



NEWS RELEASE

# Sonida Continues Executing on its Accretive Growth and Capital Allocation Strategy with \$48 Million of Investments

2024-11-05

Completes previously disclosed purchase of two senior living communities in Atlanta market for \$29.0 million

Brings total year-to-date acquired properties to 19 and total operating portfolio to 93 communities

Completes previously disclosed discounted payoff of two mortgage loans representing \$28.7 million of outstanding principal for \$18.5 million, a 36% discount

DALLAS--(BUSINESS WIRE)-- Sonida Senior Living, Inc. ("Sonida" or the "Company") (NYSE: SNDA), a leading owner, operator and investor in senior living communities, announced today the closing of its latest acquisition, as the Company continues to execute on its capital allocation and inorganic, accretive growth strategy, which aims to further expand and upgrade its portfolio to fully leverage operating scale and efficiencies.

"Sonida's latest portfolio purchase brings total year-to-date property acquisitions to 19, as the Company continues to deploy its fully integrated operating and investment platform to strategically and aggressively invest in high-quality, recently constructed communities at attractive valuations, amidst a bevy of historically favorable senior housing trends," said Brandon Ribar, President and Chief Executive Officer.

[Capital Allocation – Acquired Two-Asset Senior Housing Portfolio in the Southeast](#)

On November 1, 2024, the Company finalized the previously announced acquisition of two senior living communities located in the Atlanta, Georgia market. The two communities, in Lawrenceville and Peachtree Corners, are strategically located in high-growth submarkets of Atlanta with favorable demographic growth and supply/demand prospects.

Consistent with the Company's focus on regional densification, the acquisition brings Sonida's Atlanta portfolio total to three assets and further grows its exposure to highly attractive Southeast markets. The two-asset portfolio has an average asset age of five years, which will further modernize Sonida's portfolio, and compares favorably to an average asset age of 10+ years for comparable inventory within a five-mile radius.

Sonida's purchase price of \$29.0 million, or approximately \$163,000 per unit, reflects a significant discount to the Company's estimate of replacement cost and expands Sonida's accretive acquisitions year-to-date, as the Company capitalizes on historically favorable senior housing trends. The portfolio's in-place occupancy is approximately 86% with an average RevPOR of more than \$5,700 and is comprised of 178 units with Assisted Living ("AL") and Memory Care ("MC") offerings (approximately 60% AL and 40% MC). Sonida funded the transaction with cash on its balance sheet and proceeds from its senior secured revolving credit facility.

### Capital Allocation – Completes Discounted Payoff of Two Loans at 36% Discount to Par

As previously announced in August 2024, the Company entered into loan modification agreements ("Texas Loan Modification") with one of its lenders on two owned communities in Texas. The original loan terms included maturities of April 2025 and October 2031, as well as cross-default provisions with each other. The Texas Loan Modification revised the loan maturities to December 2025 on both communities and provided the Company with an option to make a discounted payoff ("Texas DPO") of the outstanding loan principal, which the Company executed and closed on November 1, 2024. The Texas DPO amount of \$18.5 million represents a discount of 36% on the total principal outstanding of \$28.7 million on these two loans (as of July 31, 2024).

### Safe Harbor

The forward-looking statements in this press release, including, but not limited to, statements relating to the Company's acquisitions, are subject to certain risks and uncertainties that could cause the Company's actual results and financial condition to differ materially, including, but not limited to the Company's ability to recognize the anticipated benefits of such acquisitions; the impact of such acquisitions on the Company's business, including our ability to successfully implement integration strategies or achieve expected synergies and operating efficiencies; any legal proceedings that may be brought related to such acquisitions; our projections related to said acquisitions may not materialize as expected; and other risks and factors identified from time to time in the Company's reports

filed with the SEC, including the Company's ability to generate sufficient cash flows from operations, proceeds from equity issuances and debt financings, and proceeds from the sale of assets to satisfy its short- and long-term debt obligations and to fund the Company's acquisitions and capital improvement projects to expand, redevelop, and/or reposition its senior living communities; increases in market interest rates that increase the cost of certain of our debt obligations; increased competition for, or a shortage of, skilled workers, including due to general labor market conditions, along with wage pressures resulting from such increased competition, low unemployment levels, use of contract labor, minimum wage increases and/or changes in overtime laws; the Company's ability to obtain additional capital on terms acceptable to it; the Company's ability to extend or refinance its existing debt as such debt matures; the Company's compliance with its debt agreements, including certain financial covenants, and the risk of cross-default in the event such non-compliance occurs; the Company's ability to complete acquisitions and dispositions upon favorable terms or at all, including the possibility that the expected benefits and our projections related to such acquisitions may not materialize as expected; the risk of oversupply and increased competition in the markets which the Company operates; the Company's ability to improve and maintain controls over financial reporting and remediate the identified material weakness discussed in its recent Quarterly and Annual Reports filed with the SEC; the cost and difficulty of complying with applicable licensure, legislative oversight, or regulatory changes; risks associated with current global economic conditions and general economic factors such as inflation, the consumer price index, commodity costs, fuel and other energy costs, competition in the labor market, costs of salaries, wages, benefits, and insurance, interest rates, and tax rates; the impact from or the potential emergence and effects of a future epidemic, pandemic, outbreak of infectious disease or other health crisis; and changes in accounting principles and interpretations.

## About Sonida

Dallas-based Sonida Senior Living, Inc. is a leading owner, operator and investor in independent living, assisted living and memory care communities and services for senior adults. The Company provides compassionate, resident-centric services and care as well as engaging programming operating 93 senior housing communities in 20 states with an aggregate capacity of approximately 9,966 residents, including 80 communities which the Company owns (including eight communities in which the Company owns varying interests through two separate joint ventures), and 13 communities that the Company manages on behalf of a third-party.

For more information, visit [www.sonidaseniorliving.com](http://www.sonidaseniorliving.com) or connect with the Company on **Facebook**, **X** or **LinkedIn**.

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