or will become due or payable with respect to the Leases other than those payable in connection with contingencies (including extensions, expansions, options or renewals) occurring after the applicable Closing Date and (iii) no tenant is entitled to any concession, rebate, free rent or abatement under such tenant's Lease or any other agreement with Seller.

(h) Except as expressly set forth on Schedule 11(h), which Seller shall complete and provide to Buyer within ten (10) business days after the Effective Date, there is no brokerage commission, fee or other similar compensation currently payable, and no brokerage commission, fee or similar compensation with the passage of time or occurrence of any event, or both will become payable, other than (x) leasing commissions payable in connection with contingencies (including cancellations, extensions, expansions, options or renewals) occurring after the applicable Closing Date with respect to the Leases in effect as of the Effective Date and (y) leasing commissions payable in connection with new Leases entered into in accordance with this Agreement prior to the applicable Closing Date.

(i) Except for the Preemptive Rights, there is no other agreement to purchase, sell, option, lease or otherwise dispose of or alienate all or any portion of the Property, including any outstanding options, rights of first refusal, rights of first offer, conditional sales agreements or other similar agreements or arrangements, whether written or oral.

(j) The operating statements for the Property which have been delivered to Buyer by Seller are the operating statements relied upon by Seller in the ordinary course of Seller's ownership and operation of the Property, and, to the best of Seller's knowledge, are true and correct in all material respects.

(k) Other than contracts and agreements that are entered into by Seller after the Effective Date in accordance with the terms of this Agreement, on the date that is ten (10) business days following the Effective Date (the "Service Contract Delivery Date"), Schedule 11(k) will be completed by Seller to contain a list of the Service Contracts to which Seller is a party or is bound affecting any portion of the Property that would be binding upon Buyer after the applicable Closing. On or before the Service Contract Delivery Date, Seller has delivered to Buyer copies of the Service Contracts that are true, correct and complete in all material respects. To Seller's knowledge the Service Contracts are in full force and effect. Seller is not in default under any Service Contract and to Seller's knowledge, no other party is in default under any Service Contract.

(l) Seller does not have, and has never had, any employees and Seller is not a party to, nor is the Property subject to, any collective bargaining agreement.

(m) None of (A) Seller; (B) any Person controlling or controlled by Seller, directly or indirectly, including but not limited to any Person or Persons owning, in the aggregate, a fifty percent (50%) or greater direct or indirect ownership interest in Seller; (C) any Person, to the knowledge of Seller, having a legal or beneficial interest in Seller; or (D) any officer or director or (to the knowledge of Seller) any employee, agent, or representative of Seller (including any person acting in such capacity for or on behalf of Seller); or (E) any Person for whom Seller is acting as agent or nominee or otherwise in connection with the transaction contemplated by this Agreement (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order; (b) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of OFAC or any other applicable requirements contained in any enabling legislation or other Executive Orders in respect of the Order or Orders; (c) is engaged in activities prohibited in the Order or Orders; or (d) has been convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

(n) Seller has not: (i) made a general assignment for the benefit of creditors, (ii) filed a petition for voluntary bankruptcy or filed a petition or answer seeking reorganization or any arrangement or composition, extension, or readjustment of its indebtedness, (iii) consented in writing in any creditor's proceeding, to the appointment of a receiver or trustee for such Seller or any of its property, (iv) been named as a debtor in an involuntary bankruptcy proceeding, or (v) has not admitted in writing its inability to pay its debts as they become due.

(o) "Seller's knowledge," as used in this Agreement means the current actual knowledge of Trent Taylor and Jie Chai (individually and collectively as the context so requires, "**Seller's Knowledge Party**"), without any duty of inquiry or investigation. The Seller Knowledge Party shall have no personal liability hereunder. Seller's representations and warranties in Section 11(b), 11(c), and 11(d) (collectively, the "**Property Representations**") are qualified by any knowledge obtained by Buyer (i) on or prior to the expiration of the Due Diligence Period, including, without limitation, anything set forth in any Title Commitment, (ii) in any materials provided by Seller to Buyer in connection with Buyer's investigation and inspection of the Property, (iii) in any reports obtained by or on behalf of Buyer in connection with Buyer's investigation and inspection of the Property, and (iii) in any estoppels delivered to Buyer pursuant to the terms of this Agreement; and such Property Representations shall be deemed updated to reflect such knowledge of Buyer. Seller may further qualify the Property Representations by notice, specifying with reasonable particularity the facts and circumstances known to Seller that make the applicable Property Representation false, misleading or inaccurate, delivered to Buyer before the applicable Closing Date. If Seller delivers a Property Representation notice within less than three (3) business days before the applicable Closing, then Buyer may by written notice to Seller extend the applicable Closing Date to the day which is three (3) business days after the date of receipt of the Property Representation notice. If any Property Representation notice delivered after the Due Diligence Period effects a material adverse change in the matter covered by the applicable Property Representation, then Buyer, as its sole remedy therefor, may terminate this Agreement by giving written notice to Seller no later than three (3) business days after receipt of such Property Representation notice and receive a refund of the Earnest Money. Notwithstanding anything contained herein to the contrary, in the event Seller delivers a Property Representation notice to Buyer qualifying any Property Representation or Buyer otherwise, prior to the applicable Closing, obtains (or is deemed to have obtained) knowledge that any representation of Seller herein is not true or correct and Buyer nonetheless elects to proceed to the applicable Closing, Buyer shall have no right to bring an action against Seller with respect to the untruth or inaccuracy of such representation or warranty. The foregoing representations and warranties set forth in this Agreement shall survive the applicable Closing for a period of nine (9) months (the "**Survival Period**") and any action brought on such representations and warranties (a "**Post-Closing Claim**") shall be commenced within one hundred eighty (180) days after said nine (9) month period or shall be forever barred and waived. In no event shall Buyer be entitled to make a claim for breach of such representations or warranties and no entity comprising Seller shall have any liability in connection therewith (i) unless and until the aggregate amount of all such claims exceeds $50,000.00 or (ii) for any amount in excess of $7,500,000.00 in the aggregate.

(p) National Healthcare Properties Operating Partnership, L.P. ("**NHPOP**") hereby agrees to maintain Liquid Assets in amount of not less than $7,5000,000.00 during the Survival Period. "**Liquid Assets**" as used herein means unencumbered cash and Cash Equivalents owned by and/or held in the name of NHPOP; and "**Cash Equivalents**" as used herein means (i) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof having maturities of not more than the expiration of the Survival Period, (ii) time deposits and certificates of deposits having maturities of not more than the expiration of the Survival Period and issued by any domestic commercial bank having, (A) senior long term unsecured debt rated at least A or the equivalent thereof by S&P or A2 or the equivalent thereof by Moody's and (B) capital and surplus in excess of $100,000,000.00; (iii) commercial paper rated at least A-1 or the equivalent thereof by S&P or P- 1 or the equivalent thereof by Moody's and in either case maturing within one hundred twenty (120) days from the expiration of the Survival Period, and (iv) shares of any money market mutual fund rated at least AAA or the equivalent thereof by S&P or at least AAA or the equivalent thereof by Moody's. In the event Buyer makes a Post-Closing Claim, Buyer may seek recovery from either NHPOP or the applicable Seller entity. The provisions of this paragraph (the "**Liquidity Provision**") will survive the applicable Closing for the Survival Period.

12. Representations by Buyer. Buyer represents and warrants to, and covenants with, Seller as of the date hereof and as of the Closing Date as follows:

(a) Buyer is duly formed, validly existing and in good standing under the laws of its state of organization, and on the Closing Date, to the extent required by law, the State in which the Property is located, is authorized to consummate the transaction set forth herein and fulfill all of its obligations hereunder and under all closing documents to be executed by Buyer, and has all necessary power and authority to execute and deliver this Agreement and all closing documents to be executed by Buyer, and to perform all of Buyer's obligations hereunder and thereunder;

(b) This Agreement and all Closing documents to be executed by Buyer have been (or shall be, with respect to the documents to be executed at Closing) duly authorized by all requisite corporate or other required action on the part of Buyer and are the valid and legally binding obligation of Buyer, enforceable in accordance with their respective terms; and

(c) Neither the execution and delivery of this Agreement and all Closing documents to be executed by Buyer, nor the performance of the obligations of Buyer hereunder or thereunder will result in the violation of any law or any provision of the organizational documents of Buyer or will conflict with any order or decree of any court or governmental instrumentality of any nature by which Buyer is bound.

(d) None of (A) Buyer; (B) any Person controlling or controlled by Buyer, directly or indirectly, including but not limited to any Person or Persons owning, in the aggregate, a fifty percent (50%) or greater direct or indirect ownership interest in Buyer; (C) any Person, to the knowledge of Buyer, having a legal or beneficial interest in Buyer; or (D) any officer or director or (to the knowledge of Seller) any employee, agent, or representative of Buyer (including any person acting in such capacity for or on behalf of Buyer); or (E) any Person for whom Buyer is acting as agent or nominee or otherwise in connection with the transaction contemplated by this Agreement (a) is listed on the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to the Order; (b) is listed on any other list of terrorists or terrorist organizations maintained pursuant to the Order, the rules and regulations of OFAC or any other applicable requirements contained in any enabling legislation or other Executive Orders in respect of the Order or Orders; (c) is engaged in activities prohibited in the Order or Orders; or (d) has been convicted, pleaded nolo contendere, indicted, arraigned or custodially detained on charges involving money laundering or predicate crimes to money laundering.

(e) Buyer has not: (i) made a general assignment for the benefit of creditors, (ii) filed a petition for voluntary bankruptcy or filed a petition or answer seeking reorganization or any arrangement or composition, extension, or readjustment of its indebtedness, (iii) consented in writing in any creditor's proceeding, to the appointment of a receiver or trustee for such Buyer or any of its property, (iv) been named as a debtor in an involuntary bankruptcy proceeding, or (v) has not admitted in writing its inability to pay its debts as they become due.

The representations and warranties of Buyer shall survive Closing for a period of nine (9) months after the Closing Date.

13. Conditions Precedent to Buyer's Obligations. Unless otherwise noted below, Buyer's obligation to pay the Purchase Price, to accept title to the Property and consummate the transaction under this Agreement shall be subject to the following conditions precedent on and as of the date of the applicable Closing:

(a) Seller shall deliver to Escrow Agent on or before the Escrow Closing Date the items set forth in Section 10 above;

(b) The representations and warranties of the entities comprising Seller contained in this Agreement shall be true in all material respects at and as of the date of the applicable Closing (subject to any Seller modifications hereafter made to a Property Representation, and Seller shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Seller prior to or at the applicable Closing;

(c) The Escrow Agent, and/or another national title company, shall be willing to issue its standard Owner's Policy of Title Insurance covering each Property, in the allocated amount of the Purchase Price for the applicable Property, subject only to the Permitted Exceptions (the "**Title Policy**");

(d) Seller shall use Seller's commercially reasonable efforts to deliver to Buyer, no later than five (5) business days prior to the applicable Closing, an executed estoppel certificate from each Tenant of the Property in the form attached hereto as **Exhibit J** (or if another estoppel form or other lesser substance is required by a Tenant's Lease, or if another estoppel form is customarily used by such Tenant or parent company of such Tenant, notwithstanding what is provided in such Lease (e.g., any DaVita affiliate), then such form or substance may be used and deemed acceptable for that Tenant) (the "**Tenant Estoppel Certificates**"), duly executed by each Tenant, dated no more than 60 days prior to the applicable Closing Date, which is materially consistent with the rent roll and does not disclose any material defaults under the applicable Lease that was not previously disclosed to Buyer. Prior to the expiration of the Due Diligence Period, Seller shall prepare and submit for Buyer's review the Tenant Estoppel Certificates with all blank spaces completed prior to their delivery to Tenants under any of the Leases. Within seven (7) days thereafter, Buyer shall provide Seller with any comments Buyer may have on the draft Tenant Estoppel Certificates. Upon receipt of comments from a tenant to any Tenant Estoppel Certificate or an executed copy of an Tenant Estoppel Certificate, Seller shall promptly deliver the same to Buyer (via email at [***]) and Buyer's lender for review and approval. Notwithstanding the foregoing, Seller shall only be required to obtain, for each Property, the lesser of: (x) Tenant Estoppel Certificates from Tenants leasing 5,000 or more rentable square feet and, in the aggregate, covering a minimum of 70% of the rentable square feet of the applicable Property, and (y) with respect to the Assumed Loan Properties, the amount of Tenant Estoppel Certificates required by the Assumed Loan Lender (the "**Tenant Estoppel Threshold**"). Seller acknowledges and agrees that it is a Buyer's condition to Closing to receive a Tenant Estoppel Certificate (fully completed in conformance with this Section 13(d)) from a sufficient number of Tenants to meet the Tenant Estoppel Threshold on or before the Escrow Closing Date; provided, however, Seller and Buyer acknowledge and agree that a Tenant Estoppel Certificate that contains minor changes or contained knowledge qualifiers shall not preclude such Tenant Estoppel Certificate from being utilized to satisfy the Tenant Estoppel Threshold.

(e) Seller shall use Seller's commercially reasonable efforts to deliver to Buyer no later than three (3) business days prior to the applicable Closing, an executed subordination, nondisturbance and attornment agreement (each, an "**SNDA**", collectively, the "**SNDAs**") from each Tenant of the Non-Assumed Loan Properties leasing 5,000 or more rentable square feet of the Property. Buyer shall prepare each such SNDAs on its lender's form, with all blank spaces completed prior to their delivery, and deliver it to Seller as soon as reasonably practicable, but in no event later than the last day of the Due Diligence Period (the "**SNDA Cut-Off**"), and Seller shall use commercially reasonable efforts to deliver each such SNDA to the applicable Tenant with a request for its execution and delivery. Seller acknowledges and agrees that if such SNDAs are delivered to Seller by the SNDA Cut-Off, then it shall be a Buyer's condition to Closing to receive SNDAs from a sufficient number of Tenants to meet the SNDA Threshold on or before the Escrow Closing Date; provided, however, notwithstanding anything herein to the contrary, it shall not be a Buyer's condition to Closing to receive SNDAs from any Tenant under a Lease that is automatically subordinate to a landlord's mortgage without the need for delivery of an instrument evidencing the same. The determination of automatic subordination shall be made by the parties and Buyer's lender prior to expiration of the Due Diligence Period. As used herein, the "**SNDA Threshold**" shall mean SNDAs from Tenants of the Non-Assumed Loan Properties leasing 5,000 or more rentable square feet and, in the aggregate, covering a minimum of 70% of the rentable square feet of the applicable Non-Assumed Loan Properties.

(f) Seller shall use Seller's commercially reasonable efforts obtain an estoppel certificate from each party to any declaration and/or reciprocal easement agreement affecting the Property, in the form attached hereto as **Exhibit K** or customarily provided by such declarant (the "**Declaration Estoppel Certificates**"), provided Buyer shall prepare each Declaration Estoppel Certificates and deliver them to Seller as soon as reasonably practicable, but in no event later than the last day of the Due Diligence Period (the "**Declaration Estoppel Cut-Off**"). Without limiting the foregoing, it shall not be a Buyer's condition to Closing to receive Declaration Estoppel Certificates; provided, however, Seller acknowledges and agrees that if such Declaration Estoppel Certificate for the Madison Medical Property is received by the Declaration Estoppel Cut-Off, then, it shall be a Buyer's condition to Closing to receive a Declaration Estoppel Certificate for the Madison Medical Property. As described in Section 10(h), if Escrow Agent, without first receiving a Declaration Estoppel Certificate, will not issue a comprehensive endorsement (or the applicable state equivalent) to the Title Policy for a particular Property, then Seller's owner's affidavit for that Property must include such statements as are required by Escrow Agent for the issuance of the endorsement.

(g) Seller shall use Seller's commercially reasonable efforts obtain an executed estoppel certificate from the lessor under each Ground Lease (the "**Ground Lessor Estoppel Certificate**"), in (i) substantially the form of **Exhibit M** attached hereto, or (ii) such other form as attached to the applicable Ground Lease. The Ground Lessor Estoppel Certificate shall: (a) be dated within 60 days of the Closing Date, (b) confirm the current rent and any other monthly payments under the applicable Ground Lease, (c) not indicate the continuing existence of an actual material default of the Seller as lessee or tenant under the applicable Ground Lease, unless such default was previously disclosed to Buyer, and (d) not indicate any unsatisfied, material obligation of the lessor which constitutes a default of lessor thereunder, unless such obligation was previously disclosed to Buyer. It shall be a condition precedent to Buyer's obligation to close hereunder that Buyer shall receive an executed Ground Lessor Estoppel Certificate in a form approved by Buyer's lender from each ground lessor under the Ground Leases on or before the Escrow Closing Date.

(h) Seller shall use Seller's good faith efforts to assist Buyer with obtaining an executed recognition agreement ("**Recognition Agreement**") from each ground lessor under a Ground Lease for the Madison Medical Property. Buyer shall prepare each such Recognition

Agreement on its lender's form and deliver it to Seller as soon as reasonably practicable, but in no event later than the last day of the Due Diligence Period. It shall be a condition precedent to Buyer's obligation to close hereunder that Buyer shall receive an executed Recognition Agreement in a form approved by Buyer's lender from each ground lessor under the Ground Leases on or before the Escrow Closing Date.

(i) To the extent required pursuant to the applicable Ground Lease, Buyer shall have received an executed consent to the assignment of the lessee's interest under each of the Ground Leases in (i) substantially the form attached hereto as **Exhibit N**, or (ii) such form customarily issued by the ground lessor under the Ground Lease (the "**Ground Lessor Consent**"). It shall be a condition precedent to Buyer's obligation to close hereunder that Buyer shall receive an executed Ground Lessor Consent in a form approved by Buyer's lender from each ground lessor under the Ground Leases on or before the Escrow Closing Date.

(j) Each of the holders of the "Preemptive Rights" listed in Schedule 13(j) shall have waived such Preemptive Rights (each, a "**Purchase or Consent Waiver**"). "Purchase or Consent Waiver" shall include without limitation silence or a failure to respond by the holder of any such Preemptive Right upon the lapse of the duration of the applicable time period for response as provided in the documentation granting such Preemptive Right, when such documentation expressly or otherwise provides that such silence or failure shall be deemed a waiver of, declination to exercise or similar response with respect to such Preemptive Right.

(k) With respect to the Assumed Loan Properties only, Assumption Approval shall have occurred. All transfer or other fees charged by the Assumed Loan Lender and any costs and expenses charged by the Assumed Loan Lender in connection with the Transfer and Assumption shall be borne by Buyer (including, without limitation, attorneys' fees, but excluding Seller's attorneys' fees), except that Seller has paid (or shall pay when due to Assumed Loan Lender) the "transfer fee" of $250,000 set forth in the loan agreement of the Assumed Loan Documents and Seller shall not be entitled to reimbursement of such "transfer fee" from Buyer regardless of whether the Closing of the Assumed Loan Properties occurs. At the applicable Closing, Buyer shall receive a credit against the allocated Purchase Price in the amount of the principal balance of the Assumed Loan, all accrued and unpaid interest and other sums then due and payable pursuant to the Assumed Loan (for the avoidance of doubt, Buyer shall not receive a credit for the assumption costs referenced herein). Within three (3) business days after the Effective Date of this Agreement, Buyer shall submit the required application fee to the Assumed Loan Lender and diligently pursue the assumption of each the Assumed Loan, provided that notwithstanding anything set forth herein to the contrary, Buyer shall not be required as part of such application process to remit payment to the Assumed Loan Lender of any amounts in excess of $100,000 in the aggregate until after the deposit of the Additional Earnest Money, if made (but will, if required by Assumed Loan Lender, pay up to $100,000 in the aggregate to Lender prior to deposit of the Additional Earnest Money). Within twenty (20) days after the latest to occur of (i) the Effective Date, or (ii) the date on which Buyer receives all application forms required by the Assumed Loan Lender, Buyer shall submit the full application to the Assumed Loan Lender together with such information and supporting documentation and meet all other requirements reasonably necessary to initiate and thereafter diligently and continuously complete the Assumed Loan Lender's approval process and processing of the assumption of the Assumed Loan. Seller agrees to cooperate with Buyer in connection with Buyer's efforts to obtain Assumption Approval from the Assumed Loan Lender and to otherwise satisfy and consummate the Transfer and Assumption, including without limitation executing such documents and providing such information as may be reasonably requested by Assumed Loan Lender as soon as possible after the date of such request. Buyer hereby acknowledges and agrees that, notwithstanding any assignment of this Agreement by Buyer pursuant to the terms set forth in Section 24 below, Assumed Loan Lender may require a guarantor acceptable to Buyer to execute at the applicable Closing a guaranty and the new owners of the Assumed Loan Properties to execute and deliver an environmental indemnity which will be substantially similar in form to the existing guaranty and environmental indemnity executed by Seller, and that Buyer will cause the Buyer Guarantor and the new owners of the Assumed Loan Properties (i.e., Buyer(s)), as applicable, to execute and deliver such form of guaranty and environmental indemnity to Assumed Loan Lender at the applicable Closing (provided that no entity other than the owners of the Assumed Loan Properties and the Buyer Guarantor shall be obligated to execute any environmental indemnity).

In the event that any of the foregoing conditions precedent has not been satisfied as of the Escrow Closing Date (or such other date as may be expressly specified in Section 13), Buyer may, as its sole and exclusive remedy waive any unsatisfied conditions and proceed to Closing in accordance with the terms and provisions hereof. Alternatively, if (i) any of the conditions precedent set forth in Section 13 (other than Sections 13(g), 13(h), and (13)(i)) has not been satisfied by the Escrow Closing Date, Buyer may terminate this Agreement by delivering written notice thereof to Seller no later than Closing, upon which termination the Earnest Money shall be refunded to Buyer and neither party hereto shall have any further rights, obligations or liabilities under this Agreement, except as otherwise expressly set forth herein; or (ii) any of the conditions precedent set forth in Sections 13(g), 13(h), and (13)(i) has not been satisfied by the Escrow Closing Date with respect to the Madison Medical Property, Buyer may elect to exclude from the Property to be conveyed at the First Tranche Closing the applicable Ground Lease Property for which the condition precedent has not been satisfied. If Buyer desires to exclude the Madison Medical Property under clause (ii) above, it shall so notify Seller within three (3) business days after the Escrow Closing Date, in which event the Madison Medical Property shall be excluded from the transactions contemplated by this Agreement, the Purchase Price shall be reduced by the corresponding amount set forth in Exhibit H, and neither Buyer nor Seller shall have any further obligations with respect to the applicable Ground Lease Property except as otherwise expressly set forth herein.

14. Conditions Precedent to Seller's Obligations. Seller's obligation to deliver title to the Property and consummate the transaction under this Agreement shall be subject to the following conditions precedent:

(a) Buyer shall deliver to Escrow Agent on the Closing Date the remainder of the Purchase Price, subject to adjustment of such amount pursuant to Section 2 hereof, if any, and all applicable documents to be delivered by Buyer in accordance with Section 10 above;

(b) With respect to the Properties in the applicable Tranche, the representations and warranties of Buyer contained in this Agreement shall have been true when made and shall be true in all material respects at and as of the date of the applicable Closing as if such representations and warranties were made at and as of the applicable Closing, and Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by Buyer prior to or at the applicable Closing;

(c) With respect to the Assumed Loan Properties only, Assumption Approval shall have occurred on or before the Escrow Closing Date; and

(d) Lender's Approval shall have been obtained pursuant to Section 29 of this Agreement on or before the Escrow Closing Date.

15. Notices. Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing and shall be deemed to have been properly given and received on the date: (i) delivered by facsimile transmission or by electronic mail (e.g. email), (ii) delivered in person, (iii) deposited in the United States mail, registered or certified, return receipt requested, or (iv) deposited with a nationally recognized overnight courier, to the addresses set out in Section 1, or at such other addresses as specified by written notice delivered in accordance herewith. Notwithstanding the foregoing, Seller and Buyer agree that notice may be given on behalf of each party by the counsel for each party and notice by such counsel in accordance with this Section 15 shall constitute notice under this Agreement.

16. Seller Covenants.

(a) Seller agrees that, from the Effective Date until the applicable Closing or earlier termination of this Agreement, it: (i) shall continue to operate and manage the Property in the same manner in which Seller has previously operated and managed the Property; (ii) shall, subject to Section 7 hereof and subject to reasonable wear and tear, maintain the Property in the same (or better) condition as exists on the date hereof; and (iii) shall not (except as may be required by the terms of any Lease) be permitted without Buyer's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, to (A) amend any Ground Lease or Lease or enter into any new lease, license agreement or other occupancy agreement with respect to the Property; (B) consent to an assignment of any Lease or a sublease of the premises demised thereunder or a termination or surrender thereof; (C) terminate any Ground Lease or Lease or release any security for any Lease; and/or (D) cause, permit or consent to an alteration of the premises demised thereunder (unless such consent is non-discretionary).

(b) Seller shall promptly inform Buyer in writing of any material event adversely affecting the ownership, use, occupancy or maintenance of the Property, whether insured or not.

(c) **Service Contracts**. On or prior to the expiration of the Due Diligence Period, Buyer shall notify Seller which Service Contracts Buyer wishes to assume at the applicable Closing (the "**Assumed Contracts**") and which Service Contracts it will require Seller to terminate on or before the applicable Closing (the "**Non-Assumed Contracts**"). Seller shall terminate the Non-Assumed Contracts as of the earliest date such Non-Assumed Contracts can be terminated pursuant to their respective terms, and in all events no later than thirty (30) days after the applicable Closing. Buyer shall assume the obligations under the Assumed Contracts arising from and after the applicable Closing Date. Notwithstanding the foregoing, (i) Seller shall terminate at the applicable Closing, and Buyer shall not assume, any property management agreement or any listing or tenant locating agreement affecting the Property or any part thereof, and (ii) Buyer shall be required to assume the Service Contacts set forth on Schedule 11(k) which are identified as "must assume", and such contracts shall be deemed "Assumed Contracts".

(d) In connection with that certain Lease between ARHC AGLAWGA01, LLC, as landlord, and The United States of America, acting by and through the designated representative of the Department of Veterans Affairs (VA) (the "**VA Tenant**"), as tenant (as amended and/or assigned from time to time, the "**VA Lease**"), Buyer and the applicable Seller shall cooperate with each other and the VA Tenant to take all necessary and reasonable action to cause VA Tenant to recognize Buyer as the lessor under the VA Lease including, without limitation, submitting a written request for, and endeavoring to obtain, the execution by VA Tenant of the form of novation agreement among VA Tenant, the applicable Seller and Buyer that is required by the VA Tenant (the "**Novation Agreement**") and providing all reasonable information required to be provided under the Federal Acquisition Regulations as attachments to the Novation Agreement requests and such other reasonable information as VA Tenant may require to enter into the Novation Agreement. Each party shall bear its own costs for attorneys' fees or any other expenses required to obtain the Novation Agreement. Pending delivery of the fully executed Novation Agreement, all sums received by the applicable Seller from the VA Tenant from and after the Closing Date shall be promptly delivered by the applicable Seller to Buyer and prorated between Buyer and Sellers in accordance with the terms of the Purchase Agreement. This Section 16(d) shall survive the Closing.

17. Performance on Business Days. A "business day" is a day which is not a Saturday, Sunday or legal holiday recognized by the Federal Government. Furthermore, if any date upon which or by which action is required under this Agreement is not a business day, then the date for such action shall be extended to the first day that is after such date and is a business day. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded. If the last day of such period is a non-business day, the period in question shall end on the next succeeding business day.

18. Entire Agreement. This Agreement constitutes the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. No prior agreement or understanding pertaining to the subject matter hereof (including, without limitation, any letter of intent executed prior to this Agreement) shall be valid or of any force or effect from and after the date hereof.

19. Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, shall be invalid or unenforceable, at any time or to any extent, then the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. Each provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

20. No Representations or Warranties/As is Release.

(a) Buyer hereby acknowledges, understands and agrees that it has an opportunity to inspect the Property as set forth in Section 6 herein, and except (i) as set forth in this Agreement and (ii) for the warranty of title set forth in the deed for each Fee Property and the assignment and assumption of ground lease for each Ground Lease Property (collectively, the "**Express Representations**"), the Property shall be conveyed at the applicable Closing to Buyer in "as-is" condition with no representation or warranties whatsoever.

(b) Buyer acknowledges and agrees that the Property shall be sold, and Buyer shall accept possession of the Property on the applicable Closing Date "AS IS – WHERE IS, WITH ALL FAULTS," with no right of setoff or reduction in the Purchase Price, and Buyer shall assume the risk that adverse physical, environmental, economic or legal conditions may not have been revealed by Buyer's investigations. Except for the Express Representations, neither Seller, its employees, representatives, agents, counsel, broker, sales agent, nor any partner, member, officer, director, employee, trustee, shareholder, principal, parent, subsidiary, affiliate, agent or attorney of Seller, its counsel, broker or sales agent, nor any other party related in any way to any of the foregoing (collectively, "**Seller's Representatives**") have or shall be deemed to have made any representations or warranties, express or implied, regarding the Property or any matters affecting the Property, including without limitation the physical condition of the Property, title to or boundaries of the Property, pest control, soil conditions, the presence or absence, location or scope of any hazardous materials in, at, or under the Property, compliance with building, health, safety, land use or zoning laws, other engineering characteristics, traffic patterns and all other information pertaining to the Property. Buyer moreover acknowledges (i) that Buyer is a sophisticated buyer, knowledgeable and experienced in the financial and business risks attendant to an investment in real property and capable of evaluating the merits and risks of entering into this Agreement and purchasing the Property, (ii) that Buyer has entered into this Agreement in reliance on its own (or its experts') investigation of the physical, environmental, economic and legal condition of the Property, and (iii) that Buyer is not relying upon any representation or warranty concerning the Property made by Seller or Seller's Representatives other than the Express Representations. Seller shall not have any liability of any kind or nature for any subsequently discovered defects in the Property, whether the defects were latent or patent, except for any matter covered by the Express Representations.

(c) Buyer acknowledges that prior to the applicable Closing, Buyer was afforded the opportunity to conduct investigations, examinations and inspections of the Property. Buyer acknowledges and agrees that (i) all information and documents in any way relating to the Property furnished to, or otherwise made available for review by Buyer (the "**Property Information**") may have been prepared by third parties and may not be the work product of Seller and/or Seller's Representatives; (ii) neither Seller nor any of Seller's Representatives has made any independent investigation or verification of, or has any knowledge of, the accuracy or completeness of, the Property Information; and (iii) except for the Express Representations, Buyer is relying solely on its own investigations, examinations and inspections of the Property and is not relying in any way on the Property Information furnished by Seller or any of Seller's Representatives.

21. Applicable Law. This Agreement shall be construed under the laws of the State of New York, without giving effect to any state's conflict of laws principles.

SELLER AND BUYER HEREBY KNOWINGLY, VOLUNTARILY, INTENTIONALLY, UNCONDITIONALLY AND IRREVOCABLY WAIVE ANY RIGHT EACH MAY HAVE TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER ARISING IN TORT OR CONTRACT) BROUGHT BY EITHER AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY OTHER DOCUMENT EXECUTED AND DELIVERED BY A PARTY IN CONNECTION HEREWITH (INCLUDING ANY ACTION TO RESCIND OR CANCEL THIS AGREEMENT WAS FRAUDULENTLY INDUCED OR IS OTHERWISE VOID OR VOIDABLE).

22. Tax-Deferred Exchange. Buyer and Seller respectively acknowledge that the purchase and sale of the Property contemplated hereby may be part of a separate exchange (an **"Exchange"**) being made by each party pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated with respect thereto. In the event that either party (the **"Exchanging Party"**) desires to effectuate such an exchange, then the other party (the **"Non-Exchanging Party"**) agrees to cooperate fully with the Exchanging Party in order that the Exchanging Party may effectuate such an exchange; provided, however, that with respect to such Exchange (a) all additional costs, fees and expenses related thereto shall be the sole responsibility of, and borne by, the Exchanging Party; (b) the Non-Exchanging Party shall incur no additional liability as a result of such exchange; (c) the contemplated exchange shall not delay any of the time periods or other obligations of the Exchanging Party hereby, and without limiting the foregoing, the scheduled date for applicable Closing shall not be delayed or adversely affected by reason of the Exchange; (d) the accomplishment of the Exchange shall not be a condition precedent or condition subsequent to the Exchanging Party's obligations under the Agreement; and (e) the Non-Exchanging Party shall not be required to hold title to any land other than the Property for purposes of the Exchange. The Exchanging Party agrees to defend, indemnify and hold the Non-Exchanging Party harmless from any and all liability, damage or cost, including, without limitation, reasonable attorney's fees that may result from Non-Exchanging Party's cooperation with the Exchange. The Non-Exchanging Party shall not, by reason of the Exchange, (i) have its rights under this Agreement, including, without limitation, any representations, warranties and covenants made by the Exchanging Party in this Agreement (including but not limited to any warranties of title, which, if Seller is the Exchanging Party, shall remain warranties of Seller), or in any of the closing documents (including but not limited to any warranties of title, which, if Seller is the Exchanging Party, shall remain warranties of Seller) contemplated hereby, adversely affected or diminished in any manner, or (ii) be responsible for compliance with or deemed to have warranted to the Exchanging Party that the Exchange complies with Section 1031 of the Internal Revenue Code.

23. Broker's Commissions.

(a) Buyer and Seller each hereby represent that there are no brokers involved or that have a right to proceeds in this transaction. Seller and Buyer each hereby agree to indemnify and hold the other harmless from all loss, cost, damage or expense (including reasonable attorneys' fees at both trial and appellate levels) incurred by the other as a result of any claim arising out of the acts of the indemnifying party (or others on its behalf) for a commission, finder's fee or similar compensation made by any broker, finder or any party who claims to have dealt with such party. The representations, warranties and indemnity obligations contained in this section shall survive the Closing or the earlier termination of this Agreement.

(b) [reserved].

24. Assignment. This Agreement may not be assigned by Buyer, and any assignment or attempted assignment by Buyer shall constitute a default by Buyer hereunder and shall be null and void, provided, however, Buyer may assign this Agreement from time to time without Seller's consent to: (a) an affiliate of [***] who is either controlled by or under common control with [***], (b) [***], a Delaware corporation ("**[***]**"), or (c) an affiliate of [***] who is, directly or indirectly, either controlled by or under common control with [***]. Notwithstanding any such assignment, [***] shall remain primarily obligated hereunder.

25. Attorneys' Fees. In any action between Buyer and Seller as a result of failure to perform or a default under this Agreement, the prevailing party shall be entitled to recover from the other party, and the other party shall pay to the prevailing party, the prevailing party's attorneys' fees and disbursements and court costs incurred in such action.

26. Time of the Essence. Time is of the essence with respect to each of Buyer's and Seller's obligations hereunder.

27. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become a binding agreement when one or more counterparts have been signed by each of the parties and delivered to the other party. Signatures on this Agreement which are transmitted electronically shall be valid for all purposes, however any party shall deliver an original signature on this Agreement to the other party upon request.

28. Anti-Terrorism. Neither Buyer or Seller, nor any of their affiliates, are in violation of any Anti-Terrorism Law (as hereinafter defined) or engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law. "**Anti-Terrorism Laws**" shall mean any laws relating to terrorism or money laundering, including: Executive Order No. 13224; the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, as the same has been, or may hereafter be, renewed, extended, amended or replaced; the applicable laws comprising or implementing the Bank Secrecy Act; and the applicable laws administered by the

United States Treasury Department's Office of Foreign Asset Control (as any of the foregoing may from time to time be amended, renewed, extended, or replaced).

29. Lender Consent. Buyer acknowledges that Seller's obligations to convey the Non-Assumed Loan Properties may be subject to the approval of Seller's lender(s), if any ("**Lender**"), including approval of any releases of the Non-Assumed Loan Properties as collateral for any loan(s). If required, Seller shall use commercially reasonable efforts to obtain Lender's approval of Seller's obligations under this Agreement and the sale of the Property and the release of the Non-Assumed Loan Properties as collateral for any loan(s) (collectively, "**Lender Approval**"). Upon Seller's request, Buyer, at no material cost to itself, shall reasonably cooperate with Seller's efforts to obtain Lender Approval, which cooperation may include Buyer providing documents and other information as may be reasonably requested by Lender in connection with the approval process. If Lender Approval has not been obtained by the Escrow Closing Date, Seller may extend the Escrow Closing Date and the Closing Date up to four (4) times with each extension being for 15 days (it being agreed that any such extension shall apply to both the Escrow Closing Date and the applicable Closing Date). In the event Seller is unable to obtain Lender Approval, Seller shall have the right to terminate this Agreement by giving written notice of its election to Buyer no later than one (1) business day after the Escrow Closing Date, as it may be extended. If Seller shall elect to so terminate this Agreement, this Agreement shall be terminated and neither party shall have any further rights, obligations or liabilities hereunder, except that Buyer shall be entitled to a return of the Earnest Money and Seller shall pay to Buyer up to $2,000,000.00 of Pursuit Costs. Seller's obligation to pay such Pursuit Costs shall survive the termination of this Agreement.

30. Liability. Except as explicitly set forth herein, the liability of each entity comprising Seller shall be several and limited to obligations under this Agreement to the extent related to the portion of the Property actually owned by such entity, and no entity comprising Seller shall be responsible for the liability of any other entity comprising Seller.

31. Confidentiality.

(a) Buyer agrees that neither it nor Buyer's Representatives shall at any time or in any manner, either directly or indirectly, divulge, disclose or communicate to any person, entity or association any other knowledge or information acquired by Buyer or Buyer's Representatives from Seller or by Buyer's own inspections and investigations, other than matters that were in the public domain at the time of receipt by Buyer, provided that Buyer may disclose such knowledge or information, the terms of this Agreement and Buyer's reports, studies, documents and other matters generated by it as Buyer deems necessary or desirable to Buyer's attorneys, accountants, consultants, financial advisors, co-venturers, investors and lenders, in connection with Buyer's investigation of the Property and/or purchase of the Property, provided that the parties to whom such information is disclosed are informed of the confidential nature thereof and agree to keep the same confidential in accordance with this Agreement; provided, further, however, that Buyer may disclose such data and information (i) to comply with law, regulation or judicial order, or (ii) to enforce the terms of this Agreement. Following the applicable Closing, Buyer shall have the right to publicly disclose that Buyer has acquired the Property.

(b) Buyer acknowledges that damages alone may be an inadequate remedy for any breach by it or Buyer's Representatives of the terms of this Section 29 and agrees that, in addition to any other remedies that Seller may have, Seller shall be entitled to injunctive relief in any court of competent jurisdiction against any breach of this Section 29.

(c) Seller shall not make any public announcement, press release or other public disclosure of the transactions contemplated under this Agreement or any economic terms related to this Agreement to any third party (including members of the media), before the applicable Closing, without the prior written consent of Buyer; provided, however, Seller may make disclosure of this Agreement as may be required (i) to comply with law, regulation or judicial order, or (ii) to enforce the terms of this Agreement.

32. All or Nothing. Notwithstanding anything to the contrary contained in this Agreement, this Agreement is intended to be a single unitary agreement, the sale of the Properties shall be on an "all or nothing" basis and any termination of this Agreement (pursuant to the terms and conditions of this Agreement) shall constitute a termination of the Agreement with respect to all of the Properties, other than in connection with the exercise of a Preemptive Right or in connection with the exclusion of the Madison Medical Property pursuant to the terms of the last grammatical paragraph of Section 13 above.

33. State Specific Provisions. The provisions set forth on Schedule 33 attached hereto shall be deemed to modify this Agreement with respect to the specific Properties identified thereon. If there is any inconsistency between the provisions of Schedule 33 and this Agreement, Schedule 33 shall control.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement for Purchase and Sale of Real Property as of the Effective Date.

Seller:

See the following page.

As to the Liquidity Provision (Section 11)
NATIONAL HEALTHCARE PROPERTIES OPERATING PARTNERSHIP, L.P.

By: /s/ Jie Chai
Name: Jie Chai
Title: Authorized Signatory

Buyer:

[***]

By: [***]
Name: [***]
Title: [***]
Date: May 4, 2026

ARHC LMLANPA01, LLC
ARHC UPHBGPA01, LLC
ARHC UPMBGPA01, LLC
ARHC UPHBGPA02, LLC
ARHC AHGBYWI01, LLC
ARHC AHGVLWI01, LLC
ARHC AHWTFWI01, LLC
ARHC AHWTMWI01,LLC
ARHC AHKIEWI01, LLC
ARHC BPBLPOH01, LLC
ARHC SPABYNY01, LLC
ARHC SPTRYNY01, LLC
ARHC SPABYNY02, LLC
ARHC SPABYNY03, LLC
ARHC SPALBNY01, LLC
ARHC FMMUNIN01, LLC
ARHC DMDCRGA01, LLC
ARHC HO4PSLB01, LLC
ARHC GHGVLSC01, LLC
ARHC ECGVLSC01, LLC
ARHC SSTMPFL01 LLC
ARHC HCTMPFL01 LLC
ARHC TPTMPFL01 LLC
ARHC WCWCHFL01 LLC
ARHC FMTPAFL01, LLC
ARHC PMPEOAZ01, LLC
ARHC RACLWFL01, LLC
ARHC MEFHDNJ01, LLC
ARHC BMWRNMI01, LLC
ARHC GDFMHMI01, LLC
ARHC VSTALFL01, LLC
ARHC WMBRPMI01, LLC
ARHC ECAGRENC01, LLC
ARHC SARCOIL01, LLC
ARHC DDLARFL01, LLC
ARHC DDHUDFL01, LLC
ARHC GFGBTAZ01, LLC
ARHC LMFMYFL01, LLC
ARHC MESCSMI01, LLC
ARHC SCTEMTX01, LLC
ARHC SDGMDWOK01, LLC
ARHC WHYRKPA01, LLC

ARHC BJMERIN01, LLC
ARHC AGLAWGA01, LLC
ARHC MHCLVOH01, LLC
ARHC PNPENFL01, LLC
ARHC CMWTSMI001, LLC
ARHC CMSHTMI001, LLC
ARHC OOHLDOH01, LLC
ARHC SLESTPA01, LLC
ARHC NCODSTX01, LLC
ARHC ADERLCO01, LLC
ARHC RMRWLTX01, LLC
ARHC SFSTOGA01, LLC
ARHC VCSTOGA01, LLC
ARHC MRMRWGA01, LLC
ARHC PPLVLGA01, LLC
ARHC CSDOUGA01, LLC
ARHC SAVENFL01, LLC
ARHC PPHRNTN01, LLC
ARHC PCSHVMS01, LLC
ARHC PRPEOAZ05 TRS, LLC
ARHC PRPEOAZ03, LLC
ARHC PRPEOAZ01, LLC
ARHC PRPEOAZ02, LLC
ARHC CAROCMI02, LLC
ARHC CAROCMI01, LLC
ARHC MMTCTTX01, LLC
ARHC LMPLNTX01, LLC
ARHC CPCIROH01, LLC
ARHC MMJLTIL01, LLC
ARHC BMBWNIL01, LLC
ARHC BMLKWCO01, LLC
ARHC CMLITCO01, LLC
ARHC SLKLAOR01, LLC
ARHC NHCANGA01, LLC

[SIGNATURE PAGE TO AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY] each, a Delaware limited liability company

By: /s/ Jie Chai
Name: Jie Chai
Title: Authorized Signatory