



Fixed Income Update

May 2022

welltower

Forward Looking Statements and Risk Factors

This document contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. When Welltower uses words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “pro forma,” “estimate” or similar expressions that do not relate solely to historical matters, Welltower is making forward-looking statements. Forward-looking statements, including statements related to Funds From Operations guidance, are not guarantees of future performance and involve risks and uncertainties that may cause Welltower’s actual results to differ materially from Welltower’s expectations discussed in the forward-looking statements. This may be a result of various factors, including, but not limited to: the impact of the COVID-19 pandemic; uncertainty regarding the implementation and impact of the CARES Act and future stimulus or other COVID-19 relief legislation; the status of the economy; the status of capital markets, including availability and cost of capital; issues facing the health care industry, including compliance with, and changes to, regulations and payment policies, responding to government investigations and punitive settlements and operators’/tenants’ difficulty in cost effectively obtaining and maintaining adequate liability and other insurance; changes in financing terms; competition within the health care and seniors housing industries; negative developments in the operating results or financial condition of operators/tenants, including, but not limited to, their ability to pay rent and repay loans; Welltower’s ability to transition or sell properties with profitable results; the failure to make new investments or acquisitions as and when anticipated; natural disasters and other acts of God affecting Welltower’s properties; Welltower’s ability to re-lease space at similar rates as vacancies occur; Welltower’s ability to timely reinvest sale proceeds at similar rates to assets sold; operator/tenant or joint venture partner bankruptcies or insolvencies; the cooperation of joint venture partners; government regulations affecting Medicare and Medicaid reimbursement rates and operational requirements; liability or contract claims by or against operators/tenants; unanticipated difficulties and/or expenditures relating to future investments or acquisitions; environmental laws affecting Welltower’s properties; changes in rules or practices governing Welltower’s financial reporting; the movement of U.S. and foreign currency exchange rates; Welltower’s ability to maintain its qualification as a REIT; key management personnel recruitment and retention; and other risks described in Welltower’s reports filed from time to time with the SEC. Welltower undertakes no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events or otherwise, or to update the reasons why actual results could differ from those projected in any forward-looking statements.

Recent Highlights

First Quarter 2022 Seniors Housing Operating (“SHO”) Portfolio Performance

- **SHO Portfolio same store (“SS”) revenue growth accelerated in 1Q2022, increasing 11.2% year-over-year which exceeded guidance for a 10.0% increase⁽¹⁾**
 - US and UK portfolios continue to demonstrate significant strength, posting year-over-year SS revenue growth of 13.5% and 9.8%, respectively
 - SHO Portfolio SS revenue growth is expected to remain robust through the remainder of 2022, driven by year-over-year occupancy gains and healthy pricing power
- **SS average occupancy increased 460bps year-over-year, exceeding guidance of 420bps, led by the US and UK portfolios with gains of 670bps and 460bps, respectively**
- Strong recognized renewal increases during the quarter resulted in year-over-year SS REVPOR growth of 4.6%, marking a sharp acceleration from 3.4% year-over-year growth in 4Q2021
- **1Q2022 agency labor expense declined approximately 10% on a sequential basis, which was in-line with our prior expectation**

- **Achieved SS NOI growth of 18.4% year-over-year for the SHO portfolio in 1Q2022, exceeding guidance for a 15% increase⁽¹⁾**
- **SHO Portfolio SS NOI growth is expected to increase 15% - 20% in 2Q2022 and ramp meaningfully higher in the second half of the year driven by continued strength in revenue trends coupled with operating margin expansion**

Observations on Labor Trends

- Through April, agency labor utilization has continued to decline following the steep fall in staff COVID-19 cases. Agency labor expense is expected to decline further in each quarter for the rest of the year barring an additional disruptive COVID-19 surge

Year-to-Date Capital Deployment of \$1.2 billion; Near-Term Pipeline Remains Robust at \$1.5 billion

- WELL has completed approximately \$1.2 billion of year-to-date capital deployment activity⁽²⁾, making 2022 one of the most active starts to the year for investment activity in WELL’s history; completed or announced approximately \$7.6 billion of capital deployment since October 2020⁽³⁾
 - Announced on May 10, 2022 agreements to purchase seven SH communities operated by best-in-class senior living operator, Oakmont Management Group, for \$344 million, subject to customary closing conditions, with an expected high-single-digit unlevered IRR
- WELL’s near-term capital deployment pipeline remains robust, with opportunities across all property types and capital structure. Acquisition opportunity set has recently expanded substantially, with many owners of healthcare real estate facing pressure following a shift in macroeconomic conditions as well as over two years of COVID-19 and labor market challenges
- **Significant capacity for future capital deployment with over \$2.0 billion of combined proceeds from unsettled ATM shares (\$1.8 billion) and expected dispositions and loan payoffs (\$352 million); seeing greater interest from sellers to potentially accept operating partnership units**

1. See Supplemental Financial Measures at the end of this presentation for all same store reconciliations
2. As of May 9, 2022; excludes development funding
3. Includes pro rata gross investments across acquisitions and loans since October 2020 and announced StoryPoint and Oakmont acquisition agreements; excludes development funding

2Q2022 Outlook | Robust Growth Expected Across All Businesses

Anticipate Total Portfolio SS NOI Growth of 8-10% Led by Continued SHO Portfolio Recovery

2Q2022 Outlook

Segment	Low	High
SHO	15.0%	20.0%
SH NNN	7.0%	8.0%
Outpatient Medical	2.0%	3.0%
Health System	2.75%	2.75%
LT/PAC	2.0%	3.0%
Total Portfolio	8.0%	10.0%

Expect 15% - 20% SHO Portfolio SS NOI Growth in 2Q2022 and Further Acceleration in 2H2022

- Expect year-over-year same store revenue growth of 11% driven by continued occupancy gains and rate growth
 - Average occupancy expected to increase approximately 500 bps vs. 2Q2021
 - Pricing power remains robust with strong recognized renewal rate increases and improving street rates
- Expect continued moderation of both outsized COVID expenses and utilization of agency labor costs as impact of early-2022 Omicron surge abates
- **Positive revenue and expense trends are expected to drive year-over-year SS SHO Portfolio NOI growth of 15%-20% in 2Q2022**
- SH NNN portfolio exhibited the first quarter-over-quarter sequential improvement in TTM EBITDAR coverage since the beginning of the pandemic, driven by improving fundamentals across seniors housing; further improvement in coverage expected going forward
 - SH NNN NOI expected to increase 7%-8% year-over-year driven by CPI-based escalators and improvements in rent collections

Opportunity for Significant Operating Margin Expansion Through Year-End

- Continued occupancy gains in coming quarters expected to drive favorable operating leverage
- Further expected decline in agency labor and COVID-related expenses should serve as a deflationary offset to potential expense pressures

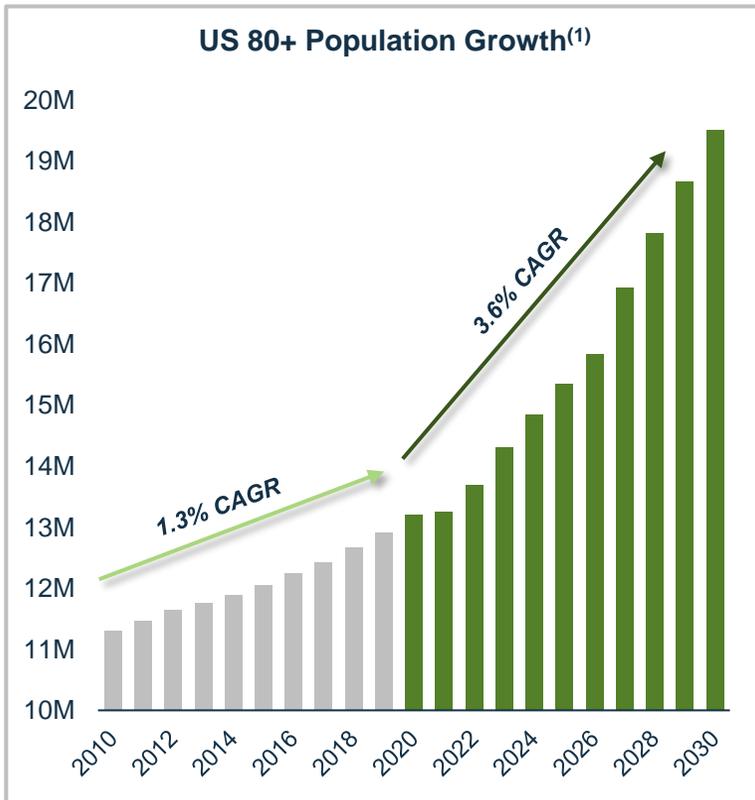


Post-COVID Recovery | Long-Term Secular Growth Opportunity

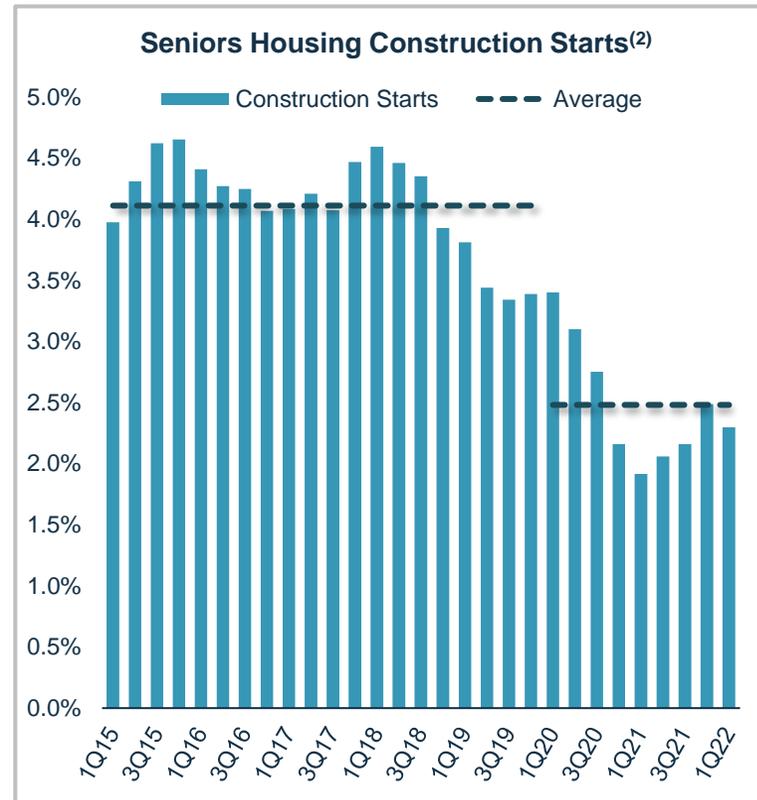
Compelling demand-supply backdrop to drive occupancy gains

Strong industry pricing power expected to offset inflationary pressures

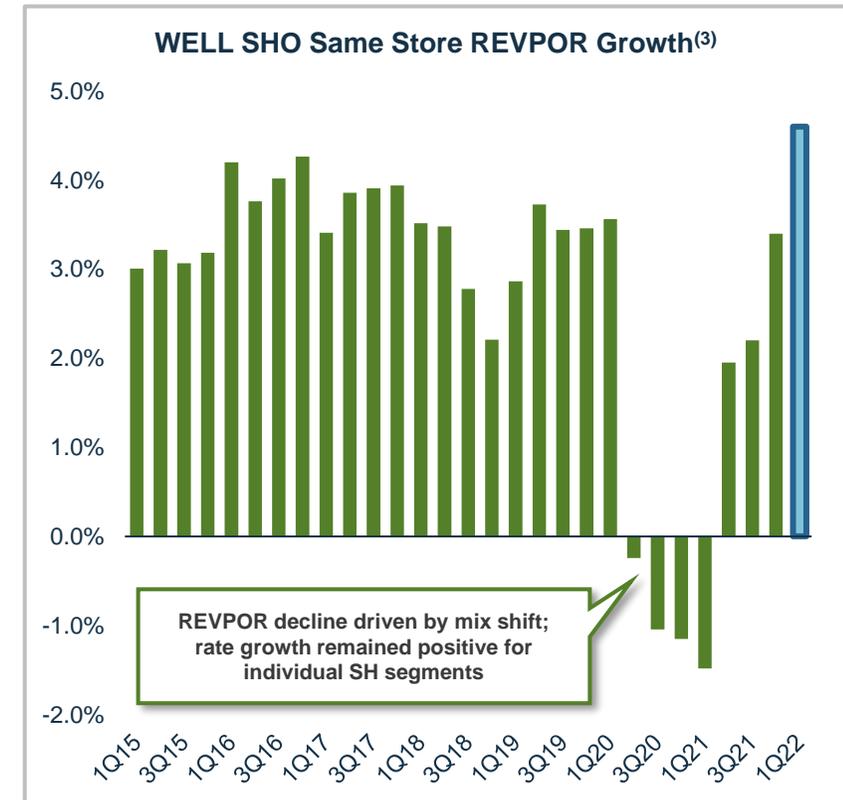
Demographic-Driven Demand



Supply Deceleration



Resilient Pricing Power



1. The Organisation for Economic Cooperation and Development (OECD)

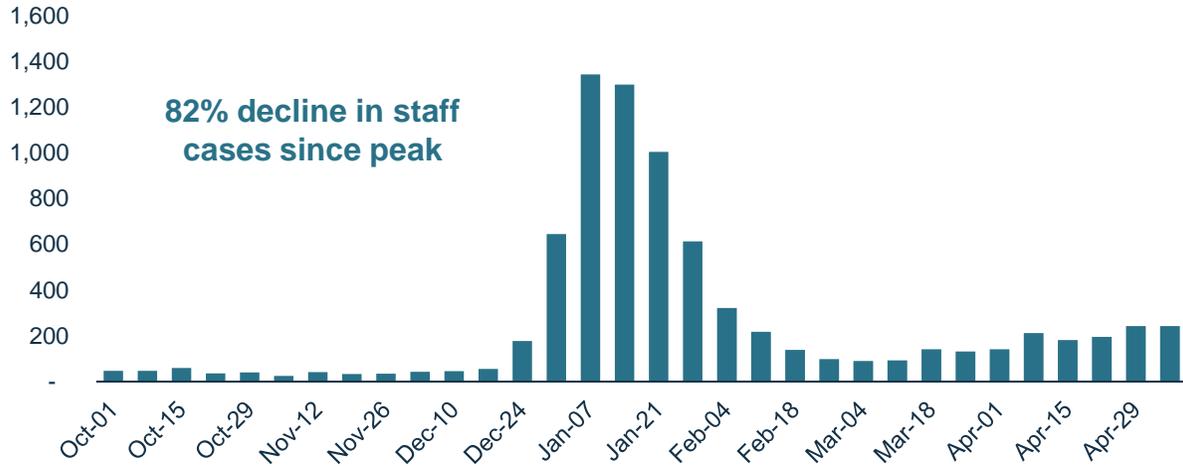
2. Source: NIC MAP® Data Service, Primary and Secondary markets

3. Represents quarterly year-over-year Same Store REVPO growth percentage. See each quarters' respective Supplemental Information Report for a discussion of such supplemental reporting measure as well as the applicable reconciliations

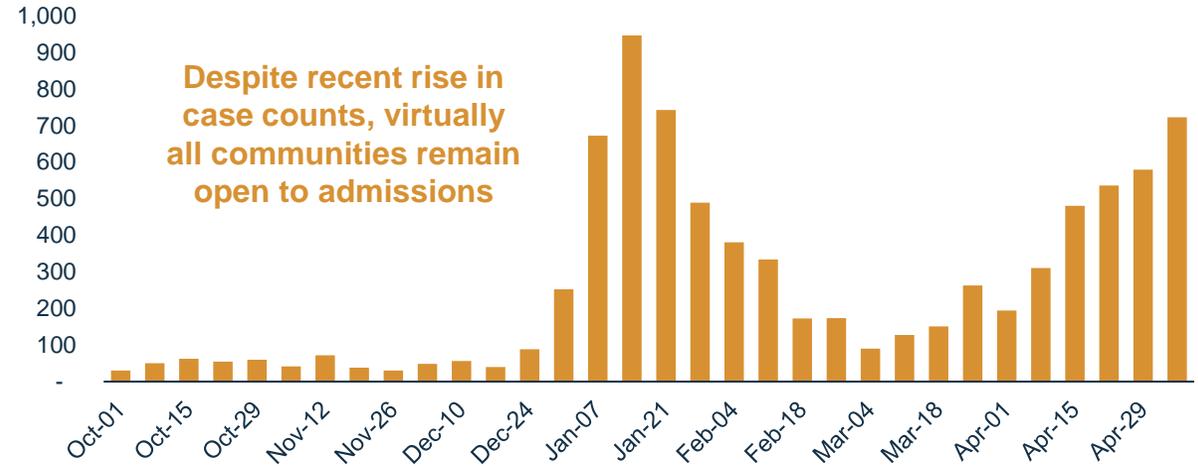
Seniors Housing Update

SHO Portfolio | COVID-19 Impact⁽¹⁾

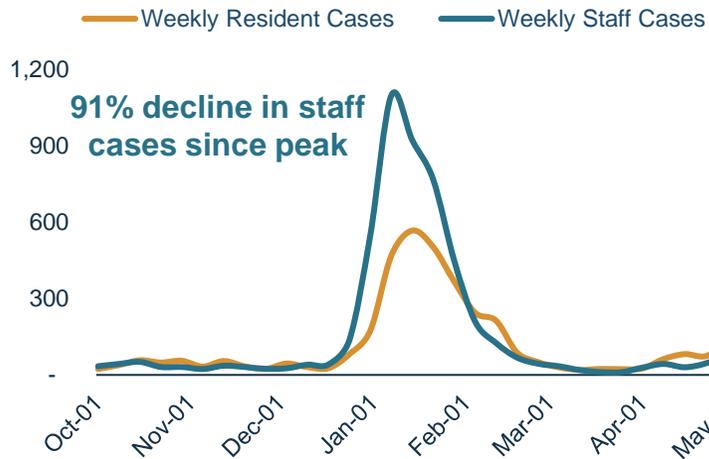
Weekly Staff COVID-19 Cases



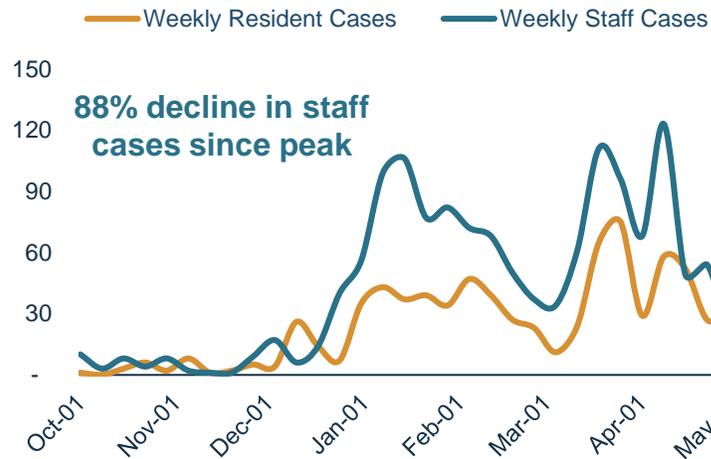
Weekly Resident COVID-19 Cases



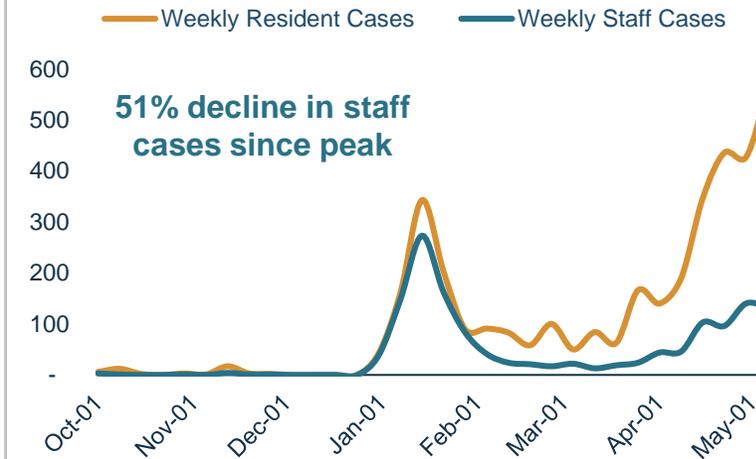
WELL US SHO Portfolio



WELL UK SHO Portfolio



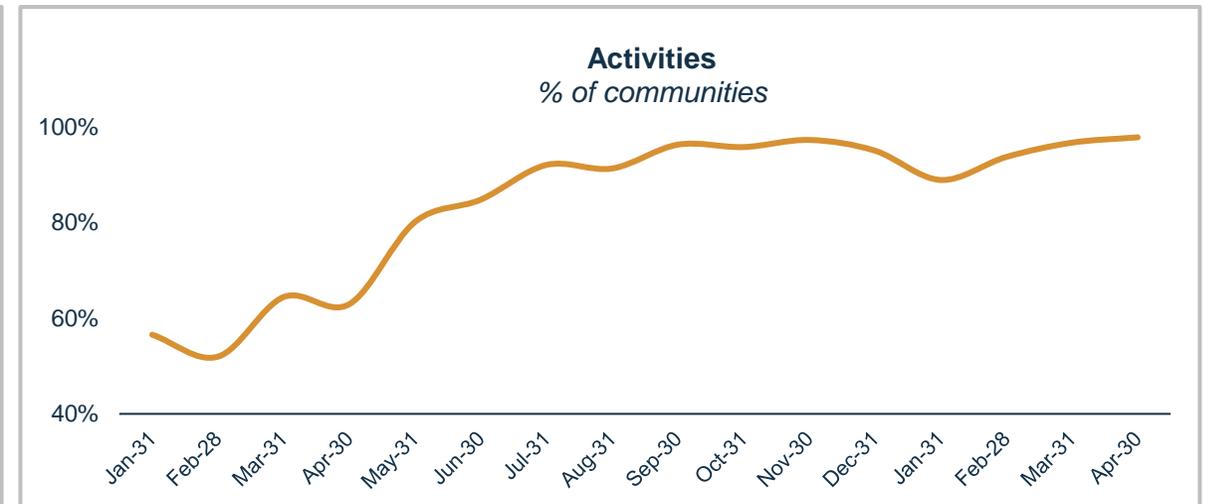
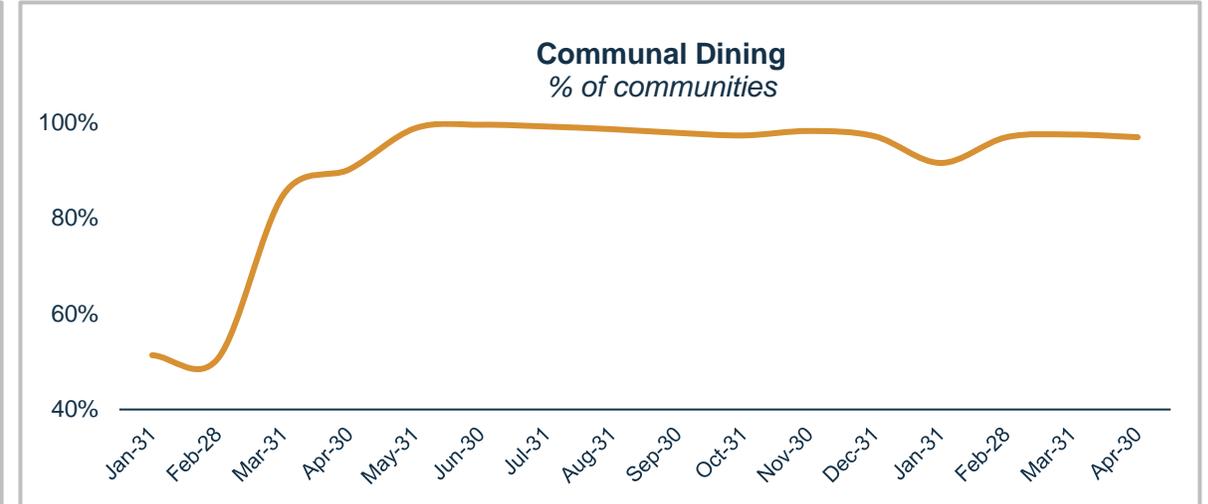
WELL Canada SHO Portfolio



1. All data presented as of May 6, 2022 as reported by operators

SHO Portfolio | Additional Community Details⁽¹⁾

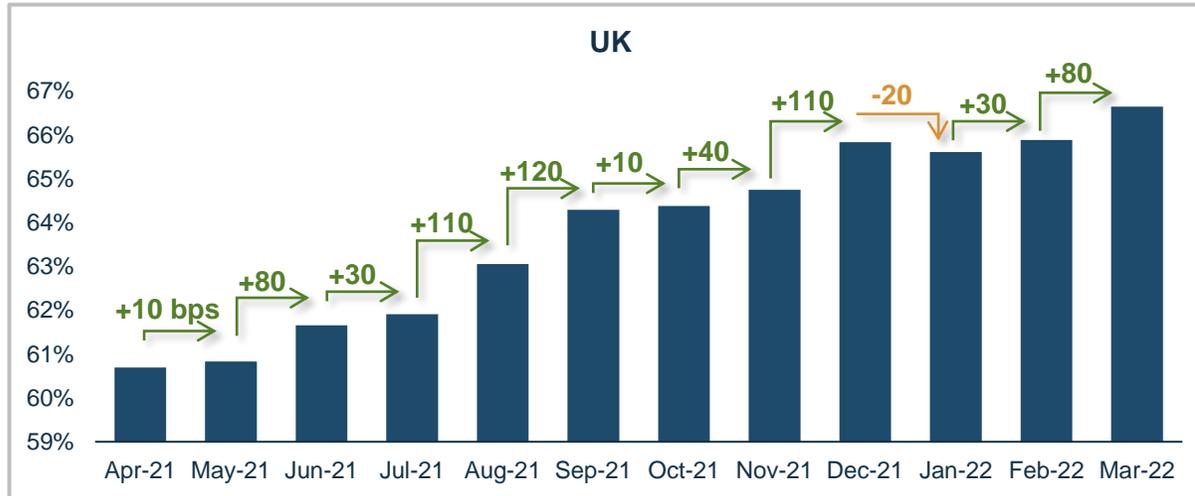
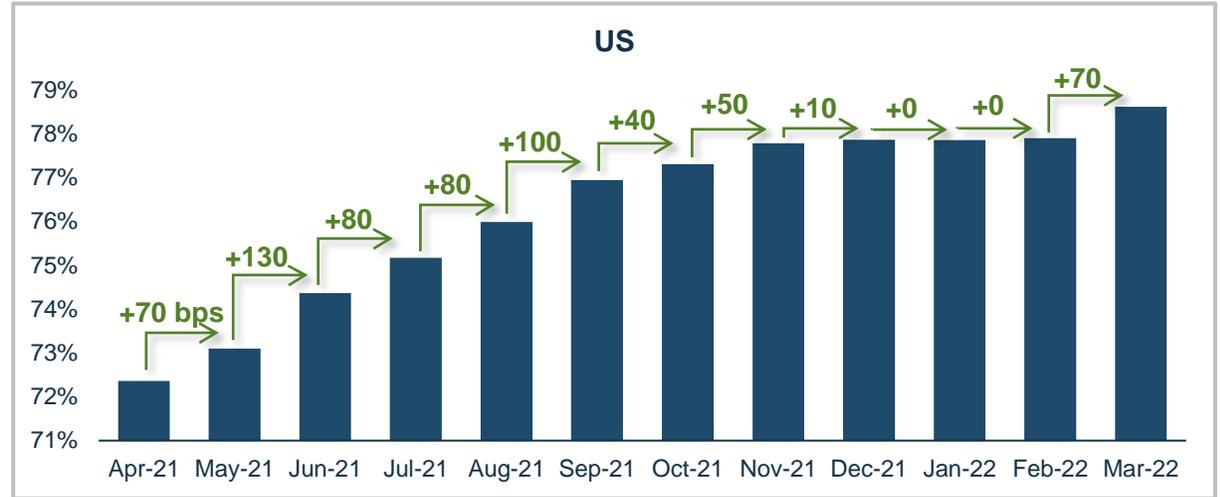
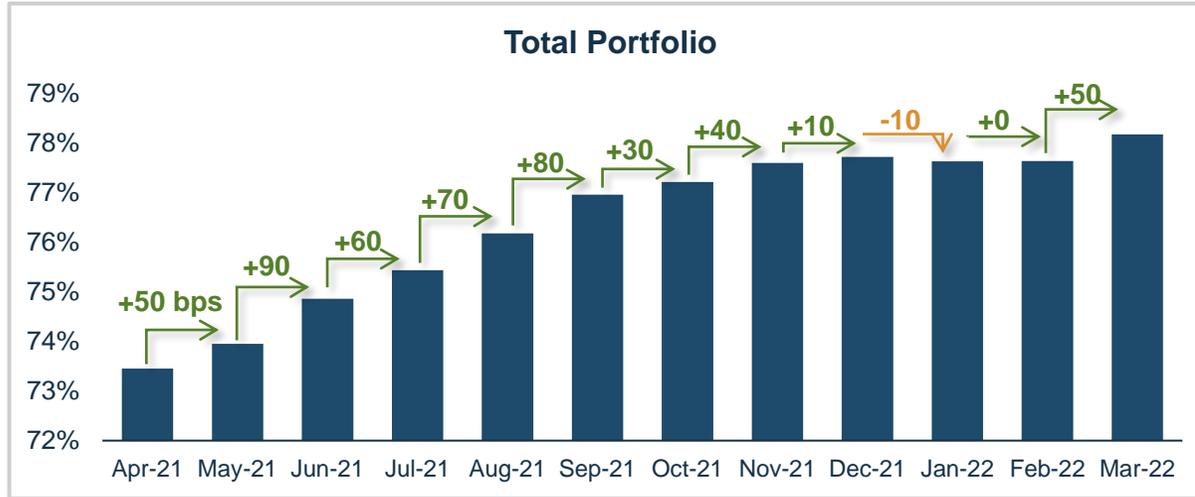
Virtually all communities remain open for tours, visitation, and resident activities



1. As reported by operators

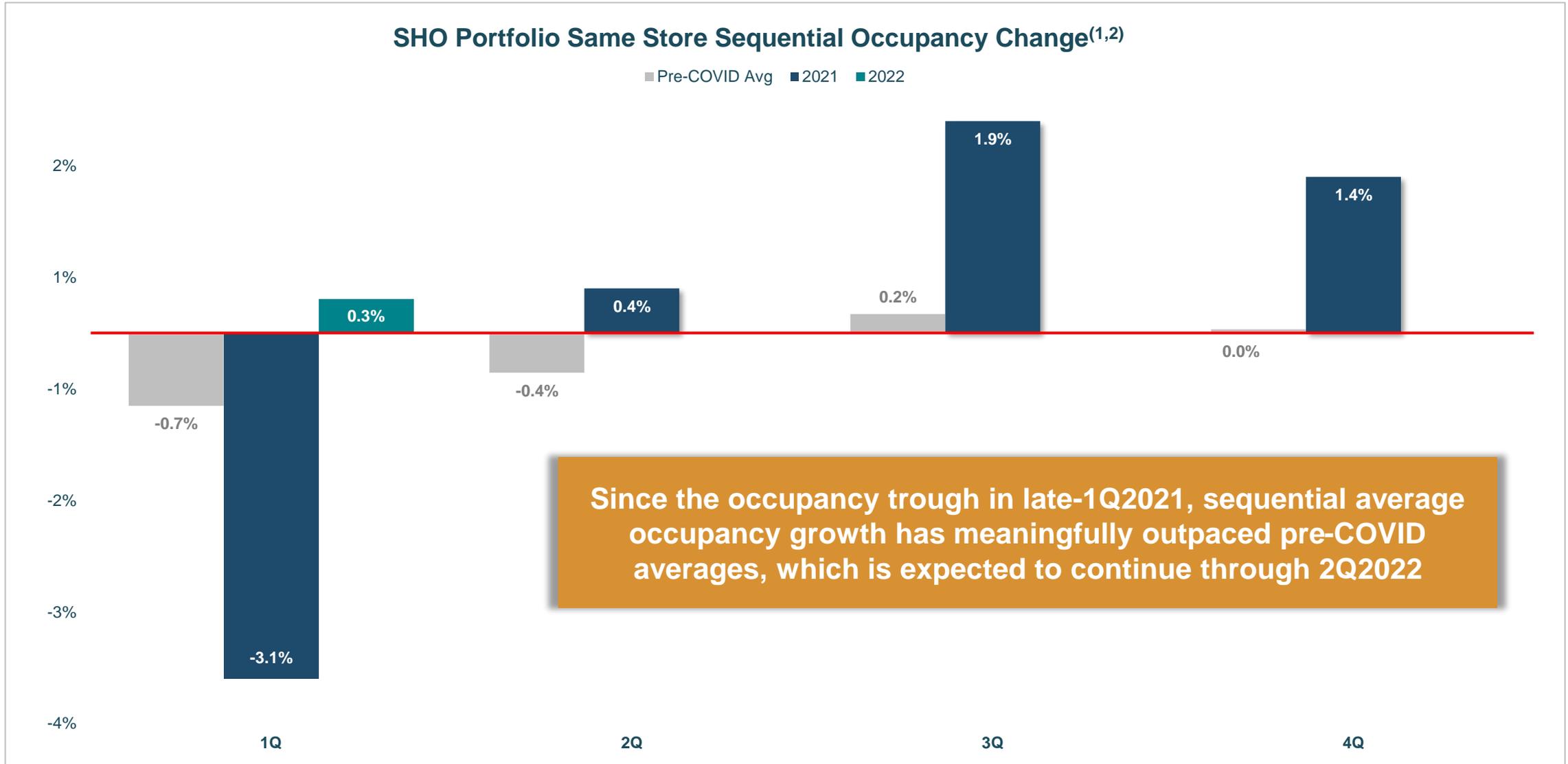
SHO Portfolio | Occupancy Trends⁽¹⁾

Occupancy gains have continued through 1Q2022



1. Spot occupancy represents approximate month end occupancy at our share for 543 properties in operation as of December 31, 2020, including unconsolidated properties but excluding acquisitions, executed dispositions, development conversions, 4 closed properties, and excludes the impact of the previously announced transition of 45 properties from Sunrise UK to Care UK and Signature Senior Lifestyle effective December 1, 2021. Approximate month end spot occupancy is as follows: **Total**: Apr – 73.4%; May – 73.9%; Jun – 74.9%; Jul – 75.4%; Aug – 76.2%; Sep – 76.9%; Oct – 77.2%; Nov – 77.6%; Dec – 77.7%; Jan – 77.6%; Feb – 77.6%; Mar – 78.2% **US**: Apr – 72.4%; May – 73.1%; Jun – 74.4%; Jul – 75.2%; Aug – 76.0%; Sep – 76.9%; Oct – 77.3%; Nov – 77.8%; Dec – 77.9%; Jan – 77.9%; Feb – 77.9%; Mar – 78.6% **UK**: Apr – 60.7%; May – 60.8%; Jun – 61.7%; Jul – 61.9%; Aug – 63.1%; Sep – 64.3%; Oct – 64.4%; Nov – 64.7%; Dec – 65.8%; Jan – 65.6%; Feb – 65.9%; Mar – 66.6%

Occupancy Continues to Outperform Seasonal Trends



1. Represents SHO same store portfolio each quarter at pro rata ownership; see each quarters respective Supplemental Information Report
2. Pre-COVID average represents 2016 through 2019

Balanced Lease Structure Mitigates Impact of Inflationary Pressures⁽¹⁾

Shorter duration leases in SHO portfolio allow for more frequent mark-to-market of rents

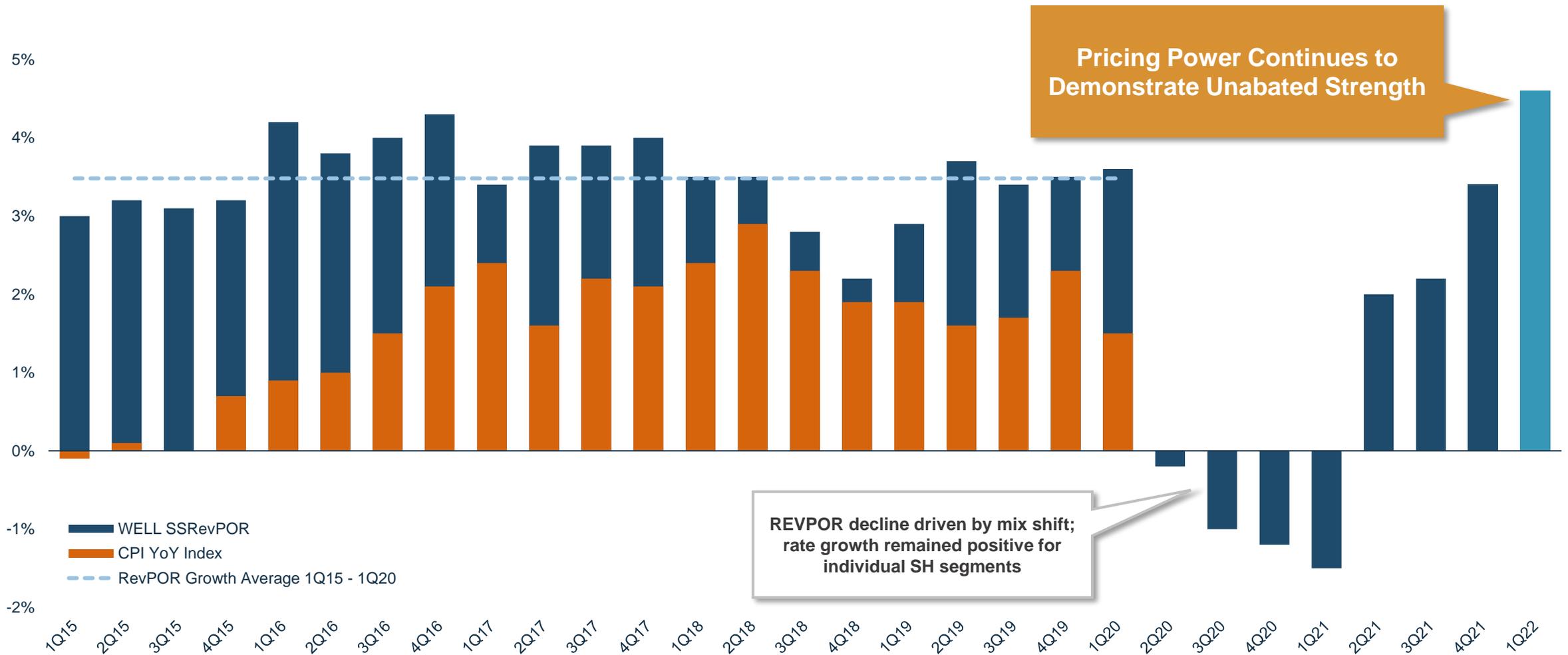


Approximately 2.8 year total portfolio weighted average lease term⁽⁴⁾

1. WALT: Weighted Average Lease Term
 2. Represents annualized NOI as reported in 1Q2012. See 1Q2012 Supplemental Information Report for further information
 3. Represents in place NOI. See Supplemental Financial Measures at the end of this presentation for further information and reconciliation
 4. Assumes 50% of SHO resident agreements reset on January 1 and 50% reset on the anniversary date (6 months). Weighted Average Lease Term/Maturity per 1Q2022 supplemental disclosure: SH NNN = 10 years, LT/PAC = 8 years, Outpatient Medical = 7 years; Health System = 14 years and based upon segment level 1Q2022 rental income

SHO Portfolio | Historical Rate Growth vs. Inflation

WELL Pre-COVID REVPOR Growth Exceeded Inflation by an Average of 2% Annually⁽¹⁾

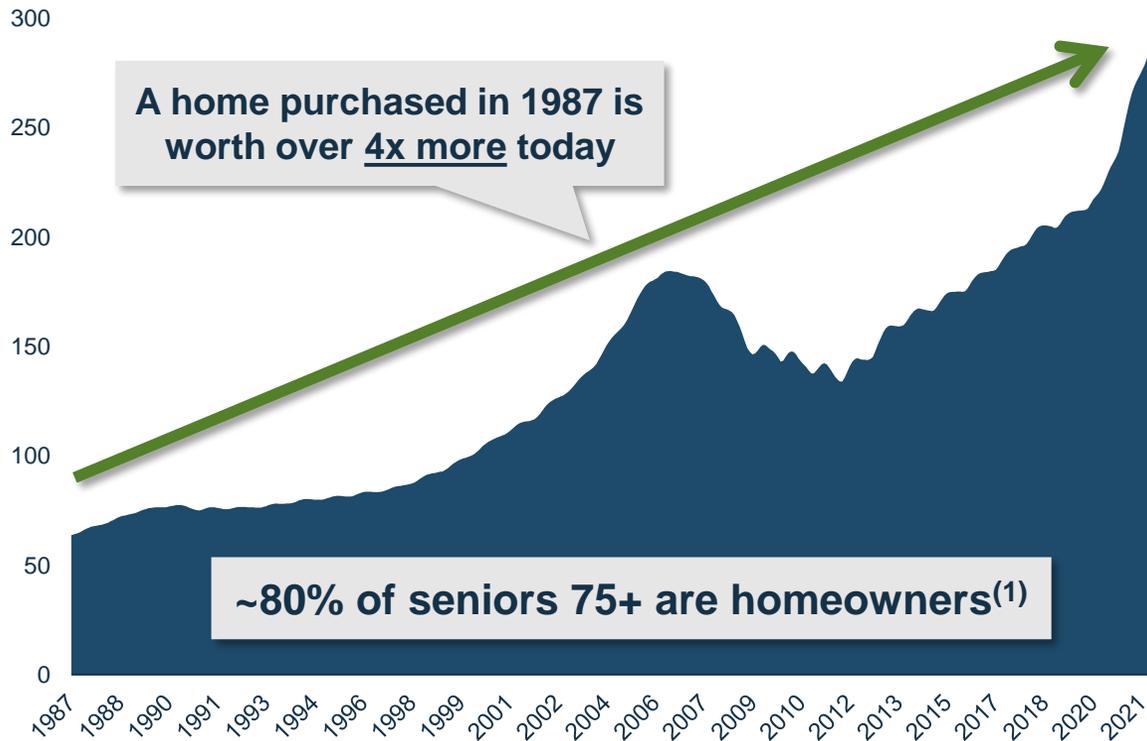


1. Represents quarterly year-over-year Same Store REVPOR growth percentage. See each quarters respective Supplemental Information Report for a discussion of such supplemental reporting measure as well as the applicable reconciliations

Significant Wealth Accumulation Allows for Greater SH Affordability

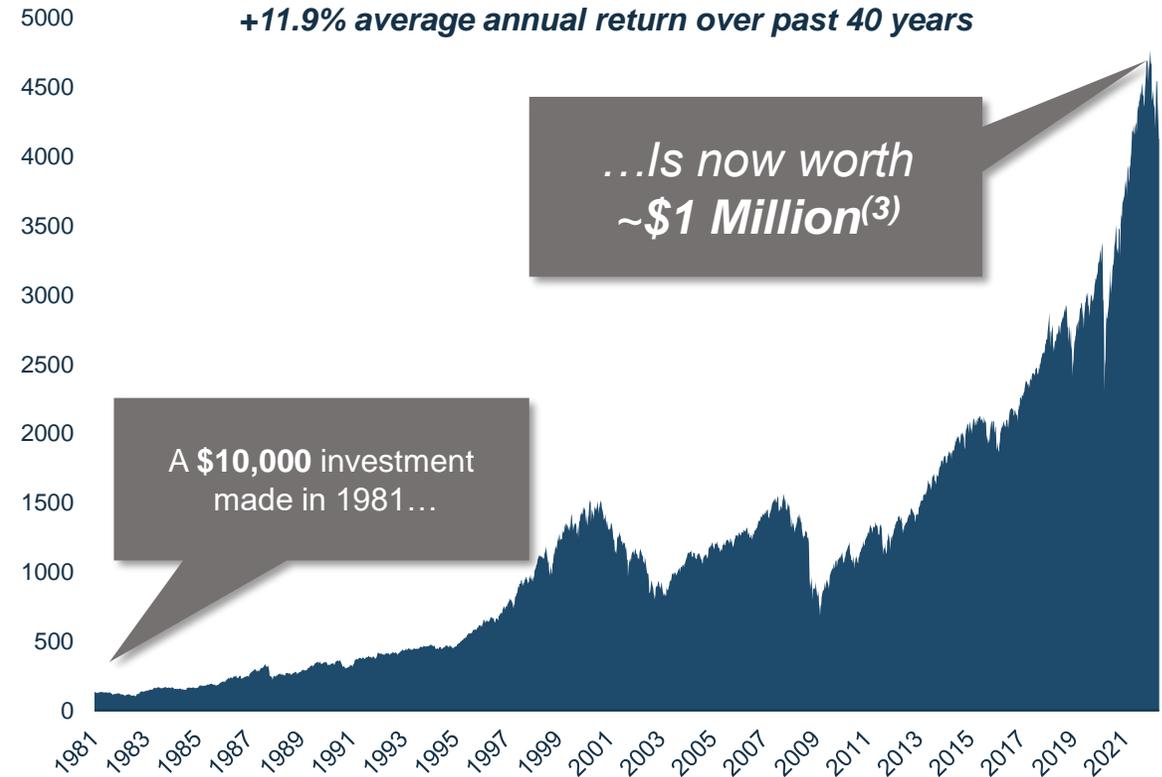
Backdrop to drive rate growth remains favorable

Home Price Appreciation | 1987 - Present
S&P/Case-Shiller U.S. National Home Price Index



S&P500 | 1981 – Present⁽²⁾

+11.9% average annual return over past 40 years



Seniors Housing is NOT INCOME DEPENDENT; generally funded through ASSET SALES and PERSONAL WEALTH

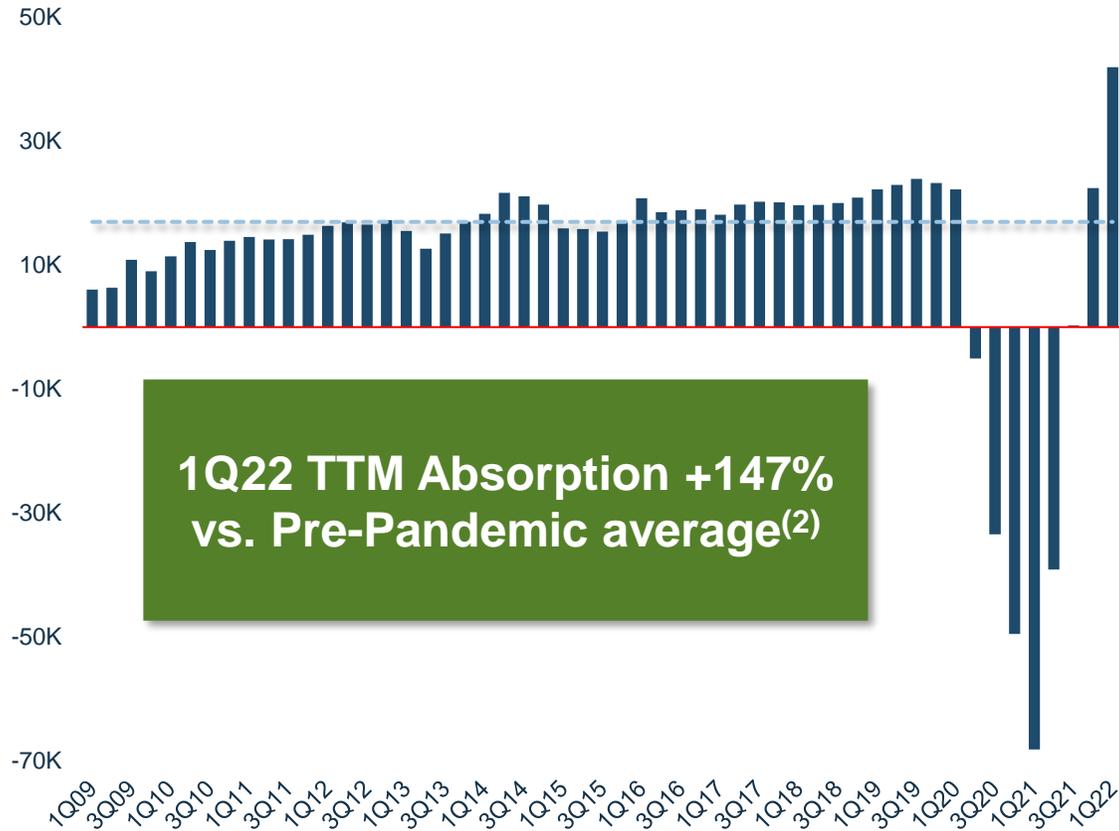
1. Source: U.S. Census Bureau, Current Population Survey/Housing Vacancy Survey
 2. Source: Bloomberg as of 5/8/2022
 3. Assumes reinvestment of dividends and annual compounding

Seniors Housing Backdrop Supports Sustained Revenue Acceleration in 2022+

SH Demand Remains Robust

TTM Absorption⁽¹⁾
 NIC MAP Primary and Secondary Markets

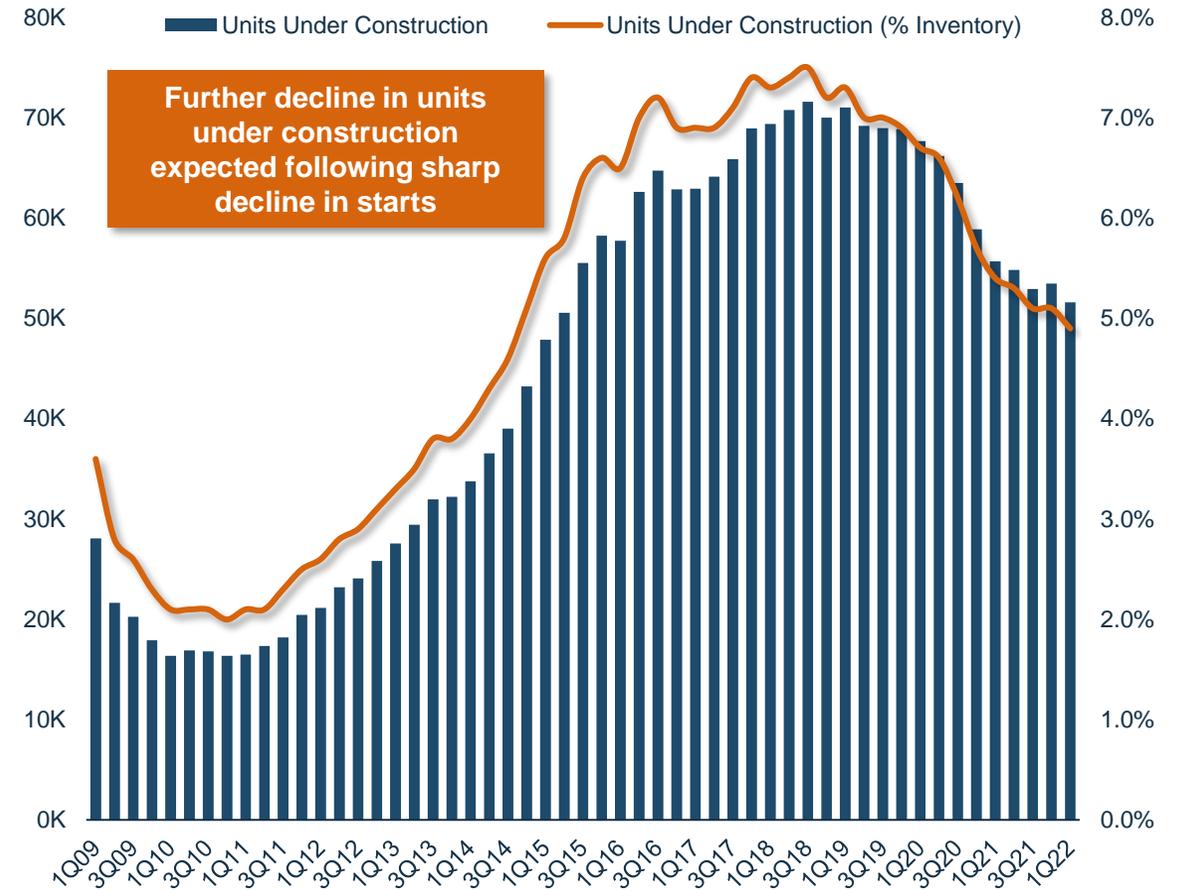
■ TTM Absorption - - - Pre-Covid Average



SH Construction Continues to Recede

Units Under Construction⁽¹⁾
 NIC Primary and Secondary Markets

■ Units Under Construction — Units Under Construction (% Inventory)

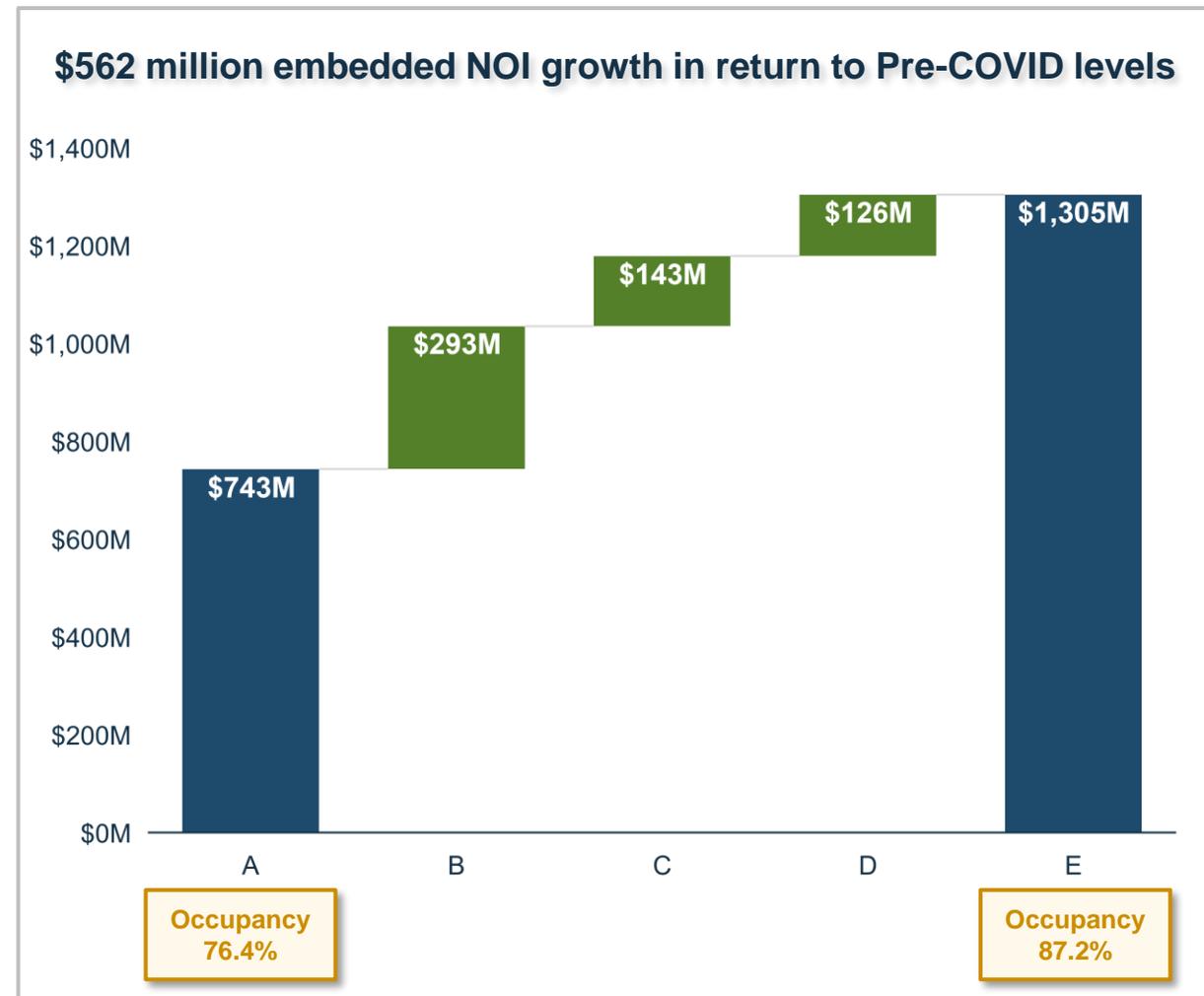


1. National Investment Center for Seniors Housing & Care – latest available data
 2. Pre-pandemic average represents 1Q09-1Q20

SHO Portfolio | Path to Recovery

Category	NOI (\$M)
A) 1Q22 Total Portfolio - IPNOI Portfolio ex HHS ⁽¹⁾	743
B) Stable Portfolio Remaining Occupancy Recovery	293
C) Development, Lease-Up, Transitions and Acquisitions	143
D) Lease-Up of COVID Class Acquisitions (4Q20-1Q22)	126
E) 1Q22 Total Portfolio - Post COVID Recovery NOI	1,305

A)	1Q22 Portfolio In-Place NOI excluding HHS ⁽¹⁾
B)	4Q19 Stable Portfolio - Incremental NOI from return to 4Q19 NOI levels
C)	Incremental NOI from: Development properties delivered subsequent to 4Q19, lease-up properties as of 4Q19, properties transitioned to SHO from SHNNN subsequent to 4Q19, properties acquired subsequent to 4Q19 and prior to 4Q20. NOI stabilization assumes return to Pre-COVID NOI for acquisition properties and underwritten stabilized NOI for development properties
D)	Incremental NOI from stabilization of acquisitions between 4Q20 and 1Q22
E)	1Q22 portfolio post-COVID recovery NOI. Represents portfolio occupancy of 87.2% and operating margin of 30.5%



Potential for ADDITIONAL UPSIDE assuming return to PEAK OCCUPANCY of 91.2% in 4Q2015

Balance Sheet Update

Capitalizing the Opportunity⁽¹⁾

Disciplined Focus on Efficient & Low-Cost Capital Sourcing

✓ Access to **secured and unsecured** debt financing

✓ Pivot between **multiple sources of capital** based upon cost and availability

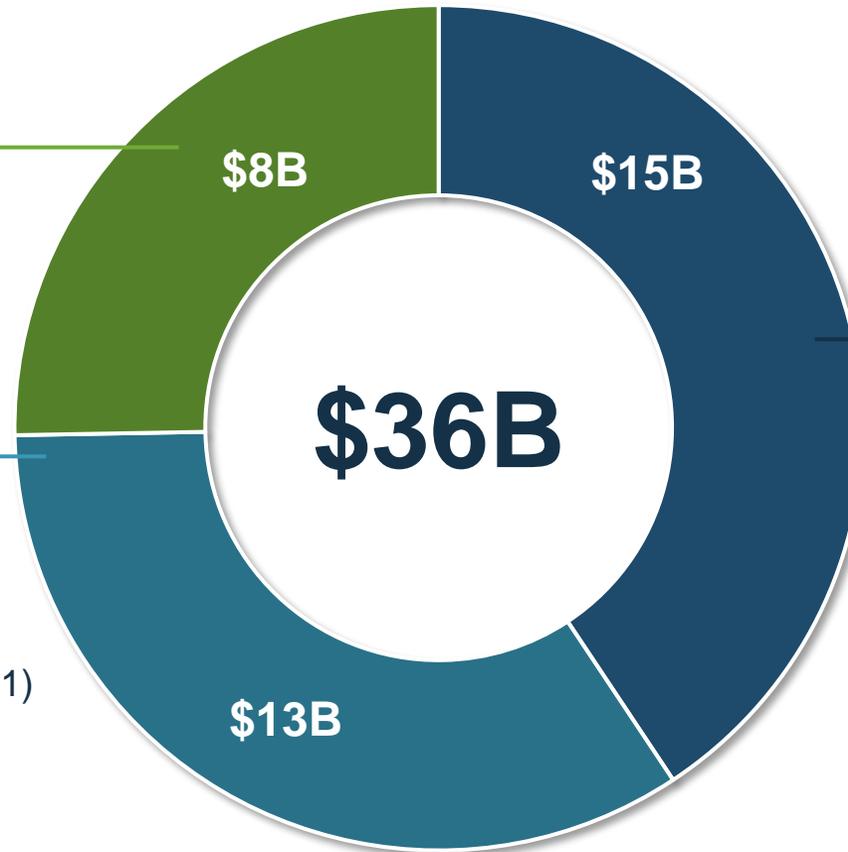
✓ **Recycle capital** to improve portfolio quality and capitalize on market inefficiencies

\$8B | PUBLIC EQUITY

- Efficiently raised via ATM & DRIP programs since 2015

\$13B | DEBT

- Unsecured debt issued since 2015 at average interest rate of 3.5%
- Investment grade balance sheet (BBB+/Baa1)
- \$4 billion revolving credit facility at LIBOR + 77.5bps



\$15B | DISPOSITIONS

- Asset sales completed since 2015
- \$6B of dispositions completed during COVID-19 pandemic at near pre-pandemic valuations

Balance Sheet Highlights

Recent Highlights

- Since January 1, 2022 sold 20.9 million shares of common stock under our ATM program via forward sale agreements for total gross proceeds of approximately \$1.9 billion
 - As of May 9, 2022, approximately 19.5 million shares remain unsettled which are expected to generate future gross proceeds of \$1.8 billion
- Net debt/Adjusted EBITDA of 7.10x as of March 31, 2022⁽¹⁾; SHO portfolio occupancy and margin recovery is expected to drive further improvement to leverage metrics in future quarters
 - **Net debt/Adjusted EBITDA of 6.23x assuming 1Q2022 run rate investment activity, 2Q2022 investment activity, expected proceeds from assets held for sale and settlement of equity sold on forward basis**
 - Despite near-trough cash flow, balance sheet capacity remains strong with net-debt to consolidated enterprise value at just 24.1%
- In March 2022, issued \$550 million in 3.85% senior unsecured green notes due June 2032
- No material unsecured senior note maturities until 2024

Near Term Liquidity Profile

Cash and Restricted Cash ⁽²⁾	\$367
Line of Credit Capacity	\$3,700
Total Available Liquidity	\$4,067
Expected Proceeds from Assets Held for Sale and Loan Payoffs ⁽³⁾	\$352
Remaining Proceeds from At-the-Market Equity Issuance ⁽⁴⁾	\$1,760
Total Near-Term Available Liquidity	\$6,179

Weighted Average Maturity of 6.9 Years

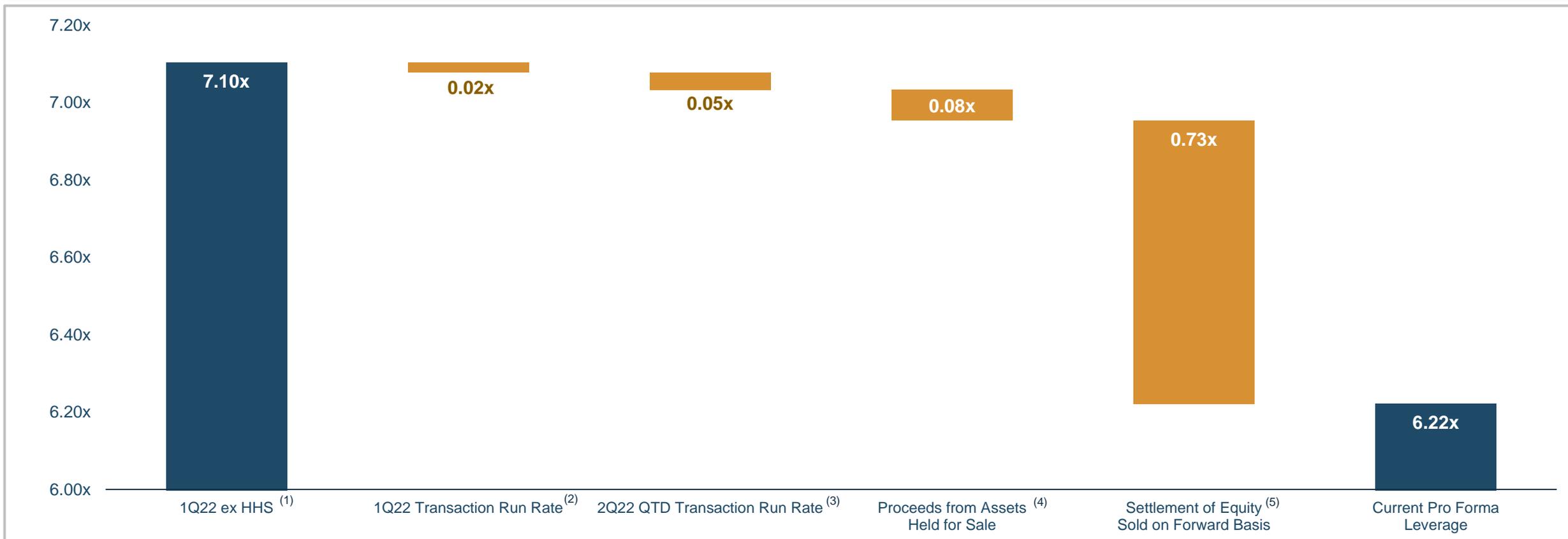
Baa1
MOODY'S

BBB+
S&P Global

1. See Supplemental Financial Measures at the end of this presentation
 2. Cash balance of \$367 million as of March 31, 2022
 3. Includes expected proceeds of \$265 million related to assets held for sale as of 1Q2022 and \$87 million in near-term expected loan payoffs as of March 31, 2022
 4. Shares issued through WELL's at-the-market program on a forward basis not yet settled through May 9, 2022

Pro Forma Leverage

Pro Forma Reduction in Net Debt/Adjusted EBITDA

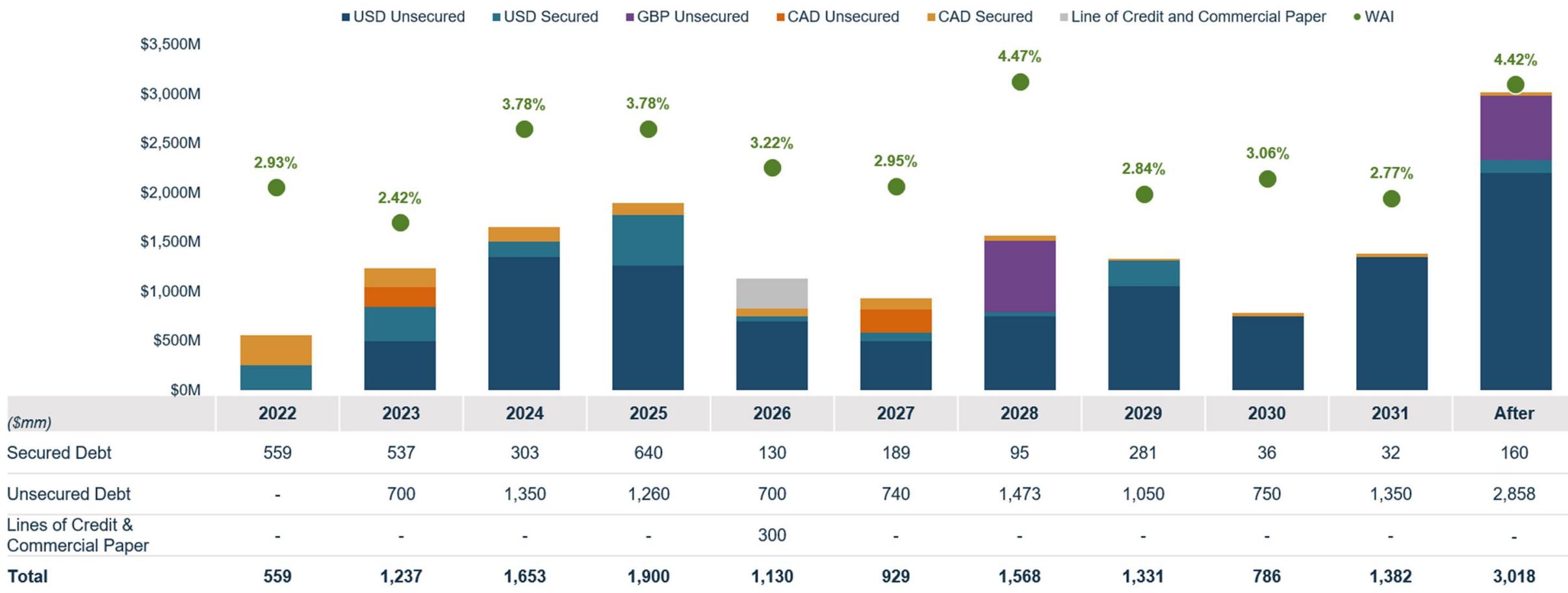


\$562 million in EBITDA recovery to pre-COVID occupancy levels⁽⁶⁾ expected to drive further reduction in leverage

1. Represents 1Q2022 Net Debt to Adjusted EBITDA ex HHS fund received. See Supplemental Financial Measures at the end of this presentation
2. Includes pro forma adjustments to reflect acquisition and disposition activity in 1Q2022 as if all transactions occurred on January 1, 2022
3. Includes pro forma adjustments to reflect \$428 million in acquisition activity closed in 2Q2022 through May 9, 2022, assuming capitalization of 65% equity and 35% debt, and \$70 million in dispositions as if all transactions occurred on January 1, 2022
4. Includes pro forma adjustment to reflect proceeds of \$281 million related to 1Q2022 assets held for sale and expected loan payoffs as of March 31, 2022 not yet closed as if the transactions had occurred on January 1, 2022
5. Includes pro forma adjustment to reflect proceeds of \$1.48 billion from the settlement of shares issued through WELL's at-the-market program on a forward basis (\$1.76 billion not yet settled through May 9, 2022 less \$278 million in proceeds to fund 65% of \$428 million in acquisitions closed in 2Q22)
6. See slide 15 for additional details on potential NOI upside

Well-Laddered Debt Maturity Schedule^(1,2,3)

Weighted Average Maturity of 6.9 Years



1. Represents principal amounts due excluding unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet
2. The 2026 maturity reflects the \$190,000,000 in principal outstanding on our unsecured commercial paper program as of as of March 31, 2022. The unsecured revolving credit facility is comprised of a \$1,000,000,000 tranche that matures on June 4, 2023 (none outstanding at March 31, 2022) and a \$3,000,000,000 tranche that matures on June 4, 2025 (\$110,000,000 at March 31, 2022). Both tranches may be extended for two successive terms of six months at our option. Commercial paper borrowings are backstopped by the unsecured revolving credit facility. As such, we calculate the weighted average remaining term of our commercial paper borrowings using the extended maturity date of the unsecured revolving credit facility
3. 2023 includes a \$500,000,000 unsecured term loan and a CAD \$250,000,000 unsecured term loan (approximately \$200,288,000 USD at March 31, 2022). The loans mature on July 19, 2023. The interest rates on the loans are LIBOR + 0.9% for USD and CDOR + 0.9% for CAD.

1Q 2022 Covenant Compliance⁽¹⁾

Unsecured Debt Covenant Compliance⁽²⁾

	1Q22	Covenant	Compliance
Secured Indebtedness to Total Assets	5.9%	<40.0%	✓
Total Indebtedness To Total Assets	42.5%	<60.0%	✓
Unencumbered Assets to Unsecured Debt	2.73x	>1.50x	✓
Fixed Charge Coverage Ratio	4.17x	>1.50x	✓

Line of Credit Covenant Compliance

	1Q22	Covenant	Compliance
Leverage Ratio	35.3%	<60.0%	✓
Fixed Charge Coverage Ratio	3.53x	>1.50x	✓
Unsecured Debt to Unencumbered Assets	36.4%	<60.0%	✓
Secured Debt Ratio	5.0%	<40.0%	✓
Total Equity Investments to Total Asset Value	2.7%	<25.0%	✓
Total Developments to Total Asset Value	3.2%	<35.0%	✓

1. Covenants calculated based on definitions that are specific to each respective credit agreement, which may differ from similar terms used in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Supplemental
2. Welltower's unsecured debt covenant definitions were recently updated to reflect market precedent for senior unsecured note issuances subsequent March 1, 2021. Covenant calculations based on updated definitions are as follows: Secured Indebtedness to Total Assets: 4.9%, Total Indebtedness to Total Assets: 35.4%, Unencumbered Assets to Unsecured Debt: 2.73x, Fixed Charge Coverage Ratio: 4.17x

Capital Deployment Update

Capital Deployment | Near-Term Pipeline Exceeds \$1.5 Billion

Torrid Pace of Year-to-Date Capital Deployment; Additional \$1.5 Billion+ Near-Term Pipeline

- WELL has completed approximately \$1.2 billion of YTD capital deployment, making 2022 one of the most active starts to the year for investment activity in WELL's history⁽¹⁾
- Since pivoting to offense in October 2020, WELL has completed or announced approximately \$7.6 billion of capital deployment⁽²⁾

- **Additional high-conviction external growth has the potential to drive further per-share earnings upside for existing shareholders**

- Near-term \$1.5 billion pipeline includes ~\$1.0 billion of previously unannounced transaction activity
- Notable deals within the pipeline include:
 - *Oakmont*: Agreement to purchase seven SH communities for \$344 million, subject to customary closing conditions, with an expected high-single-digit unlevered IRR. Transaction expected to be funded through cash on hand and potential issuance of operating partnership units
 - *StoryPoint*: Remaining tranches of previously announced StoryPoint transactions. Total transaction expected to generate a high-single-digit unlevered IRR and to be funded through cash on hand, assumed debt, and potential issuance of operating partnership units

- **In addition to the near-term \$1.5 billion+ pipeline, several billion dollars of opportunities currently under evaluation**

- COVID-related challenges, labor market pressure, and shifting macroeconomic conditions may result in further near-term acquisition opportunities
- **Significant capacity for future capital deployment with over \$2.0 billion of combined proceeds from unsettled ATM shares (\$1.8 billion) and expected dispositions and loan payoffs (\$352 million); seeing greater interest from sellers to potentially accept operating partnership units**



Missionwood Retirement Resort | Kelowna, BC



Oakmont Fountaingrove Lodge | Santa Rosa, CA



Lofts at Glenwood Place | Vancouver, WA

1. As of May 9, 2022; excludes development funding

2. Includes pro rata gross investments across acquisitions and loans since October 2020 and announced StoryPoint and Oakmont acquisition agreements; excludes development funding

Capital Deployment Since 4Q20

Capital Deployment Volume⁽¹⁾

\$7.6B GROSS INVESTMENTS



- ✓ Initial yield of 5.9%; Stable yield of approximately 8.0%
- ✓ Low last-dollar exposure and innovative structure offer downside protection
- ✓ Expected to generate high-single-digit to mid-teens unlevered IRRs to WELL

Granular & Off-Market Transactions

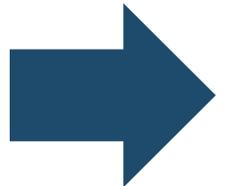
77 Total Transactions
297 OM and SH Properties Acquired
30K Seniors Housing Units Acquired



- ✓ Predictive analytics and exclusive operator relationships used to execute off-market investments
- ✓ Maximizing risk-adjusted return to WELL through creative investments across the capital stack
- ✓ Debt investments offer equity upside in form of warrants and/or bargain purchase options
- ✓ Seniors housing acquisitions executed at an average investment of \$22.0 million per property

Significant Discount to Replacement Cost

\$195K / unit Avg. Last Dollar Basis US transactions
£40K / unit Avg. Last Dollar Basis UK transactions



- ✓ Investments made at significant discount to replacement cost offer enhanced downside protection
- ✓ Limited recent market transactions priced above replacement cost serves to further curtail new supply



StoryPoint Fort Wayne | Fort Wayne, IN



Oakmont Ivy Park at Otay Ranch | Chula Vista, CA



HarborChase of Vero Beach | Vero Beach, FL

1. Includes pro rata gross investments across acquisitions and loans since October 2020 and announced StoryPoint and Oakmont acquisition agreements; excludes development funding

Foundation for Long-Term Growth Established

Opportunity to deploy in excess of \$3.0 billion Annually | Economics Defined During Pandemic

NEW and **PROPRIETARY** long-term relationships with best-in-class developers and operators with either exclusive rights or right of first offer

5

+

20

+

5

=

30

\$30B+

Relationships Formed
Pre-COVID

Newly Formed COVID
Relationships

Additional Relationships
Currently In Progress

Total Newly Established
Growth Relationships

Potential Capital Deployment
Opportunity Over Next Decade



New relationships formed during depths of COVID-19 pandemic to create visible and significant long-term capital deployment opportunities

Centralized Capital Allocation; Decentralized Execution

Welttower Overview

Welltower at a Glance

WELL

LISTED

NYSE

S&P
500

\$55B
Enterprise
Value⁽¹⁾

2.8%
Dividend Yield⁽¹⁾

Baa1
MOODY'S

BBB+
S&P Global
Ratings



125,000+
Seniors Housing &
Wellness Housing Units



~23M sq. ft.
Outpatient Facilities

Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM



World's largest health & wellness real estate platform

Leadership Team



SHANKH MITRA
Chief Executive Officer &
Chief Investment Officer



TIMOTHY G. MCHUGH
Chief Financial Officer



JOHN F. BURKART
Chief Operating Officer



MATTHEW G. MCQUEEN
General Counsel &
Corporate Secretary



AYESHA MENON
Senior Vice President
Wellness Housing & Development



JOSHUA T. FIEWEGER
Chief Accounting Officer

WELL ESG Focus⁽¹⁾ | Profit, Planet, People

E Building a Portfolio for the Future

S Serving our People and our Communities

G Good Governance is Good Business

Sustainability Goals & Achievements⁽¹⁾

Targeting 10% reduction in greenhouse gas (GHG) emissions, energy, and water use by 2025⁽²⁾

First health care REIT to issue Green Bond (December 2019)
Issued second Green Bond (March 2022)

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM



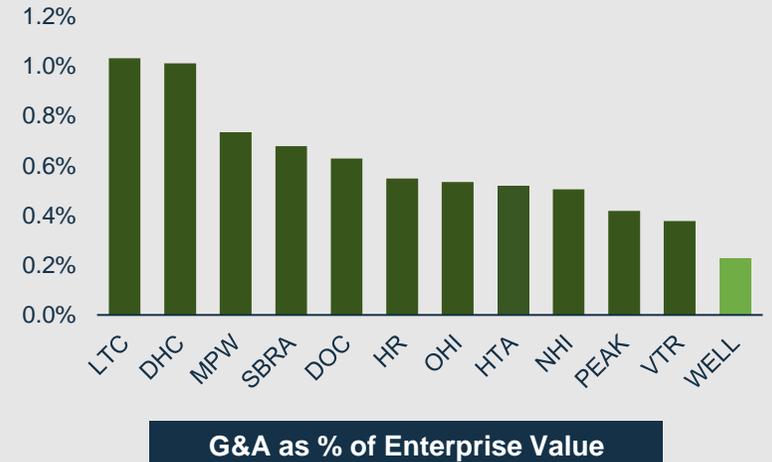
Gender parity across organization



Employee participation across 8 Employee Network Groups

- 80% Women and Minority Independent Director Leadership on the Board of Directors
- ESG Goals Incorporated into Management Compensation Plan
- Separate Chairman & CEO roles

Lowest G&A Burden Amongst Health Care REITs⁽³⁾



1. See Welltower 2020 Environmental, Social and Governance Report and Business Update dated June 7, 2021 for additional details and disclosures
2. See Welltower 2020 Environmental, Social and Governance Report for additional details and disclosures
3. Most recently disclosed trailing twelve-month G&A; Enterprise Value as of May 9, 2022

Drivers of Per Share Cash Flow Growth



SECULAR GROWTH TAILWINDS

Post-COVID fundamental recovery sustained by strong demographic trends, shift to value-based health care, and social determinants of health



ACCRETIVE CAPITAL DEPLOYMENT

External growth strategy underpinned by value-oriented capital deployment philosophy and data-driven decisions in innovative structures



DIVERSIFIED PLATFORM OF OPERATORS

Strongly aligned operating partners, positioned for significant growth



STRONG INTERNAL TALENT BASE

Entrepreneurial – Passionate – Diverse – Aligned



RISK MITIGANTS

Value-based investment philosophy and innovative structure of transactions offer significant downside protection

Strong investment grade balance sheet and robust liquidity profile



New Paradigm for Growth with Lower Entity-Level Risk

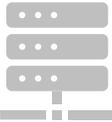
PAST FIVE YEARS DO NOT REFLECT OUTLOOK FOR NEXT FIVE YEARS

	Where we <i>Were</i> (2015- 2020)	→	Where we're <i>Going</i> (2021 and beyond)
 SENIORS HOUSING DEMAND	<ul style="list-style-type: none"> Relatively flat demographic growth of key seniors housing demographic resulting from “Baby Bust” of 1928 - 1940 	→	<ul style="list-style-type: none"> Sharply accelerating growth of 80+ age cohort
 SENIORS HOUSING SUPPLY	<ul style="list-style-type: none"> Significant multi-year increase in seniors housing supply 	→	<ul style="list-style-type: none"> Precipitous decline in starts resulting from accelerating construction costs and challenges in procuring construction financing
 PORTFOLIO	<ul style="list-style-type: none"> Outsized operator and post-acute concentration: Genesis Healthcare comprised nearly 20% of WELL NOI 	→	<ul style="list-style-type: none"> Substantially exited operating relationship with Genesis; immaterial post-acute care exposure following announced sales⁽¹⁾
 OPERATOR PLATFORM	<ul style="list-style-type: none"> Long-term revenue-based management contracts 	→	<ul style="list-style-type: none"> Aligned interests via RIDEA 3.0 construct with shorter term management contracts
 INVESTMENT ENVIRONMENT	<ul style="list-style-type: none"> Focused on improving portfolio quality through dispositions Prohibitive seniors housing valuations resulted in few net investment value creation opportunities 	→	<ul style="list-style-type: none"> Significant increase in net investment activity: abundant opportunities to create shareholder value through capital deployment
 EARNINGS GROWTH	<ul style="list-style-type: none"> Lackluster growth resulting from elevated disposition activity and impact of COVID-19 pandemic 	→	<i>At the cusp of multi-year period of compelling per share growth</i>

1. See Welltower press release and business update dated March 2, 2021

Secular Societal & Technological Trends | Impact on Real Estate Sectors

Precedent for EXTENDED PERIOD OF MULTIPLE EXPANSION in Secular Growth Sectors

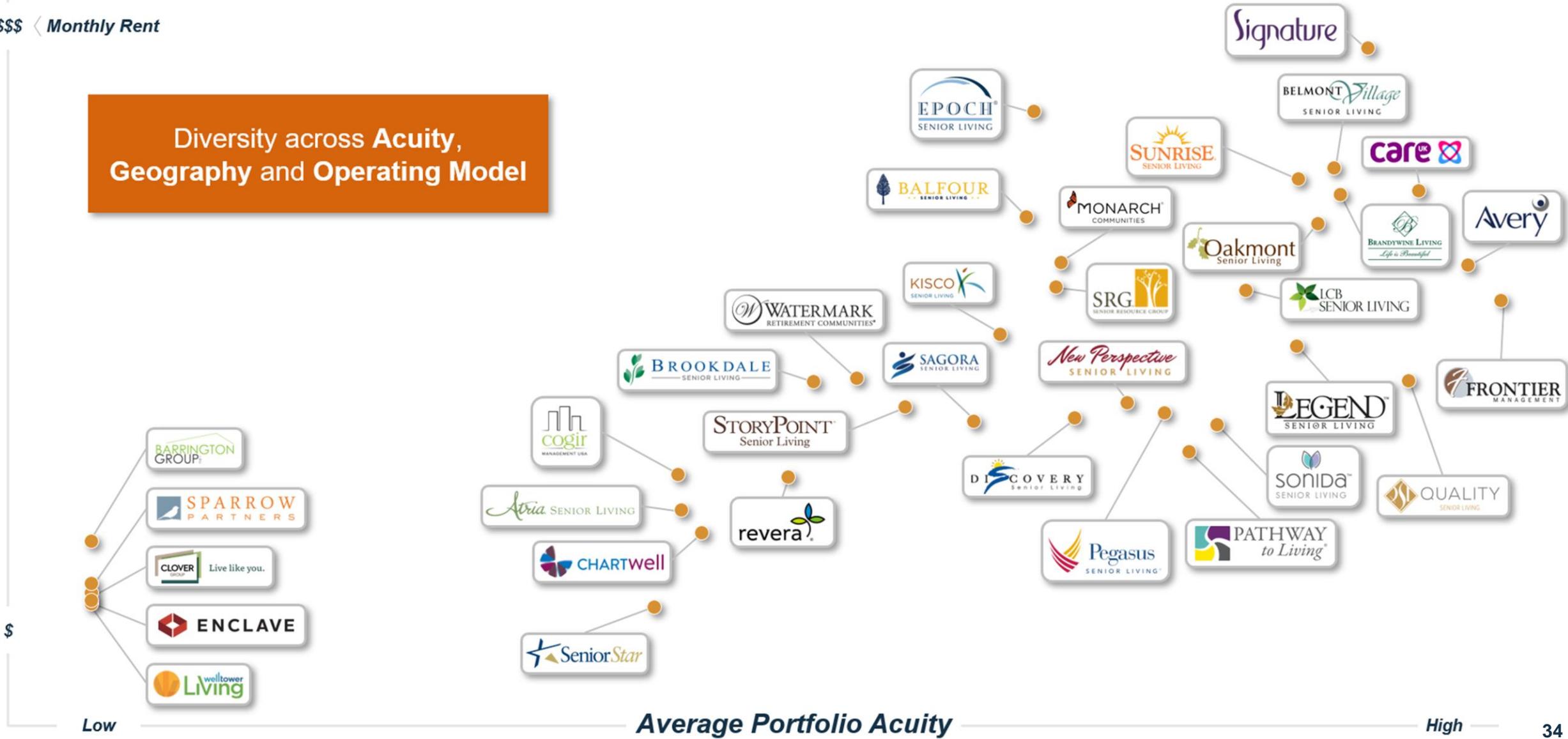
	THEME	REAL ESTATE SECTOR IMPACT
	E-Commerce	Industrial
	Digital Technology	Data Centers
	Mobile Phone Usage & Wireless Technology	Cellular Towers
	AGING OF THE POPULATION	HEALTH CARE

Seniors Housing

Seniors Housing Operator Platform | Power of Diversification

\$\$\$ < Monthly Rent

Diversity across Acuity, Geography and Operating Model

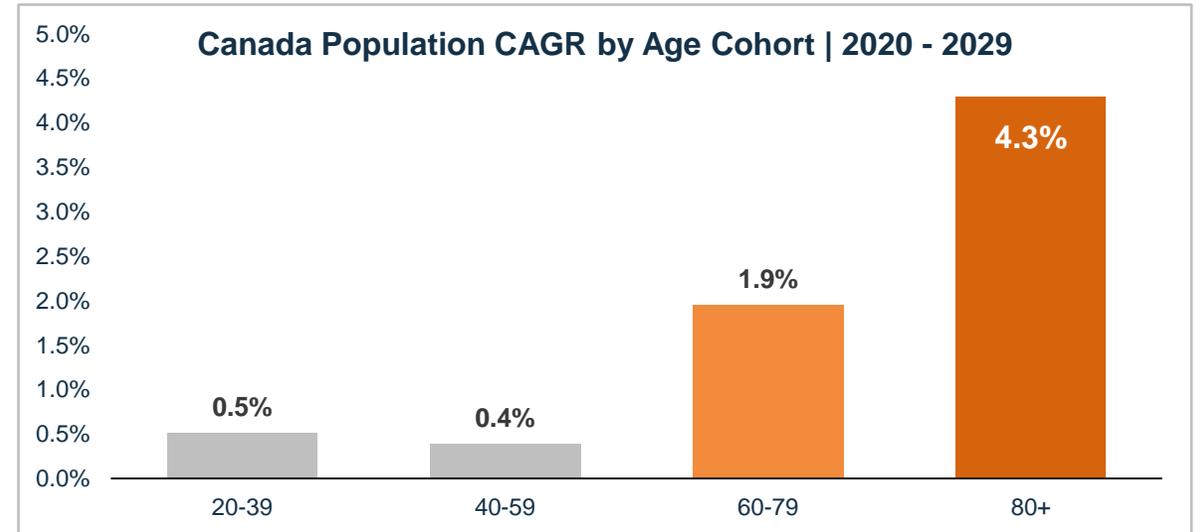
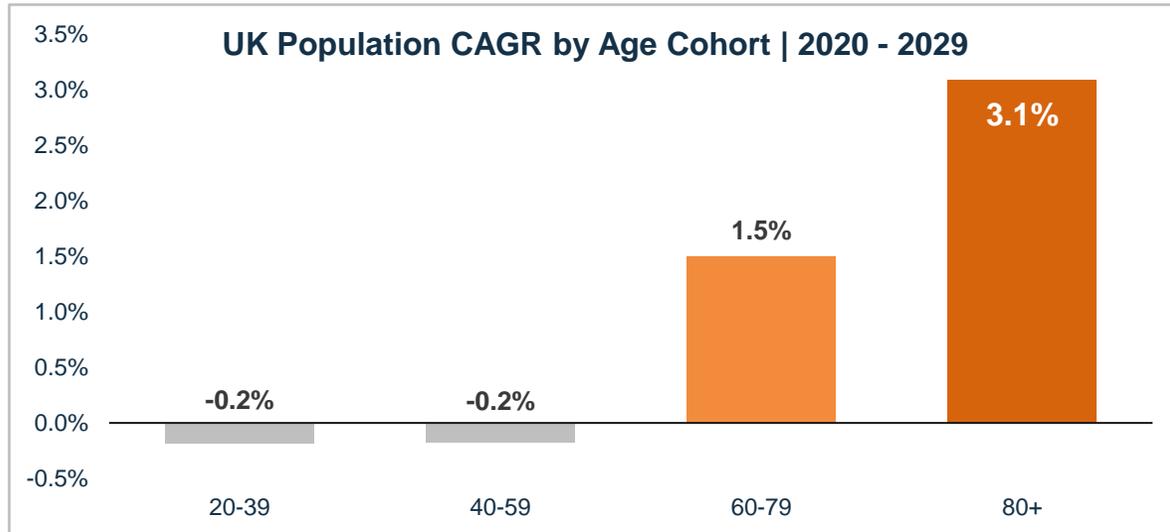
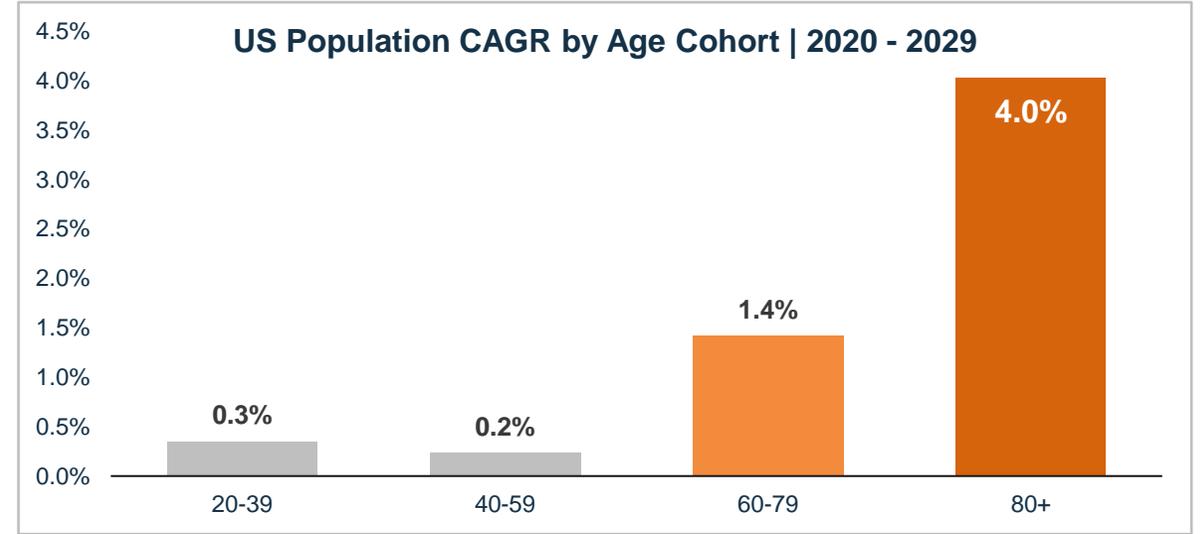
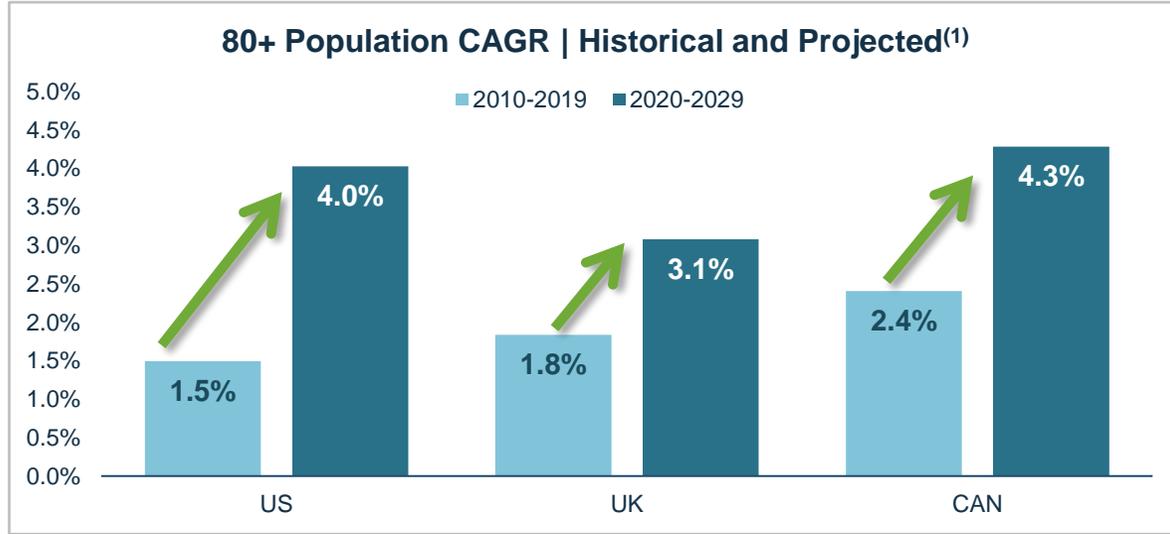


Low

Average Portfolio Acuity

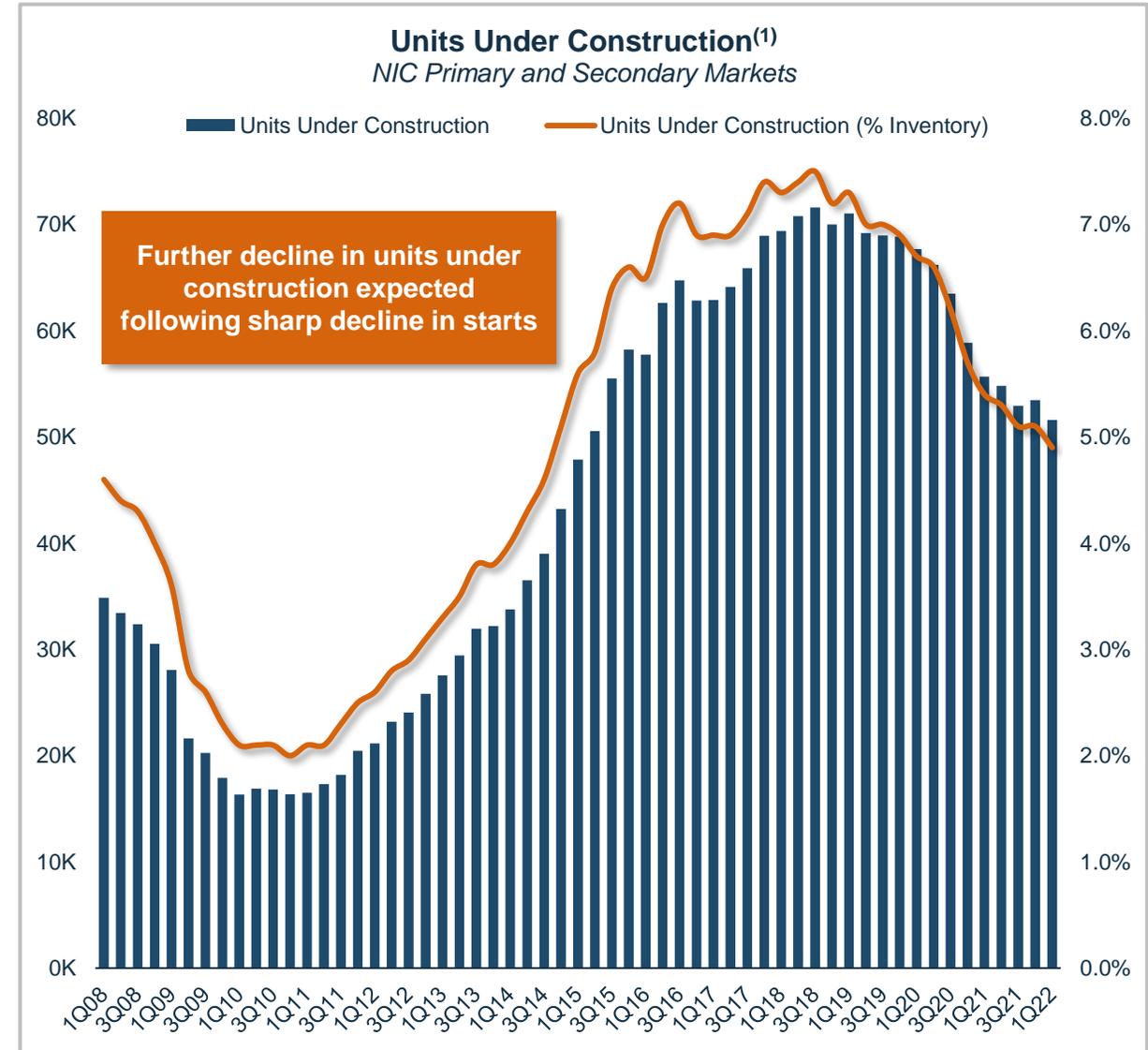
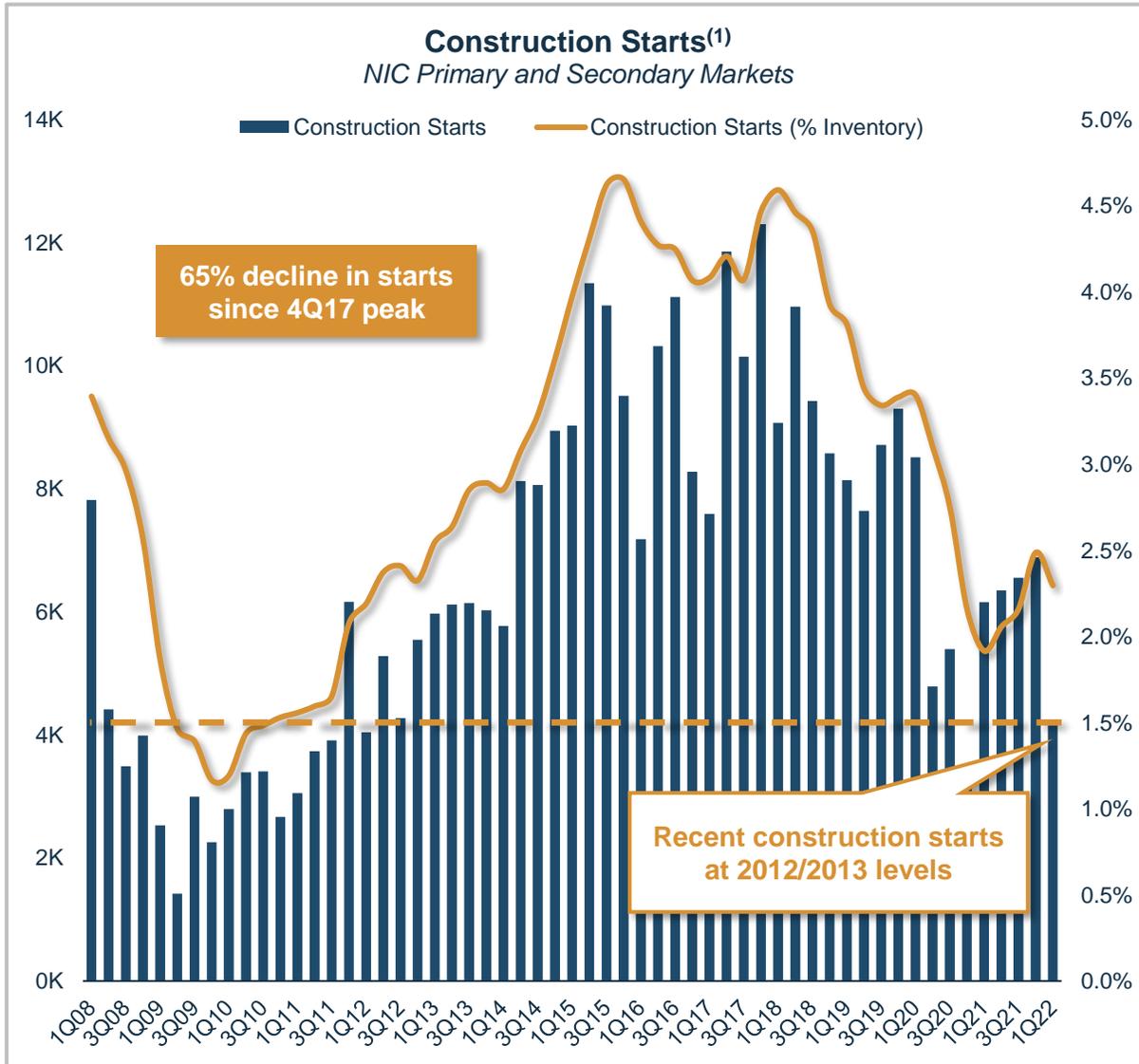
High

Demographic Backdrop | Rapidly Aging Population



1. The Organisation for Economic Cooperation and Development (OECD). Data as of September 20, 2021

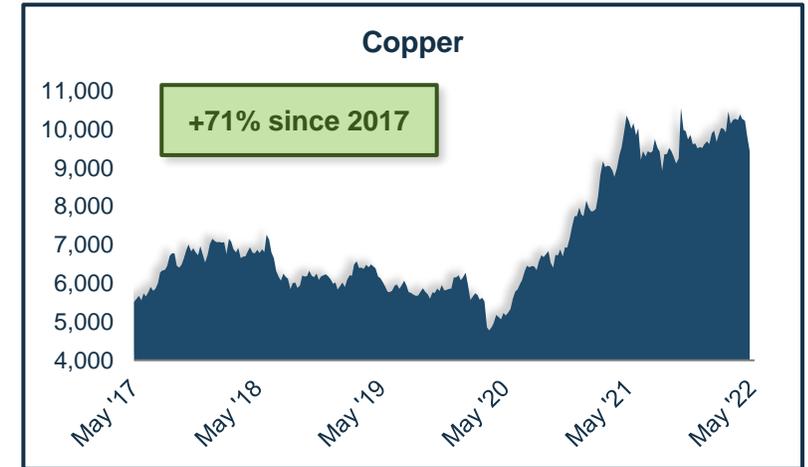
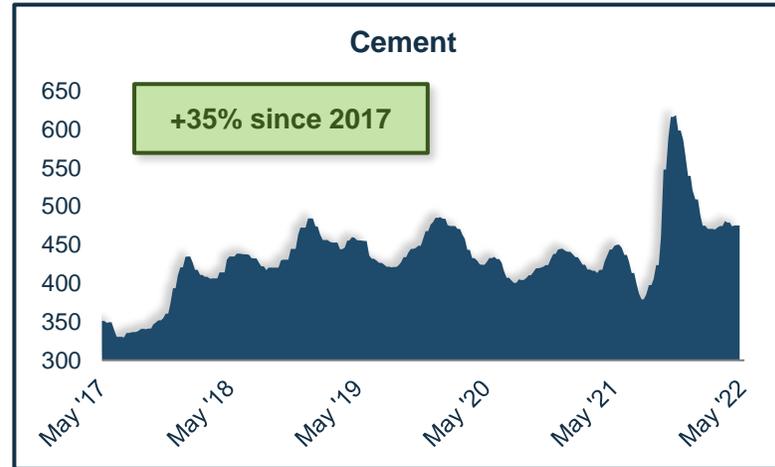
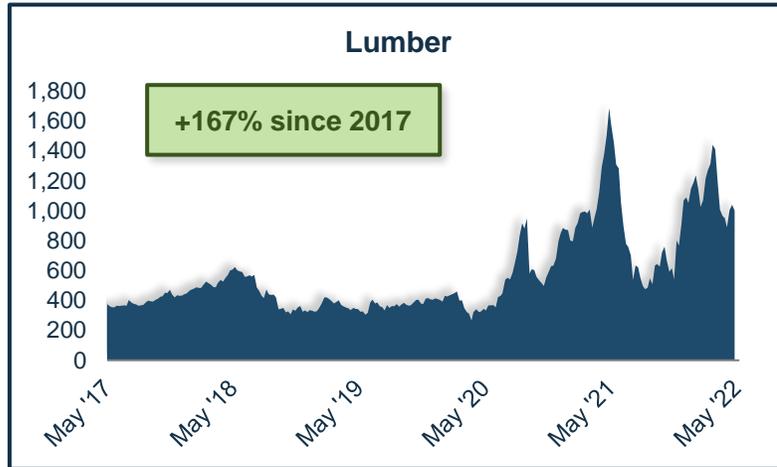
Seniors Housing Supply | Construction Remains Well Below Peak Levels



1. Source: NIC MAP® Data Service

Seniors Housing Supply | Surging Construction Costs

Material increase in cost of development for ALL RESIDENTIAL property types including SENIORS HOUSING



WEAKER DEVELOPMENT ECONOMICS LEADING TO SHARP DECLINE IN SENIORS HOUSING SUPPLY

Outpatient Medical

Investment Theme | Secular Shift to Outpatient Care Settings



TECHNOLOGY & INNOVATION

Advances in medical procedures and clinical innovation ease the migration to outpatient settings



CONSUMER PREFERENCE

Consumer demand for **improved care delivery and value** necessitates a change in care delivery settings



POPULATION HEALTH

Providers, clinicians, and payors seek ways to serve broader populations effectively and affordably

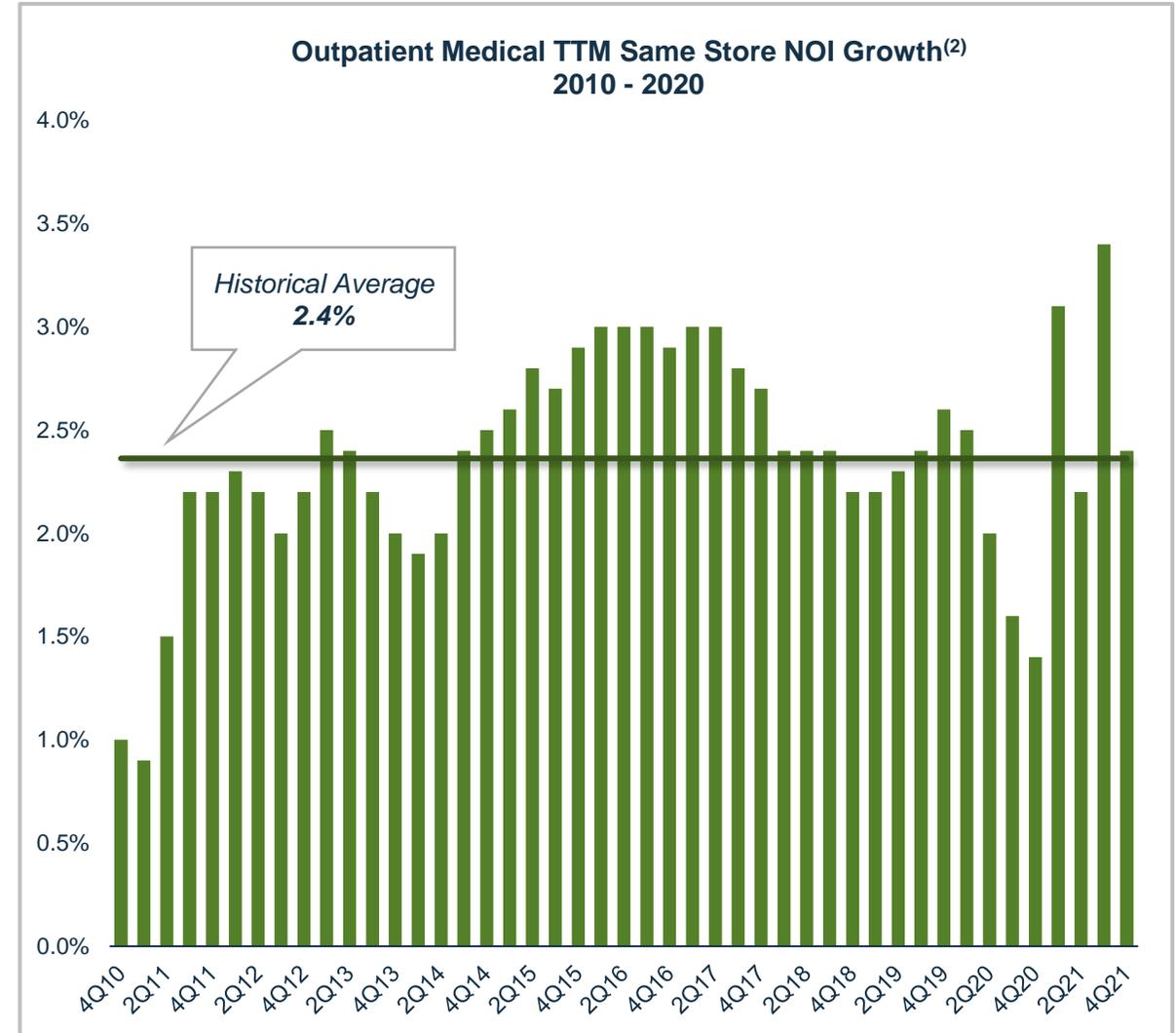
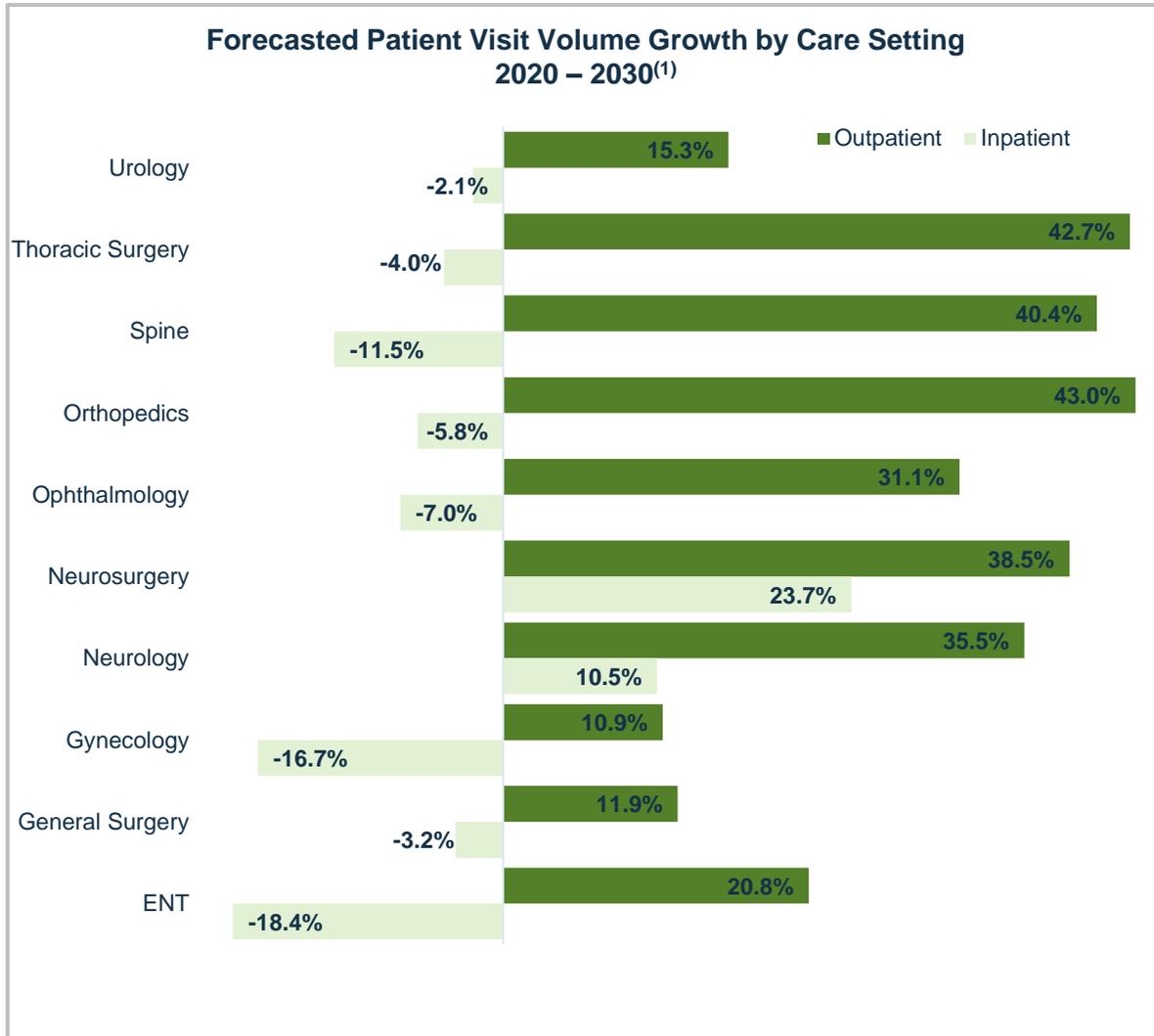


PAYOR PRICES

Value-based care promotes new incentives for providers and payers to determine the **lowest-cost sites of care**

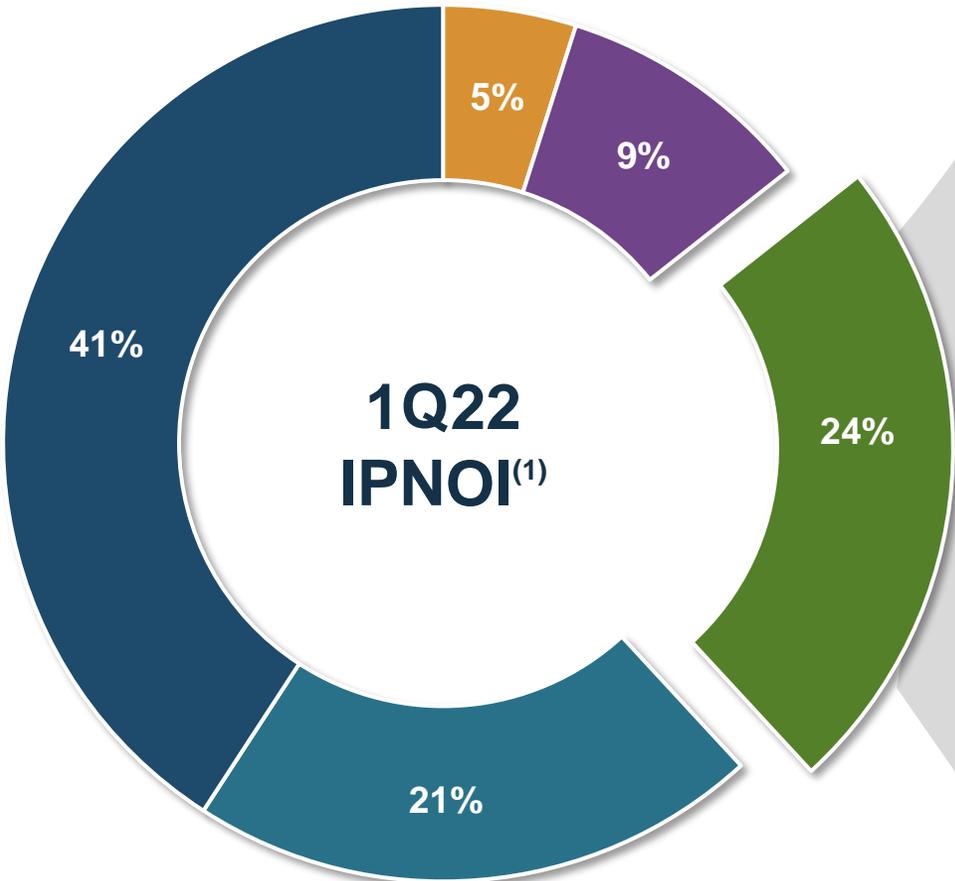
Evolving Technology, Consumer and Payor Trends Drive Transition to Outpatient Care Settings

Investment Theme | Secular Shift to Outpatient Care Settings



1. SOURCE: The Advisory Board
 2. SOURCE: Revista

Investment Theme | Secular Shift to Outpatient Care Settings



■ SHO ■ SH Triple-Net ■ LT/PAC ■ MOB ■ Health System

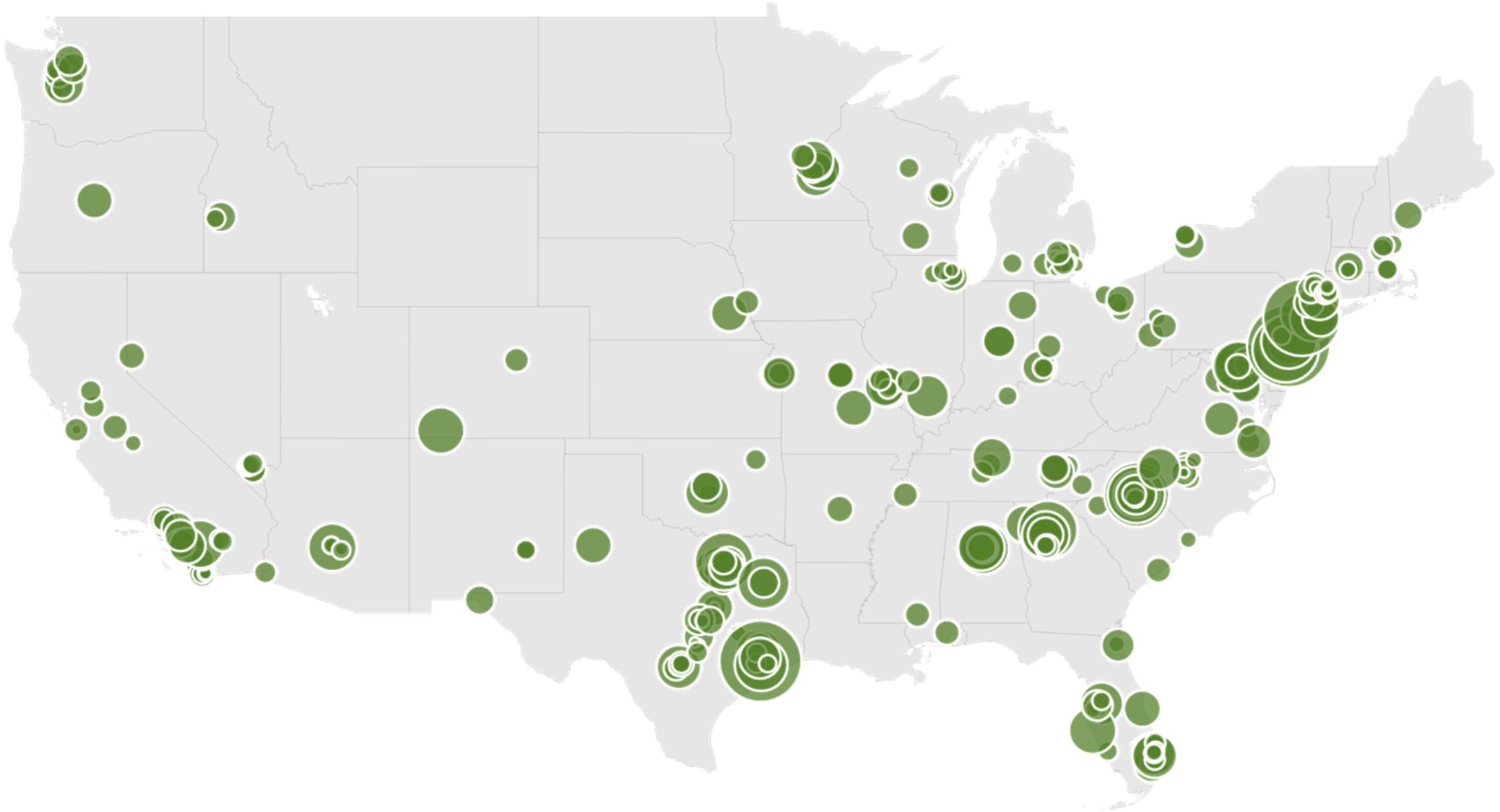
Portfolio Quality Indicators

Health System Affiliated Properties <i>% of NOI</i>	89.8%
Health System Tenants <i>% of Rental Income</i>	61.8%
Retention <i>Trailing twelve months</i>	90.1%
In-House Managed Properties <i>% of sq. ft.</i>	88.4%
Average Remaining Lease Term <i>Years</i>	6.6
Average Building Size <i>Sq. ft.</i>	60,127
Average Age <i>Years</i>	16

At 100% Ownership as of 3/31/22

1. See Supplemental Financial Measures at the end of this presentation for reconciliations

WELL Outpatient Medical Portfolio



Business Insights Advantage | Granular Demand Analysis

Inputs:



Required Physician FTEs



Visit Volume Estimates



Physician Count by Zip Code

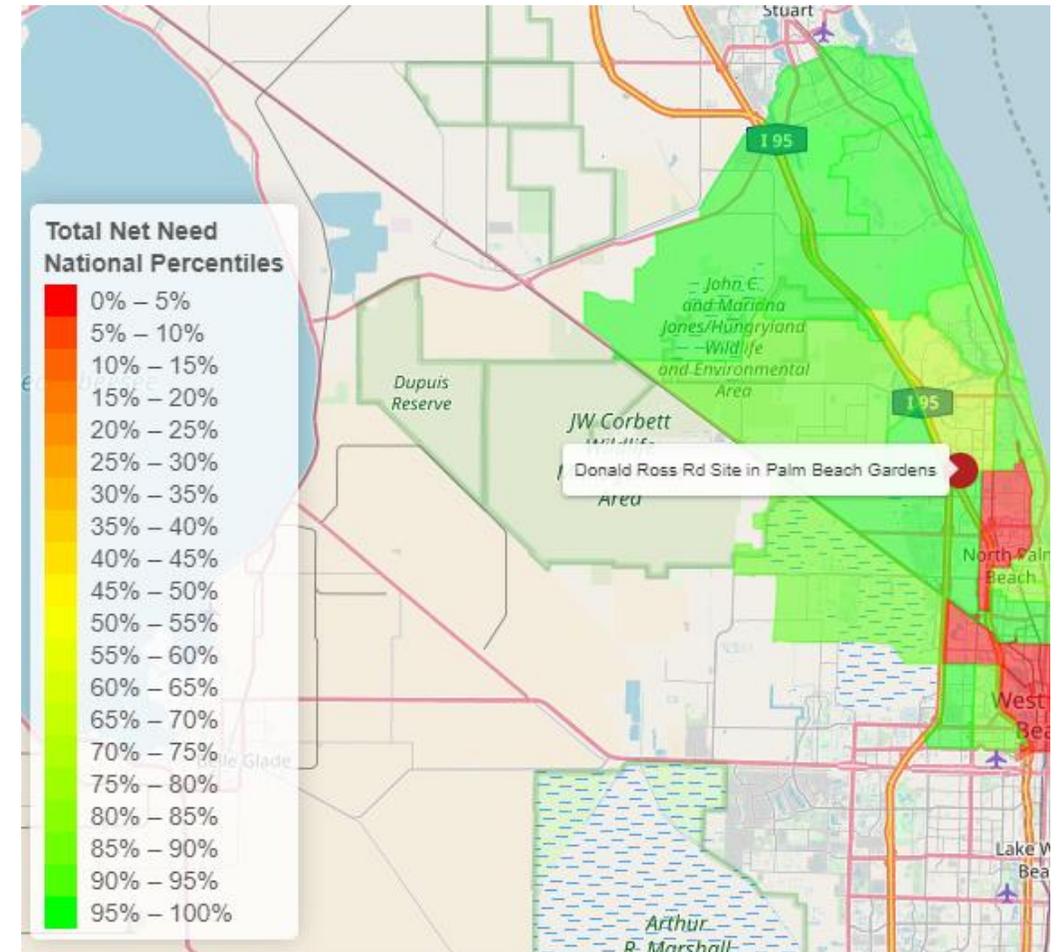
Output:

PHYSICIAN NET NEED

Measures the **demand for physicians** of a given specialty by **location and demographics** of that region

Top Specialties (Physician FTEs) in need within **20-min drive time**

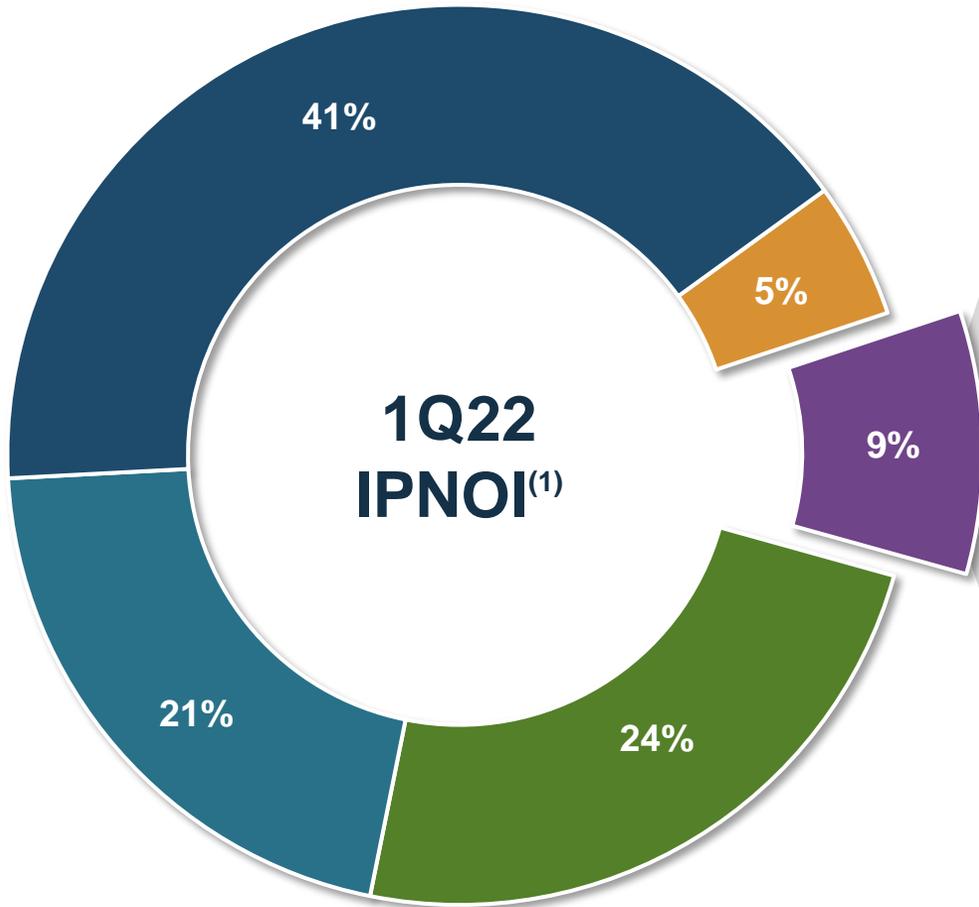
Specialist	Net Need (FTE)
General Family Practice	181
Hematology Oncology	55
Cardiology	51
Internal Medicine	33
Psychiatry	33
Emergency Critical Care	28
Pulmonology	18
General Surgery	17
Gastroenterology	15



Analysis of key factors including predicted annual gross rents, payor mix, and specialty demand

Health System

Health System Portfolio



■ SHO ■ SH Triple-Net ■ LT/PAC ■ MOB ■ Health System

ProMedica Overview

- Integrated healthcare organization serving 28 states and employing over 45,000 people
- Strategically aligned operations as an integrated and connected health and wellness organization
- Diversified portfolio of businesses across: health plan, physician group, 12 hospitals (including one joint venture hospital), and over 330 senior care locations, and hospice and home health care agencies

Welltower ProMedica Portfolio Overview

- Diversified portfolio of over 200 properties across 18 states
- Over 25,000 beds offering post-acute, assisted living, and memory care services

Joint Venture Structure Overview

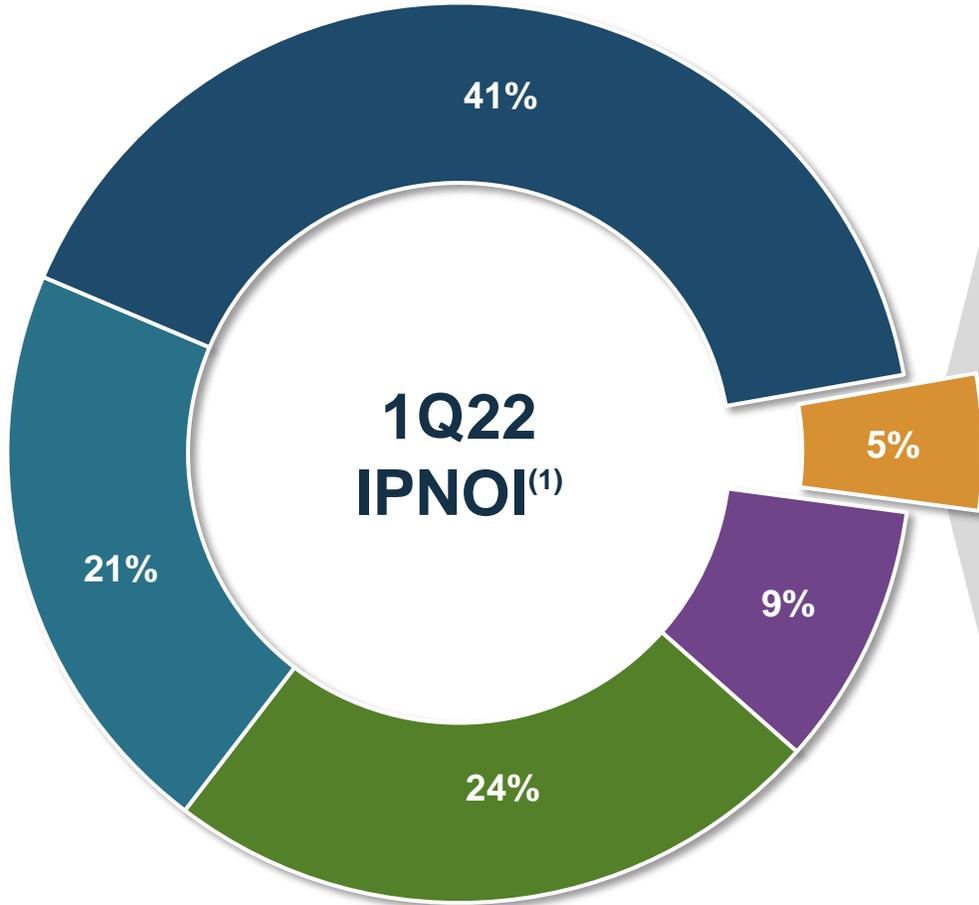
- Complete corporate guarantee from ProMedica Health System (S&P: BBB-)
- 15-year absolute NNN master lease with three 5-year extensions
- Welltower seated on ProMedica board of trustees providing visibility into operating, strategic and financial planning
- ProMedica's property ownership and rent is subordinated to Welltower's interest in the Joint Venture

1. See Supplemental Financial Measures at the end of this presentation for reconciliations

Long-Term / Post-Acute Care

Long-Term/Post-Acute Care Portfolio

■ SHO
 ■ SH Triple-Net
 ■ LT/PAC
 ■ MOB
 ■ Health System



Remaining LT/PAC Portfolio concentrated in Skilled Nursing assets, with a focus on rehab facilities

- ✓ >80% reduction⁽²⁾ in long-term acute care hospital/in-patient rehab facility exposure (less than 1% of NOI)
- ✓ 65% Reduction in In-Place NOI from LT/PAC Portfolio since 4Q17⁽³⁾
- ✓ Substantially eliminated operating exposure to Genesis HealthCare⁽⁴⁾



1. See Supplemental Financial Measures at the end of this presentation for reconciliations
2. Since 4Q17
3. See Welltower 4Q17 Supplemental for additional information
4. See Welltower press release and business update dated March 2, 2021

Supplemental Financial Measures

Non-GAAP Financial Measures

We believe that revenues, net income and net income attributable to common stockholders ("NICS"), as defined by U.S. generally accepted accounting principles ("U.S. GAAP"), are the most appropriate earnings measurements. However, we consider Net Operating Income ("NOI"), In-Place NOI ("IPNOI"), Same Store NOI ("SSNOI"), REVPOR and Same Store REVPOR ("SS REVPOR"), EBITDA and Adjusted EBITDA to be useful supplemental measures of our operating performance. Excluding EBITDA and Adjusted EBITDA these supplemental measures are disclosed on our pro rata ownership basis.

Pro rata amounts are derived by reducing consolidated amounts for minority partners' noncontrolling ownership interests and adding our minority ownership share of unconsolidated amounts. We do not control unconsolidated investments. While we consider pro rata disclosures useful, they may not accurately depict the legal and economic implications of our joint venture arrangements and should be used with caution.

Our supplemental reporting measures and similarly entitled financial measures are widely used by investors, equity and debt analysts and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Our management uses these financial measures to facilitate internal and external comparisons to historical operating results and in making operating decisions. Additionally, these measures are utilized by the Board of Directors to evaluate management.

None of the supplemental reporting measures represent net income or cash flow provided from operating activities as determined in accordance with U.S. GAAP and should not be considered as alternative measures of profitability or liquidity. Finally, the supplemental reporting measures, as defined by us, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies. Multi-period amounts may not equal the sum of the individual quarterly amounts due to rounding.

NOI, IPNOI, SSNOI, REVPOR & SS REVPOR

We define NOI as total revenues, including tenant reimbursements, less property operating expenses. Property operating expenses represent costs associated with managing, maintaining and servicing tenants for our properties. These expenses include, but are not limited to, property-related payroll and benefits, property management fees paid to operators, marketing, housekeeping, food service, maintenance, utilities, property taxes and insurance. General and administrative expenses represent costs unrelated to property operations and transaction costs. These expenses include, but are not limited to, payroll and benefits, professional services, office expenses and depreciation of corporate fixed assets.

IPNOI represents NOI excluding interest income, other income and non-IPNOI and adjusted for timing of current quarter portfolio changes such as acquisitions, development conversions, segment transitions, dispositions and investments held for sale.

SSNOI is used to evaluate the operating performance of our properties using a consistent population which controls for changes in the composition of our portfolio. As used herein, same store is generally defined as those revenue-generating properties in the portfolio for the relevant year-over-year reporting periods. Land parcels, loans and sub-leases as well as any properties acquired, developed/redeveloped (including major refurbishments where 20% or more of units are simultaneously taken out of commission for 30 days or more), sold or classified as held for sale during that period are excluded from the same store amounts. Properties undergoing operator and/or segment transitions (except Seniors Housing Triple-net to Seniors Housing Operating with the same operator) are also excluded from same store amounts. Normalizers include adjustments that in management's opinion are appropriate in considering SSNOI, a supplemental, non-GAAP performance measure. None of these adjustments, which may increase or decrease SSNOI, are reflected in our financial statements prepared in accordance with U.S. GAAP. Significant normalizers (defined as any that individually exceed 0.50% of SSNOI growth per property type) are separately disclosed and explained in the relevant supplemental reporting package. No reconciliation of the forecasted range for SSNOI on a combined basis or by property type is included in this release because we are unable to quantify certain amounts that would be required to be included in the comparable GAAP financial measure without unreasonable efforts, as we believe such reconciliation would imply a degree of precision that could be confusing or misleading to investors.

No reconciliation of the forecasted range for SSNOI on a combined basis or by property type is included in this release because we are unable to quantify certain amounts that would be required to be included in the comparable GAAP financial measure without unreasonable efforts, and we believe such reconciliation would imply a degree of precision that could be confusing or misleading to investors.

REVPOR represents the average revenues generated per occupied room per month at our seniors housing operating properties. It is calculated as our pro rata version of total resident fees and services revenues from the income statement divided by average monthly occupied room days. SS REVPOR is used to evaluate the REVPOR performance of our properties under a consistent population which eliminates changes in the composition of our portfolio. It is based on the same pool of properties used for SSNOI and includes any revenue normalizations used for SSNOI. We use REVPOR and SS REVPOR to evaluate the revenue-generating capacity and profit potential of its seniors housing operating portfolio independent of fluctuating occupancy rates. They are also used in comparison against industry and competitor statistics, if known, to evaluate the quality of our seniors housing operating portfolio.

We believe NOI, IPNOI, SSNOI, REVPOR and SS REVPOR provide investors relevant and useful information because they measure the operating performance of our properties at the property level on an unleveraged basis. We use these metrics to make decisions about resource allocations and to assess the property level performance of our properties.

In-Place NOI Reconciliations

(dollars in thousands)	1Q22	In-Place NOI by property type	1Q22	% of Total
Net income (loss)	\$ 65,751	Seniors Housing Operating	\$ 745,316	41 %
Loss (gain) on real estate dispositions, net	(22,934)	Seniors Housing Triple-Net	383,528	21 %
Loss (income) from unconsolidated entities	2,884	Outpatient Medical	434,884	24 %
Income tax expense (benefit)	5,013	Health System	172,368	9 %
Other expenses	26,069	Long-Term/Post-Acute Care	89,252	5 %
Provision for loan losses, net	(804)	Total In-Place NOI	<u>\$ 1,825,348</u>	100 %
Loss (gain) on extinguishment of debt, net	(12)			
Loss (gain) on derivatives and financial instruments, net	2,578			
General and administrative expenses	37,706			
Depreciation and amortization	304,088			
Interest expense	<u>121,696</u>			
Consolidated net operating income	542,035			
NOI attributable to unconsolidated investments ⁽¹⁾	20,142			
NOI attributable to noncontrolling interests ⁽²⁾	<u>(34,999)</u>			
Pro rata net operating income (NOI)	527,178			
Adjust:				
Interest income	(39,673)			
Other income ⁽³⁾	(11,133)			
Sold / held for sale	(2,804)			
Non operational ⁽⁴⁾	1,053			
Non In-Place NOI ⁽⁵⁾	(21,668)			
Timing adjustments ⁽⁶⁾	<u>3,384</u>			
In-Place NOI	<u>456,337</u>			
Annualized In-Place NOI	<u>\$ 1,825,348</u>			

(1) Represents Welltower's interest in joint ventures where Welltower is the minority partner.

(2) Represents minority partner's interest in joint ventures where Welltower is the majority partner and includes an adjustment to remove NOI related to a leasehold portfolio interest for 26 properties assumed by a wholly-owned affiliate in conjunction with the Holiday Retirement transaction. Subsequent to the initial transaction, we purchased eight of the leased properties and one of the properties was sold by the landlord and removed from the lease. No rent will be paid in excess of net cash flows relating to the leasehold properties.

(3) Excludes amounts recognized in other income related to the Health and Human Services Provider Relief Fund in the US and similar programs in the UK and Canada.

(4) Primarily includes development properties and land parcels.

(5) Primarily represents non-cash NOI.

(6) Represents timing adjustments for current quarter acquisitions, construction conversions and segment or operator transitions.

SHO REVPOR Growth Reconciliation

(dollars in thousands, except SS REVPOR)

	United States		United Kingdom		Canada		Total	
	1Q21	1Q22	1Q21	1Q22	1Q21	1Q22	1Q21	1Q22
SHO SS REVPOR Growth								
Consolidated SHO revenues	\$ 526,248	\$ 786,071	\$ 95,184	\$ 101,099	\$ 104,970	\$ 109,442	\$ 726,402	\$ 996,612
Unconsolidated SHO revenues attributable to WELL ⁽¹⁾	22,008	26,834	—	—	21,206	22,274	43,214	49,108
SHO revenues attributable to noncontrolling interests ⁽²⁾	(23,702)	(43,901)	(11,705)	(9,367)	(23,122)	(22,473)	(58,529)	(75,741)
SHO pro rata revenues ⁽³⁾	524,554	769,004	83,479	91,732	103,054	109,243	711,087	969,979
Non-cash revenues on same store properties	(849)	(562)	—	—	—	—	(849)	(562)
Revenues attributable to non-same store properties	(30,443)	(208,311)	(63,175)	(69,174)	(5,099)	(11,544)	(98,717)	(289,029)
Currency and ownership adjustments ⁽⁴⁾	161	—	368	147	(597)	(541)	(68)	(394)
SHO SS revenues ⁽⁵⁾	493,423	560,131	20,672	22,705	97,358	97,158	611,453	679,994
SHO SS revenue YOY growth		13.5 %		9.8 %		(0.2)%		11.2 %
Average occupied units/month ⁽⁶⁾	26,647	29,177	746	802	11,086	10,929	38,479	40,908
SHO SS REVPOR ⁽⁷⁾	\$ 6,258	\$ 6,488	\$ 9,365	\$ 9,568	\$ 2,968	\$ 3,004	\$ 5,370	\$ 5,618
SS REVPOR YOY growth		3.7 %		2.2 %		1.2 %		4.6 %

1. Represents Welltower's interests in joint ventures where Welltower is the minority partner.

2. Represents minority partners' interests in joint ventures where Welltower is the majority partner and includes an adjustment to remove NOI related to certain leasehold properties.

3. Represents SHO revenues at Welltower pro rata ownership.

4. Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2684 and to translate UK properties at a GBP/USD rate of 1.38.

5. Represents SS SHO revenues at Welltower pro rata ownership.

6. Represents average occupied units for SS properties on a pro rata basis.

7. Represents pro rata SS average revenues generated per occupied room per month.

SHO REVPOR Growth Reconciliation

(dollars in thousands, except SS REVPOR)

	United States		United Kingdom		Canada		Total	
	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21	4Q20	4Q21
SHO SS REVPOR Growth								
Consolidated SHO revenues	\$ 525,649	\$ 700,436	\$ 83,204	\$ 101,888	\$ 106,167	\$ 102,456	\$ 715,020	\$ 904,780
Unconsolidated SHO revenues attributable to WELL ⁽¹⁾	22,110	25,553	—	—	21,065	22,283	43,175	47,836
SHO revenues attributable to noncontrolling interests ⁽²⁾	(23,588)	(41,095)	(8,085)	(11,625)	(23,482)	(22,332)	(55,155)	(75,052)
SHO pro rata revenues ⁽³⁾	524,171	684,894	75,119	90,263	103,750	102,407	703,040	877,564
Non-cash revenues on same store properties	(851)	(562)	—	—	—	—	(851)	(562)
Revenues attributable to non-same store properties	(31,246)	(157,676)	(65,370)	(79,068)	(5,400)	(3,800)	(102,016)	(240,544)
Currency and ownership adjustments ⁽⁴⁾	(216)	—	1,133	920	2,884	(406)	3,801	514
Normalizing adjustment for government grants ⁽⁵⁾	—	(4,406)	—	—	—	—	—	(4,406)
Other normalizing adjustments ⁽⁶⁾	(549)	—	—	(383)	—	—	(549)	(383)
SHO SS revenues ⁽⁷⁾	491,309	522,250	10,882	11,732	101,234	98,201	603,425	632,183
SHO SS revenue YOY growth		6.3 %		7.8 %		(3.0)%		4.8 %
Average occupied units/month ⁽⁸⁾	26,197	27,279	450	471	11,543	10,936	38,190	38,686
SHO SS REVPOR ⁽⁹⁾	\$ 6,201	\$ 6,330	\$ 7,995	\$ 8,235	\$ 2,900	\$ 2,969	\$ 5,224	\$ 5,403
SS REVPOR YOY growth		2.1 %		3.0 %		2.4 %		3.4 %

1. Represents Welltower's interests in joint ventures where Welltower is the minority partner.

2. Represents minority partners' interests in joint ventures where Welltower is the majority partner and includes an adjustment to remove NOI related to certain leasehold properties.

3. Represents SHO revenues at Welltower pro rata ownership.

4. Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2684 and to translate UK properties at a GBP/USD rate of 1.38.

5. Represents normalizing adjustment related to amounts recognized related to the Health and Human Services Provider Relief Fund in the United States and similar programs in the United Kingdom and Canada.

6. Represents aggregate normalizing adjustments which are individually less than .50% of SSNOI growth.

7. Represents SS SHO revenues at Welltower pro rata ownership.

8. Represents average occupied units for SS properties on a pro rata basis.

9. Represents pro rata SS average revenues generated per occupied room per month.

SSNOI Reconciliation

(dollars in thousands)

	1Q22	1Q21	% growth YOY
Net income (loss)	\$ 65,751	\$ 72,192	
Loss (gain) on real estate dispositions, net	(22,934)	(59,080)	
Loss (income) from unconsolidated entities	2,884	(13,049)	
Income tax expense (benefit)	5,013	3,943	
Other expenses	26,069	10,994	
Impairment of assets	—	23,568	
Provision for loan losses, net	(804)	1,383	
Loss (gain) on extinguishment of debt, net	(12)	(4,643)	
Loss (gain) on derivatives and financial instruments, net	2,578	1,934	
General and administrative expenses	37,706	29,926	
Depreciation and amortization	304,088	244,426	
Interest expense	121,696	123,142	
Consolidated NOI	542,035	434,736	
NOI attributable to unconsolidated investments ⁽¹⁾	20,142	21,516	
NOI attributable to noncontrolling interests ⁽²⁾	(34,999)	(20,827)	
Pro rata NOI	527,178	435,425	
Non-cash NOI attributable to same store properties	(13,526)	(13,662)	
NOI attributable to non-same store properties	(123,498)	(33,467)	
Currency and ownership adjustments ⁽³⁾	1,074	668	
Other adjustments ⁽⁴⁾	(2,303)	(31,685)	
Same Store NOI (SSNOI)	\$ 388,925	\$ 357,279	8.9%
Seniors Housing Operating	142,019	119,923	18.4%
Seniors Housing Triple-net	82,902	77,531	6.9%
Outpatient Medical	102,631	99,885	2.7%
Health System	39,069	38,023	2.8%
Long-Term/Post-Acute Care	22,304	21,917	1.8%
Total SSNOI	\$ 388,925	\$ 357,279	8.9%

1. Represents Welltower's interests in joint ventures where Welltower is the minority partner

2. Represents minority partners' interests in joint ventures where Welltower is the majority partner

3. Includes adjustments to reflect consistent property ownership percentages and foreign currency exchange rates for properties in the U.K. and Canada

4. Includes adjustments as described in the 1Q22 Supplemental Information package.

EBITDA and Adjusted EBITDA

We measure our credit strength both in terms of leverage ratios and coverage ratios. The leverage ratios indicate how much of our balance sheet capitalization is related to long-term debt, net of cash and cash equivalents and restricted cash. We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. The ratios are based on EBITDA and Adjusted EBITDA. EBITDA is defined as earnings (net income per income statement) before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding unconsolidated entities and including adjustments for stock-based compensation expense, provision for loan losses, gains/losses on extinguishment of debt, gains/losses/impairments on properties, gains/losses on derivatives and financial instruments, other expenses, additional other income and other impairment charges. We believe that EBITDA and Adjusted EBITDA, along with net income, are important supplemental measures because they provide additional information to assess and evaluate the performance of our operations. Our leverage ratios include net debt to Adjusted EBITDA. Net debt is defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and restricted cash.

Net Debt to Adjusted EBITDA

(dollars in thousands)

	<u>Three Months Ended</u> <u>March 31,</u> <u>2022</u>		<u>Three Months Ended</u> <u>March 31,</u> <u>2022</u>
Net income	\$ 65,751	Long-term debt obligations ⁽³⁾	\$ 14,652,497
Interest expense	121,696	Cash and cash equivalents and restricted cash	(367,043)
Income tax expense (benefit)	5,013	Net debt	14,285,454
Depreciation and amortization	<u>304,088</u>	Adjusted EBITDA	<u>503,327</u>
EBITDA	496,548	Adjusted EBITDA annualized	<u>\$ 2,013,308</u>
Loss (income) from unconsolidated entities	2,884	Net debt to Adjusted EBITDA ratio	<u>7.10 x</u>
Stock-based compensation expense	7,445		
Loss (gain) on extinguishment of debt, net	(12)		
Loss (gain) on real estate dispositions, net	(22,934)		
Provision for loan losses, net	(804)		
Loss (gain) on derivatives and financial instruments, net	2,578		
Other expenses	26,066		
Leasehold interest adjustment ⁽¹⁾	(8,457)		
Casualty losses, net of recoveries ⁽²⁾	<u>13</u>		
Adjusted EBITDA	<u>\$ 503,327</u>		

1. Represents \$13,941,000 of revenues and \$5,484,000 of property operating expenses associated with a leasehold portfolio interest relating to 26 properties assumed by a wholly-owned affiliate in conjunction with the Holiday Retirement transaction. Subsequent to the initial transaction, we purchased eight of the leased properties and one of the properties was sold by the landlord and removed from the lease. No rent will be paid in excess of net cash flow relating to the leasehold properties and therefore, the net impact has been excluded from Adjusted EBITDA.

2. Represents casualty losses net of any insurance recoveries.

3. Includes unamortized premiums/discounts, other fair value adjustments and financing lease liabilities. Excludes operating lease liabilities related to ASC 842 adoption.

Pro Forma Net Debt to Adjusted EBITDA

(dollars in thousands)

	Three Months Ended March 31, 2022 (Actual) ⁽¹⁾	HHS Received ⁽²⁾	1Q22 Acquisitions and Dispositions ⁽³⁾	2Q22 Announced Acquisitions and Loan Funding ⁽⁴⁾	ATM Forward Sale Settlement ⁽⁵⁾	March 31, 2022 Held-for-Sale Dispositions & Loan Payoffs ⁽⁶⁾	Three Months Ended March 31, 2022 (Pro Forma)
Adjusted EBITDA	\$ 503,327	\$ (580)	\$ 1,756	\$ 6,127	\$ —	\$ (4,304)	\$ 506,326
Annualized Adjusted EBITDA	\$ 2,013,308	\$ (2,320)	\$ 7,024	\$ 24,508	\$ —	\$ (17,216)	\$ 2,025,304
Net Debt ⁽⁷⁾	\$ 14,285,454	\$ —	\$ —	\$ 79,967	\$ (1,481,676)	\$ (282,254)	\$ 12,601,491
Net Debt to Adjusted EBITDA	7.10 x						6.22 x

(1) Please refer to calculation of Adjusted EBITDA for the three months ended March 31, 2022 on page the previous slide.

(2) Pro forma adjustment to remove Health and Human Services grants received and recognized during the three months ended March 31, 2022.

(3) Pro forma adjustment to reflect acquisition and loan funding activity for the three months ended March 31, 2022, as well as disposition activity for the same period as detailed on the Gross Investment Activity page of our Supplemental Information report for 1Q22, as if the transactions occurred on January 1, 2022. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be an indication of the results that would have been achieved had the transactions been completed as of the date indicated.

(4) Pro forma adjustment to reflect 1.) the \$428 million of acquisitions and loan funding activity occurring since March 31, 2022, as if the transactions occurred on January 1, 2022, assuming capitalization of 65% equity and 35% debt and 2.) \$70 million of dispositions and loan payoff activity occurring since March 31, 2022, as if the transactions occurred on January 1, 2022, assuming the proceeds reduce net debt. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be an indication of the results that would have been achieved had the transactions been completed as of the date indicated.

(5) Pro forma adjustment to reflect \$1.76 billion of expected net cash proceeds associated with the settlement of forward sales under our ATM program as if such forward sales were settled on January 1, 2022 offset by assumed capitalization of 65% of the \$428 million of acquisitions and loan funding activity occurring since March 31, 2022.

(6) Pro forma adjustment to reflect the impact of the expected sale of properties classified as held-for-sale as of March 31, 2022 and expected loan payoffs, as if the transactions occurred on January 1, 2022. Pro forma adjustments are based on estimates and assumptions and are preliminary in nature, and should not be assumed to be an indication of the results that would have been achieved had the transactions been completed as of the date indicated. Furthermore, transactions not yet closed are subject to customary closing conditions and there can be no assurances as to the timing of closing.

(7) Net debt includes unamortized premiums/discounts, other fair value adjustments and financing lease liabilities of \$110,824,000 but excludes operating lease liabilities of \$438,175,000. Furthermore, net debt includes cash and cash equivalents and restricted cash.