

National Health Investors, Inc. has a duly formed Board of Directors, which in turn has chartered three separate Board committees, namely an Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The three committee charters are included on this website.

The following Corporate Governance Guidelines have been adopted by NHI:

1. Director Qualification Standards. The Board of Directors shall be comprised of individuals, the majority of whom shall satisfy the independence, financial literacy and experience requirements of Section 10A of the Securities and Exchange Act of 1934, the New York Stock Exchange and any other regulatory requirements. Each member of the Audit Committee shall satisfy the independence, financial literacy and experience requirements of Section 10A of the Securities and Exchange Act of 1934, the New York Stock Exchange and any other regulatory requirements. Each member of the Compensation Committee and Nominating and Corporate Governance Committee shall satisfy the independence requirements of Section 10A of the Securities and Exchange Act of 1934, the New York Stock Exchange and any other regulatory requirements.
2. Director Responsibilities. Director's responsibilities include attendance of at least 75% of scheduled or specially called Board meetings, and a best efforts attendance at the Annual Shareholders Meeting. Directors are expected to review in advance of scheduled or specially called meetings the meeting materials as supplied to the directors. By resolution of the Audit Committee, all financial documents required to be reviewed by the Audit Committee shall be submitted to it at least 24 hours in advance.
3. Director Access to Management and Independent Advisors. The directors have unfettered access to management of NHI and the three director's committees, namely the Audit Committee, Compensation Committee and the Nominating and Corporate Governance Committee, are specifically authorized to engage, compensate, and/or retain third party consultants or other advisors, including legal, as used by the committee in performing its duties.
4. Executive Sessions. The Board at least annually, and generally quarterly, meets in Executive Session, from which all employees of the Company are excluded. Matters relating to compensation, succession planning and other more sensitive areas are discussed at these sessions. The presiding director solicits topics for discussion from the other directors and provides feedback from the Executive Session to the President.
5. Shareholder Access to Directors. The Board of Directors has adopted a third party 'Valuesline' program in order to enable employees and shareholders to communicate (on a non-identifiable basis if so desired) with the NHI executive officers and directors. The Valuesline toll free number is 800-526-4064 and is answered by an independent contractor who will transmit the communication to the Corporate Secretary and establish a date by which the caller can obtain a response to the communication, if so requested. The Corporate Secretary will coordinate any necessary communication and response.
6. Shareholder Proposals and Nominations. Nominations of directors by shareholders are included in our process of receiving shareholder proposals. October 1 of each year is the date by which proposals of shareholders [intended to be presented at the next Annual Meeting of

Shareholders (currently held at the end of April or first of May)] must be received by us for inclusion in our Proxy Statement and form of proxy. Shareholders submitting any proposal or nomination will be reviewed in accordance with the procedures found in SEC Regulation 14a-8, which is supplied by the Company upon request.

7. Director Compensation. Cash compensation is set by the directors and is currently paid to the non-management directors in the amount of \$3,000 per meeting attended. NHI's shareholders have additionally approved—as recently as April 2005—an annual grant of a five-year option to purchase 15,000 shares of the common stock of the company at the closing price on the date of the Annual Shareholders Meeting each fiscal year.

8. Director Orientation and Continuing Education. The Board of Directors has not adopted any specific requirement for director orientation and continuing education, but approves participation by directors in such programs on an ad hoc basis.

9. Annual Performance Evaluation of the Board. The Board of Directors has required each of its three committees, namely the Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee, to conduct an annual self-evaluation, reporting the results to the Board of Directors as a whole. The Board as a whole then reviews the self-evaluations and determines whether it and its committees are functioning effectively.

10. Management Succession. At least annually, the CEO addresses succession planning with the Board and reviews with the Board a succession plan addressing the policies and principles for selecting a successor to the CEO and/or the Company's Investment Advisor (see #11 below.)

11. Management Services. The Board has retained a company, Management Advisory Source, LLC, formed and wholly owned by the Company's President and Board Chairman, W. Andrew Adams, to provide all management services for the Company. The Company has no current intent to become self-managed.

12. Periodic Review of Guidelines. These Corporate Governance Guidelines will be reviewed periodically by the Board or the Nominating and Corporate Governance Committee.

Updated and Amended May 2, 2006.