



## Sentio Healthcare Properties, Inc.

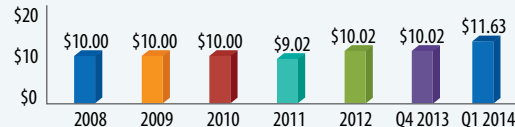
Total Assets.....	\$274.1 Million
Real Estate Assets .....	\$234.9 Million
Cash .....	\$20.7 Million
Securities .....	\$0.0 Million
Other .....	\$18.4 Million



Cash to Total Assets Ratio: ..... 7.6%  
 Asset Type: ..... Healthcare  
 Number of Properties: ..... 22  
 Square Feet / Units / Rooms / Acres: ..... 1,360,996 Sq. Ft.  
 Percent Leased: ..... Not Reported  
 Weighted Average Lease Term Remaining: ..... Not Available  
 LifeStage: ..... Maturing  
 Investment Style: ..... Core  
 Weighted Average Shares Outstanding: ..... 12,611,127

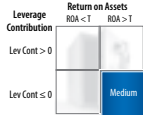
Initial Offering Date: ..... June 20, 2008  
 Offering Close Date: ..... April 29, 2011  
 Current Price per Share: ..... \$11.63  
 Reinvestment Price per Share: ..... \$11.63  
 Cumulative Capital Raised during Offering (including DRP)..... \$127.0 Million

### Historical Price



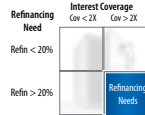
### Performance Profiles

#### Operating Performance



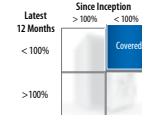
The REIT's recent 12-month average return on assets exceeds yields on 10-year Treasuries, indicating potential for positive risk-adjusted returns. At its current cost of debt and level of borrowing, its use of debt is not increasing returns to shareholders.

#### Financing Outlook



Interest coverage ratio is above the 2.0X benchmark but more than 20% of the REIT's debt matures within two years or is at unhedged variable rates. The REIT may face difficulties in refinancing its borrowings or interest rate risk from increasing rates, but earnings currently provide coverage of interest expense.

#### Cumulative MFFO Payout



Cumulative MFFO since inception exceeds the cumulative cash distributions to common shareholders, indicating the REIT has fully funded cash distributions from its real estate operations. At the current distribution rate and level of modified funds from operations, trends suggest the distributions can be maintained.

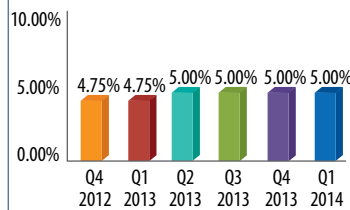
#### Summary

The REIT's return on assets for the last four quarters was 4.12%, significantly above the yield on 10-Year Treasuries of 1.87%, and providing additional returns to shareholders. However, the REIT had a negative leverage contribution for the last four quarters with an average cost of debt of 4.91% and a debt ratio of 66%. A significant 23.3% of the REIT's debt matures within two years, and 17.2% was at unhedged variable rates, presenting some interest rate risk and near-term refinancing need. With an interest coverage ratio of 2.5X, above the 2.0X benchmark, the REIT currently has the ability to cover its debt obligations. Over the last 12 months the REIT paid out 61% of its MFFO in cash distributions excluding DRP, and since inception it has paid out 84% of MFFO, a sustainable level of cash distributions.

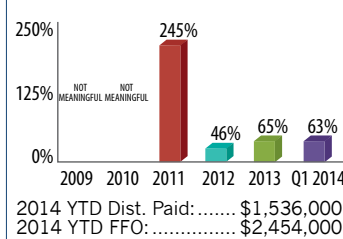
### Contact Information

**www.CREFunds.com**  
**Pacific Cornerstone Capital**  
**1920 Main Street, Suite 400**  
**Irvine, CA 92614**  
**877-805-3333**

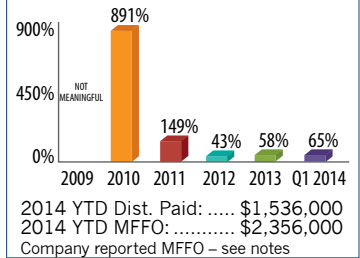
### Historical Distribution



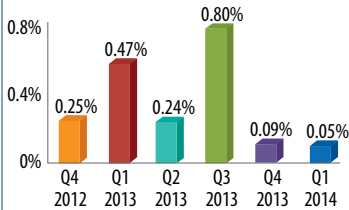
### Historical FFO Payout Ratio



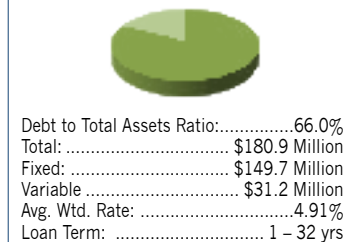
### Historical MFFO Payout Ratio



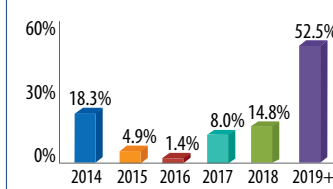
### Redemptions



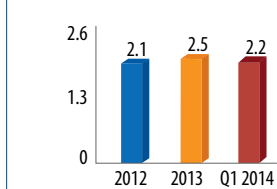
### Debt Breakdown



### Debt Repayment Schedule



### Interest Coverage Ratio



### Source of Distributions, Trends and Items of Note

- The stock repurchase program has been suspended since May 29, 2011, except repurchases due to the death of a stockholder.
- As of March 31, 2013, the Company operated in three reportable business segments: senior living operations, triple-net leased properties, and medical office building.
- The REIT acquired one property during 1Q 2014.
- On January 28, 2014, through a wholly-owned subsidiary, we acquired a 25% interest in a joint venture entity that will develop Buffalo Crossing, a 108-unit, assisted living community. Buffalo Crossing was accounted for under the equity method of accounting beginning with the first quarter of 2014.
- The Cash to Total Assets ratio decreased to 7.6% as of 1Q 2014 compared 8.0% as of 1Q 2013.
- The REIT's debt to total assets ratio has increased to 66.0% as of 1Q 2014 compared to 63.1% as of 1Q 2013.
- The REIT's Interest Coverage Ratio decreased to 2.2X in 1Q 2014 compared to 2.4X for 1Q 2013.
- The Company filed a tender offer with the SEC on April 10, 2014, to purchase for cash up to \$35 million of its common stock at \$8.50 per share, subsequently amended to \$9.00 per share.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- During 1Q 2014 the REIT paid total distributions of \$1.536 million and had MFFO of \$2.356 million. All but the \$8000 in DRP proceeds were in cash. All of the distributions were paid with cash flows from operations.