

RADIUS HEALTHCARE

Founded in 1997 by David Roush and Christine Bassett, Radius HealthCare is one of the largest privately owned eldercare management companies in New England. Radius HealthCare currently manages 15 facilities totaling 1,742 hospital and skilled nursing beds and assisted living residences. Other Radius partners are Jon Banton, Paul Kemp, Dolores Schermer, Jeff Landa, Barbara Wyser, Donna Johnson, David Longmoore and William Duffy. Radius partners serve as senior executives of the Company.

The Radius HealthCare “name” is recognized among regulators and health care business leaders for quality of care and business acumen. Radius executives are industry leaders at eldercare trade organizations, on all matters of day-to-day operations, reimbursement, regulatory compliance, new project licensing, programming, project development and marketing.

Radius HealthCare is known as the post-acute health care company where talented health care professionals seek to work. This is because of the Company’s unwavering commitment to quality, training, and innovation. It is also because Radius projects are market leaders that offer multiples levels of care, and a commitment to providing the resources needed to achieve the highest levels of consumer satisfaction.

RADIUS HEALTHCARE (Continued)

Background

Founded in 1997 as a management consulting business, Radius HealthCare has grown to become one of the largest and most diversified privately owned eldercare management companies in New England.

Milestones

1997	Roush & Associates consulting founded by David Roush and Christine Bassett
1999	Commencement of Radius management operations
2000	Growth of Radius management business with first full-service management contracts
2001	Acquisition of first three Radius nursing homes (Worcester, Southbridge, Millbury)
2002	Acquisition of Ring nursing home (to be sold in 2005) Radius HealthCare at Danvers, NHP Lease
2003	Sale of Worcester, Southbridge, Millbury nursing homes to Health Care REIT pursuant to long-term lease
2004	Long term lease to Health Care REIT of former Oakwood nursing homes: Regency, Heritage, Northwood, and Plymouth
2005	Commencement of Radius long-term acute care hospital (LTCH) Acquisition of Radius HealthCare Center at Braintree
2006	Commencement of Radius ownership and management in Rhode Island with acquisition of Waterview Villa
2007	Expansion of LTCH business with opening of Radius Specialty Hospital – Quincy Growth of assisted living business with (local building) approval of Cape Regency assisted living expansion Winning bidder for 165-bed Hillside Health Care Center in Providence, Rhode Island

RADIUS HEALTHCARE (Continued)

Radius HealthCare is distinguished from competing companies.

- Acuity: Other senior care companies have concentrated on diversifying into lower acuity facilities such as assisted living. Although Radius HealthCare provides assisted living services, the majority of Company growth has been in providing higher acuity levels of health care services. This is demonstrated, for example, by the LTCH acquisition and the development of post-acute transitional care units at Radius HealthCare skilled nursing facilities. Radius believes that the Company's high level health care specialty is in line with opportunities for continued growth and favorable margins in the marketplace.
- Programming: Radius HealthCare is recognized for quality and innovation. For example, the Company operates one of only four pediatric long-term care facilities in Massachusetts. Radius HealthCare has developed an industry leading Alzheimer's and Dementia Care program that operates under the brand name "Candlewood" at eight of the Company's skilled nursing centers.
- Clinical Reimbursement: Radius HealthCare has assembled a team of clinical reimbursement specialists that insure Company facilities maximize Medicare and Medicaid reimbursement opportunities. This is in keeping with the Radius HealthCare focus on higher acuity segments of the eldercare market. Radius HealthCare's clinical reimbursement team is instrumental to achieving Company's goals for operating performance and return on investment.
- Regulatory: The Radius senior management team is unmatched in the regulatory elements of eldercare in New England. This covers an important range of issues including operating compliance, optimizing reimbursement, and project approvals.
- Consulting: Roush & Associates, which is part of Radius through common ownership, is a leading consulting company in New England providing an array of services to premier non-profit providers. These relationships provide Radius HealthCare with ongoing benefits that other for profit companies don't enjoy. For example, Radius recently won a competitive bid for the acquisition of Jewish Memorial Hospital, a long-term acute care hospital ("LTCH"). The Roush standing among non-profits was one of the reasons the seller's Board selected Radius.

RADIUS HEALTHCARE FACILITIES

Radius HealthCare is committed to and known for providing the highest quality of life for the residents of our facilities. Radius HealthCare manages company owned facilities, facilities controlled through long-term leases with Radius affiliates, and three facilities managed for third party not-for-profit owners.

Each Radius HealthCare facility has a distinctive and often diversified service program. Radius expertise spans a broad spectrum of health care services including:

- Skilled nursing care
- Post-acute short stay rehabilitation
- Pediatric long-term care and educational programs
- Alzheimer and dementia care under the Radius program name of “Candlewood”
- Hospice Care
- Assisted living including residential and specialty Alzheimer and dementia programming
- Long term acute hospital care (“LTCH”)

RADIUS HEALTHCARE FACILITIES (Continued)

Radius Central				
Radius HealthCare Center at Worcester	Worcester, MA	L	144	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Radius HealthCare Center at Millbury	Millbury, MA	L	127	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Radius HealthCare Center at Southbridge	Southbridge, MA	L	144	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Radius Northeast				
Radius HealthCare Center at Danvers	Danvers, MA	L	159	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Radius Northwood HealthCare Center	Lowell, MA	L	123	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Radius Southeast				
Cape Heritage, a Radius HealthCare Ctr	Sandwich, MA	L	123	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit
Cape Regency, a Radius HealthCare Ctr	Centerville, MA	L	120	Candlewood (Dementia Unit) Medicare/Medicaid Skilled Unit (AL 29 Apts In Process)
Radius HealthCare Center at Plymouth	Plymouth, MA	L	186	Candlewood (Dementia Unit) Cardiac Reconditioning Unit Medicare/Medicaid Skilled Unit Pediatric Unit (Post Acute Unit in Planning)
Radius HealthCare Center at Braintree	Braintree, MA	O	101	Post Acute Transitional Care Medicare/Medicaid Skilled Unit
Waterview Villa, a Radius HealthCare Center	East Providence, RI	O	132	Medicaid/Medicare Skilled Unit
Radius Hospital				
Radius Specialty Hospital – Boston	Roxbury, MA	O	84	Long Term Acute Care Hospital
Radius Specialty Hospital at Quincy Medical Center	Quincy, MA	L	38	Long Term Acute Care Hospital
Managed Facilities				
Goddard House Skilled Nursing Center	Jamaica Plain, MA	M	126	Dementia Unit Medicaid/Medicare Skilled Unit
Goddard House Assisted Living	Brookline, MA	M	115 Apt.	Specialized Dementia Assisted Living and Traditional Assisted
Emerson Hospital Transitional Care Unit	Concord, MA	M	20	Transitional Care Unit (Post Acute)

O = Owned; L = Leased; M = Managed

