Business Update

July 31, 2023

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 the anticipated transactions involving certain ProMedica assets and 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; 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 Portfolio Highlights[1]

Seniors Housing Operating ("SHO") Portfolio Growth Continues to Exceed Expectations

24.2%
Net Operating Income Growth

Acceleration of net operating income (NOI) growth to 24.2% supported by strengthening fundamental backdrop

- Long-term demographic tailwinds and significant decline in new supply continue to drive outsized revenue growth
- Favorable top-line results further amplified by meaningful deceleration in expense growth in recent quarters
- All three regions posted solid NOI growth in 2Q2023, resulting in the third consecutive quarter of >20% NOI growth for SHO portfolio

7.3%
Unit Revenue (Rate) Growth

Revenue growth of 10% driven by robust rate growth and healthy occupancy gains

- Revenue per Occupied Room (RevPOR or unit revenue) growth of 7.3% reflects substantial seniors housing pricing power and represents the second highest level achieved in Welltower's recorded history
- Occupancy increased 190 bps year-over-year, driven by outsized gains from assisted living and memory care communities
    - Leading indicators of demand such as inquiries and tours remain strong and continue to trend above year-ago levels
- Full Year 2023 revenue growth outlook raised to 9.7%

3.5%
Unit Expense Growth

Expense growth remains subdued following continued improvement in labor trends

- Expense per Occupied Room (ExpPOR or unit expense) growth of 3.5% remains well below historical average
- Communities experiencing further normalization of staffing levels as inflationary pressures subside across other key expense line items
- Same store compensation per occupied room (CompPOR) growth decelerated to 3.5%, the second lowest level of growth in Welltower's recorded history

290 bps
Margin Expansion

NOI margin continued to expand at a rapid pace, increasing 290 bps year-over-year to 24.9%

- RevPOR growth is expected to continue to outpace ExpPOR growth, resulting in further operating margin expansion going forward

1. All metrics reflect year-over-year same store results for the second quarter 2023 unless otherwise noted. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures

Revised 2023 Outlook

Better-than-expected 1H2023 SHO portfolio performance and capital activity driving $0.04 per share increase to FFO guidance midpoint

Revised 2023 SS NOI Outlook

Segment	Low	High
SHO	20.0%	25.0%
SH NNN	1.0%	3.0%
OM	2.0%	3.0%
LT/PAC	3.0%	4.0%
Total Portfolio	**10.0%**	**13.0%**

Normalized Funds from Operations Per Diluted Share Outlook

Revised Outlook: $3.48 to $3.59: midpoint = $3.535

Previous Outlook issued June 2023: $3.43 to $3.56: midpoint = $3.495

Seniors Housing Operating Portfolio - Outlook Assumptions

- **Revenue:** Expect continued occupancy gains and strong pricing power to drive SS revenue growth of approximately 9.7%
  - Anticipate year-over-year occupancy growth of ~230 bps
  - Pricing power remains robust with strong recognized renewal rate increases and improving street rates, resulting in accelerating RevPOR growth of 6.7%
- **Expense:** Further normalization in the labor market coupled with diminishing inflationary pressures expected to drive a deceleration in SS ExpPOR growth for the remainder of 2023
- **NOI:** Positive revenue and expense trends are expected to drive SS SHO Portfolio NOI growth of 20% - 25% as compared to previous expectation in May 2023 of 17% - 24% and initial outlook in February 2023 of 15% - 24%

Other Outlook Considerations

- Higher interest rates on floating rate debt is expected to reduce 2023 Normalized FFO attributable to common stockholders per diluted share by ~$0.20 vs. 2022
- General & Administrative expense expected to increase to $171 – $177 million with year-over-year increase resulting largely from the Company's expanding asset management initiatives
- Our initial 2023 earnings guidance did not include the recognition of any Provider Relief Funds or other government grants. During the six months ended June 30, 2023, we recognized approximately $11 million at our share relating to Provider Relief Funds and similar programs in the United Kingdom and Canada. Our updated guidance does not include any additional funds in 2023. During the full year 2022, we recognized approximately $35 million at our share relating to these programs
- Earnings guidance includes only those acquisitions closed to date; no transitions or restructures beyond those announced to date are included

Note: See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures.

Year-to-Date Capital Allocation Highlights

Over $3.0 Billion in Acquisition Activity; Opportunity Set for Attractive Capital Deployment Remains Robust[1]

- Through the first half of 2023, completed ~$700 million of acquisitions and loan funding at highly attractive unlevered IRRs across all property types and the capital stack
- **Post quarter-end, closed or under contract to close 26 new transactions representing pro rata acquisitions of ~$2.3 billion**
  - Majority of transactions are within the seniors housing space and are being completed at discounts to estimated replacement cost of 30%-40%; the combination of attractive in-place yields and strong expected growth trajectories are expected to generate high-single-digit to low-double-digit IRRs
  - <u>Transactions which have yet to close are expected to be funded through a combination of cash on hand, assumed below-market debt and disposition proceeds</u>
- Following the completion of the transactions under contract, Welltower will have completed in excess of $11 billion of capital deployment since its pivot to offense in 4Q2020

Near-term capital deployment pipeline is robust, highly visible, and actionable; opportunity set skewed towards the seniors housing sector but expanding across other property types, regions, and up and down the capital stack

Welltower / Revera Joint Venture Dissolution

- Entered into mutually beneficial, definitive agreements to dissolve our existing Revera JV relationship across the US, UK and Canada
- Transactions include the acquisition of the remaining interests in 110 properties from Revera while simultaneously selling interests in 31 properties to Revera (further details included on slides 9-12)
- The completion of these transactions will result in no material net cash outlay from Welltower
- Welltower, in partnership with Cogir, to launch a senior housing operating platform later this year in English-speaking Canada, the first such venture by Welltower following the Private Letter Ruling received in late 2022

1. Includes acquisitions closed and under contract as of July 28, 2023. Transactions which have yet to close are subject to customary closing conditions

Macroeconomic Backdrop Resulting in Acceleration in Motivated Sellers

Extraordinary Opportunity for Capital Deployment at Attractive Basis with Accretive In-Place Yield

Dearth of Equity Capital

- Core real estate funds and non-traded REITs continue to feel pressure of increasing redemption requests, driving significant outflows
- Number of institutional investors overallocated to real estate due to “denominator effect” continues to rise
- More stringent underwriting standards (lower loan-to-value, higher DSCR and greater recourse) resulting in need for larger equity checks and shrinking pool of levered-equity buyers

Limited Credit Availability

- Regional bank stress and rising rate environment resulting in vanishing new loan originations
  - Increasing desire to shed commercial real estate exposure through sale of partial or whole loan book
  - Newly announced regulatory directive expected to accelerate this trend as capital requirements intensify
- In 4Q2022, Seniors Housing loans represented over 80% of Fannie Mae’s reserves for credit losses, despite representing just 4% of the overall multifamily portfolio loan balance
  - As of 1Q2023, Seniors Housing loans represented 40% of all Fannie Mae multifamily loans that are >=60 days past due
- Dramatic increase in interest rates over the past 18 months has resulted in prohibitively expensive floating rate debt costs for seniors housing owners, further lowering debt service coverage ratios

Deep Value Across Capital Structure

- Expanding opportunity to acquire quality real estate at deeply discounted valuations following growing level of financial stress amongst property owners
- Opportunity for Welltower to play a meaningful role in recapitalizing stressed CRE loan portfolios

In addition to $3.0 billion of YTD acquisition activity, the near-term pipeline for capital deployment continues to grow

Recent Balance Sheet & Liquidity Highlights

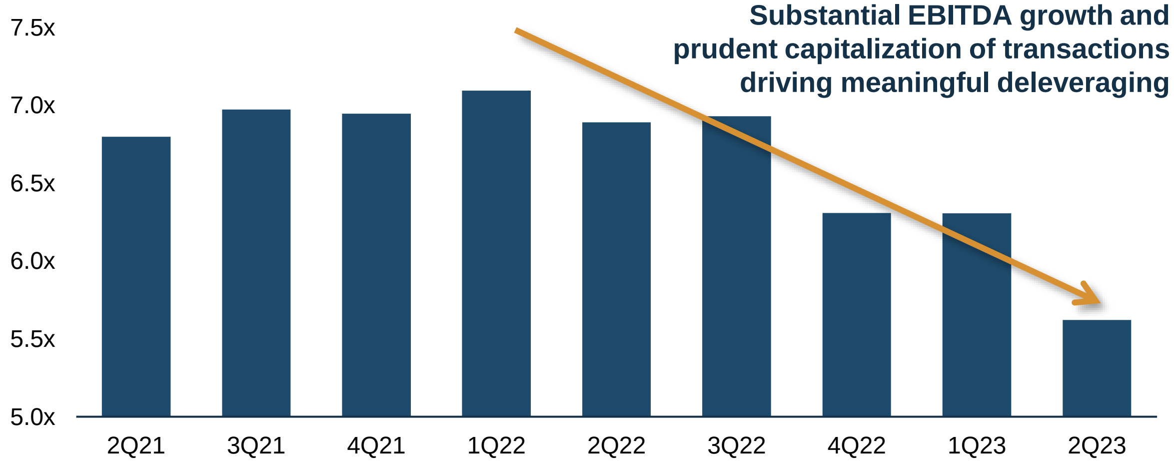
Balance Sheet Highlights

- **Significantly de-levered the balance sheet over the past 12 months with Net Debt to Adjusted EBITDA declining by approximately 1.3x to 5.62x as of June 30, 2023[1]**
    - Net debt to consolidated enterprise value declined to 24.6% as of June 30, 2023[1]
- In early May, bolstered balance sheet strength through issuance of 5-year $1.035 billion convertible senior unsecured notes carrying a coupon of 2.75% and premium of 25%
    - Achieved optimal pricing and initial coupon savings of ~225 bps relative to traditional unsecured bond offering
- Reduced variable rate debt to 13.2% of total debt as of June 30, 2023, as compared to 16.0% as of December 31, 2022
- Streamlined balance sheet and ownership structures through simplification of joint ventures

Liquidity Highlights

- **Liquidity profile remains exceptional with $7.6 billion in combined near-term available liquidity**
- Unparalleled access to capital bolstered by large and diverse group of 31 financial institutions supporting credit facility across multiple currencies
    - No single institution represents more than 4.3% of overall credit facility commitments
- **During the second quarter and subsequent to quarter end, sourced over $3 billion of attractively priced capital**, including debt, equity and proceeds from dispositions and loan payoffs
    - Capital will be used to fund accretive capital deployment opportunities, further bolster the balance sheet and strengthen our already robust liquidity

Net Debt to Adjusted EBITDA[1]



Liquidity Profile as of July 28, 2023

Cash and Restricted Cash	$2,700
Line of Credit Capacity	$4,000
Expected Proceeds from Property Sales and Loan Payoffs[2]	$910
Total Near-Term Available Liquidity	**$7,610**
Expected 2024 Senior Unsecured Bond Redemption	($1,350)
Pro Forma Available Liquidity Inclusive of 2024 Bond Redemption	**$6,260**

1. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures. See also the respective Supplemental Information Report for reconciliation of prior periods.
2. Includes expected pro rata disposition proceeds as of June 30, 2023 less proceeds from dispositions and loan payoffs closed subsequent to quarter end

Welltower/Revera Joint Venture Dissolution

Contract Modernization & Maximizing NOI Growth Potential

Executive Summary

- Welltower to acquire remaining interests in 110 seniors housing assets from Revera in the US, UK, and Canada while simultaneously selling interests in 31 assets to Revera
- Welltower to create strong geographic density through transition of assets to best-in-class regional operating partners
- Represents milestone in Welltower's contract modernization process which began in 2016
- **Transition of properties creates opportunity to drive meaningful NOI growth through occupancy upside and expense efficiencies**

	Primary Operating Partners	Occupancy of Transitioning Properties
1. Regional Densification Opportunity		
California	Oakmont	77%
Quebec and Southeast Ontario	Cogir Management	86%
Alberta, British Columbia and Ontario	Optima and Levante	81%
Greater London	Avery	73%
2. Welltower and Cogir Operating Platform		
English-speaking Canada	Welltower & Cogir	74%

Early success achieved by new operators including **higher occupancy** since date of transition

Welltower's first operating platform following award of Private Letter Ruling[2]

Potential NOI upside in excess of $120 million upon stabilization of 110 communities[1]

1. Assumes post-transaction ownership level for 110 assets (100% by Welltower); see slide 20 "Path to Recovery" for details regarding additional underlying assumptions
2. See Business Update from November 7, 2022 for more information

Welltower and Revera Transaction Overview

Welltower to Dissolve Joint Venture with Revera

Transaction marks a milestone in the company's seven-year contract modernization initiative & advances regional densification strategy

United Kingdom (Closed)

- During 2Q2023, Welltower bought the remaining interests in 29 assets previously included in the Welltower / Revera JV and transitioned management to Avery, creating an irreplaceable portfolio and enhancing operator density in Greater London
- Welltower sold its ownership in four properties previously held in the JV
- Reuben Brothers, a highly-sophisticated investor in private equity, infrastructure, and prime real estate, acquired Avery in 2022 and is seeking to expand its seniors housing footprint

United States (Closed)

- In July 2023, Welltower bought the remaining interests in 10 highly desirable, well-located properties that are currently under development or have been recently developed by Sunrise
- As part of the transaction, Welltower sold its minority ownership in 13 properties, meaningfully reducing floating rate construction loan exposure and further simplifying the balance sheet
- Additionally, Welltower transitioned 28 properties located in California from Sunrise to Oakmont to further expand regional densification with a proven local-market sharpshooter(3)
- Welltower sold its 34% ownership in Sunrise Senior Living management company to Revera

Canada

- Welltower to purchase remaining interest in 71 assets, with the majority of assets transitioned to Cogir and Welltower/Cogir partnership
- Welltower to sell its interest in 14 properties included in the JV
- Welltower, in partnership with Cogir, to launch a senior housing operating platform later this year in English-speaking Canada, the first such venture by Welltower following the Private Letter Ruling received in late-2022

Joint Venture Dissolution Summary

Region	JV		WELL	Revera	Status
United Kingdom	33	→	29	4	**Closed**
United States(1)	23	→	10	13	**Closed**
Canada	85	→	71	14	2H23(2)
Total	**141**	→	**110**	**31**	

1. Original JV includes two developed properties located in Canada currently under development by Sunrise
2. Transactions which have yet to close are subject to customary closing conditions and regulatory approvals
3. Includes Welltower wholly-owned assets and certain assets recently acquired as part of the joint venture dissolution

Operator Transitions | Regional Densification Snapshot

Existing Portfolio
New Communities

Creating greater regional densification with Welltower's strongest operating partners to drive substantial long-term NOI upside[1]

Oakmont Senior Living

California

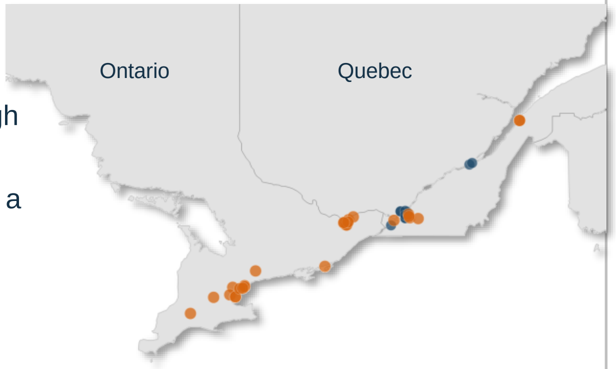
- Welltower-Oakmont relationship began with the purchase of two properties in 2015 and has expanded to 64 communities, primarily across California
- Oakmont has a strong track record of transition success, creating a specialized brand and experienced transition team to provide seamless property-level changeover
- Oakmont's high operating standards have mitigated potential operational challenges and driven significant NOI upside at past transition properties

Markets	Prior Operator		New Operator	Number of Assets	Status
Greater London	Signature UK	→	Avery	29	✓
California	Sunrise	→	Oakmont	28	✓
Quebec + SE Ontario	Revera	→	Cogir	10	2H23

Cogir Management

Quebec and Southeast Ontario

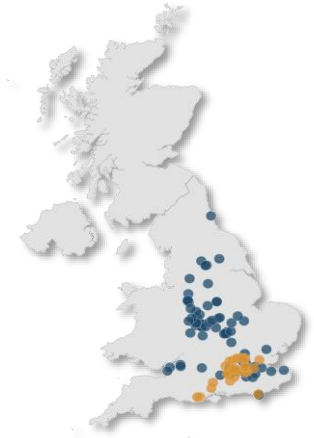
- Welltower-Cogir relationship began in 2015 with a seven-property acquisition and has grown to 95 communities through a combination of development, acquisitions, and transitions
- Cogir has achieved strong post-COVID performance through a localized approach to leadership and operating strategy, allowing the company to successfully expand into new markets



Avery

Greater London

- Welltower-Avery relationship began in 2013 with a 13-property sale leaseback and has grown to 95 properties across key micro-markets in the UK through a combination of development, acquisitions, and transitions
- Management team led by CEO Lorna Rose, an executive with over 35 years of experience in healthcare, most recently serving on the executive teams at Bupa and Barchester Healthcare, both premier seniors housing operators in the UK



1. See slides 29-32 for case studies reflecting success achieved through regional densification strategy

Contract Modernization Timeline

Dissolution of property joint venture with Revera largely concludes Welltower's seven-year contract modernization journey

- Misaligned incentives due to revenue-based management contracts
- Limited flexibility and optionality given highly restrictive termination rights

- **Greater long-term alignment of incentives through NOI-based management fees and enhanced promote structures**
- **Optimized asset and portfolio management flexibility**
- **Simplification of legacy joint venture partnerships provides increased operational and capital flexibility**

Traditional Contracts

RIDEA 2.0

RIDEA 3.0

RIDEA 4.0

Private Letter Ruling

Joint Venture Simplification

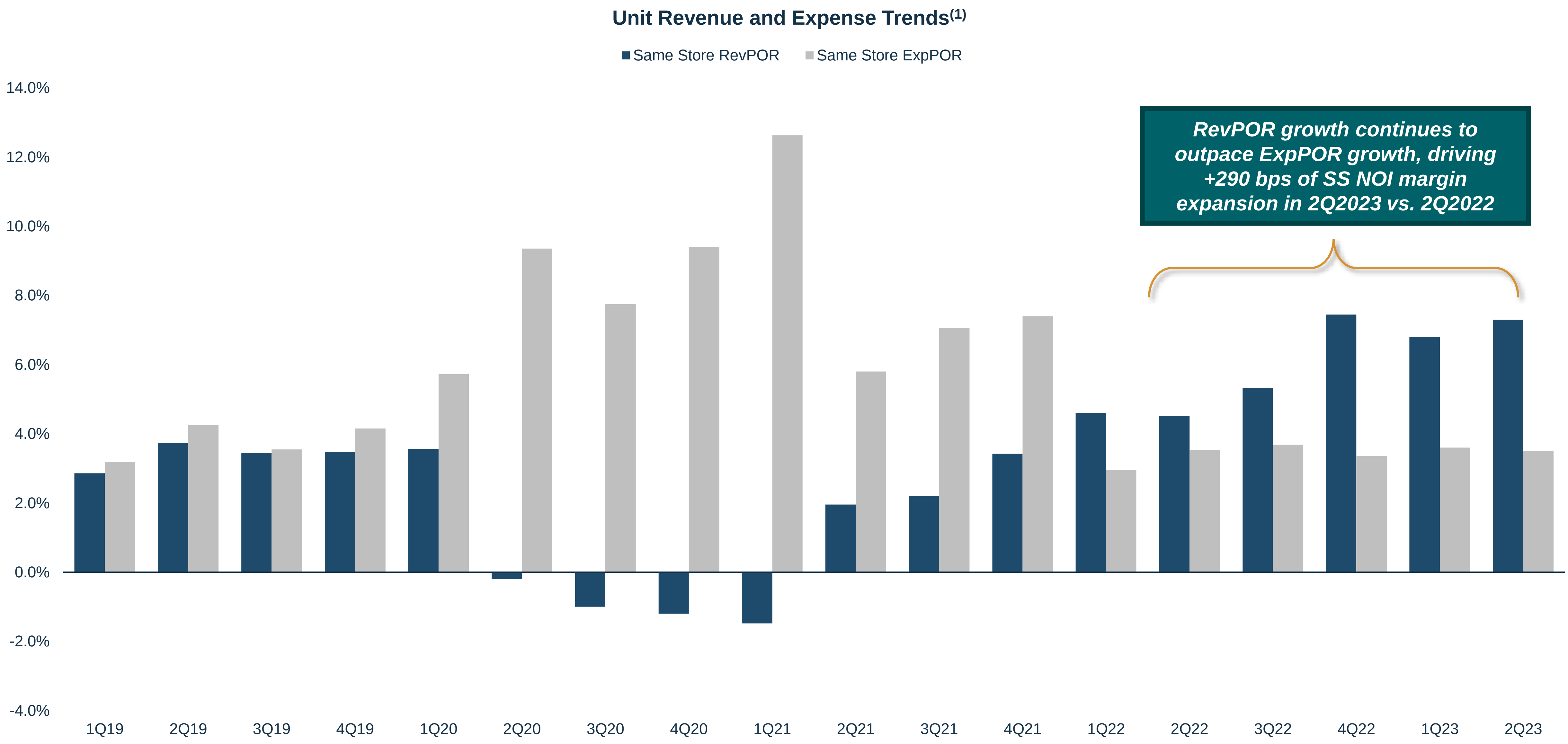
Covid-19 Pandemic

Pre-2016 | ***2016*** | ***2017*** | ***2018*** | ***2019*** | ***2020*** | ***2021*** | ***2022*** | ***2023***

Significant improvement in cash flow growth prospects and reduced risk - WELL and operators sink or swim together

Senior Housing Trends

Favorable Unit Economics Driving Substantial Margin Expansion



1. Represents year-over year SS RevPOR and SS ExpPOR growth percentages. See 2Q23 Non-GAAP Financial Measures on Welltower's investor relations section on its website for more information

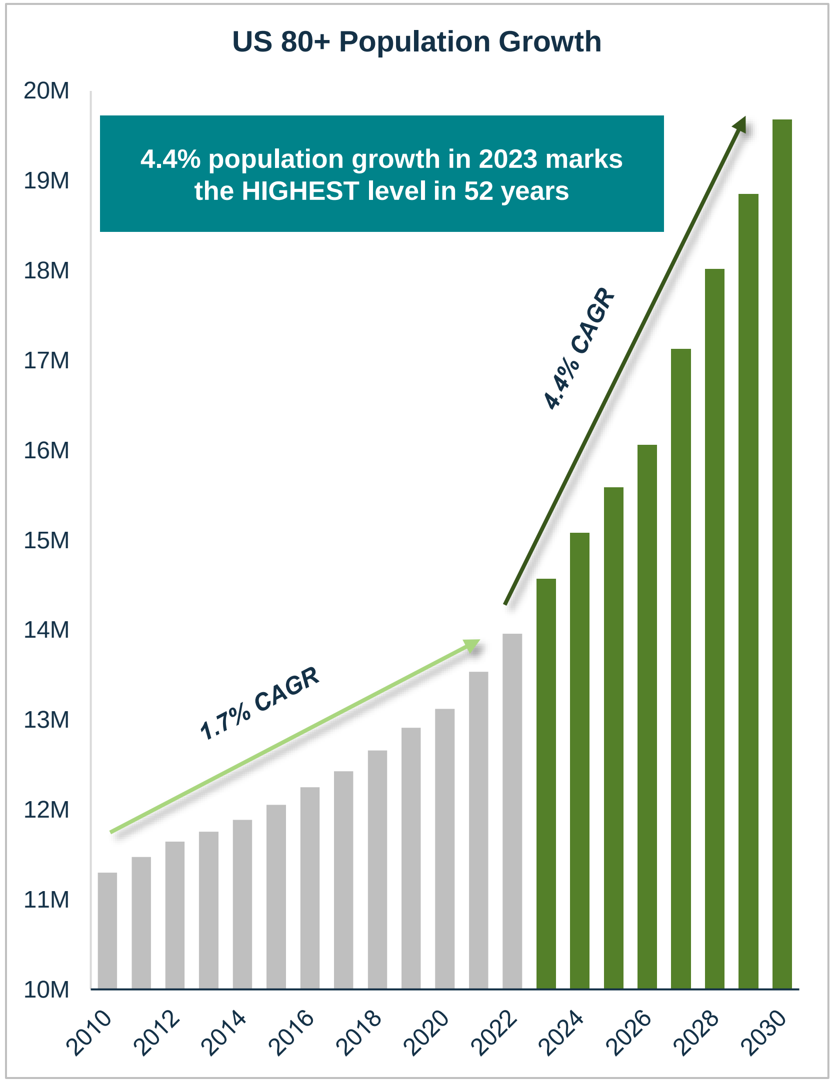
Pre-COVID Occupancy Seasonality

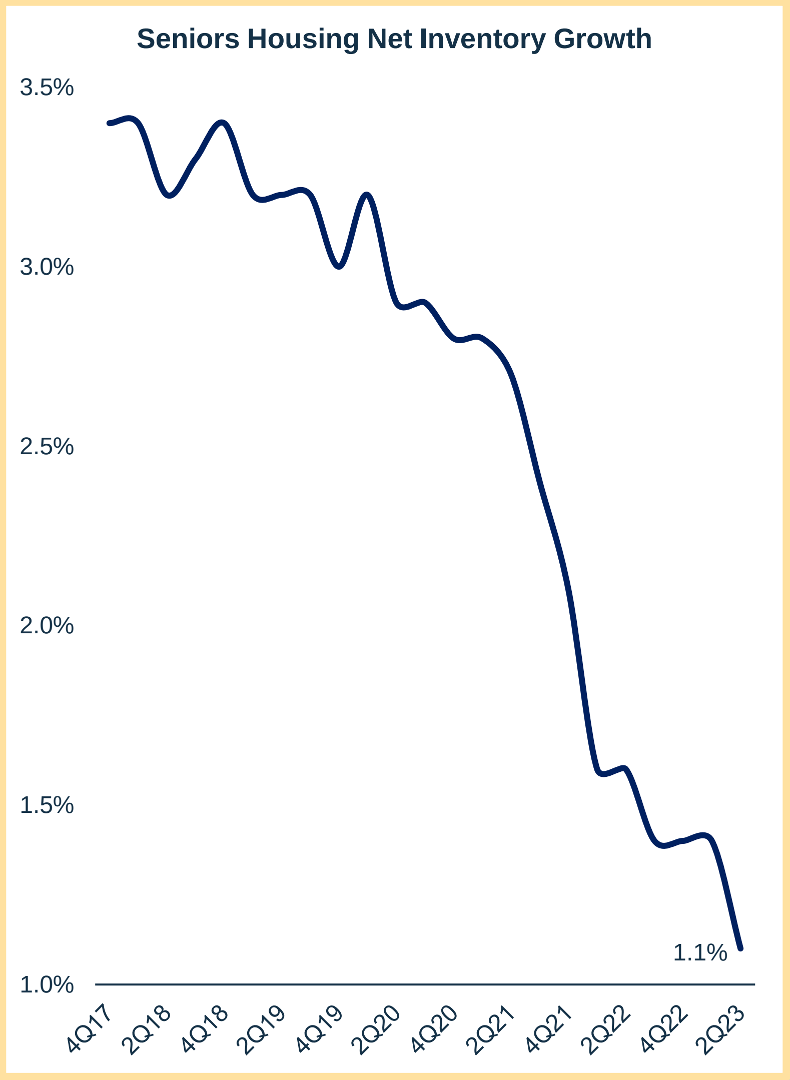
Majority of annual occupancy gains have historically been generated in the second half of the year

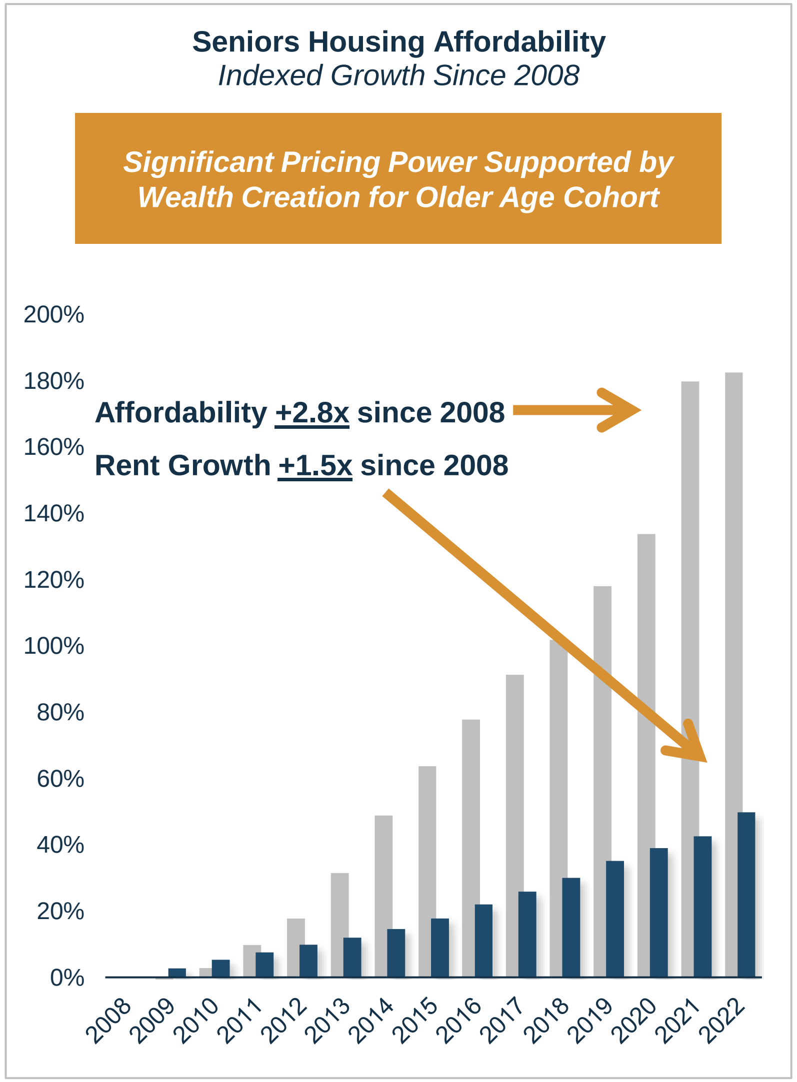
1. Represents SHO same store portfolio each quarter at pro rata ownership; see each quarters respective Supplemental Information Report

Seniors Housing | Compelling Backdrop for Multi-Year Revenue Growth

Accelerating 80+ Population Growth Coinciding with Diminishing New Supply & Improved Affordability



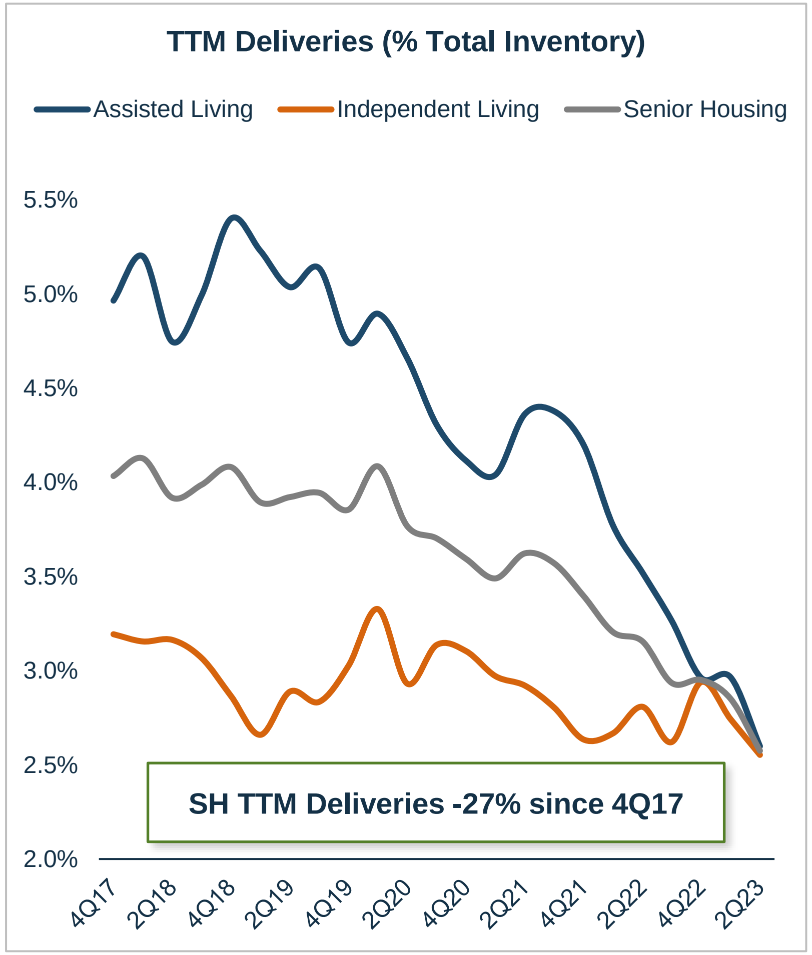


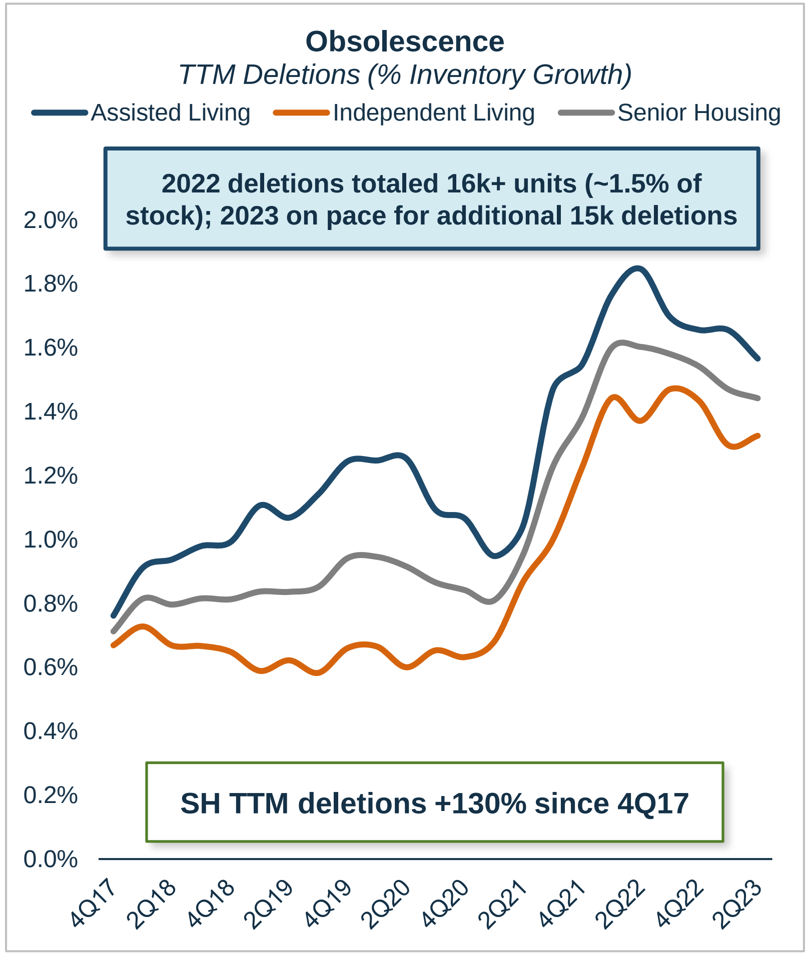


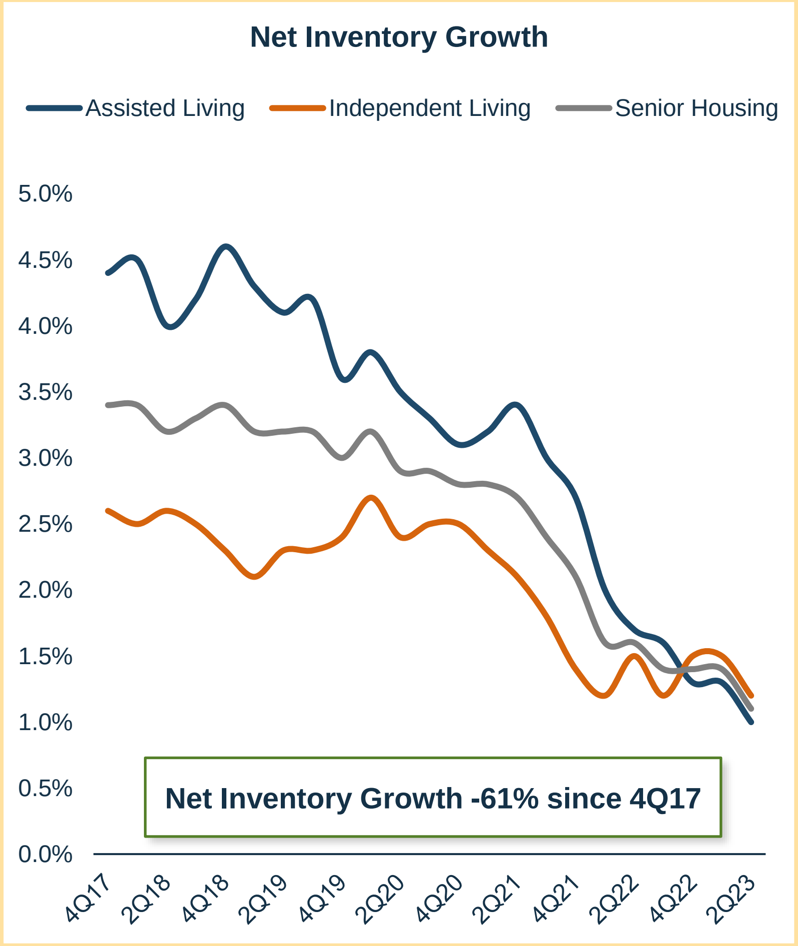
Sources: Organization for Economic Co-operation and Development, NIC maps, Federal Reserve, Survey of Consumer Finances and Financial Accounts of the United States

Minimal New Supply in Coming Years Sets Stage For Multi-Year Occupancy Gains

Declining Deliveries Amplified by Elevated Level of Units Coming out of Service







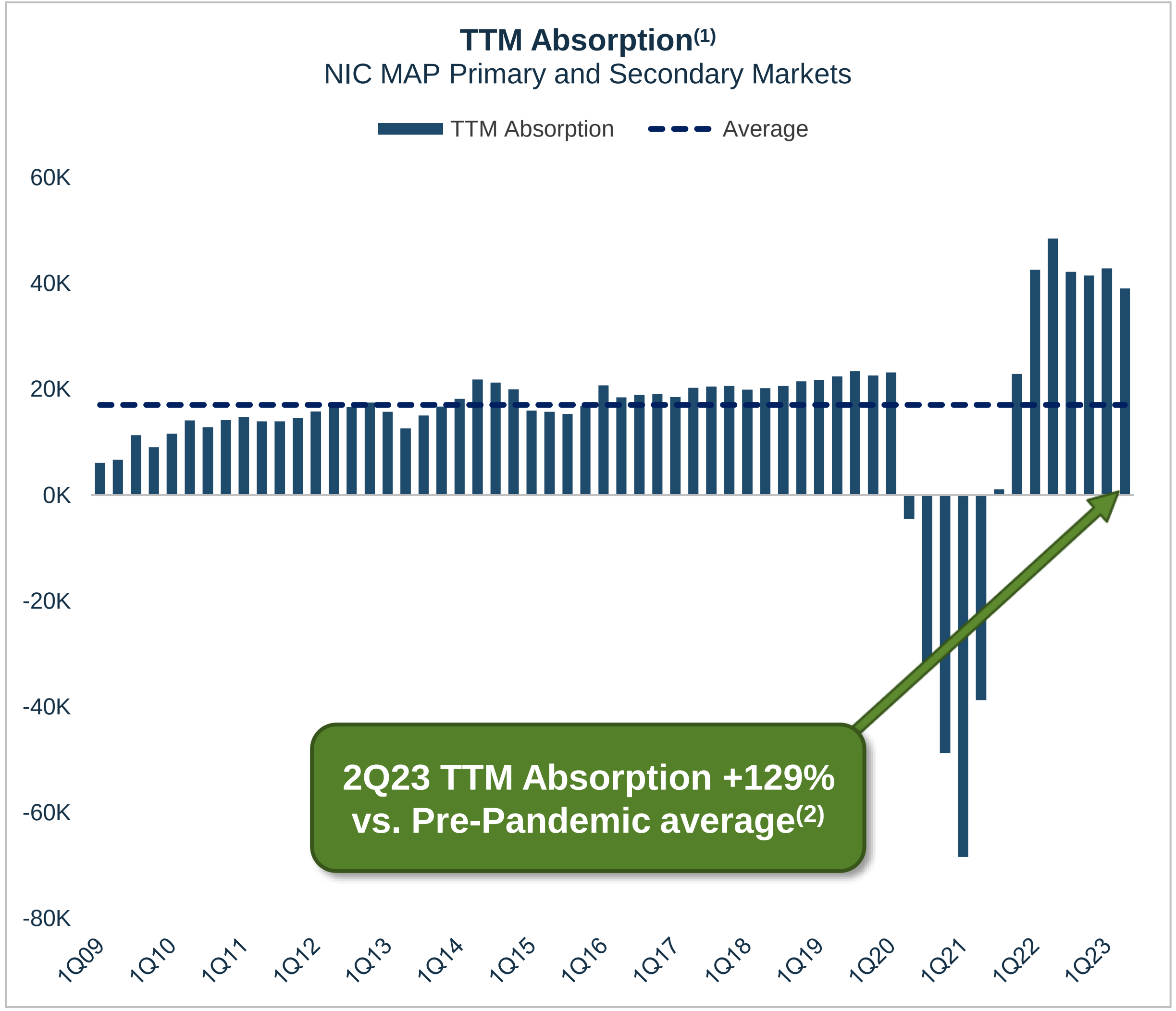
Declining Deliveries + High Inventory Obsolescence

Decelerating Inventory Growth

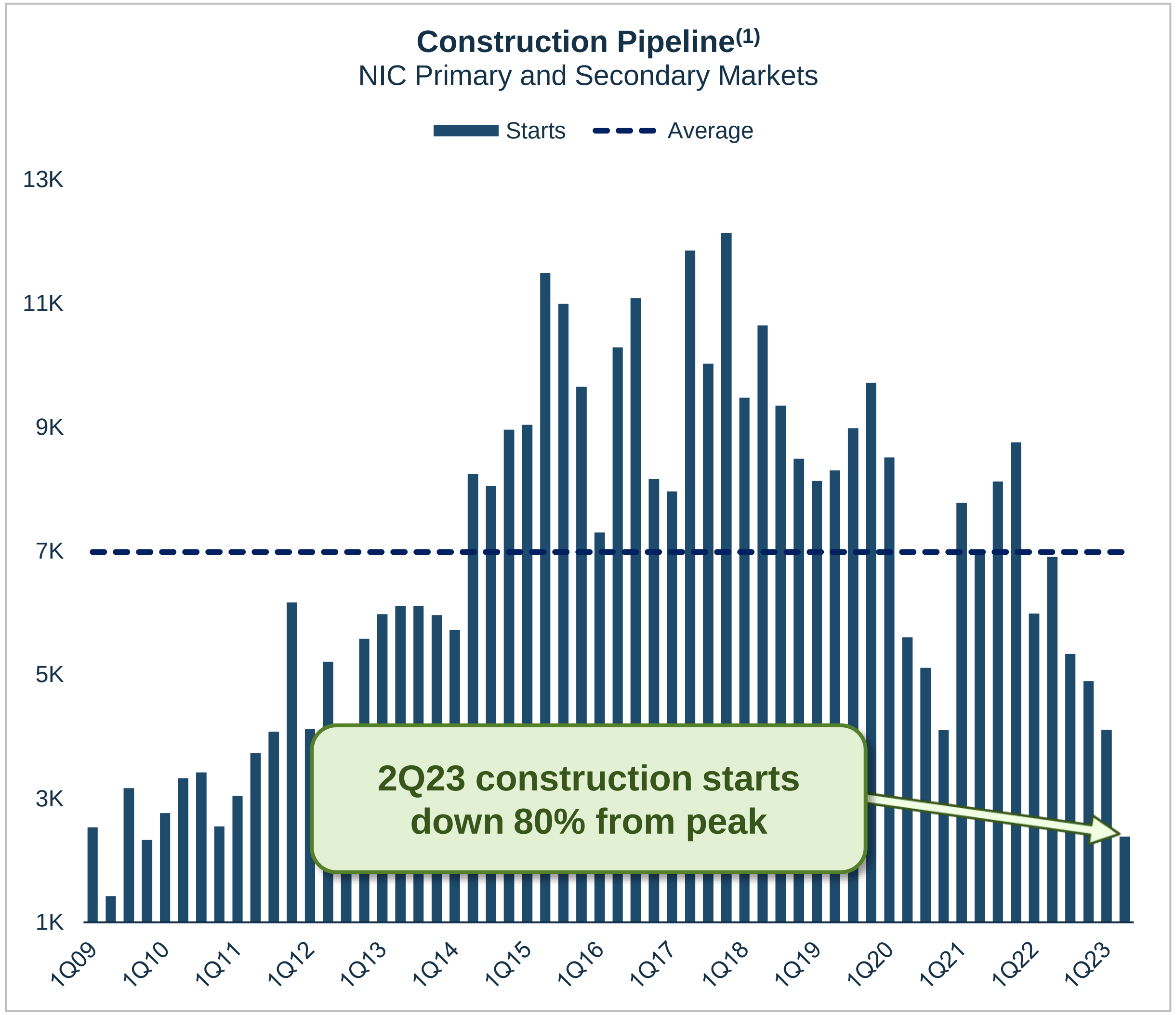
Source: National Investment Center for Seniors Housing & Care

Supply-Demand Imbalance Expected to Support Sustained Occupancy Growth in 2023+

Seniors Housing Demand Remains Robust….



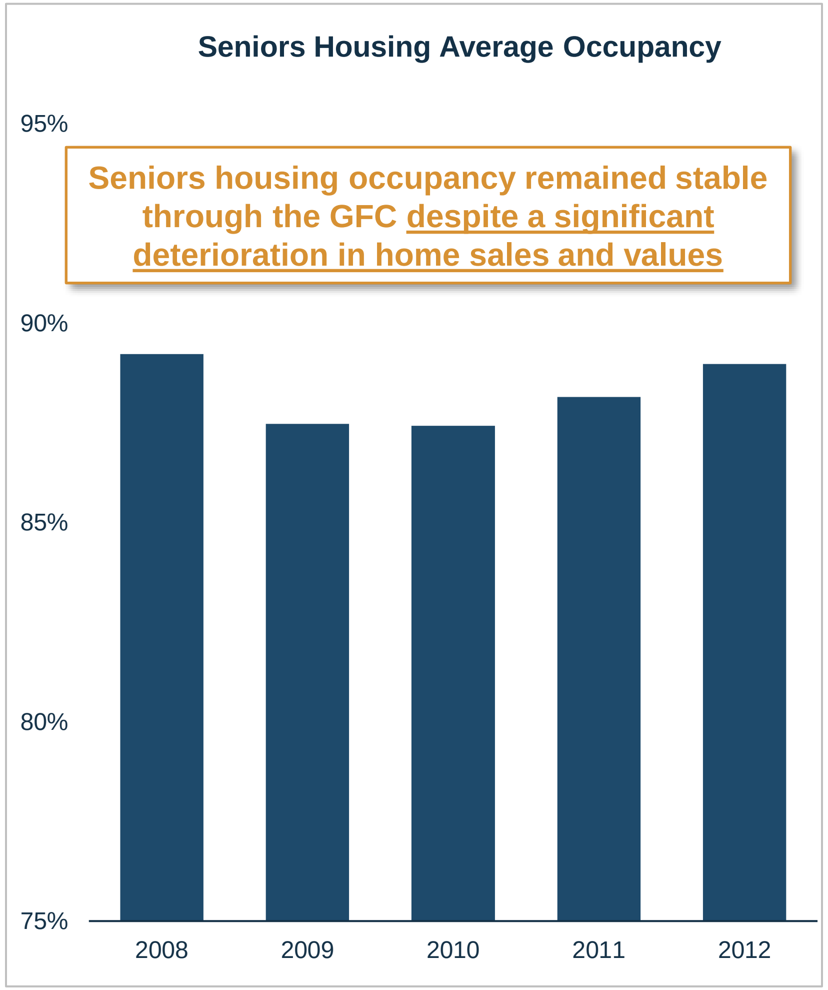
….While Supply Continues to Decline Rapidly

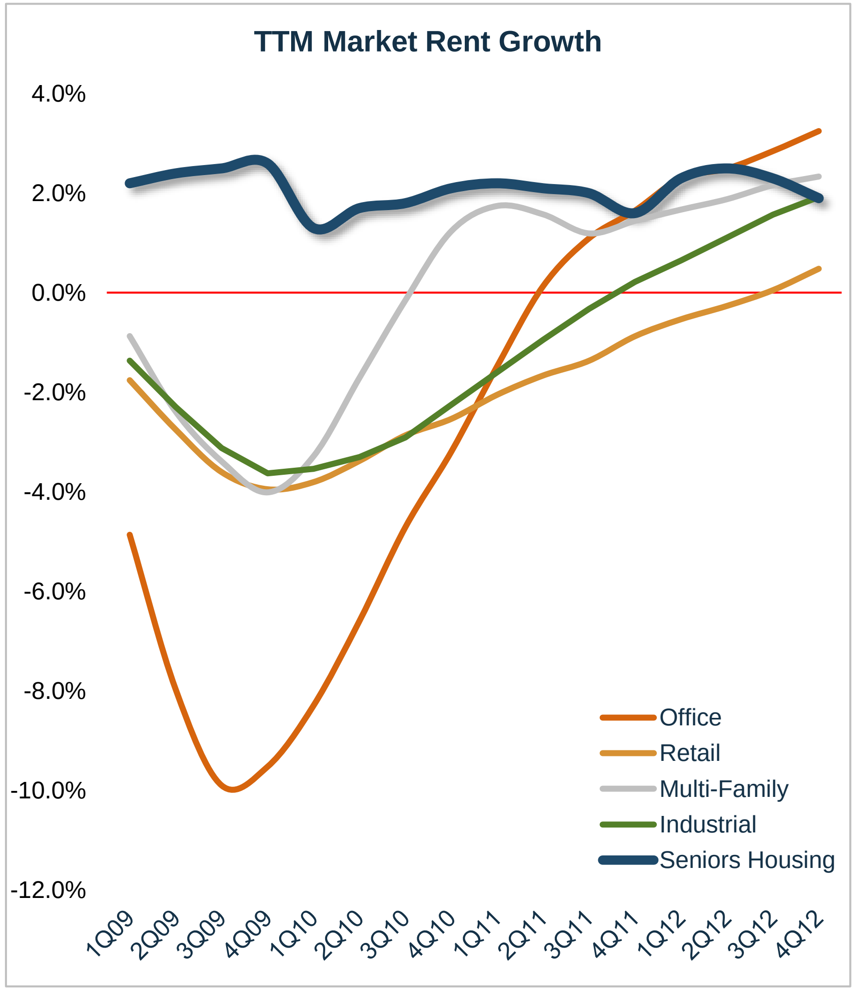


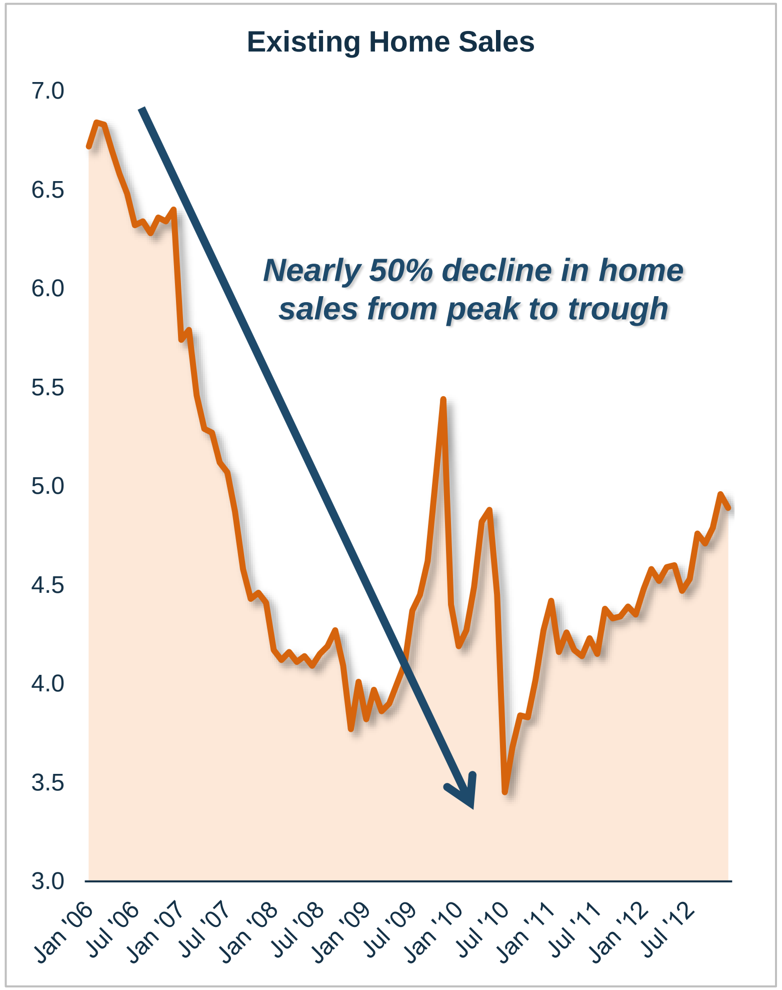
1. Source: National Investment Center for Seniors Housing & Care
2. Pre-pandemic average from1Q09-1Q20

Global Financial Crisis Case Study

Resilient Demand During GFC Driven By Needs-Based Nature of Seniors Housing







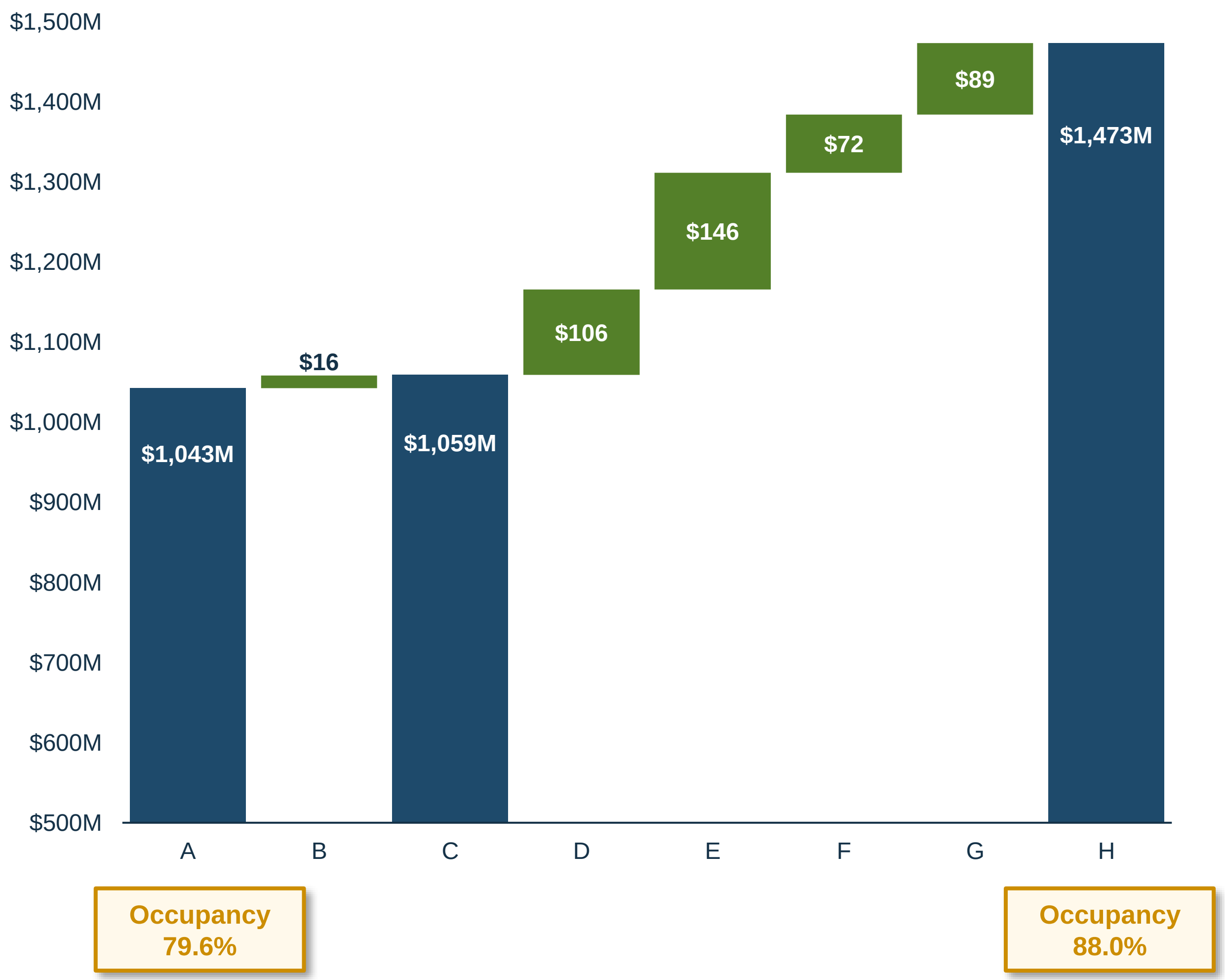
Sources: NIC MAP Vision, CoStar and Bloomberg

SHO Portfolio | Path to Recovery

	Category	NOI ($M)
A)	**2Q23 Total Portfolio - IPNOI Portfolio[1]**	**1,043**
B)	Revera JV Ownership Increase	**16**
C)	**2Q23 Total Portfolio – Pro Forma IPNOI Portfolio**	**1,059**
D)	4Q19 Open Property Occupancy Recovery (ex. Transitions)	106
E)	Transition Properties	146
F)	Fill-Up Properties	72
G)	Lease-Up of COVID Class Acquisitions (4Q20-2Q23)	89
H)	**2Q23 Total Portfolio - Post COVID Recovery NOI**	**1,473**

A)	2Q23 Portfolio In-Place NOI
B)	Adjustment to 2Q23 IPNOI to reflect increased ownership stake in properties formerly owned in joint venture with Revera[2]
C)	Pro forma 2Q23 Portfolio In-Place NOI
D)	Incremental NOI from return to 4Q19 NOI levels for properties open in 4Q19, excluding segment or operator transitions
E)	Incremental NOI from properties open in 4Q19 that subsequently underwent operator or segment transitions
F)	Incremental NOI from development properties delivered subsequent to 4Q19 and 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
G)	Incremental NOI from stabilization of acquisitions between 4Q20 and 2Q23
H)	2Q23 portfolio post-COVID recovery NOI. Represents portfolio occupancy of 88.0% and operating margin of 31.1%

$415 million embedded NOI growth in return to Pre-COVID levels



Potential for ADDITIONAL UPSIDE assuming return to PEAK OCCUPANCY of 91.2% in 4Q15

1. Represents $1,073 million of IPNOI in 2Q23, excluding $30 million of HHS. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures
2. Refer to slide 9 for details; categories D through G assume increased ownership stake in properties formerly owned in joint venture with Revera

Capital Allocation

Acquisitions Since 4Q2020

Capital Deployment Volume[1]

$9.3B GROSS INVESTMENTS

- ✓ Initial yield of 5.9%; Stable yield of approximately 7.9%
- ✓ 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

113 Total Transactions

374 OM and SH Properties Acquired

37K 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 million per property

Significant Discount to Replacement Cost

$201K / unit Avg. Last Dollar Basis US transactions

£47K / 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 1, 2020 through June 30 2023 and 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	+	25	=	30	→	$30B+
Relationships Formed Pre-COVID		Newly Formed Post-COVID Relationships		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

Note: Statistics as of June 30, 2023

Case Study | Aurora and Peace Capital Joint Venture Transition

Significant Performance Improvement Following Transition to Premier Regional Operator

- As previously announced, in March 2021, Welltower transitioned the sublease of a seven-facility skilled nursing portfolio to Complete Care Management, an affiliate of Peace Capital
- In May 2023, the leasehold interest was transferred to a JV between Welltower, Aurora, and Peace Capital as part of a previously announced $182 million forward sale. Simultaneous with the leasehold transfer, the JV exercised a purchase option for $66 million. The transactions resulted in net proceeds of $104 million to Welltower after our retained interest in the properties
- **Since the transition, the new operating team has improved EBITDAR by more than 75% through an improved unit acuity mix and strong expense management**
    - Pre-pandemic performance under prior operator was average with occupancy in the mid-80s and a low-teens EBITDAR margin
- Performance improvement over the last three years has resulted in approximately $90 million of value creation, of which $70 million accrued to Welltower through the forward sale and potential future upside through our participating preferred position in the joint venture with Aurora and Peace Capital[1]

A similar path to value creation is currently being pursued through the transition of formerly operated ProMedica assets to 20+ regional operators with Aurora/Integra

$MM	Previous Operator	Transition	Current
	4Q19	4Q21	4Q22
Occupancy	84.7%	74.2%	81.6%
Quality Mix	20.6%	24.8%	27.1%
Revenue	$28.1	$26.2	$31.3
Expenses	24.4	24.0	24.8
Contract Labor	5.6	4.5	3.9
EBITDAR	$3.7	$2.2	$6.5
EBITDAR Margin	***13.1%***	***8.3%***	***20.8%***

$70M in value capture to Welltower through exercise of purchase option and achieved operational improvements[1]

Over 700bps of margin expansion vs 4Q19 through mix shift

1. Analysis assumes 12% capitalization rate on EBITDAR
2. Data as reported by operators

Balance Sheet

Plurality of Capital Sources

Leveraging Efficient & Low-Cost Capital to Execute Investment Strategy

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

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

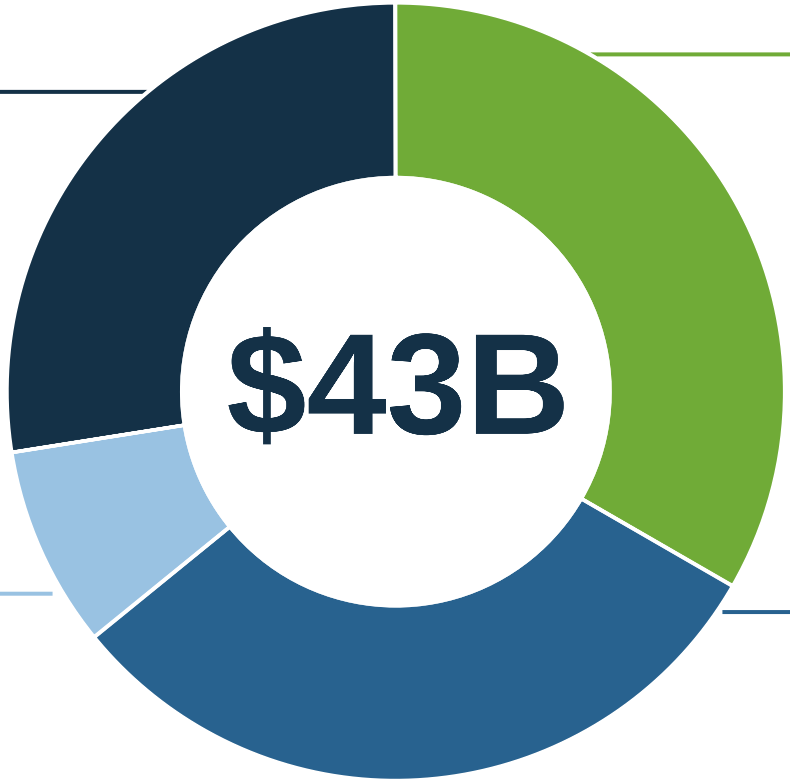
✓ **Recycle capital** to improve portfolio quality and capitalize on market inefficiencies

$12B | PUBLIC EQUITY

- Efficiently raised via ATM & DRIP programs since 2015

$4B | PRIVATE CAPITAL

- Capital raised via joint venture partnerships with institutional capital partners



$14B | DEBT

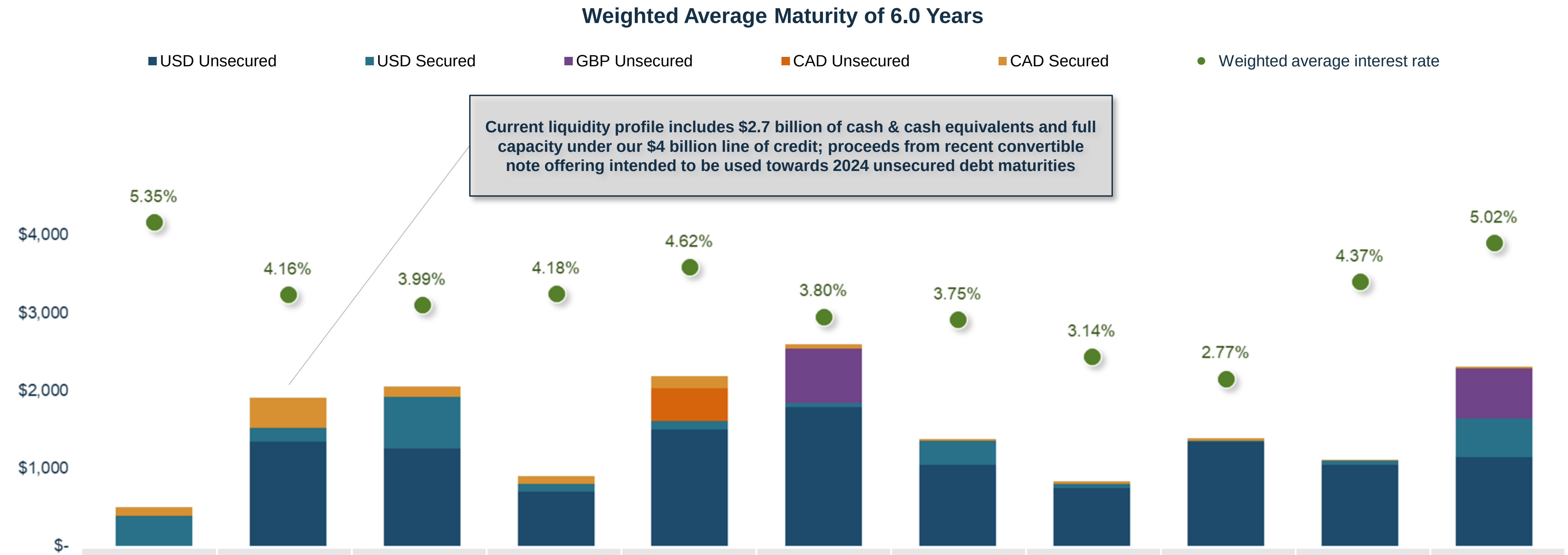
- Unsecured debt issued since 2015 at average interest rate of ~3.4%
- Investment grade balance sheet (BBB+/Baa1)
- $4 billion revolving credit facility at SOFR + 77.5bps

$13B | DISPOSITIONS

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

Note: Data as of June 30, 2023

Well-Laddered Debt Maturity Schedule[1,2,3]



($mm)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	After
Unsecured Debt	-	1,350	1,260	700	1,916	2,484	1,050	750	1,350	1,050	1,785
Secured Debt	507	555	789	206	272	116	325	88	40	51	520
Total	**507**	**1,905**	**2,049**	**906**	**2,188**	**2,600**	**1,375**	**838**	**1,390**	**1,101**	**2,305**

1. As of June 30, 2023
2. Represents principal amounts due excluding unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet
3. 2027 includes a $1,000,000,000 unsecured term loan and a CAD $250,000,000 unsecured term loan (approximately $188,936,000 USD at June 30, 2023). The loans mature on July 19, 2026. The interest rates on the loans are adjusted SOFR + 0.85% for USD and CDOR + 0.85% for CAD. Both term loans may be extended for two successive terms of six months at our option

Welltower Regional Density Strategy

Deepening Relationships with Best-in-Class Local & Regional Operators

Case studies

Case Studies | Regional Densification Strategy

Data Science Driven Active Portfolio Management and Disciplined Capital Allocation Driving Regional Densification

- Welltower continues to take an active approach to portfolio management, **deepening relationships with leading operators in key markets and regions**, through data science driven asset management and value add initiatives

- Case studies herein detail our transition of assets to Oakmont Management Group and Cogir which reflect **our strategy of creating regional density with our strongest partners**

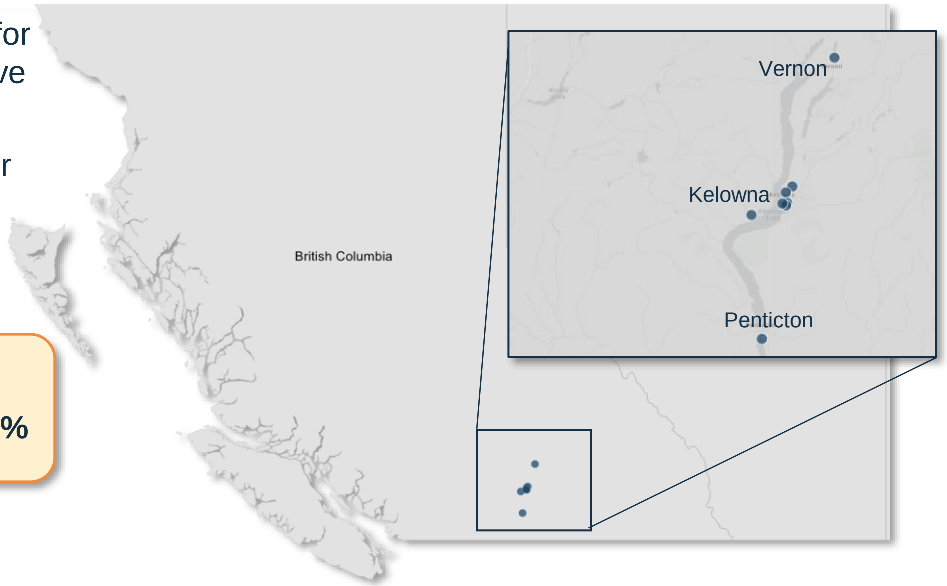
    - Additional upside expected over time through location-based operational synergies and the build out of the asset management platform

Case Study 1	Case Study 2
Portfolio Acquisition → Operator Transition	**Operator Transitions**
Slide 30	*Slides 31-32*
In early 2022, Welltower acquired a portfolio of seniors housing assets in British Columbia, Canada and subsequently transitioned to Cogir Management, **resulting in significant margin expansion and NOI growth**	In 2021, Welltower transitioned management of six predominately assisted living facilities in California to Oakmont, **resulting in substantial NOI improvement and dramatic value creation**

Cogir Case Study

Transition of properties to Cogir has resulted in dramatic NOI growth and margins in excess of 50%

- In early 2022, Welltower purchased a portfolio of eight communities from Regency Retirement Resorts for approximately $400 million. The portfolio was acquired, in part, due to strong regional density in attractive sub-markets in British Columbia, Canada
- Upon acquisition, the assets were transitioned to Cogir Management, an existing and growing Welltower operating partner
- Cogir was selected to operate the portfolio due to its strong operational history in Canada, data-driven culture, and track record of successfully improving operations at transitioned properties



Since assuming operations 18 months ago, Cogir has achieved margin expansion of ~750 bps, resulting in a nearly 40% increase in NOI. As of June 30, the portfolio realized an NOI margin of 52.4%

Oakmont Senior Living – History of Success

Oakmont meaningfully outperformed during the pandemic; Ivy Living brand created to leverage success across transition properties

Relationship Overview | 64 Welltower Communities

- The relationship began through the purchase of two properties in early 2015; Welltower subsequently acquired six additional properties in late 2019
    - **The eight properties meaningfully outperformed throughout the pandemic and reached >90% occupancy in 2022**
- Welltower and Oakmont signed a long-term exclusive development agreement, which is expected to drive significant growth in the partnership's footprint over time

Ivy Living Brand Creation and Dedicated Transition Team

- In April 2021, Welltower purchased a 111-unit seniors housing community in Chula Vista, CA for $35 million. The property site score is in the 85th percentile of the existing Welltower portfolio
    - The purchase price of $315,000/unit represents an attractive ~37% discount to estimated replacement cost for a newly built community
    - **The acquisition is expected to achieve a double-digit unlevered IRR**
- As part of the acquisition, **Oakmont assumed management and created the Ivy Living brand to manage transition assets where they were not the original developer**

In addition to the creation of a separate brand, **Oakmont has also established a dedicated transition team** with specific expertise in seamlessly managing transition properties, including evaluating property-level leadership and identifying operational deficiencies

Same Store Portfolio Performance

	2020	2021	2022
Occupancy	91.1%	88.8%	**94.4%**
Margin	31.8%	29.7%	**31.9%**

Future margin expansion opportunity expected to be driven by robust rate growth and normalization of expense environment

Case Study | Portfolio Transition to Oakmont

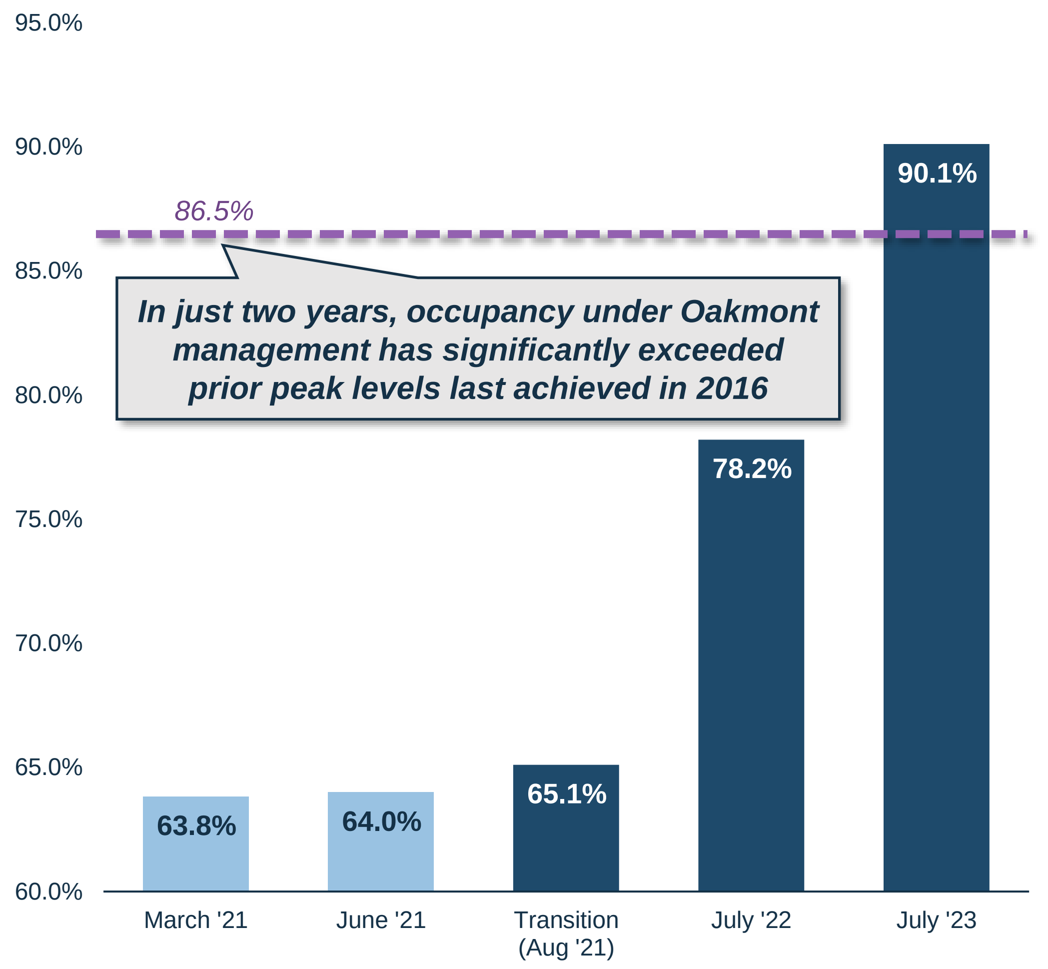
Transitioned Six Communities to Oakmont from Sunrise; Meaningful Value Creation Recognized through Improved Performance

Predicted Performance

- In August 2021, Welltower transitioned management of six predominately assisted living communities to Oakmont. The transition portfolio is well located within the SF Bay Area and the Los Angeles metro area, where Oakmont has a long operating history and competitive product
- **The portfolio has meaningfully outperformed over the past two years; occupancy has increased 2,500 bps with recent strong demand enabling Oakmont to raise rates ~10%**
- Recent performance reinforces our confidence in the portfolio's ability to achieve substantial NOI upside**. 2Q23 annualized NOI of $14 million (as of June 30, 2023) is up meaningfully from $0.6M in 2021**
- Based on each operator's performance in the subject markets, Welltower's data analytics tools predict that Oakmont's bottom-line results will **outperform by 20%** on a stabilized basis driven by both higher occupancy and lower expenses

Projected Stabilized EBITDARM Per Unit			
Property	**Previous Operator**	**Oakmont**	**Projected Improvement**
1	$2,204	$2,576	**17%**
2	$2,700	$3,040	**13%**
3	$1,664	$1,990	**20%**
4	$2,015	$2,492	**24%**
5	$2,852	$3,423	**20%**
6	$1,552	$2,040	**32%**
Weighted Average	**$2,185**	**$2,625**	**20%**

Spot occupancy has increased 2,500 bps since the transition



Note: July' 23 and July' 22 occupancy figures represent spot occupancies taken at weeks ending July 21, 2022 and July 21, 2023. March '21, June '21 and August '21 figures represent average occupancy figures for each respective month

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 Funds from Operations ("FFO"), Normalized FFO, Net Operating Income ("NOI"), In-Place NOI ("IPNOI"), Same Store NOI ("SSNOI"), RevPOR, ExpPOR, Same Store RevPOR ("SS RevPOR"), Same Store ExpPOR ("SS ExpPOR), 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.

FFO and Normalized FFO

Historical cost accounting for real estate assets in accordance with U.S. GAAP implicitly assumes that the value of real estate assets diminishes predictably over time as evidenced by the provision for depreciation. However, since real estate values have historically risen or fallen with market conditions, many industry investors and analysts have considered presentations of operating results for real estate companies that use historical cost accounting to be insufficient. In response, the National Association of Real Estate Investment Trusts ("NAREIT") created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation from net income. FFO attributable to common stockholders, as defined by NAREIT, means net income attributable to common stockholders, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate and impairments of depreciable assets, plus real estate depreciation and amortization, and after adjustments for unconsolidated entities and noncontrolling interests. Normalized FFO attributable to common stockholders represents FFO adjusted for certain items detailed in the reconciliations and described in our earnings press releases for the relevant periods.

We believe that Normalized FFO attributable to common stockholders is a useful supplemental measure of operating performance because investors and equity analysts may use this measure to compare our operating performance between periods or to other REITs or other companies on a consistent basis without having to account for differences caused by unanticipated and/or incalculable items.

Earnings Outlook Reconciliation

(in millions, except per share data)	Year Ended December 31, 2023			
	Prior Outlook		Current Outlook	
	Low	High	Low	High
FFO Reconciliation:				
Net income attributable to common stockholders	$ 303	$ 368	$ 374	$ 430
Impairments and losses (gains) on real estate dispositions, net[1,2]	(19)	(19)	(20)	(20)
Depreciation and amortization[1]	1,391	1,391	1,402	1,402
NAREIT FFO attributable to common stockholders	$ 1,675	$ 1,740	$ 1,756	$ 1,812
Normalizing items, net[1,3]	33.471	33.471	18	18
Normalized FFO attributable to common stockholders	$ 1,708.471	$ 1,773.471	$ 1,774	$ 1,830
Diluted per share data attributable to common stockholders:				
Net income	$ 0.61	$ 0.74	$ 0.73	$ 0.84
NAREIT FFO	$ 3.36	$ 3.49	$ 3.44	$ 3.55
Normalized FFO	$ 3.43	$ 3.56	$ 3.48	$ 3.59
Other items:[1]				
Net straight-line rent and above/below market rent amortization	$ (126)	$ (126)	$ (126)	$ (126)
Non-cash interest expenses	24	24	27	27
Recurring cap-ex, tenant improvements, and lease commissions	(174)	(174)	(177)	(177)
Stock-based compensation	33	33	37	37

1. Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.
2. Includes estimated gains on projected dispositions.
3. See our earnings press release for more information.

NOI, IPNOI, SSNOI, RevPOR, ExpPOR, SS RevPOR & SS ExpPOR

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 general overhead costs that are unrelated to property operations and unallocable to the properties, or transaction costs. These expenses include, but are not limited to, payroll and benefits related to corporate employees, 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. Acquisitions and development conversions are included in the same store amounts five full quarters after acquisition or being placed into service. Land parcels, loans and sub-leases, as well as any properties sold or classified as held for sale during the period, are excluded from the same store amounts. Redeveloped properties (including major refurbishments of a Seniors Housing Operating property where 20% or more of units are simultaneously taken out of commission for 30 days or more or Outpatient Medical properties undergoing a change in intended use) are excluded from the same store amounts until five full quarters post completion of the redevelopment. Properties undergoing operator transitions and/or segment transitions are also excluded from the same store amounts until five full quarters post completion of the operator transition or segment transition. In addition, properties significantly impacted by force majeure, acts of God or other extraordinary adverse events are excluded from same store amounts until five full quarters after the properties are placed back into service. SSNOI excludes non-cash NOI and includes adjustments to present consistent property ownership percentages and to translate Canadian properties and UK properties using a consistent exchange rate. 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. We believe NOI, IPNOI and SSNOI 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 NOI, IPNOI and SSNOI to make decisions about resource allocations and to assess the property level performance of our properties.

RevPOR represents the average revenues generated per occupied room per month at our Seniors Housing Operating properties and ExpPOR represents the average expenses per occupied room per month at our Seniors Housing Operating properties. These metrics are calculated as the pro rata version of resident fees and services revenues or property operating expenses per the income statement divided by average monthly occupied room days. SS RevPOR and SS ExpPOR are used to evaluate the RevPOR and ExpPOR performance of our properties under a consistent population, which eliminates changes in the composition of our portfolio. They are based on the same pool of properties used for SSNOI and includes any revenue or expense normalizations used for SSNOI. We use RevPOR, ExpPOR, SS RevPOR and SS ExpPOR to evaluate the revenue-generating capacity and profit potential of our 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.

In-Place NOI Reconciliations

(dollars in thousands)	2Q23
Net income (loss)	$ 106,342
Loss (gain) on real estate dispositions, net	2,168
Loss (income) from unconsolidated entities	40,332
Income tax expense (benefit)	3,503
Other expenses	11,069
Impairment of assets	1,086
Provision for loan losses, net	2,456
Loss (gain) on extinguishment of debt, net	1
Loss (gain) on derivatives and financial instruments, net	1,280
General and administrative expenses	44,287
Depreciation and amortization	341,945
Interest expense	152,337
Consolidated net operating income	706,806
NOI attributable to unconsolidated investments[1]	25,150
NOI attributable to noncontrolling interests[2]	(24,262)
Pro rata net operating income (NOI)	707,694
Adjust:	
Interest income	(42,866)
Other income	(81,867)
Sold / held for sale	(6,137)
Non operational[3]	1,747
Non In-Place NOI[4]	(32,087)
Timing adjustments[5]	1,275
In-Place NOI	547,759
Annualized In-Place NOI	$ 2,191,036

In-Place NOI by property type	2Q23	% of Total
Seniors Housing Operating	$ 1,072,692	49 %
Seniors Housing Triple-net	396,116	18 %
Outpatient Medical	489,144	22 %
Long-Term/Post-Acute Care	233,084	11 %
Total In-Place NOI	$ 2,191,036	100 %

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.
3. Primarily includes development properties and land parcels.
4. Primarily represents non-cash NOI.
5. Represents timing adjustments for current quarter acquisitions, construction conversions and segment or operator transitions.

SSNOI Reconciliation

(dollars in thousands)	Three Months Ended June 30,		
	2022	2023	% growth YOY
Net income (loss)	$ 95,672	$ 106,342	
Loss (gain) on real estate dispositions, net	3,532	2,168	
Loss (income) from unconsolidated entities	7,058	40,332	
Income tax expense (benefit)	3,065	3,503	
Other expenses	35,166	11,069	
Impairment of assets	—	1,086	
Provision for loan losses	165	2,456	
Loss (gain) on extinguishment of debt, net	603	1	
Loss (gain) on derivatives and financial instruments, net	(1,407)	1,280	
General and administrative expenses	36,554	44,287	
Depreciation and amortization	310,295	341,945	
Interest expense	127,750	152,337	
Consolidated NOI	618,453	706,806	
NOI attributable to unconsolidated investments[1]	23,648	25,150	
NOI attributable to noncontrolling interests[2]	(82,804)	(24,262)	
Pro rata NOI	559,297	707,694	
Non-cash NOI attributable to same store properties	(18,162)	(15,671)	
NOI attributable to non-same store properties	(133,593)	(242,710)	
Currency and ownership adjustments[3]	(1,713)	(1,738)	
Other adjustments[4]	(11,603)	(3,378)	
Same Store NOI (SSNOI)	$ 394,226	$ 444,197	*12.7%*
Seniors Housing Operating	175,416	217,863	*24.2%*
Seniors Housing Triple-net	90,740	93,575	*3.1%*
Outpatient Medical	109,547	113,097	*3.2%*
Long-Term/Post-Acute Care	18,523	19,662	*6.1%*
Total SSNOI	$ 394,226	$ 444,197	*12.7%*

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. 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 1.37 and to translate UK properties at a GBP/USD rate of 1.20.
5. Represents normalizing adjustment for 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 SSNOI at Welltower pro rata ownership.

SHO RevPOR Growth Reconciliation

(dollars in thousands, except SS RevPOR and units)

	June 30, 2022	June 30, 2023
SHO SS RevPOR Growth		
Consolidated SHO revenues	$ 1,071,210	$ 1,164,439
Unconsolidated SHO revenues attributable to WELL[(1)]	51,456	63,041
SHO revenues attributable to noncontrolling interests[(2)]	(121,704)	(48,505)
SHO pro rata revenues[(3)]	1,000,962	1,178,975
Non-cash and non-RevPOR revenues on same store properties	(907)	(2,006)
Revenues attributable to non-same store properties	(211,353)	(298,776)
Currency and ownership adjustments[(4)]	8,111	(3,922)
SHO SS revenues[(5)]	$ 796,813	$ 874,271
SHO SS revenue YOY growth		10 %
Average occupied units/month[(6)]	54,537	55,788
SHO SS RevPOR[(7)]	$ 4,884	$ 5,238
SS RevPOR YOY growth	—	7.3 %

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2. Represents minority partners' interests in joint ventures where Welltower is the majority partner.
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 1.37 and to translate UK properties at a GBP/USD rate of 1.20.
5. Represents SS SHO RevPOR 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 SS ExpPOR Growth Reconciliation

(dollars in thousands, except SS ExpPOR and units)

	June 30, 2022	June 30, 2023
SHO SS ExpPOR Growth		
Consolidated SHO property operating expenses	$ 789,299	$ 885,187
Unconsolidated SHO expenses attributable to WELL[1]	39,657	49,411
SHO expenses attributable to noncontrolling interests[2]	(51,778)	(32,530)
SHO pro rata expenses[3]	777,178	902,068
Non-cash expenses on same store properties	(181)	(219)
Expenses attributable to non-same store properties	(176,092)	(244,557)
Currency and ownership adjustments[4]	9,320	(2,997)
Normalizing adjustment for government grants[5]	13,061	5,352
Other normalizing adjustments[6]	(1,546)	(1,610)
SHO SS expenses[7]	$ 621,740	$ 658,037
Average occupied units/month [8]	54,537	55,788
SHO SS ExpPOR[9]	$ 3,853	$ 3,986
SS ExpPOR YOY growth		3.5 %

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2. Represents minority partners' interests in joint ventures where Welltower is the majority partner.
3. Represents SHO property operating expenses 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 1.37 and to translate UK properties at a GBP/USD rate of 1.20.
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 SHO same store property operating expenses at Welltower pro rata ownership.
8. Represents average occupied units for SS properties.
9. Represents pro rata SS average expenses per occupied room per month.

SHO SSNOI Growth Reconciliation

(dollars in thousands)

	United States		United Kingdom		Canada		Total	
	2Q22	2Q23	2Q22	2Q23	2Q22	2Q23	2Q22	2Q23
SHO SSNOI Growth								
Consolidated SHO NOI	$ 237,393	$ 229,006	$ 16,579	$ 17,497	$ 27,939	$ 32,749	$ 281,911	$ 279,252
Unconsolidated SHO NOI attributable to WELL[1]	4,956	5,987	—	(389)	6,840	8,031	11,796	13,629
SHO NOI attributable to noncontrolling interests[2]	(63,731)	(8,574)	(1,278)	(1,585)	(4,914)	(5,815)	(69,923)	(15,974)
SHO pro rata NOI[3]	178,618	226,419	15,301	15,523	29,865	34,965	223,784	276,907
Non-cash NOI on same store properties	(375)	(152)	—	—	—	—	(375)	(152)
NOI attributable to non-same store properties	(23,483)	(41,470)	(7,816)	(6,672)	(3,970)	(6,083)	(35,269)	(54,225)
Currency and ownership adjustments[4]	872	24	(322)	(374)	(1,759)	(575)	(1,209)	(925)
Normalizing adjustment for government grants[5]	(12,045)	(5,352)	(1,028)	—	12	—	(13,061)	(5,352)
Other normalizing adjustments[6]	1,546	1,610	—	—	—	—	1,546	1,610
SHO pro rata SSNOI[7]	$ 145,133	$ 181,079	$ 6,135	$ 8,477	$ 24,148	$ 28,307	$ 175,416	$ 217,863
SHO SSNOI growth		24.8 %		38.2 %		17.2 %		24.2 %
SHO SSNOI margin							22.0 %	24.9 %

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5. Represents normalizing adjustment for 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 SSNOI at Welltower pro rata ownership.

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.

We measure our credit strength both in terms of leverage ratios and coverage ratios. The leverage ratios which include net debt to consolidated enterprise value, indicate how much of our balance sheet capitalization is related to long-term debt, net of cash and restricted cash. We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. Net debt is defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and restricted cash. Consolidated enterprise value represents the sum of net debt, the fair market value of our common stock and noncontrolling interests.

Net Debt to Adjusted EBITDA

(dollars in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
Net income	$ 106,342	$ 95,672
Interest expense	152,337	127,750
Income tax expense (benefit)	3,503	3,065
Depreciation and amortization	341,945	310,295
EBITDA	604,127	536,782
Loss (income) from unconsolidated entities	40,332	7,058
Stock-based compensation expense	10,491	5,901
Loss (gain) on extinguishment of debt, net	1	603
Loss (gain) on real estate dispositions, net	2,168	3,532
Impairment of assets	1,086	—
Provision for loan losses, net	2,456	165
Loss (gain) on derivatives and financial instruments, net	1,280	(1,407)
Other expenses	11,069	35,166
Lease termination and leasehold interest adjustment[1]	(65,485)	(56,397)
Casualty losses, net of recoveries	3,568	2,673
Other impairments[2]	—	(620)
Adjusted EBITDA	$ 611,093	$ 533,456

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
Total debt[2]	$ 16,040,530	$ 15,144,432
Cash and cash equivalents and restricted cash	(2,299,069)	(442,251)
Net debt	13,741,461	14,702,181
Adjusted EBITDA	611,093	533,456
Adjusted EBITDA annualized	$ 2,444,372	$ 2,133,824
Net debt to Adjusted EBITDA ratio	5.62 x	6.89 x

1. For the three months ended June 30, 2023, relates to the loss of control and derecognition of leasehold interests related to seven properties. For the three months ended June 30, 2022, relates to the termination of our leasehold interest relating to the master lease with National Health Investors ("NHI") for 17 properties assumed in conjunction with the Holiday Retirement acquisition.
2. Primarily relates to the release of previously reserved straight-line receivables.
3. Amounts include unamortized premiums/discounts, other fair value adjustments and financing lease liabilities. Excludes operating lease liabilities related to ASC 842 adoption.

Net Debt to Consolidated Enterprise Value

(in thousands, except share price)		Three Months Ended June 30, 2023
Common shares outstanding		508,159
Period end share price	$	80.89
Common equity market capitalization	$	41,104,982
Total debt[1]	$	16,040,530
Cash and cash equivalents and restricted cash		(2,299,069)
Net debt	$	13,741,461
Noncontrolling interests[2]		988,673
Consolidated enterprise value	$	55,835,116
Net debt to consolidated enterprise value		24.6 %

1. Amounts include senior unsecured notes, secured debt and lease liabilities related to finance leases, as reflected on our consolidated balance sheets. Operating lease liabilities related to the ASC 842 adoption are excluded.
2. Includes amounts attributable to both redeemable noncontrolling interests and noncontrolling interests as reflected on our consolidated balance sheets.