

Assisted Living

BUSINESS REPORT™

NEWS, TRENDS, & STRATEGIES FOR THE ASSISTED LIVING EXECUTIVE

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At Presstime

❑ **Diversified Senior Services** (Winston-Salem, NC) has reported earnings of \$248,214, 7 cents per share, for 1Q00 ended March 31, compared to net earnings of \$202,958, 6 cents per share, in 1Q99. The 1Q00 earnings, DSS says, were reduced by preferred dividends of \$103,366, 3 cents per share. DSS reported 1Q00 revenues of \$1.52 million, about the same as 1Q99 revenues of \$1.54 million. The company says it took a one-time charge for an accounting change during 1Q00, which reduced earnings by \$328,566, 10 cents per share. DSS opened a 30-bed independent living facility in April and expects to open two ALFs in 2Q00.

REIT Report
inserted in this issue

Marriott sells 14 senior living communities to Dallas firm

By Meredith Bonner, *ALBR Assistant Managing Editor*

Marriott International (Washington) has decided to sell a portion of its signature assisted living facilities, but the company says it will continue to operate the facilities with a third party.

The company's **Marriott Senior Living Services** (MSLS) unit has sold 14 of its **Brighton Gardens** facilities for \$194 million in cash to **Wolverine Equities** (Dallas) and its affiliates. MSLS says it will operate the facilities under long-term management agreements with an unidentified third party, which is leasing the communities from Wolverine.

Paul Johnson, MSLS president, says the sale "reaffirms Marriott's strategy to sell company-developed assisted living communities while retaining long-term management agreements."

The 14 communities are in Tampa, FL; Dunwoody, GA; Wheaton and St. Charles, IL; Kansas City, KS; Columbia and Bethesda, MD; Northville, MI; Omaha, NE; Florham Park and West Orange, NJ; Greensboro, NC; and Cleveland and Dayton, OH.

Marriott International has provided credit support to Wolverine to cover debt service shortfalls and certain other expenditures, the company says. Recovery by Marriott of any such credit support fundings is guaranteed by an unaffiliated third party.

Wolverine is an investment affiliate of **Staubach Company** (Dallas) and provides equity for domestic and international long-term lease financing to high-credit tenants, according to the *Baltimore Sun*.

"This, for us, is primarily viewed as a structured investment in a long-term financing," says Brant Bryan, president of Staubach and vice president of Wolverine Equities. "Marriott's good name, reputation, and ability is central to this transaction and, to us, is as important as the particulars of the real estate," Bryan tells the *Sun*.

Wolverine has done \$2 billion of this type of financing in the past three years, Bryan says.

Marriott says it plans to open its 150th senior living community this year. The company canceled some of its senior living projects recently after a glut of facilities made it difficult to fill its facilities. The company announced in November that would cancel plans for 30 to 35 assisted living projects. As a result of its plan, the company took a charge in 4Q99 of 5 cents per share – about \$20 million pre tax – which included the write-offs of preopening expenses and development sites for the canceled properties.

Marriott's MSLS subsidiary reported a 24% increase in sales in 1Q00 ended March 24. Occupancy at the division's communities rose to 87% in 1Q00, the company says. ♦

Capital Senior Living
reduces bid for ILMs,
p. 2

Capital Senior Living reduces merger consideration to ILM and ILM II by about 10%

By Meredith Bonner
ALBR Assistant Managing Editor

Capital Senior Living (Dallas) has reduced its bid for **ILM Senior Living** and **ILM II Senior Living** by about 10%, to \$155 million from \$172 million. Capital first offered in February 1999 \$174 million in cash and preferred securities for the real estate investment trusts. The company then amended its offer in October 1999, offering \$172 million in cash or stock.

According to a *New York Times* report, the company cut its bid after more competition and higher interest rates hurt its share price.

The amended agreements have been approved by the boards of each party, Capital says. The mergers require approval of the shareholders of the ILMs and, if approved, are expected to be completed in July 2000.

The deal would add 2,100 residents to communities owned by Capital, which has managed ILM's 13 communities for a fee since 1996. Capital says it has signed commitment letters with **GMAC Commercial Mortgage Corp.** and its affiliates to provide acquisition financing for those 13 communities and to refinance three communities owned by Capital. The financing of the communities will increase the company's debt by about \$146 million, Capital says. With the GMAC commitments, the company has sufficient cash and cash flow from operations to fund the ILM mergers.

Capital CEO Lawrence Cohen says that since the company has managed the 13 ILM facilities for the

past four years, the company does not "anticipate any integration issues."

When completed, Cohen says, the transactions are expected to increase Capital's resident and health-care revenue by about \$38 million and its earnings before interest, taxes, depreciation, and amortization by about \$16.5 million.

In February, Capital told *ALBR* that in hopes of lowering its building costs, it would no longer use joint ventures when starting projects. Capital said that instead, it would record future development on its balance sheet.

As another part of the restructuring, Capital said in February, it engaged **Lehman Brothers** as a financial partner to assist it in assessing its **Triad** partnerships for Triads II through V, which are currently developing 14 **Waterford** communities. Triad is the joint venture partner Capital had used until its announcement.

After extensive review and analysis, and based on current market conditions, the company has decided to continue the development of these 14 projects in Triads II through V. Any future acquisitions, expansions of owned communities, and/or future developments, Capital says, are expected to be on the company's balance sheet funded from additional borrowings and funds from operations. It is the company's goal to manage its future growth by judiciously using its balance sheet and internally generated cash flows from operations.

Capital saw 1Q00 ended March 31 revenues of \$12.5 million, and a net income in 1Q00 of \$1.5 million, 7 cents per share. ♦

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COMPANIES IN THE NEWS

Advocat delists from Toronto exchange

Advocat (Nashville, TN) has voluntarily delisted from the Toronto Stock Exchange after falling below the exchange's continued listing standards. Advocat says the last day its shares will trade on the exchange is May 30.

Alterra to issue shares to investors

Alterra Healthcare Corp. (Brookfield, WI) has entered into a definitive agreement to issue \$138 million of convertible senior debentures and convertible preferred shares to certain investors, including significant Alterra shareholders, as well as an investment entity formed by senior executives from **Holiday Retirement Corp.** and **Emeritus Corp.** (Seattle).

The transaction consists of \$133 million of series A and series B convertible senior debentures with a conversion price of \$4 per share, a 9.75% semi-annual payment-in-kind coupon, and a seven-year maturity; and \$5 million of series A convertible preferred shares with a conversion price of \$4 per share, a 9.75% semi-annual payment-in-kind dividend, and a mandatory redemption in seven years. The series A debentures and series A preferred shares will be convertible at any time at the investors' option into shares of common stock of the company. The series B debentures will be convertible at any time at the investors' option into non-voting, series B preferred shares having rights, other than voting rights, substantially similar to the company's common stock, Alterra says.

Alterra says it will use the proceeds from the transaction to finance the completion of residences under construction, repay certain interim bridge indebtedness provided by one of the investors, acquire a recently built portfolio of 14 company-managed assisted living residences from certain investors and affiliates, selectively acquire third-party equity interests in certain of its joint-venture arrangements, and for working capital and other general corporate purposes.

Atria to slow development pace

Atria (Louisville, KY) Chairman Michael Medzigian says the company will slow its development pace, focusing on its operations and how the company runs its facilities and services its residents. Medzigian recently told *Business First* of

Louisville, KY, that while Atria is sound, he knows it has not been immune to the overbuilding the industry has recently seen. He says the focus on operations is "prudent, given where the market is today." Medzigian is also CEO of Atria owner **Lazard Freres Real Estate Investors** (New York).

Balanced Care to buy 10 black boxes

Balanced Care Corp. (Mechanicsburg, PA) has agreed to purchase the black boxes of 10 **Outlook Pointe** assisted living facilities. The facilities were developed and managed by Balanced Care on behalf of each special purpose entity (SPE) that made up the joint venture, or black box, and **Nationwide Health Properties** (NHP; Newport Beach, CA), the owner of the facilities. The acquisition will be financed by NHP, Balanced Care says.

The facilities include two in Florida, one in Maryland, one in Ohio, two in Pennsylvania, three in Tennessee, and one in West Virginia. The acquisition will bring to 17 the total number of SPEs acquired within the past six months, the company says.

Brookdale shareholder sells stock

A **Brookdale Living Communities** (Chicago) shareholder, **The Prime Group**, and certain of its affiliates, have agreed to sell 3.9 million shares of their Brookdale common stock to an affiliate of **Fortress Investment Fund** in a privately negotiated transaction for \$58.8 million, or \$15 per share. The shares represent about 39.8% of Brookdale's outstanding shares, Brookdale says. In addition, Fortress has agreed to purchase from The Prime Group and Brookdale Chairman Michael Reschke up to an additional 87,500 shares. Upon completion of the sale, Brookdale says, Reschke will resign from Brookdale's board of directors, and two of Fortress' designees will be elected to Brookdale's board.

In other news, Brookdale has launched its newly enhanced and redesigned Web site at www.brookdale-living.com. The new site features on-line tours of Brookdale properties, the company says.

Capital's 1Q00 revenues down

Capital Senior Living (Dallas) says it had 1Q00 ended March 31 revenues of \$12.5 million, down from \$15.5 million in 1Q99. The company posted a net income in 1Q00 of \$1.5 million, 7 cents per share, compared to a 1Q99 net income of \$3.9 million, 20 cents per share.

Capital says the results reflect the effects of previously announced strategic initiatives aimed at

increasing ownership of assets, enhancing cash flows from operations, and discontinuing the use of joint ventures for future developments.

The company's initiatives resulted in a reduction of development fees in 1Q00 of \$3 million, Capital says.

CareMatrix, Chancellor to sell facilities

CareMatrix (Needham, MA) and certain affiliates of **Chancellor Senior Housing Group** have entered into an agreement to sell up to 14 of their facilities for a total price of up to \$26 million in cash, plus the assumption of about \$200 million of Chancellor's debt relating to the facilities. The facilities are assisted living, independent living, and skilled nursing facilities located in Florida, Connecticut, New Jersey, and Massachusetts.

In addition, Chancellor has signed a letter of intent to sell an additional 15 facilities.

The proposed transaction is still subject to certain conditions, CareMatrix says. It is expected to close by 3Q00.

CareMatrix also says it will further delay filing its annual report for FY99 ended Dec. 31. The company has been granted a hearing on June 1 to stay a determination by Nasdaq to delist its securities as a result of the delay in filing the 10-K. Nasdaq has told CareMatrix that no action on the delisting will be taken prior to the hearing.

Diversified opens new facility

Diversified Senior Services (DSS; Winston-Salem, NC) has opened a 30-unit independent living center in Pittsboro, NC. **Somerset House of Pittsboro** was developed and is managed by DSS.

Greenbriar redeems additional shares

Greenbriar Corp. (Dallas) has redeemed an additional \$500,000 of series G preferred stock. The company says it has redeemed \$4 million in its series G preferred stock since Feb. 1. The \$4 million represents 38% of that stock class and about 13% of the company's total outstanding preferred stock.

Greenbriar says it posted a 1Q00 ended March 31 net loss available to common shareholders of \$1.4 million, 19 cents per share, compared to a net loss available to common shareholders in 1Q99 of \$1.6 million, 22 cents per share. The company reported revenues of \$10.5 million, up slightly from 1Q99 revenues of \$10.2 million.

MSLS sees 24% increase in 1Q00 sales

Marriott International's (Washington) **Marriott Senior Living Services** says it posted a 24%

sales growth in 1Q00 ended March 24. The division's operating profit was flat, MSLS says, as improved performance for established senior living communities was offset by start-up inefficiencies for new properties. Occupancy for comparable communities rose to 87% in 1Q00, the company says.

Overall, Marriott says it saw total sales in 1Q00 of \$2.2 billion, compared to sales in 1Q99 of \$1.9 billion. The company posted a net income in 1Q00 of \$94 million, 37 cents per share, compared to a 1Q99 net income of \$100 million, 38 cents per share.

Regent gets new symbol

Regent Assisted Living (Portland, OR) is now trading under a new symbol, RGNTE.

Sunrise director buys 40,000 shares

Sunrise Assisted Living (McLean, VA) Director Ronald Aprahamian purchased 40,000 shares of Sunrise common stock in March, according to a filing from the **Securities and Exchange Commission** (Washington). At the end of the month, Aprahamian owned 80,000 shares of Sunrise stock.

Sunrise says it saw a 49% increase in 1Q00 ended March 31 revenues to \$76.8 million from \$51.4 million in 1Q99. The company posted a 1Q00 net income of \$4.1 million, 19 cents per share, compared to a 1Q99 net income of \$7.2 million, 35 cents per share in 1Q99. Sunrise says the 1Q00 net income includes \$4.2 million in pre-tax, start-up losses recognized in 1Q00 from the 22 new communities opened by the company in 4Q99 and 1Q00. ♦

CORPORATE LADDER

- Phyllis Hancock is the new general manager of **Brighton Gardens** (Saddle River, NJ), a **Marriott Senior Living Services** (Washington) assisted living facility. Hancock was previously an administrator with **Sunrise Assisted Living** (McLean, VA).

- **Regent Assisted Living** (Portland, OR) has appointed Darcie Ryan national health services director. Ryan was previously with **SunBridge Healthcare**, reports the (Portland) *Oregonian*.

- **Emeritus Assisted Living** (Seattle) has named Vice Chairman Raymond Brandstrom interim CFO. The company also has appointed Jim Hanson director of financial services. ♦

NEWS AROUND THE NATION

ALABAMA

The Alabama House has turned back Gov. Don Siegelman's attempt to further regulate assisted living facilities in the state. The house had at first voted down the legislation, but decided to reconsider after State Finance Director Henry Mabry talked to some opponents, including Rep. Thomas Jackson, reports the *Associated Press*. Health officials say that some of the assisted living facilities are unlicensed and blatantly mistreating elderly residents. Currently, owners of facilities who refuse to buy a license are subject to a \$100 fine, the *AP* reports. The legislation would increase license fees from \$5 per bed to \$15 per bed and increase the fine for violations to \$1,000. Repeat offenses could be prosecuted as a felony, with a maximum possible penalty of 10 years in prison. Some officials say the current rules and enforcement system do not work. Officials, including Siegelman, are looking to have the state Medicaid agency start paying some of the cost for elderly people who have dementia or Alzheimer's disease to receive care at assisted living homes.

Sage Management (Montgomery) will start construction this month in Prattville on the first of 15 assisted living facilities it will build in Alabama, Florida, and Georgia. Sage will design, construct, own, and manage **Covered Bridge Assisted Living Facility** in Prattville, reports the *Montgomery Advertiser*. The 24-unit facility should be completed by late 2000, the company says.

Two assisted living associations in Alabama have joined forces to form one trade group that will lobby for members' interests. The *Birmingham Business Journal* reports that the **Alabama Association of Assisted Living Facilities** and the **Assisted Living Homes Association** merged last month and are now known as the **Assisted Living Association of Alabama** (ALAA). About 230 of the estimated 300 facilities in the state are members, the *Journal* reports.

ALASKA

Under a bill recently passed by the state legislature, Alaska will increase the amount it pays to assisted living facilities. The rate paid to the facilities has increased by only \$2.60 since 1983, reports the *Associated Press*. The new bill will increase the rate from \$34.50 per day to \$50 per day, starting Sept. 1. On July 1, 2001, the rate will increase to \$60 per day and to \$70

per day on July 1, 2002, the *AP* reports. The bill covers facilities with 15 or fewer beds.

ARIZONA

The **Woodmark Assisted Living and Memory Care Residence** is under construction in Sun City. Robin Burr will serve as executive director of the new facility. She will be responsible for operations of the 102 assisted living apartments and the adjacent, 32-suite memory care center.

FLORIDA

A partnership that is trying to build an assisted living facility in St. Petersburg has won a major victory, reports the *St. Petersburg Times*. The county's planning and development review board has recommended that the county commission approve a change to the previously approved planned development overlay on the property. If the commission follows that advice, the developers would be clear to begin building soon.

MASSACHUSETTS

Neighbors of the former Carter Junior High School in Leominster have voiced their approval for plans to convert the former school into an assisted living center. **Simsbury Associates** (Braintree) has plans to transform the building over the next 18 months, reports the (Worcester) *Telegram & Gazette*. The cost of the project is estimated at \$8 million. The facility will house 68 residents in 51 units, the company says.

NEVADA

Officials at **The Homestead**, Boulder City's only assisted living center, say more housing for the elderly is needed in the city because of the growing population of elderly residents. The Homestead provides 62 apartments - 45 assisted living and 17 Alzheimer's care - reports the *Las Vegas Review-Journal*. All but three units are occupied, and 45 people are on a waiting list to get into the facility, according to the *Review-Journal*.

NEW JERSEY

A panel of healthcare professionals in New Jersey that evaluated how the state regulates hospitals and long term care has endorsed a more lenient procedure by which assisted living applications get state approval. The Certificate of Need Study Commission recommended that the applications continue to get expedited review, reports the (Newark) *Star-Ledger*, which means that developers must show

they have a safe track record, but do not have to prove there is a need for more assisted living beds. This is the latest sign of a shifting balance between assisted living and nursing homes, according to the *Star-Ledger*. The panel also recommended the state continue to study the impact of assisted living on nursing homes.

NEW YORK

The **Pavilion Assisted Living Community** (Catskill) has taken a \$5.3 million loan from **Legg Mason Real Estate Services'** Albany regional office to expand its dementia and Alzheimer's care services. The facility, which has 100 beds, arranged the mortgage refinancing through Legg Mason's local vice president. The Pavilion's owner, Stephen Menkes, says he hopes to add 20 beds at the facility.

A rezoning request for an assisted living facility has been referred to the North Greenbush Planning Board for informal review. Master planners have agreed that the land for the proposed facility does not appear proper for the parcel, reports the (Albany) *Times Union*. The request also exceeds the density allowed for senior citizen zoning, the *Times Union* reports.

Prestwick Chase at Saratoga (Saratoga Springs) is now offering assisted living services. The new assisted living facility will be managed and operated by the **Home of the Good Shepherd**.

NORTH CAROLINA

Kisco Retirement Communities expects to open its **VerraSpring at Heritage Green** (Greensboro) assisted living facility this summer. The company operates an independent living facility with 28 units of assisted living. Those assisted living residents will be moved to the new building, reports the *Greensboro News & Record*. The new building will allow Kisco to convert its entire main building to independent living.

SOUTH DAKOTA

The Cheyenne River Sioux Tribe in Vermillion is planning to build a nursing home and other living quarters for elderly people on the reservation. The tribe says it will build the facility with or without help from the federal government, reports the *Associated Press*. The tribe will bond for the home's expenses and operations while negotiations for its eventual support occur in Washington, a spokesman for the tribe tells the *AP*. When finished, the community will consist of housing and an apartment complex for the elderly, assisted living facilities, and the nursing home, the tribe says. ♦

LONG TERM CARE REPORT

Vencor to amend DIP financing

Vencor (Louisville, KY) has agreed with its lenders to amend the company's debtor-in-possession financing. The amendment is primarily to revise a financial covenant regarding its minimum net amount of accounts receivable, Vencor says. As the company reported previously, it was not in compliance with this accounts receivable covenant as of Dec. 31. In the amendment, the lenders also waived all events of default regarding this accounts receivable covenant that occurred prior to the date of the amendment. Vencor and its subsidiaries filed for Chapter 11 bankruptcy protection Sept. 13.

IHS sees loss in 4Q99, FY99

Integrated Health Services (IHS; Sparks, MD) says it saw net revenues for 4Q99 ended Dec. 31 of \$654.9 million, a 9% decrease from 4Q98 revenues of \$718.9 million. The company reported a net loss in 4Q99 of \$409.1 million, \$8.46 per share, compared to a 4Q98 net income of \$10.8 million, 21 cents per share.

In FY99, IHS says, it saw total revenues of \$2.6 billion, down from FY98 revenues of \$3 billion. The company posted a net loss in FY99 of \$2.2 billion, \$44.87 per share, compared to a FY98 net loss of \$68 million, \$1.40 per share.

IHS says in 4Q99, the company recorded a non-recurring charge of \$345.8 million related to loss on impairment of long-lived assets and provision for government claims. IHS in February filed voluntary petitions with the U.S. Bankruptcy Court to restructure its debt obligations, IHS says.

Manor Care loses board member

Manor Care (Toledo, OH) Director Stewart Bainum has retired from the board of directors. He is replaced by John Schwieters, vice chairman of **Perseus**.

Manor Care reported 1Q00 ended March 31 revenues of \$545.7 million, compared to revenues in 1Q99 of \$531.8 million. The company posted a net loss of \$783,000, 1 cent per share, compared to a 1Q99 net income of \$41 million, 37 cents per share.

The company's board said it will continue to operate Manor Care as an independent, publicly owned company, saying it is in the best interest of the company and its stockholders.

Omnicare reports 1Q00 profit

Omnicare (Covington, KY) says it saw 1Q00 ended March 31 earnings of \$14.4 million, 16 cents per share, compared to \$27.8 million, 31 cents per share in 1Q99. The company posted sales in 1Q00 of \$493 million, up from 1Q99 sales of \$445.7 million.

NCS sees 3Q00 loss

NCS HealthCare (Cleveland) says it reported total revenues for 3Q00 ended March 31 of \$170.5 million, down from 3Q99 revenues of \$184.6 million. The company saw a net loss in the quarter of \$22.9 million, \$1.03 per share, compared to a 3Q99 net income of \$4 million, 20 cents per share.

During 3Q00, NCS says, the company reported restructuring and other related charges of \$5.5 million, before taxes, associated with the continuing implementation and execution of its restructuring and consolidation activities and the planned disposition of its non-core assets. ♦

C A L E N D A R

- The **Alzheimer's Association** (Chicago), along with **Alzheimer's Disease International** and the **Alzheimer's Society of Canada**, is offering World Alzheimer Congress 2000, *With Change in Mind*. The conference, to be held in Washington, will be split into three events over a 10-day span starting July 9 and ending July 18. For more information, call (312) 335-5813.

- The **National Investment Center for the Seniors Housing & Care Industries'** (NIC; Annapolis, MD) 10th annual conference is Sept. 13-15 in Washington. To register, call (410) 267-0504.

- The **Commission for the Accreditation of Rehabilitation Facilities** (CARF; Tucson, AZ) is offering regional trainings for assisted living providers. The CARF 101s, two-day workshops, are led by a senior CARF staff member. The next workshop is July 10-11 in Chicago. For more information, call (520) 325-1044. ♦

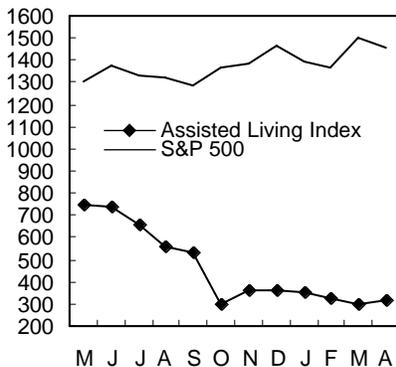
ASSISTED LIVING BUSINESS REPORT'S MONTHLY FINANCIAL BAROMETERS

MONTHLY STOCK INDEX COMPARISON

	Close 03/31/00	Close 04/28/00	Net Change	Percent Change
Assisted Living Index	301.58	312.65	11.07	3.67
Dow Jones Industrial Average	10921.92	10733.91	-188.01	-1.72
N.Y.S.E. Composite	647.70	644.16	-3.54	-0.55
Nasdaq OTC Composite	4572.83	3860.66	-712.17	-15.57
S&P 500 Composite	1498.58	1452.43	-46.15	-3.08
Dow Jones Health Care Index	648.95	765.74	116.79	18.00

ALBR'S COMPOSITE STOCK INDEX

The ALBR Composite Stock Index represents the collective performance of 14 publicly traded companies with primary businesses in assisted living. Companies included in the ALBR Index are denoted with an inverted triangle (∇) in the 'company name' column of our monthly stock tables on page 8. The ALBR Index was compiled by CNET Investor and has been constructed to show comparative performance of a selected group of assisted living stocks with the S&P 500-Stock Index. The Index is based on market capitalization of selected companies and was set to 1000.00 as of June 30, 1997.



MAJOR MOVERS IN ASSISTED LIVING IN APRIL 2000

TOP FIVE PERCENTAGE GAINERS

Nationwide Health Properties ∇	26.95
Sunrise Assisted Living ∇	18.87
Regent Assisted Living ∇	17.71
Brookdale Living Communities ∇	16.38
Health Care REIT ∇	13.84

TOP FIVE PERCENTAGE LOSERS

Genesis Health Ventures	-31.82
Greenbriar Corp. ∇	-31.03
ARV Assisted Living ∇	-21.74
Alterra ∇	-18.75
American Retirement Corp. ∇	-12.41

TOP FIVE DOLLAR GAINERS

Nationwide Health Properties ∇	2.81
Sunrise Assisted Living ∇	2.50
Health Care Property Investors Inc. ∇	2.44
Health Care REIT ∇	1.94
Brookdale Living Communities ∇	1.81

TOP FIVE DOLLAR LOSERS

Health Care and Retirement Corp.	-1.56
American Retirement Corp. ∇	-1.06
Healthcare Realty Trust ∇	-1.06
Alterra ∇	-0.75
G&L Realty ∇	-0.75

Source: CNET Investor, Boulder, CO.

Market Advances	Declines	Unchanged	New Highs	New Lows
Diary: This Month 13	This Month 13	This Month 0	This Month 1	This Month 6

Public Company Financial Statistics (April 28, 2000, Close)

EXCH	COMPANY	TICKER SYMBOL	CLOSING PRICE 04/28/00 \$	% CHANGE		52 WEEK		EPS LAST 12 MOS. \$	PRICE/ EARN RATIO	MARKET CAPITAL (1000S)~ \$
				THIS MONTH	THIS YEAR	HIGH \$	LOW \$			
ASE	Alterra ▽	(L) ALI	3.25	-18.75	-60.9	24.19	3.25	0.96	3	71776
NYS	American Retirement Corp. ▽	ACR	7.5	-12.41	-5.51	18	4	0.12	63	128535
ASE	ARV Assisted Living ▽	(L) SRS	1.13	-21.74	-25	4.75	1.13	-2.09	-	17857
NYS	Beverly Enterprises	BEV	3.38	-8.47	-22.86	8.19	2.5	-1.31	-	345924
NAS	Brookdale Living Communities ▽	BLCI	12.88	16.38	4.04	17.88	10.88	0.82	16	149028
ASE	CareMatrix ▽	(L) CMDC	1.25	-4.76	-50	23	1.25	0.91	1	22541
NAS	Centennial Healthcare Corp.	CTEN	5.25	1.2	75	15.56	1	-0.55	-	62601
ASE	Emeritus Corp. ▽	(L) ESC	4	-8.57	-38.46	12.75	4	-2.19	-	41648
NYS	G&L Realty ▽	GLR	8.5	-8.11	-3.55	13.13	7.38	-2.44	-	24200
NYS	Genesis Health Ventures	(L) GHV	0.47	-31.82	-77.27	7.69	0.47	-18.93	-	22800
ASE	Greenbriar Corp. ▽	GBR	1.25	-31.03	81.82	4	0.31	-0.62	-	8416
NYS	Health & Retirement Prop. Trust ▽ (H)	HR	18	7.46	15.2	22.19	14.5	1.99	9	720090
MYS	Health Care and Retirement Corp.	HCR	11.94	-11.57	-25.39	30.25	8.25	-0.51	-	1230076
NYS	Health Care Property Investors ▽	HCP	27.88	9.58	16.75	33.13	21.69	2.25	12	1435507
NYS	Health Care REIT ▽	HCN	15.94	13.84	5.37	25.63	14.56	2.21	7	454075
NYS	Healthcare Realty Trust ▽	HRP	7.63	-12.23	-15.28	15.94	7.25	0.86	9	1005799
NYS	LTC Properties ▽	LTC	5.94	10.47	-29.63	13.94	5.19	0.61	10	162498
NYS	Marriott International	MAR	32	1.59	1.39	44.5	26.13	1.51	21	8179200
NYS	Meditrust ▽	(L) MT	1.88	3.45	-65.91	14.31	1.88	0.51	4	266850
NYS	National Health Investors ▽	NHI	12	0.52	-19.33	25.75	11.44	2.13	6	292380
ASE	National HealthCare	NHC	4.88	-8.24	-7.14	10.75	3.38	-0.77	-	55721
NYS	Nationwide Health Properties ▽	NHP	13.25	26.95	-3.64	21	9.56	1.37	10	612362
NYS	Omega Healthcare Investors ▽	OHI	6.13	-2.97	-51.72	28.88	5.69	0.51	12	121747
NAS	Regent Assisted Living ▽	RGNT	1.03	17.71	-48.5	5.5	0.75	-1.89	-	4643
NAS	Sunrise Assisted Living ▽	SNRZ	15.75	18.87	14.55	46.56	9.25	0.94	17	345524
NYS	Universal Health Realty ▽	UHT	15.88	0.79	8.55	20.44	14.25	1.56	10	142319

KEY: (H)=NEW HIGH
(s)=STOCK SPLIT

(L)=NEW LOW
▽ in ALBR Composite Index

NYS=NEW YORK
NA=not available

ASE=AMERICAN

NAS=NASDAQ

~ MARKET CAPITAL figure reflects total for this class of stock only. Stock listed is the most actively traded of the company's classes of stock.

Source: CNET Investor, Boulder, CO.



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REIT *Report*TM

from the publishers of *Assisted Living Business Report*TM

May 2000

LTC sees drop in 1Q00 FFO

LTC Properties (Oxnard, CA) says it saw funds from operations (FFO) for 1Q00 ended March 31 of 41 cents per share. FFO for 1Q99 was 43 cents per share, the company says. Revenues for the quarter were \$22.5 million, compared to 1Q99 revenues of \$22.2 million. The company posted a 1Q00 net income available to common shareholders of \$6.9 million, a drop from a 1Q99 net income of \$8.8 million.

At the end of the quarter, the company had investments in 96 assisted living residences, as well as in 263 skilled nursing facilities, and six schools.

Omega re-elects three board members

Omega Healthcare Investors (Ann Arbor, MI) says it posted 1Q00 ended March 31 revenues of \$26.1 million, a decrease of \$3.9 million from 1Q99 revenues of \$30 million. Funds from operations (FFO) from the period totaled 55 cents per share, compared to FFO in 1Q99 of 82 cents per share.

The company recorded a 1Q00 net income of \$610,000, 3 cents per share, down from a 1Q99 net income of \$10.4 million, 52 cents per share.

Omega says the reduction in revenues resulted from a \$1.4 million provision for losses on restructuring of customer obligations, reduced revenue recognition from properties recovered from tenants during the quarter, and reduced investment caused by 1999 asset sales, and the prepayment and foreclosure of mortgages.

In other news, Omega has re-elected James Eden, Anil Gupta, and Bernard Korman to its board. Each has been elected for a three-year term.

HCPI reports increased quarterly dividend

Health Care Property Investors' (HCPI; Newport Beach, CA) board has increased the company's quarterly common stock cash dividend to 73 cents per share, representing an increase of 1 cent over the 72 cents per share paid in the previous quarter. This is HCPI's 58th consecutive quarterly increase in the payment of common stock dividends since the company's inception in 1985.

HCPI reported 1Q00 ended March 31 funds from operations (FFO) of 43.9 million, increasing \$18.9 million, or 76%, from \$25 million in 1Q99. FFO per share in 1Q00

was 84 cents per share, compared to 79 cents per share in 1Q99, HCPI says.

The company posted a net income in 1Q00 of \$26.9 million, 52 cents per share, compared to 1Q99 net income of \$15.3 million, 49 cents per share. HCPI says its revenues in 1Q00 were \$82.3 million, up from 1Q99 revenues of \$49.6 million.

Nationwide's outlook reduced

Nationwide Health Properties' (Newport Beach, CA) rating outlook has been reduced from stable to negative by **Duff & Phelps Credit Rating Co.** (DCR; New York). DCR says the reduction is based on declining interest coverage levels and financial stress affecting certain of the company's long term care operators. Nationwide's outstanding \$648 million medium-term notes are reaffirmed at BBB, and its \$100 million cumulative preferred stock is reaffirmed at BBB-, DCR says.

Health Care REIT sees jump in 1Q00 revs

Health Care REIT (Toledo, OH) says its funds from operations in 1Q00 ended March 31 totaled \$19.9 million, 70 cents per share, compared to \$19 million, 67 cents per share in 1Q99 – an increase of 4.5%.

Revenues for the quarter increased 21% to \$35 million from \$28.8 million in 1Q99, Health Care REIT says. Revenue growth was generated primarily by new investment activity in 1999 of \$275 million, the company says.

In other news, Health Care REIT says its board of directors has declared a dividend for 1Q00 of 59 cents per share, compared to a dividend of 57 cents per share in 1Q99.

HRT's rating outlook revised

Healthcare Realty Trust's (HRT; Nashville, TN) rating outlook from **Duff & Phelps Credit Rating Co.** (DCR; New York) has been revised from stable to negative. DCR says the revision reflects the company's continued high reliance on bank borrowings under a \$265 million unsecured credit facility. HRT's outstanding \$124 million senior unsecured notes and \$75 million preferred stock are reaffirmed at BBB-, DCR says. ♦