



SNH Announces Financial Results For The Quarter Ended March 31, 2002

Newton, MA (April 30, 2002): Senior Housing Properties Trust (NYSE: SNH) today announced its financial results for the quarter ended March 31, 2002, as follows (in thousands, except per share data):

	Quarter Ended March 31,	
	2002	2001
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Total revenues	\$28,707	\$68,722
Net income	11,620	2,836
Funds from operations (FFO)	19,521	10,263
Cash available for distribution (CAD)	18,371	10,163
Weighted average shares outstanding	50,255	25,916
Per share data:		
Net income	\$ 0.23	\$ 0.11
Funds from operations (FFO)	0.39	0.40
Cash available for distribution (CAD)	0.37	0.39

The character of revenues reported in the 2001 and 2002 periods displayed above are not comparable. The 2001 period revenues include \$57.4 million of operating revenues derived from nursing homes which were repossessed from former tenants. At year end 2001, SNH completed a spin off of its subsidiary which operated these properties and the 2002 period includes rental income received for the properties previously operated for SNH's account as well as rents from new investments made in 2002.

Commenting upon these results, David J. Hegarty, President, issued the following statements:

"During the past year, SNH has dramatically improved its capital structure and the quality of its properties:

- In the past year SNH raised approximately \$680 million of new capital including \$408 million of common equity, \$245 million of senior unsecured notes due in 2012, and \$27 million of trust preferred securities which mature in 2041.
- At year end 2001, SNH spun off its subsidiary, Five Star Quality Care, Inc., to shareholders and leased 55 properties which were previously operated by SNH to that new public company.
- In January 2002, SNH acquired 31 up-market senior living communities operated by Marriott for \$600 million. These communities have 7,487 separate apartments or living units, they are over 90% occupied and almost 90% of their current revenues are paid by residents from private resources.
- Also in January 2002, SNH completed a transaction with one of its tenants, HEALTHSOUTH Corporation, which exchanged five under-performing nursing homes for two rehabilitation hospitals, reduced the rent payable by HEALTHSOUTH and extended the lease term to 2011.

"As a result of these activities, common equity now represents about 70% of SNH's total book capitalization and over 80% of SNH's current rents are received for properties where large majorities of the operating revenues come from residents' private resources, not from Medicare or Medicaid programs. We believe that these improvements in SNH's capitalization and in the character of its properties have positioned SNH to carry out its business plans for 2002; specifically, to renew our revolving bank agreement which expires in September 2002, to continue to monitor the performance of our tenants and leased properties and to opportunistically consider new investment opportunities."

Senior Housing Properties Trust is a real estate investment trust headquartered in Newton, MA that owns 111 senior housing

properties located in 28 States.

THIS PRESS RELEASE CONTAINS FORWARD LOOKING STATEMENTS WITHIN THE MEANING OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. FORWARD LOOKING STATEMENTS ARE BASED UPON SNH'S MANAGEMENT'S CURRENT BELIEFS AND EXPECTATIONS, BUT THEY ARE NOT GUARANTEED TO OCCUR. FOR EXAMPLE, MR. HEGARTY'S STATEMENTS MAY BE INTERPRETED TO IMPLY THAT SNH WILL BE ABLE TO EXTEND ITS EXISTING BANK AGREEMENT OR ENTER A SUBSTITUTE BANK AGREEMENT. IN FACT, SNH MAY BE UNABLE TO EXTEND OR REPLACE ITS BANK AGREEMENT ON ACCEPTABLE TERMS OR ON ANY TERMS. SIMILARLY, MR. HEGARTY'S STATEMENTS MAY IMPLY THAT THE EXISTING SNH TENANTS WILL HONOR ALL OF THEIR LEASE OBLIGATIONS OR THAT SNH WILL MAKE NEW INVESTMENTS. HOWEVER, SOME OR ALL OF SNH'S TENANTS MAY DEFAULT THEIR LEASE OBLIGATIONS AND SNH MAY BE UNABLE TO MAKE NEW INVESTMENTS. INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE UPON FORWARD LOOKING STATEMENTS.

Senior Housing Properties Trust
Historical Financial Information
(in thousands, except per share amounts)

	Quarter Ended March 31,	
	2002	2001
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Revenues:		
Rental income	\$ 26,535	\$ 11,131
Facilities' operations (1)	--	57,354
FF&E reserve income (2)	1,664	--
Interest and other income	508	237
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Total revenues	28,707	68,722
	-----	-----
Expenses:		
Interest	7,382	2,160
Depreciation	7,148	4,742
Facilities' operations (1)	--	55,978
General and administrative		
- Recurring	1,854	1,045
- Related to foreclosures and lease terminations(1)	--	1,961
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Total	16,384	65,886
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Income before distributions on trust preferred securities	12,323	2,836
Distributions on trust preferred securities	703	--
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Net income	\$ 11,620	\$ 2,836
	=====	=====
Calculation of funds from operations (FFO)(3):		
Net income	\$ 11,620	\$ 2,836
Add: Depreciation	7,148	4,742
Deferred percentage rent(4)	753	692
Other non-cash items	--	32
General and administrative related to foreclosures and lease terminations(1)	--	1,961
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FFO	\$ 19,521	\$ 10,263
	=====	=====

Calculation of cash available
for distribution (CAD)(3):

FFO	\$ 19,521	\$ 10,263
Add: Amortization of deferred finance costs and other non-cash items	272	--
Straight line rent adjustments	242	(100)
Less: FF&E reserve income(2)	(1,664)	--
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CAD	\$ 18,371	\$ 10,163
	=====	=====
Weighted average shares outstanding	50,255	25,916
	=====	=====
Per share data		
Net income	\$ 0.23	\$ 0.11
	=====	=====
FFO	\$ 0.39	\$ 0.40
	=====	=====
CAD	\$ 0.37	\$ 0.39
	=====	=====

Balance Sheet Data:

	March 31, 2002	December 31, 2001
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Assets		
Real estate properties	\$ 1,170,795	\$ 593,199
Accumulated depreciation	(101,287)	(124,252)
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	1,069,508	468,947
Cash and cash equivalents	4,320	352,026
Restricted cash	14,700	10,201
Other assets	26,518	36,129
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	\$ 1,115,046	\$ 867,303
	=====	=====

Liabilities and Shareholders' Equity

Bank credit facility	\$ 22,000	\$--
Senior notes	243,642	243,607
Other debt and capital leases	33,143	9,100
Other liabilities	20,018	12,578
Trust preferred securities	27,394	27,394
Shareholders' equity: (58,422 and 43,422 common shares outstanding, respectively)	768,849	574,624
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	\$ 1,115,046	\$ 867,303
	=====	=====

Senior Housing Properties Trust
Notes to
Historical Financial Information

1. During 2001, SNH operated facilities for its own account through its wholly-owned subsidiary, Five Star Quality Care, Inc. On December 31, 2001, SNH spun off Five Star to SNH's shareholders and entered a lease with Five Star for these facilities. These operations had been repossessed from bankrupt former tenants. As a result of these tenant bankruptcies and the establishment of operating systems for the repossessed facilities, SNH incurred certain non-recurring general and administrative expenses during 2001, which are separately identified on these financial statements.

2. One of SNH's leases provides that a percentage of revenues be escrowed for future capital expenditures at the leased facilities. These FF&E reserve escrows are owned by SNH and are reported by SNH as additional rent. CAD excludes FF&E reserve income.

3. SNH computes FFO as net income plus depreciation, amortization and non-recurring items. SNH computes CAD as FFO plus non-cash expenses (including amortization of deferred finance costs and administrative expenses to be settled in our common shares) and straight line rent adjustments less FF&E reserve income. In calculating FFO and CAD, we also add percentage rents deferred pursuant to SAB 101 described in Note 4 below. FFO is further defined in the White Paper on Funds from Operations as approved by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT") in March 1995 and as clarified from time to time thereafter. SNH considers FFO and CAD to be appropriate measures of performance for a REIT, along with cash flow from operating activities, financing activities and investing activities, because they provide investors with an indication of a REIT's operating performance and its ability to incur and service debt, make capital expenditures, pay distributions and fund other cash needs. SNH's method of computing FFO and CAD may not be comparable to FFO or CAD reported by other REITs that define the term differently. SNH's FFO and CAD are important factors considered by our Board of Trustees in determining the amount of our distributions to shareholders. FFO and CAD do not represent cash generated by operating activities in accordance with generally accepted accounting principles, or GAAP, and should not be considered as alternatives to net income or cash flow from operating activities as measures of financial performance or liquidity.

4. The Securities and Exchange Commission Staff Accounting Bulletin No. 101 generally requires SNH to defer recognition of percentage rental income for the first, second and third quarters to the fourth quarter. Although recognition of revenue is deferred for purposes of calculating net income, SNH's calculations of FFO and CAD include estimated percentage rental amounts on a quarterly basis and these estimates are adjusted at year-end.