



Business Update

April 29, 2024

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 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 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, health emergencies (such as the COVID-19 pandemic) 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.

1Q2024 Key Highlights⁽¹⁾

19% growth in Normalized FFO per diluted share led by exceptional level of Seniors Housing growth

25.5%

Net Operating Income (NOI)
Growth

Seniors Housing Operating (SHO) Portfolio Same Store (SS) NOI growth of 25.5% represents sixth consecutive quarter of 20%+ growth

- End market demand across all regions and product types remains solid, with particular strength experienced in assisted living communities
- Accelerating demand coupled with muted development activity remain supportive of outsized levels of NOI growth going forward

10.3%

Revenue Growth

Robust occupancy growth and strong rate increases continue to power double-digit revenue growth

- Dual drivers of revenue growth remain firmly intact as reflected by another quarter of outsized occupancy gains and rate growth
 - Occupancy growth of 340 bps fueled by solid gains across the US, UK, and Canada
 - Achieved 4.8% growth in revenue per occupied room (RevPOR or unit revenue) or 5.6% growth adjusting for the leap year impact

5.7%

Expense Growth

Operational scaling resulting in further deceleration in expense per occupied room growth

- Continued moderation in growth of key expense line items, including compensation expense growth of 5.4%
- Expense per Occupied Room (ExpPOR or unit expense) growth decelerated to 0.4% driven by operational scaling and continued easing in post-pandemic inflationary pressures; ExpPOR growth for the quarter was 0.9% adjusting for the leap year impact

320 bps

Margin Expansion

NOI margins remain well below pre-COVID levels despite recent recovery in profitability; significant upside remains

- Delta between RevPOR growth and ExpPOR growth remains at historically wide levels, resulting in a further recovery in operating margins
- Inherent operating leverage of the business has the potential to drive multiple years of continued margin recovery and double-digit NOI growth

\$2.8B

Investments

Capital deployment environment remains attractive; near-term pipeline is robust, visible, and actionable

- \$2.8 billion of pro rata gross acquisitions and loan funding inclusive of \$208 million closed in the first quarter and \$2.6 billion of investments closed or under contract to close subsequent to quarter end

Balance Sheet & Liquidity Update

4.0x

Net Debt to Adjusted EBITDA

17.4%

Net Debt to Enterprise Value

92.4%

Pro Rata Fixed Rate Debt

4.5x

Adjusted Fixed Charge Coverage Ratio

BBB+ / Baa1

S&P / Moody's Credit Ratings

\$6.5B

Near-Term Available Liquidity

Recent Highlights as of March 31, 2024

- Significant growth in EBITDA coupled with prudent capitalization of investment activity has driven a meaningful improvement in key credit metrics
 - Organic de-leveraging expected to continue as seniors housing EBITDA continues to recover from COVID lows
- Extinguished \$167 million of pro rata secured debt at a blended rate of 7.4%
- Reduced variable rate debt to 7.6% of total pro rata debt
- Redeemed \$1.35 billion of senior unsecured notes due in 1Q2024 with cash on hand
- No unsecured debt maturing over next 12 months**

Liquidity Profile as of March 31, 2024

(In millions)

Cash and Restricted Cash	\$2,480
Line of Credit Capacity	4,000
Near-Term Available Liquidity	6,480
Expected Proceeds from Property Sales and Loan Payoffs ⁽¹⁾	1,150
Financing Activity ⁽²⁾	840
Investment Pipeline ⁽³⁾	(2,600)
Available Liquidity Adjusted for Expected Near-Term Transactions	\$5,870

Note: 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

1. Includes pro rata proceeds from expected dispositions and loan payoffs as of March 31, 2024

2. Financing activity subsequent to March 31, 2024 including equity issuance, the assumption of below-market rate secured debt and the extinguishment of secured debt

3. Pro rata acquisition and loan funding closed or under contract to close as of April 29, 2024

2024 Guidance Outlook

Greater-than-expected investment activity & SHO portfolio outperformance driving 6.5¢ increase to Normalized FFO per diluted share guidance midpoint

Revised FY2024 Same Store NOI Guidance		
Segment	Low	High
SHO	17.0%	22.0%
SH NNN	2.5%	4.0%
OM	2.0%	3.0%
LT/PAC	2.0%	3.0%
Total Portfolio	9.0%	12.0%

2023 to 2024 Normalized FFO per diluted share Guidance Bridge			
	Initial Guidance	1Q24 Update	1Q24 Update vs Initial Guidance
Adj. FY2023 Normalized FFO per diluted share ⁽¹⁾	\$3.61	\$3.61	-
(+) Seniors Housing Operating NOI	0.33	0.36	0.03
(+) Outpatient Medical and Triple Net	0.02	0.01	(0.01)
(+) Investment & Financing Activity	0.100	0.155	0.055
(-) General & Administrative	(0.04)	(0.05)	(0.01)
FY2024 Normalized FFO per diluted share at Midpoint	\$4.020	\$4.085	\$0.065

Seniors Housing Operating Portfolio - Outlook Assumptions
<ul style="list-style-type: none"> Revenue: SS revenue growth of 9.2% driven by further occupancy gains and rate growth <ul style="list-style-type: none"> Anticipate year-over-year occupancy growth of ~290 bps Expect full year RevPOR growth of 5.25%, reflecting healthy levels of pricing power across all regions Expense: SS expense growth of 6.0% in 2024 vs. full-year 2023; further normalization of agency labor and continued abatement of broader inflationary pressures expected NOI: Positive revenue and expense trends are expected to drive SS SHO Portfolio NOI growth of 19.5% at the midpoint of the range, which represents a 150 bps increase vs. the prior midpoint
Guidance Bridge Commentary

- Outpatient Medical and Triple Net:** Primarily related to the opportunistic transition of eight seniors housing properties currently operated under a triple net lease to RIDEA operating agreements
- Investments:** Related to increase in pro rata gross acquisitions and loan funding to \$2.8 billion, inclusive of \$208 million in pro rata gross investments closed in the first quarter and \$2.6 billion of investments closed or under contract to close subsequent to quarter end
- Guidance:** Earnings guidance includes only those acquisitions closed, or under contract to close; no transitions or restructures beyond those announced to date are included

Capital Markets Backdrop | Unprecedented Capital Deployment Opportunity

Scarcity of Equity and Debt Capital

Equity

- Many seniors housing closed-end funds remain out of the money on promotes, incentivizing asset sales and return of capital to LPs in order to begin capital raising for next vintage of funds
- Institutional investors overallocated to real estate due to “denominator effect” continues to rise
 - Significant institutional private equity real estate investor (\$200B AUM) evaluating exit from seniors housing investment platform
- Loan underwriters are placing a greater emphasis on sponsor net worth, liquidity and overall quality given elevated levels of agency (Fannie Mae and Freddie Mac) portfolio defaults and credit challenges

Rightsizing Exposure

- Previously, lenders were looking to recycle capital from repaid loans back into construction financing. Today, lenders are seeking to reduce their overall exposure to construction financing and right size their loan books before re-deploying capital into seniors housing

Extend and Pretend Is Over

- Lenders (e.g. banks and agencies) are more proactively seeking solutions for troubled loans after a prolonged period of “extend and pretend”

Interest-Only Periods Rolling Off

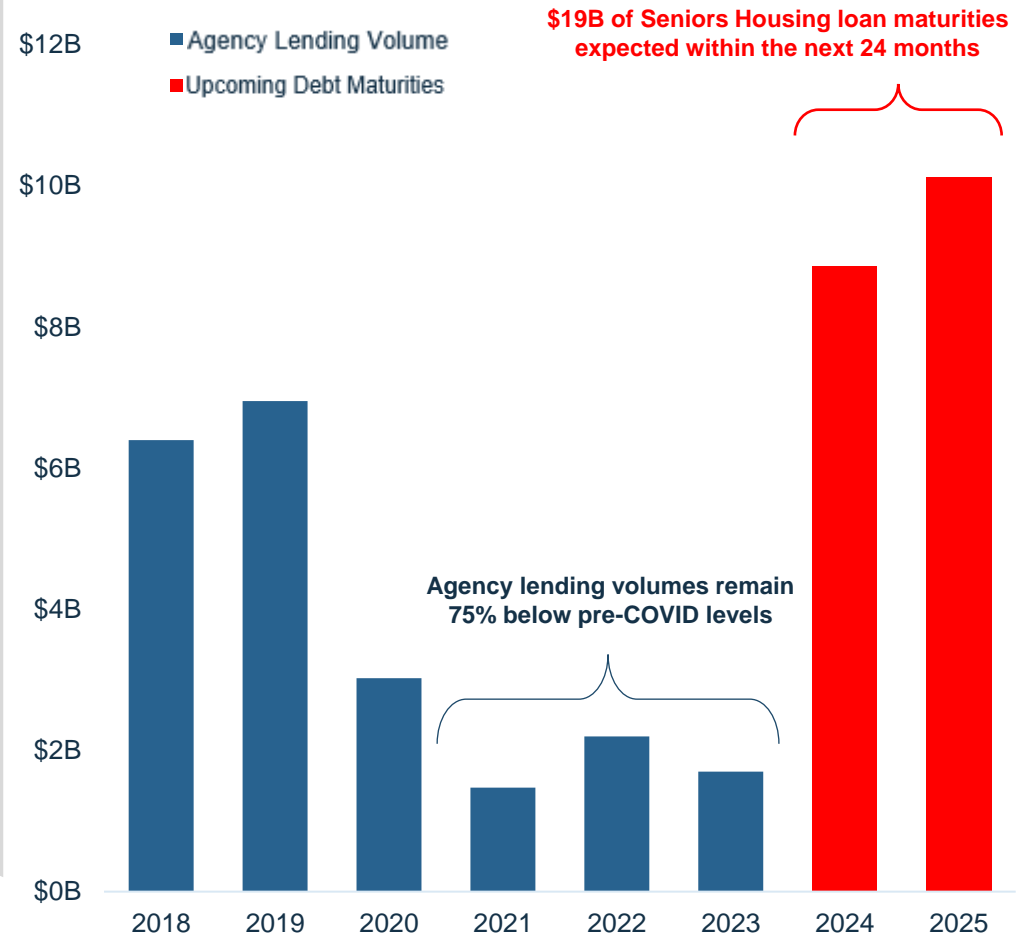
- Historically, agency loans incorporated a 5-year period of interest-only payments. Over \$13B of agency loans originated in 2018 and 2019 have had or will have amortization periods beginning in 2023 and 2024, further pressuring interest coverage and levered returns on existing assets
- Post-COVID, IO periods have often been shortened to 2-3 years; therefore, loans originated in 2021 and 2022 also have amortization periods beginning in 2024 and 2025

New Loan Origination Volumes Remain at Historically Low Levels

- Lenders are struggling to underwrite new loans resulting from limited takeout options upon stabilization of construction and bridge loans

Debt

Pace of Agency Lending Insufficient to Address '24 & '25 Maturities⁽¹⁾



Welltower's Unique Value Creation Flywheel

Established Competitive Advantages Driving Sustainable Shareholder Value Creation

Welltower Value-Add and Moat

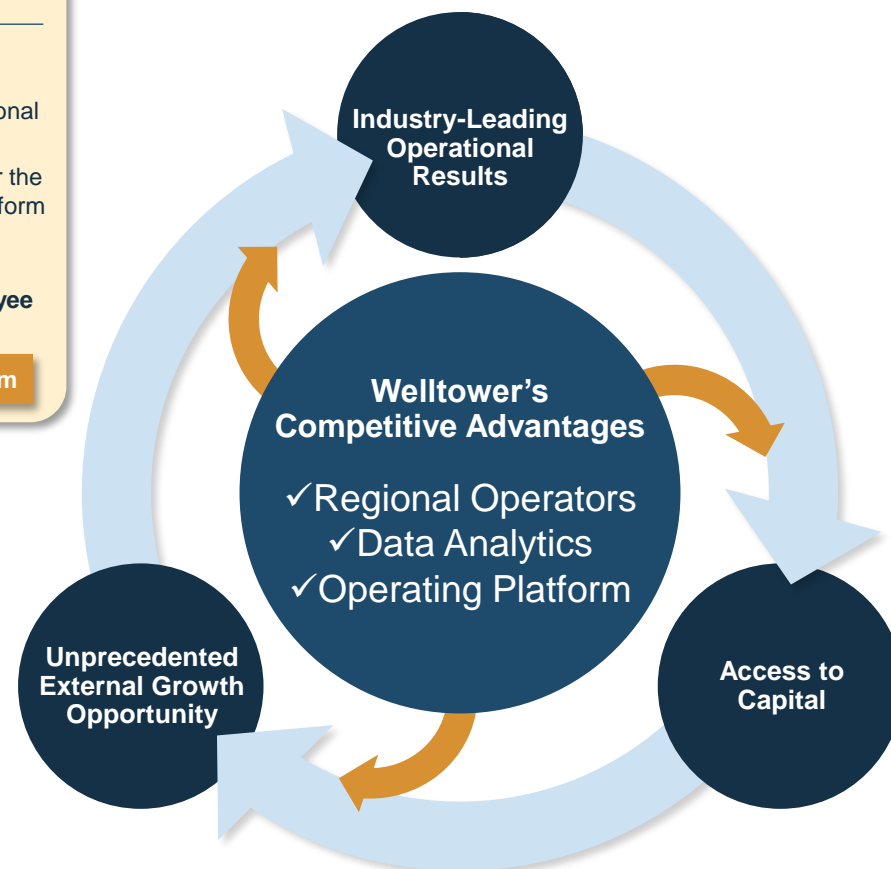
Best-in-class:

- Local & regional operators: Superior managers with significant regional density operating under highly aligned RIDEA 3.0/4.0 contracts
- Data analytics: Unparalleled data analytics platform developed over the past eight years informing both capital allocation and operating platform decisions
- Operating platform: Institutionalization of portfolio expected to drive further efficiencies while **improving both the resident and employee experience**

Properties are worth substantially more on Welltower's platform

Capital Allocation

- Macroeconomic uncertainty and capital markets dislocation creating opportunities to acquire assets at increasingly attractive basis, going-in yields, and unlevered IRRs
- Granular approach to capital allocation provides opportunity to acquire assets at deep discounts to replacement cost while complementing Welltower's regional density strategy
- Completed \$13.6 billion of investments since 4Q2020 at attractive high-single-digit to low-double-digit unlevered IRRs with potential for further upside from WELL platform enhancements



Internal Growth

- Long-term demographic tailwinds and significant decline in new supply expected to drive continued outsized growth for extended period
- RevPOR growth (unit revenue) expected to continue to outpace ExpPOR growth (unit expense), resulting in further operating margin expansion
- Industry-leading results being driven by Welltower's superior micro-market locations, disciplined capital allocation strategy, and highly aligned partners with significant regional density

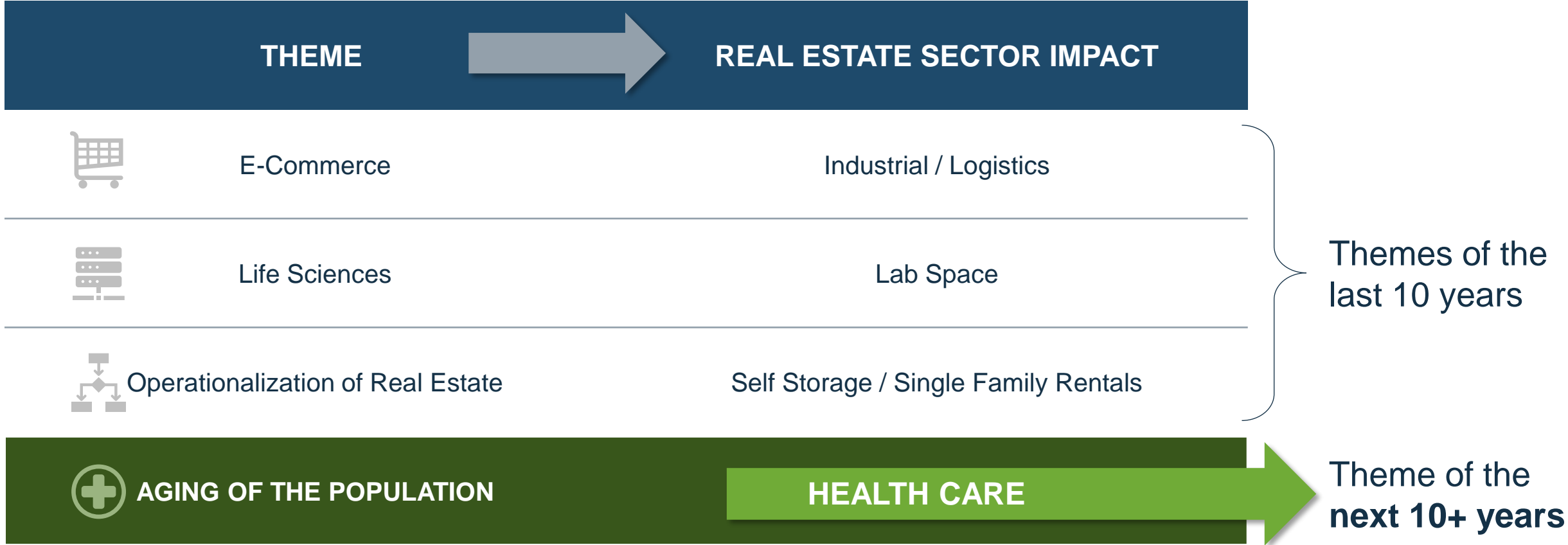
Superior Ability to Capitalize the Opportunity

- Access to a plurality of capital sources including common equity, private equity, unsecured and secured debt, and exchangeable notes
- Ability to opportunistically pivot between each capital source based upon cost and availability
- Robust near-term available liquidity (including cash on hand, line of credit capacity, expected loan payoffs and disposition proceeds) can fully fund announced acquisitions

Welltower competes on Data Science, Operating Platform and Capital Allocation Capabilities - NOT cost of capital

Societal & Technological Trends | Impact on Real Estate Sectors

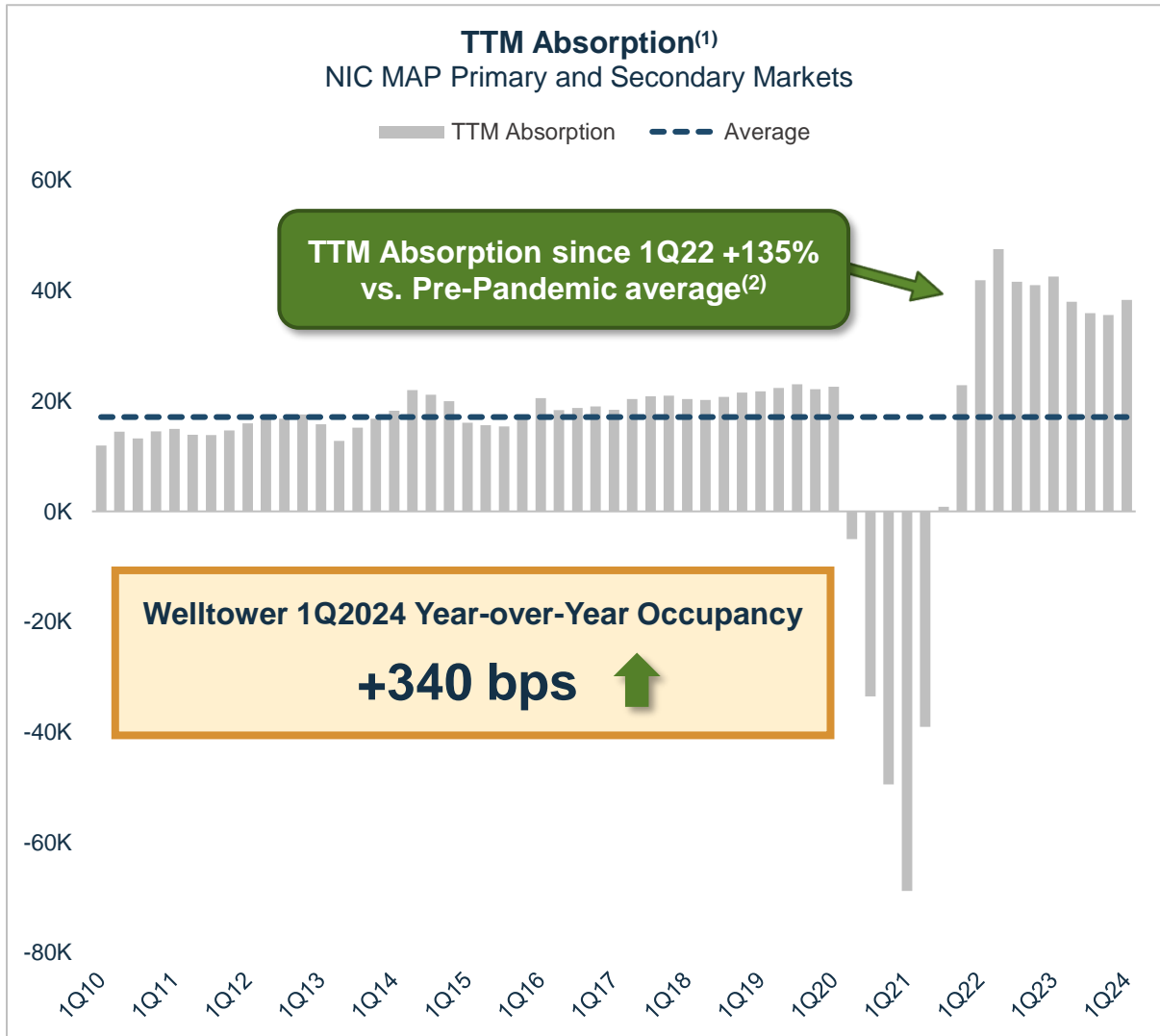
Precedent for Extended Period of Compounding Cash Flow Growth Driven by Shifting Secular Tailwinds



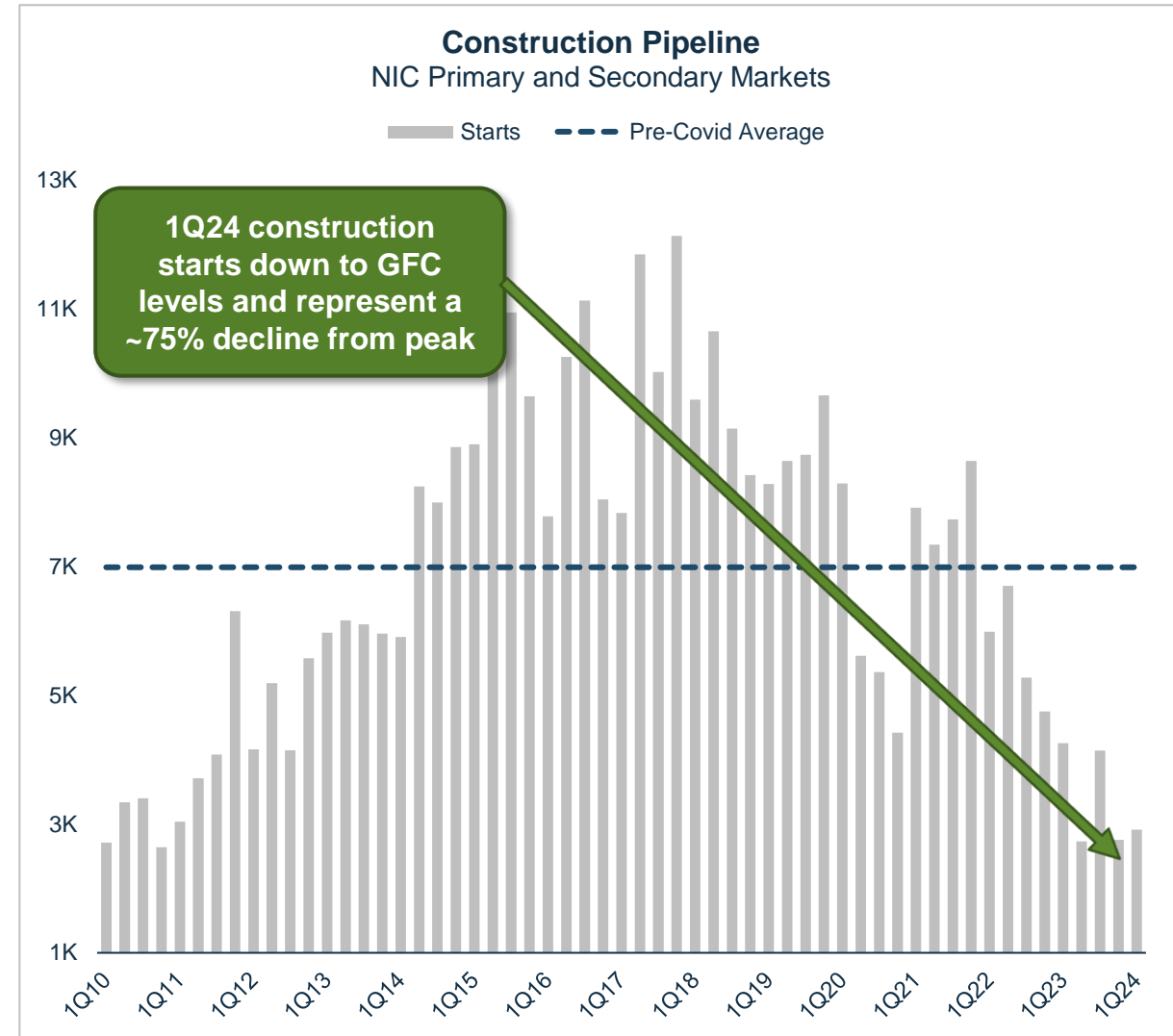
Seniors Housing Trends

Supply-Demand Imbalance Expected to Support Sustained Occupancy Growth in 2024+

Seniors Housing Demand Remains Robust....

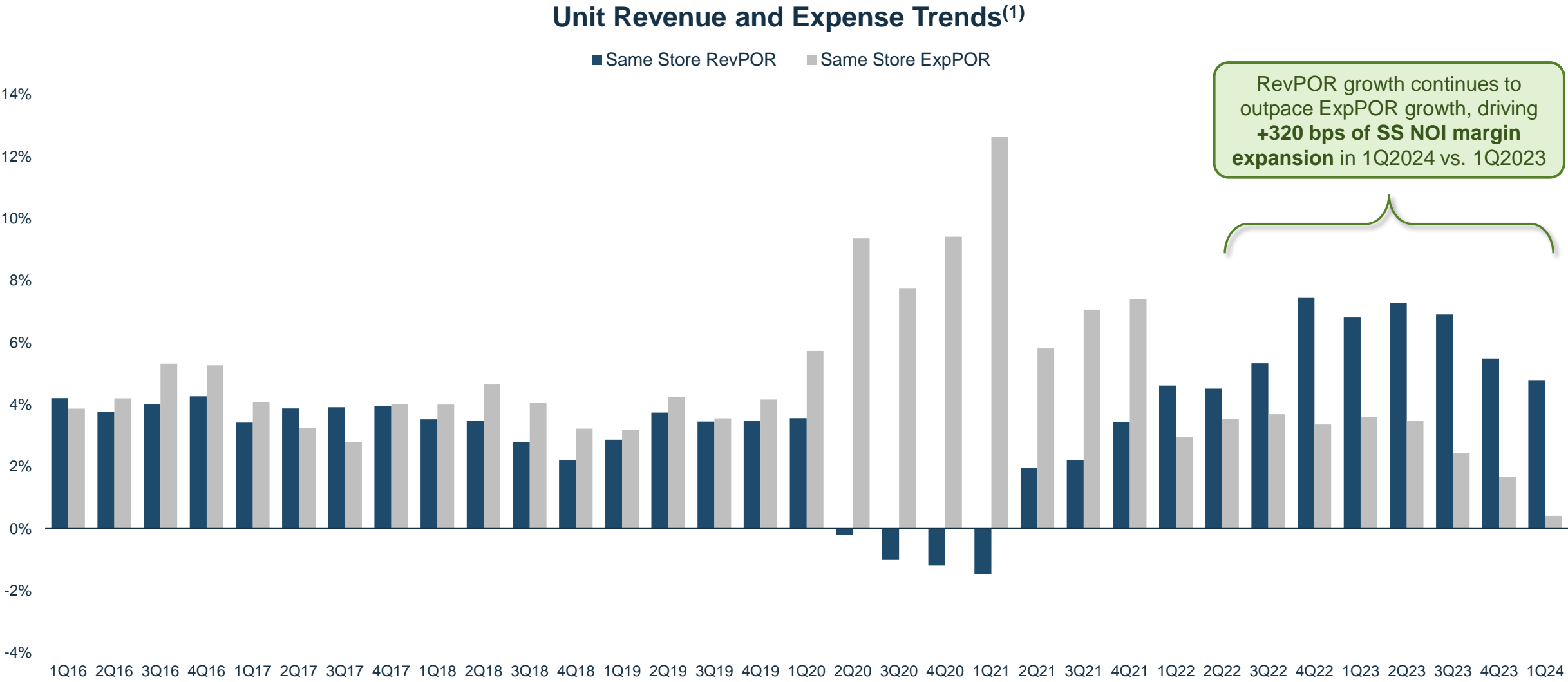


....While Supply Continues to Decline Rapidly





Favorable Unit Economics Driving Substantial Margin Expansion

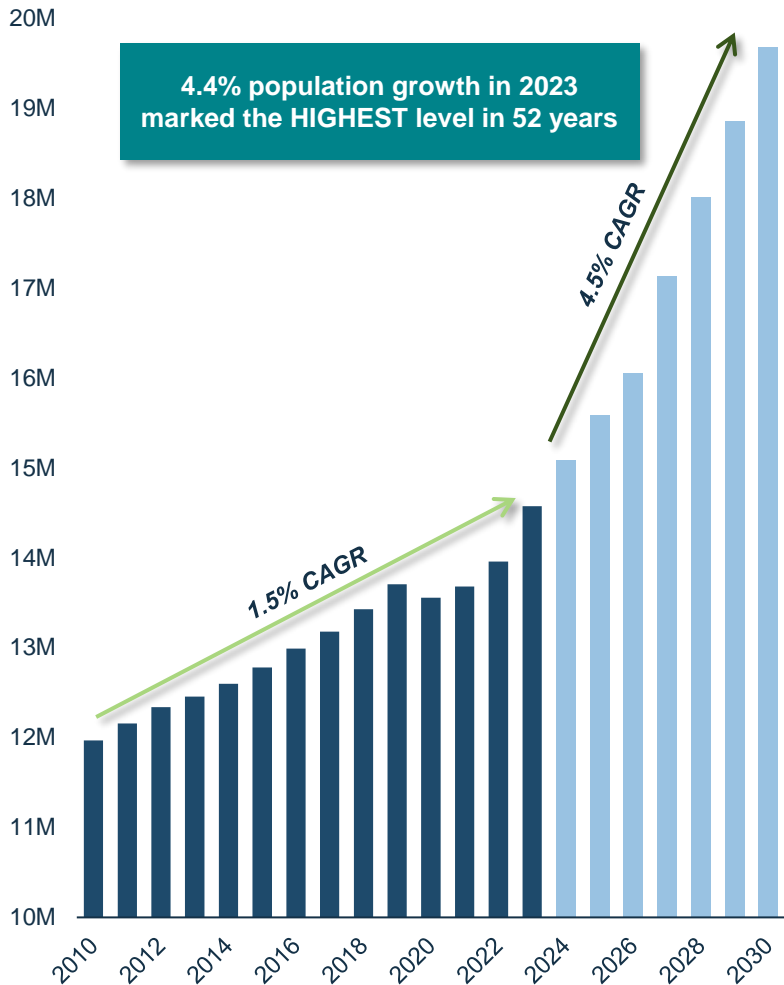


1. Represents year-over year SS RevPOR and SS ExpPOR growth percentages. See 1Q24 Non-GAAP Financial Measures on Welltower's investor relations section on its website for more information

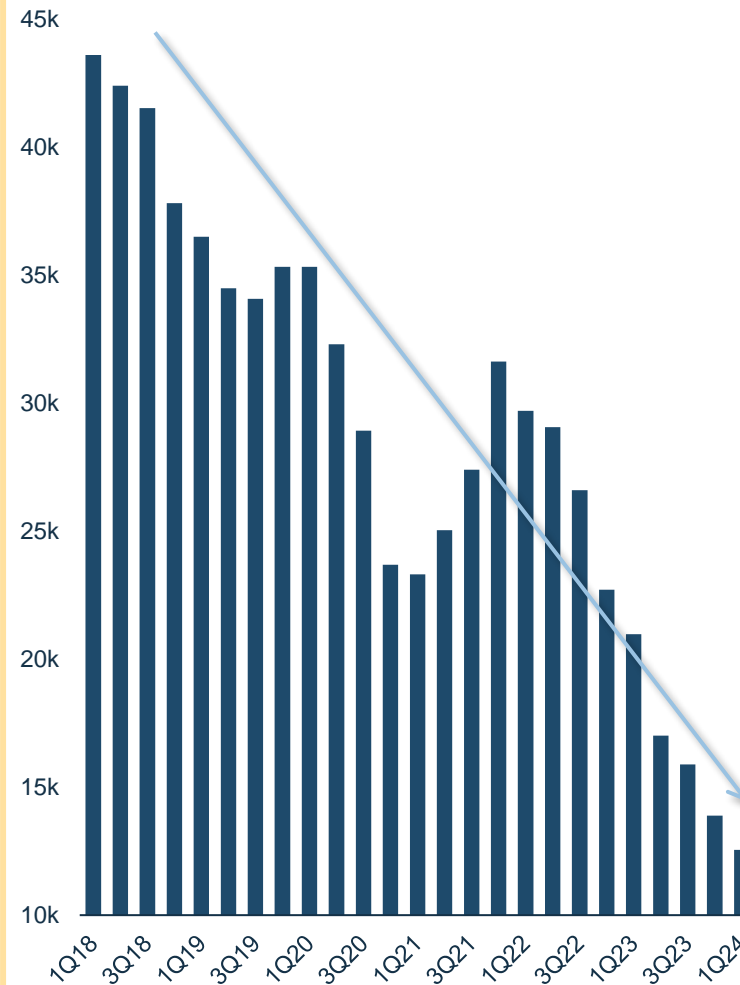
Seniors Housing | Compelling Backdrop for Multi-Year Revenue Growth

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

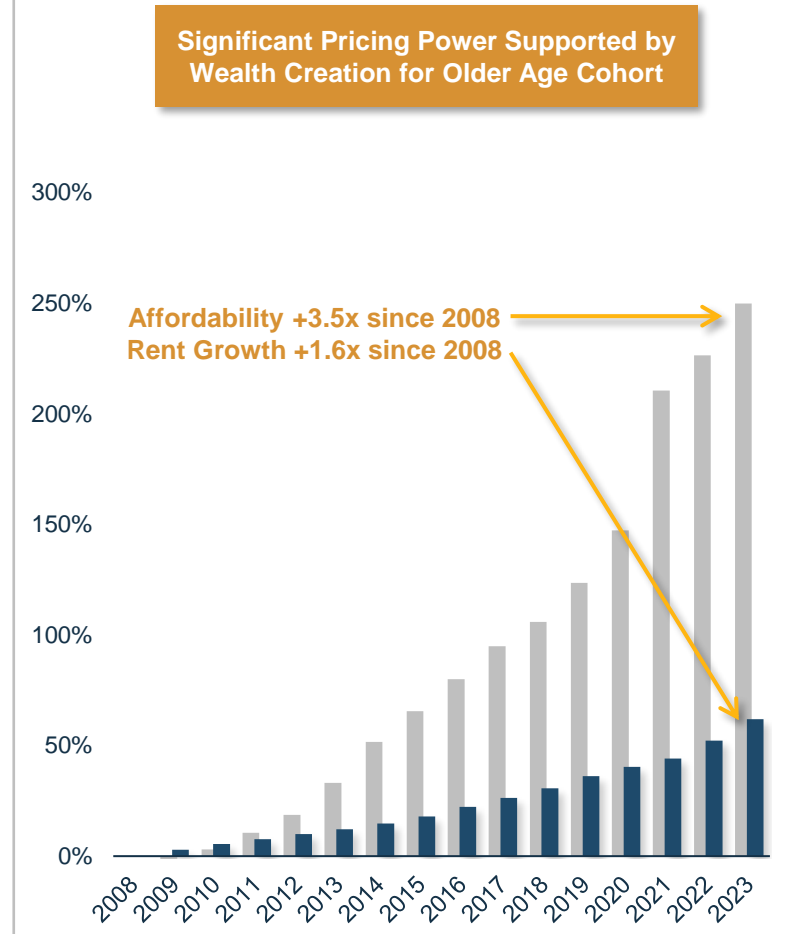
US 80+ Population Growth



Seniors Housing TTM Construction Starts



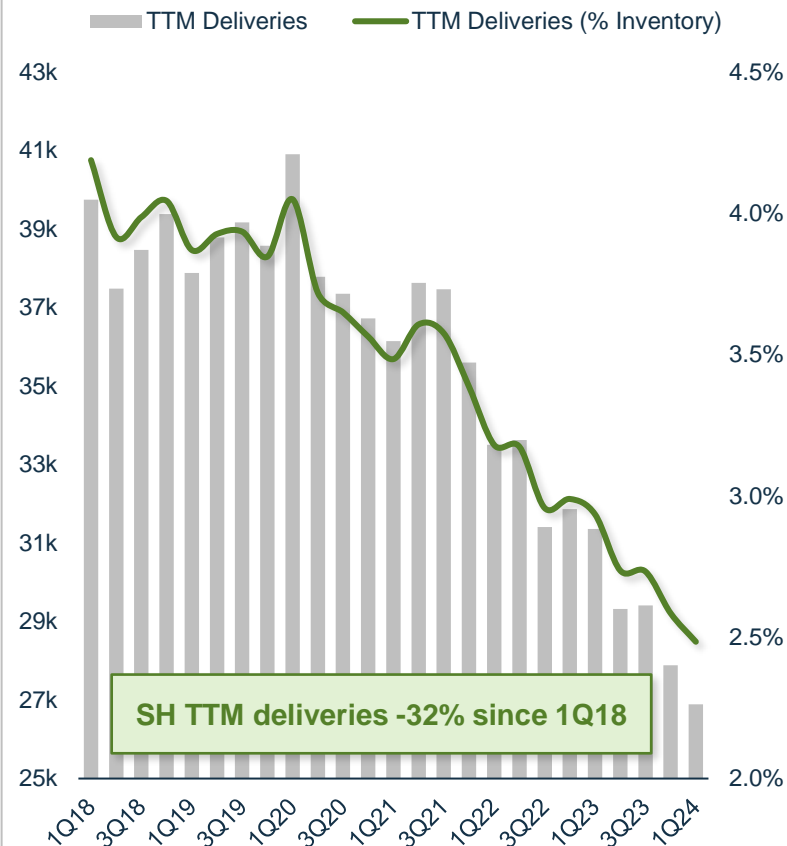
Seniors Housing Affordability
Indexed Growth Since 2008



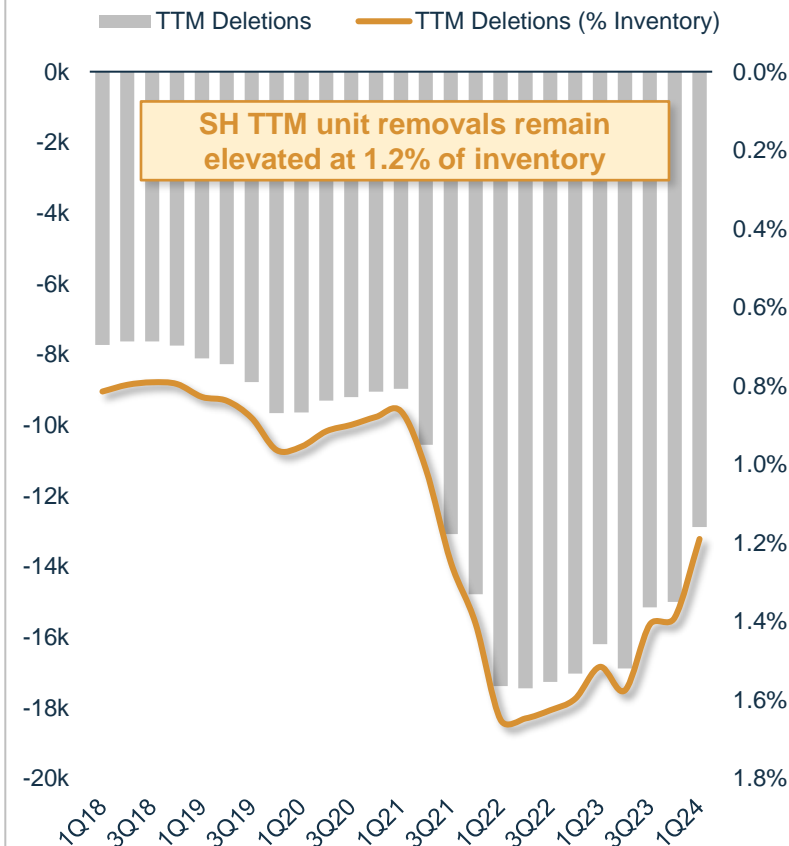
Minimal New Supply in Coming Years Sets Stage For Multi-Year Occupancy Gains

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

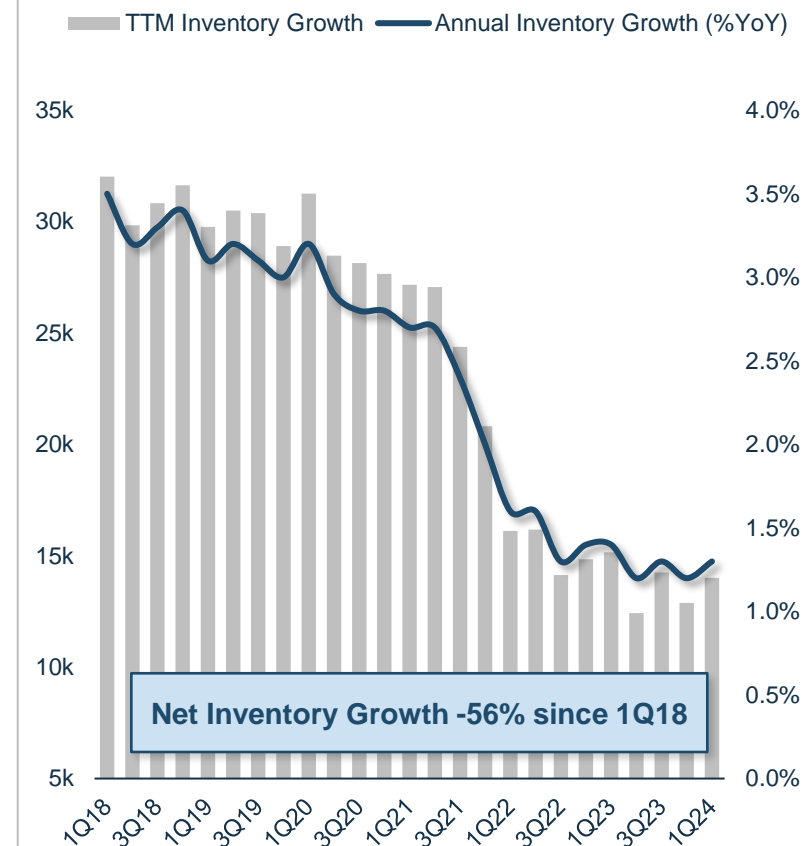
Deliveries



Obsolescence



Net Inventory Growth



Declining Deliveries + High Inventory Obsolescence

Anemic Inventory Growth



Muted Seniors Housing Supply Expected Through the End of the Decade

Disruption in Construction Financing Market and Dismantling of Development Teams Expected to Result in Multi-Year Period of Diminished Supply

Surge in interest rates over the past 18 months has resulted in prohibitively expensive floating rate debt for developers, in rare instances in which construction financing is extended

- Average spreads over SOFR range from 350 bps to >400 bps, implying a 9%-10%+ all-in cost for construction loans
- Stringent lending standards and greater capital reserve requirements are increasing capital charges and further raising the cost of construction financing
- Loan-to-cost ratios have declined to ~50%, requiring developers to provide greater upfront equity and pressuring levered IRRs
- Higher construction/financing costs and greater equity requirements causing many developers & construction lenders to meaningfully reduce activity
- Development platforms being dismantled given muted construction starts; need to rebuild human capital prior to development capital formation

Developers Face Extended Timeline to Project Stabilization FOLLOWING Rebuilding of Development Teams AND Return of Construction Financing

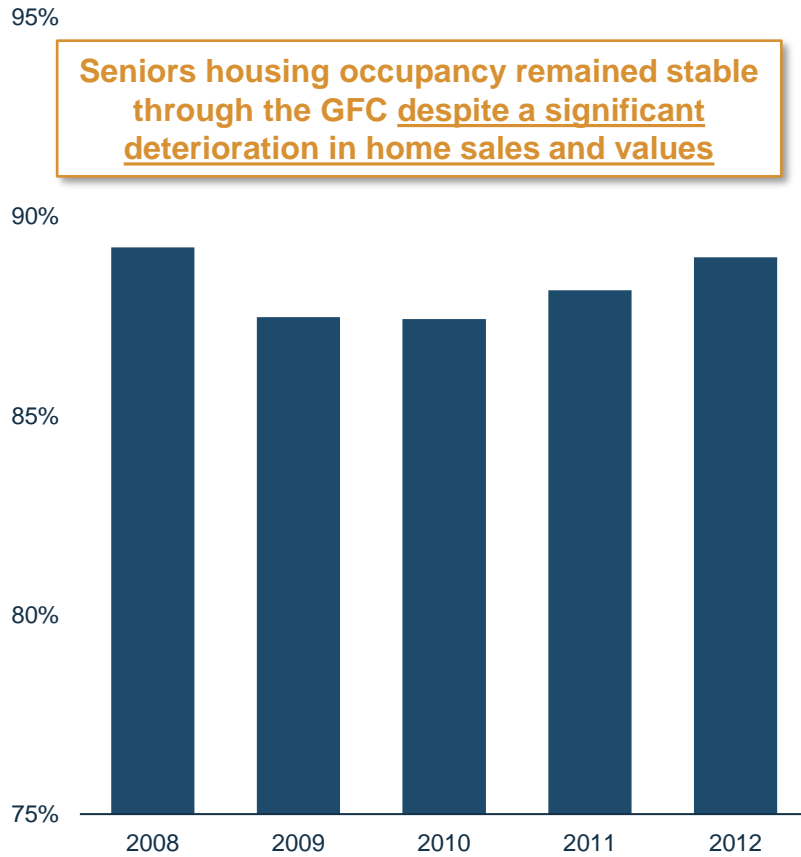


Average time to stabilization totals approximately 7 years with many projects in high-barrier-to-entry markets taking significantly longer

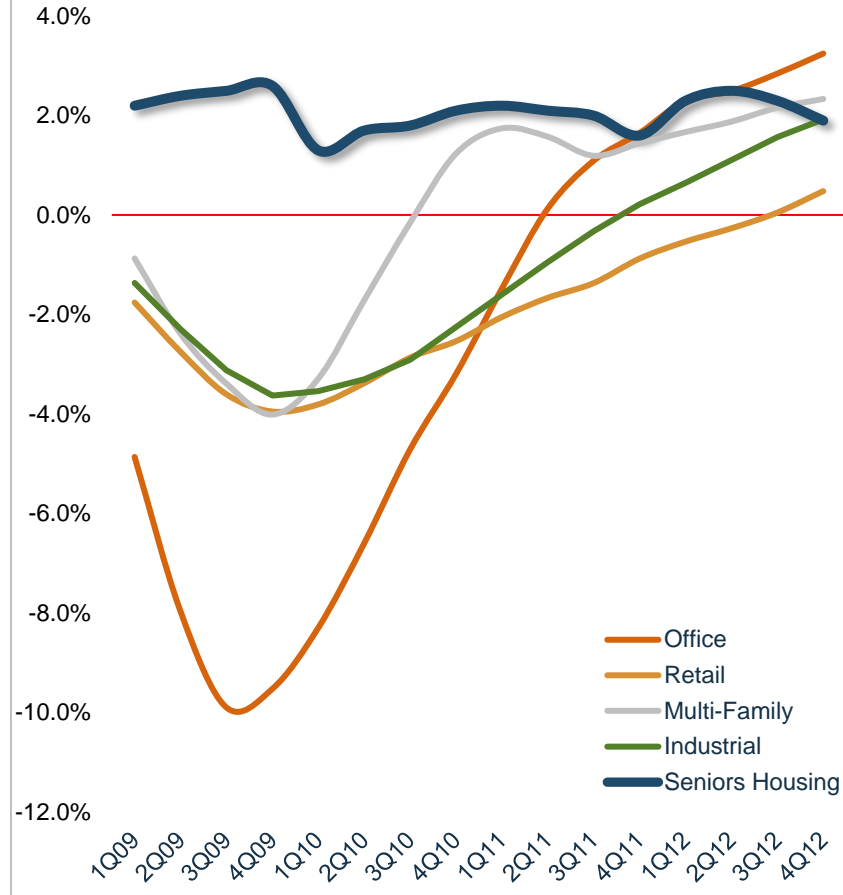
Global Financial Crisis Case Study

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

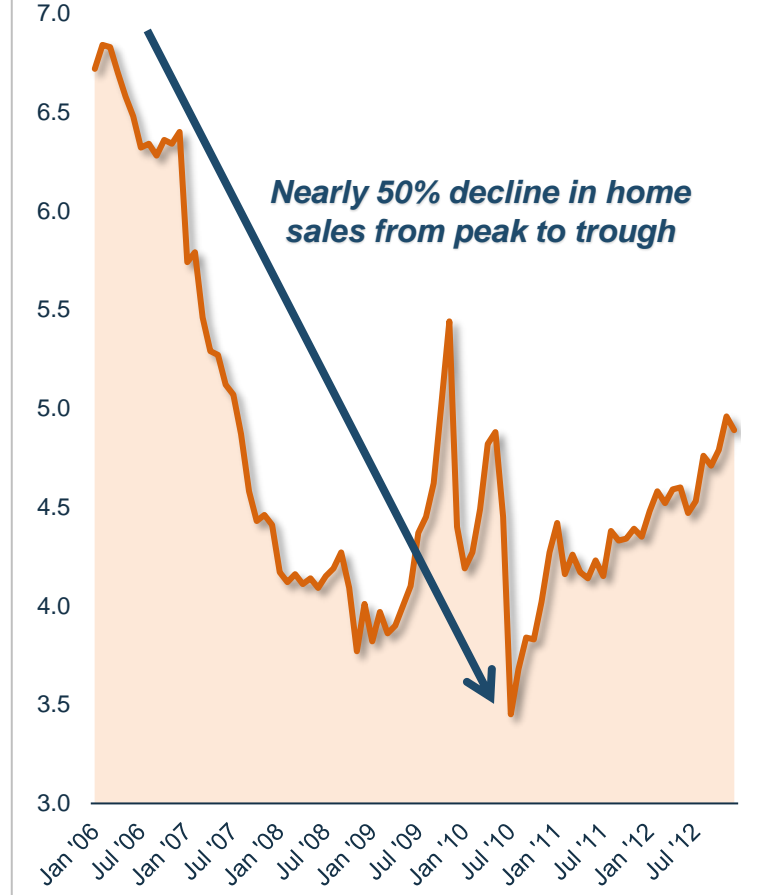
Seniors Housing Average Occupancy



TTM Market Rent Growth



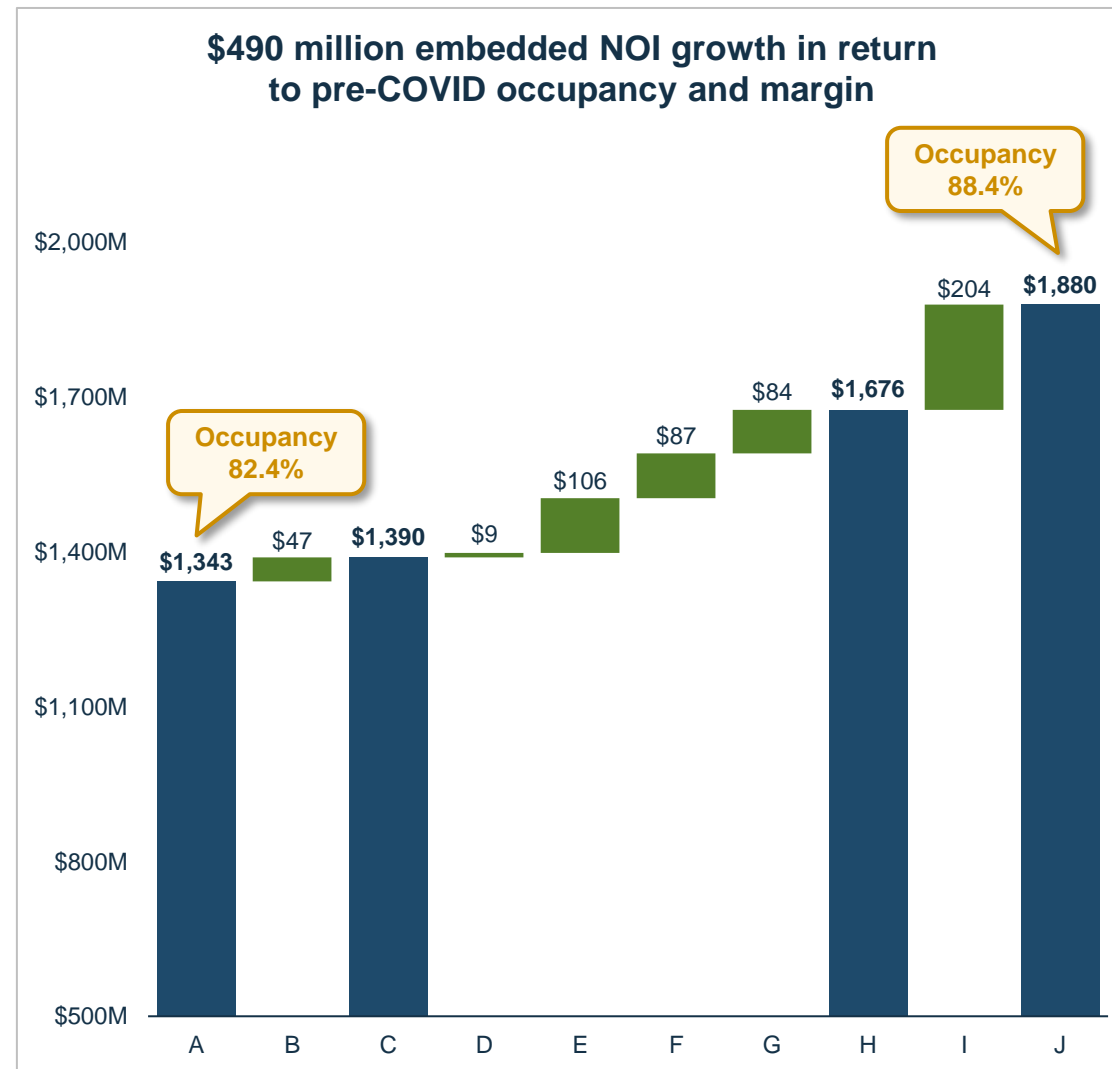
Existing Home Sales



SHO Portfolio | Path to Recovery

Category	NOI (\$M)
A) 1Q24 Total Portfolio - IPNOI Portfolio ⁽¹⁾	1,343
B) Revera + Chartwell JV Ownership Increase + Announced NNN Conversion	47
C) 1Q24 Total Portfolio – Adjusted IPNOI Portfolio	1,390
D) 4Q19 Open Property Occupancy Recovery (ex. Transitions)	9
E) Transition Properties	106
F) Fill-Up Properties	87
G) Lease-Up of Acquisitions (4Q20-1Q24)	84
H) 1Q24 Total Portfolio - Post COVID Recovery NOI	1,676
I) Upside Assuming 1Q24 Realized RevPOR	204
J) 1Q24 Total Portfolio - Post COVID Recovery NOI Assuming 1Q24 RevPOR	1,880

A) 1Q24 Portfolio In-Place NOI
B) Adjustment to 1Q24 IPNOI to reflect increased ownership stake in properties owned in prior JVs with Revera and Chartwell and announced NNN Conversion ⁽²⁾
C) Adjusted 1Q24 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 properties acquired between 4Q20 and 1Q24
H) 1Q24 portfolio post-COVID recovery NOI. Represents portfolio occupancy of 88.4% and operating margin of 31.1%
I) Incremental NOI assuming realized 1Q24 RevPOR for properties open in 4Q19 ⁽³⁾
J) 1Q24 portfolio post-COVID recovery NOI based on 1Q24 realized RevPOR



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

1. Represents \$1,344 million of IPNOI in 1Q2024, excluding \$1 million of HHS. See "Supplemental Financial Measures" at the end of this presentation for definitions and reconciliations of non-GAAP financial measures

2. Categories D through G assume increased ownership stake in properties owned in prior joint ventures with Revera and Chartwell

3. Incremental NOI assumes realized 1Q24 RevPOR for properties open in 4Q19, including those within buckets D, E, and G

Capital Allocation

Acquisitions Since 4Q2020

Capital Deployment Volume⁽¹⁾

\$13.6B GROSS INVESTMENTS



- ✓ Initial yield of 6.3%; 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

159 Total Transactions
492 Properties Acquired
48K 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
- ✓ Acquisitions executed at an average investment of \$25 million per property

Significant Discount to Replacement Cost

\$210K / unit Avg. Last Dollar Basis US & CA transactions
£45K / 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



Leaning Into Cash Flow Distress (early) and Balance Sheet Distress (now) through Disciplined Approach to Capital Allocation and Unparalleled Access to Capital

1. Includes pro rata gross investments across acquisitions and loans since October 1, 2020 through March 31, 2024 and excludes development funding



Proprietary Long-Term Operator Partnerships Widen The Welltower Moat

Seniors housing is NOT a commodity business – exclusive operator relationships & alignment creating sustained alpha for Welltower



Misaligned incentives due to revenue-based management contracts

Operators incentivized to develop given private capital paying well above replacement cost for assets, leading to greater profitability from development

Property owners had limited flexibility and optionality given highly restrictive termination rights



Refinement of RIDEA contract structure

Introduction of Welltower RIDEA 2.0-4.0 contracts establishes both top- and bottom-line alignment and provides at-will termination rights along with data sharing



25+ relationships formed during Covid driving significant long-term capital deployment opportunities

Welltower forged PROPRIETARY long-term relationships, identifying best-in-class developers and operators with track records of success and playbooks for sustained outperformance

2015

2016-2020

2021+

Evolution of Welltower's operator relationships has resulted in:

- ✓ Additive sum mentality with significant growth opportunities and upside shared by operating partners and Welltower investors
- ✓ Greater long-term alignment of incentives through NOI-based management fees, enhanced promote structures and termination rights
- ✓ Ability to pursue regional densification, driving optimized asset and portfolio management
- ✓ Potential capital deployment pipeline in excess of \$30B from exclusive partnerships forged before and during COVID that feature either exclusive rights or right of first offer
- ✓ Sustained NOI outperformance in an operationally intensive sector with wide performance dispersion

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

\$20B | PUBLIC EQUITY

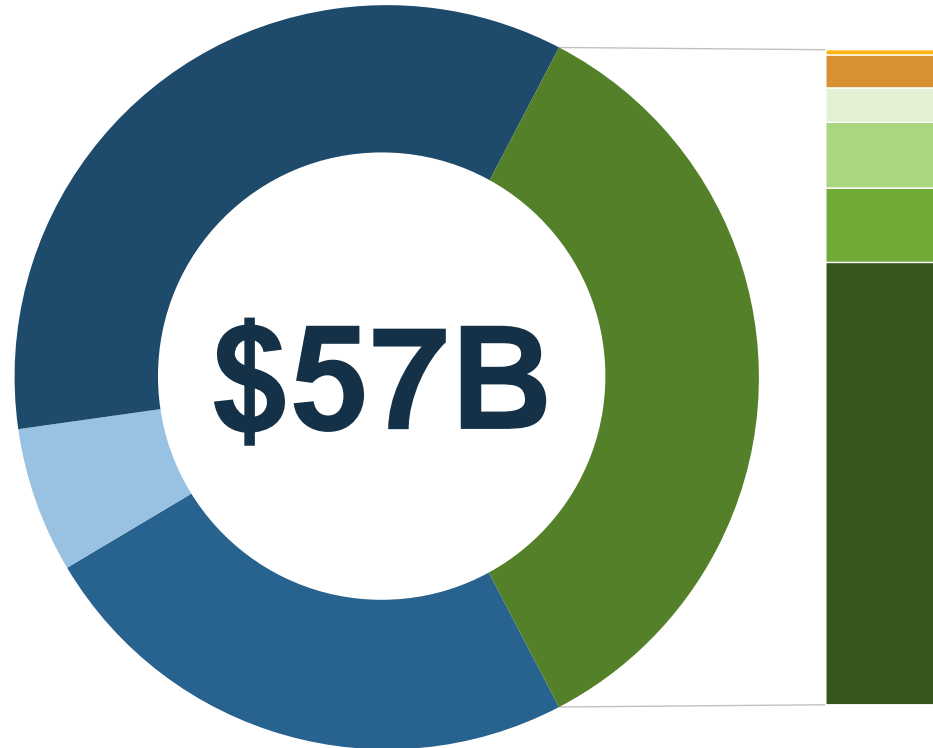
- Efficiently raised primarily via ATM & DRIP programs since 2015

\$4B | PRIVATE CAPITAL

- Capital raised via joint venture partnerships with institutional capital partners

\$14B | DISPOSITIONS

- Asset sales completed since 2015
- Investments across multiple property types allow for opportunistic harvesting of assets, taking advantage of relative value



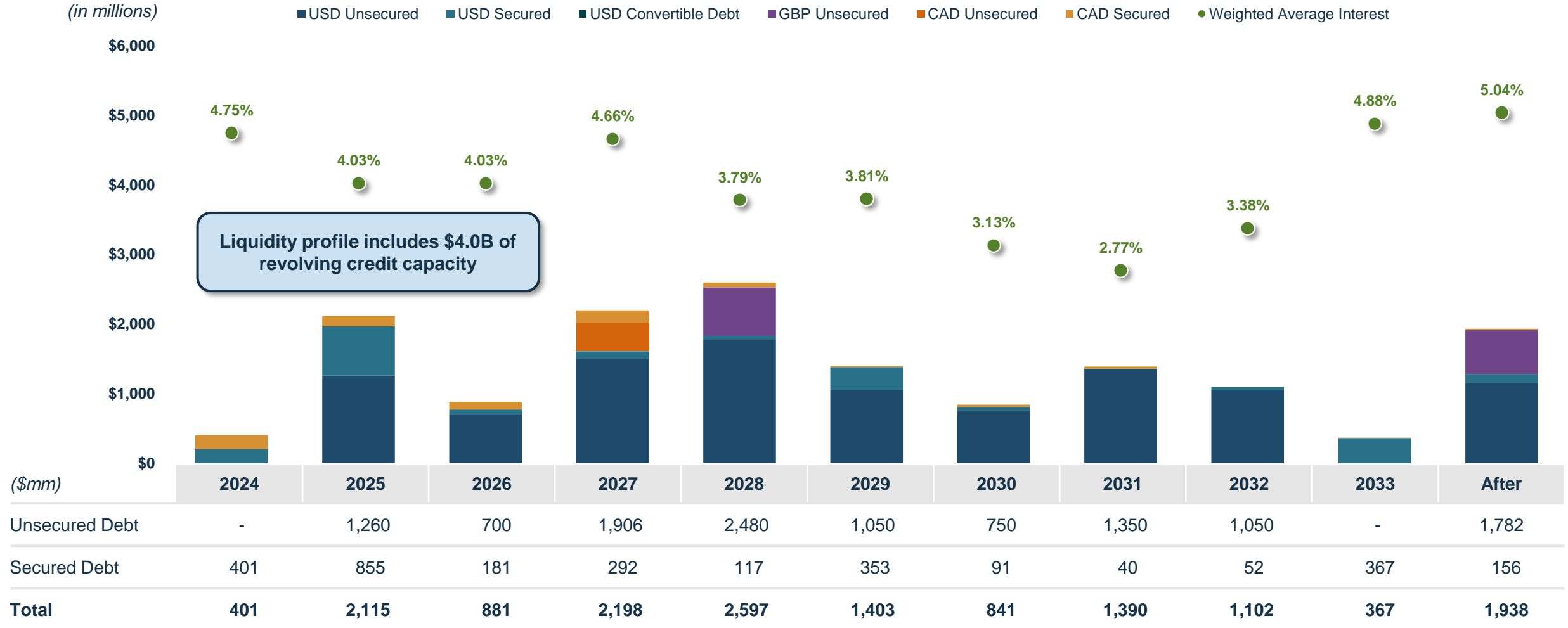
\$19B | DEBT

- Investment grade balance sheet (BBB+/Baa1) with access to a plurality of debt capital

- GDP Denominated Secured Debt
- USD Term Loan
- Exchangeable Notes
- CAD Denominated Secured Debt
- USD Denominated Secured Debt
- Senior Unsecured Debt

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

Weighted Average Maturity of 6.0 Years



1. As of March 31, 2024
 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 \$184,638,000 USD at March 31, 2024). 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.

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.

FFO Reconciliation

(in thousands, except per share information)

	Twelve Months Ended	Three Months Ended	
	December 31, 2023	March 31, 2023	March 31, 2024
Net income (loss) attributable to common stockholders	\$ 340,094	\$ 25,673	\$ 127,146
Depreciation and amortization	1,401,101	339,112	365,863
Impairments and losses (gains) on real estate dispositions, net	(31,801)	11,882	38,624
Noncontrolling interests ⁽¹⁾	(46,393)	(13,327)	(11,996)
Unconsolidated entities ⁽²⁾	100,226	22,722	37,066
NAREIT FFO attributable to common stockholders	1,763,227	386,062	556,703
Normalizing items:			
Loss (gain) on derivatives and financial instruments, net	(2,120)	930	(3,054)
Loss (gain) on extinguishment of debt, net	7	5	6
Provision for loan losses	9,809	777	1,014
Income tax benefits	(6,977)	(246)	—
Other impairment	16,642	—	9,356
Other expenses	108,341	22,745	14,131
Leasehold interest termination	(65,485)	—	—
Casualty losses, net of recoveries	10,107	4,487	2,158
Foreign currency loss (gain)	(1,629)	(227)	609
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	53,622	5,000	4,285
Normalized FFO attributable to common stockholders	\$ 1,885,544	\$ 419,533	\$ 585,208
Provider Relief Funds received	(14,569)		
Provider Relief Funds attributable to noncontrolling interests and unconsolidated entities, net	1,639		
Normalized FFO attributable to common stockholders, excluding Provider Relief Funds	<u>\$ 1,872,614</u>		
Average diluted common shares outstanding	518,701	494,494	577,530
Per diluted share data attributable to common stockholders:			
Net income (loss) ⁽³⁾	\$ 0.66	\$ 0.05	\$ 0.22
NAREIT FFO	\$ 3.40	\$ 0.78	\$ 0.96
Normalized FFO	\$ 3.64	\$ 0.85	\$ 1.01
Normalized FFO attributable to common stockholders, excluding Provider Relief Funds	\$ 3.61		
Normalized FFO YOY Growth			19 %

1. Represents noncontrolling interests' share of net FFO adjustments

2. Represents Welltower's share of net FFO adjustments from unconsolidated entities

3. Includes adjustment to the numerator income (loss) attributable to OP Units and DownREIT Units

Earnings Outlook Reconciliation

(in millions, except per share data)

FFO Reconciliation:

	Year Ended December 31, 2024			
	Prior Outlook		Current Outlook	
	Low	High	Low	High
Net income attributable to common stockholders	\$ 694	\$ 785	\$ 879	\$ 957
Impairments and losses (gains) on real estate dispositions, net ^(1,2)	(78)	(78)	(154)	(154)
Depreciation and amortization ⁽¹⁾	1,636	1,636	1,638	1,638
NAREIT FFO attributable to common stockholders	2,252	2,343	2,363	2,441
Normalizing items, net ^(1,3)	—	—	29	29
Normalized FFO attributable to common stockholders	\$ 2,252	\$ 2,343	\$ 2,392	\$ 2,470

Diluted per share data attributable to common stockholders:

Net income	\$ 1.21	\$ 1.37	\$ 1.48	\$ 1.61
NAREIT FFO	\$ 3.94	\$ 4.10	\$ 3.97	\$ 4.10
Normalized FFO	\$ 3.94	\$ 4.10	\$ 4.02	\$ 4.15
Normalized FFO midpoint		\$ 4.02		\$ 4.085

Other items:⁽¹⁾

Net straight-line rent and above/below market rent amortization	\$ (138)	\$ (138)	\$ (138)	\$ (138)
Non-cash interest expenses	36	36	48	48
Recurring cap-ex, tenant improvements, and lease commissions	(226)	(226)	(235)	(235)
Stock-based compensation	39	39	40	40

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. 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. 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 reconciliations 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 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)

	1Q24	In-Place NOI by property type	1Q24	% of Total
Net income (loss)	\$ 131,634	Seniors Housing Operating	\$ 1,344,032	51 %
Loss (gain) on real estate dispositions, net	(4,707)	Seniors Housing Triple-net	407,064	16 %
Loss (income) from unconsolidated entities	7,783	Outpatient Medical	526,384	20 %
Income tax expense (benefit)	6,191	Long-Term/Post-Acute Care	332,320	13 %
Other expenses	14,131	Total In-Place NOI	<u>\$ 2,609,800</u>	<u>100 %</u>
Impairment of assets	43,331			
Provision for loan losses, net	1,014			
Loss (gain) on extinguishment of debt, net	6			
Loss (gain) on derivatives and financial instruments, net	(3,054)			
General and administrative expenses	53,318			
Depreciation and amortization	365,863			
Interest expense	<u>147,318</u>			
Consolidated net operating income	762,828			
NOI attributable to unconsolidated investments ⁽¹⁾	32,090			
NOI attributable to noncontrolling interests ⁽²⁾	<u>(22,796)</u>			
Pro rata net operating income (NOI)	772,122			
Adjust:				
Interest income	(56,869)			
Other income	(27,068)			
Sold / held for sale	(8,384)			
Non-operational ⁽³⁾	1,921			
Non In-Place NOI ⁽⁴⁾	(30,882)			
Timing adjustments ⁽⁵⁾	<u>1,610</u>			
In-Place NOI	<u>652,450</u>			
Annualized In-Place NOI	<u>\$ 2,609,800</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

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)

	1Q24	1Q23	% growth YOY
Net income (loss)	\$ 131,634	\$ 28,635	
Loss (gain) on real estate dispositions, net	(4,707)	(747)	
Loss (income) from unconsolidated entities	7,783	7,071	
Income tax expense (benefit)	6,191	3,045	
Other expenses	14,131	22,745	
Impairment of assets	43,331	12,629	
Provision for loan losses	1,014	777	
Loss (gain) on extinguishment of debt, net	6	5	
Loss (gain) on derivatives and financial instruments, net	(3,054)	930	
General and administrative expenses	53,318	44,371	
Depreciation and amortization	365,863	339,112	
Interest expense	147,318	144,403	
Consolidated NOI	762,828	602,976	
NOI attributable to unconsolidated investments ⁽¹⁾	32,090	26,354	
NOI attributable to noncontrolling interests ⁽²⁾	(22,796)	(25,057)	
Pro rata NOI	772,122	604,273	
Non-cash NOI attributable to same store properties	(11,530)	(28,727)	
NOI attributable to non-same store properties	(222,298)	(101,335)	
Currency and ownership adjustments ⁽³⁾	(713)	3,779	
Other adjustments ⁽⁴⁾	1,558	(545)	
Same Store NOI (SSNOI)	<u>\$ 539,139</u>	<u>\$ 477,445</u>	<u>12.9%</u>
Seniors Housing Operating	266,907	212,749	25.5%
Seniors Housing Triple-net	93,740	90,310	3.8%
Outpatient Medical	119,184	116,879	2.0%
Long-Term/Post-Acute Care	59,308	57,507	3.1%
Total SSNOI	<u>\$ 539,139</u>	<u>\$ 477,445</u>	<u>12.9%</u>

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 other adjustments described in the 1Q24 Supplemental Information package

SHO RevPOR Growth Reconciliation

(dollars in thousands, except SS RevPOR and units)

SHO SS RevPOR Growth

	March 31, 2023	March 31, 2024
Consolidated SHO revenues	\$ 1,136,681	\$ 1,366,760
Unconsolidated SHO revenues attributable to WELL ⁽¹⁾	59,581	63,581
SHO revenues attributable to noncontrolling interests ⁽²⁾	(52,518)	(43,523)
SHO pro rata revenues ⁽³⁾	1,143,744	1,386,818
Non-cash and non-RevPOR revenues on same store properties	(1,935)	(1,295)
Revenues attributable to non-same store properties	(239,416)	(381,958)
Currency and ownership adjustments ⁽⁴⁾	6,049	(1,317)
SHO SS RevPOR revenues ⁽⁵⁾	\$ 908,442	\$ 1,002,248
Average occupied units/month ⁽⁶⁾	57,143	59,502
SHO SS RevPOR ⁽⁷⁾	\$ 5,373	\$ 5,630
SS RevPOR YOY growth	—	4.8 %
SHO SS RevPOR revenue adjustment for leap year ⁽⁸⁾	\$ 3,093	
SHO SS RevPOR total revenues adjusted for leap year ⁽⁵⁾	\$ 911,535	
Average occupied units/month ⁽⁶⁾	57,143	
SHO SS RevPOR adjusted for leap year ⁽⁷⁾	\$ 5,332	
SS RevPOR YOY growth adjusted for leap year		5.6 %

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

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 1.36 and to translate UK properties at a GBP/USD rate of 1.25

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, and adjusted, where applicable, for consistent number of days per quarter

8. Represents adjustment for one incremental day for operators that bill daily

SHO SS ExpPOR Growth Reconciliation

(dollars in thousands, except SS ExpPOR and units)

SHO SS ExpPOR Growth

	March 31, 2023	March 31, 2024
Consolidated SHO property operating expenses	\$ 883,784	\$ 1,019,347
Unconsolidated SHO expenses attributable to WELL ⁽¹⁾	47,455	41,799
SHO expenses attributable to noncontrolling interests ⁽²⁾	(36,258)	(26,164)
SHO pro rata expenses ⁽³⁾	894,981	1,034,982
Non-cash expenses on same store properties	(257)	(212)
Expenses attributable to non-same store properties	(204,263)	(295,851)
Currency and ownership adjustments ⁽⁴⁾	5,692	(943)
Normalizing adjustment for management fee ⁽⁵⁾	4,298	—
Normalizing adjustment for casualty related expenses ⁽⁶⁾	(3,931)	(1,945)
Other normalizing adjustments ⁽⁷⁾	—	198
SHO SS expenses ⁽⁸⁾	\$ 696,520	\$ 736,229
SHO SS expense YOY growth		5.7 %
Average occupied units/month ⁽⁹⁾	57,143	59,502
SHO SS ExpPOR ⁽¹⁰⁾	\$ 4,119	\$ 4,136
SS ExpPOR YOY growth		0.4 %
SHO SS ExpPOR expense adjustment for leap year ⁽¹¹⁾	\$ 4,288	
SHO SS ExpPOR total expenses adjusted for leap year ⁽⁸⁾	\$ 700,808	
Average occupied units/month ⁽⁹⁾	57,143	
SHO SS ExpPOR adjusted for leap year ⁽¹⁰⁾	\$ 4,099	
SS ExpPOR YOY growth adjusted for leap year		0.9 %

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. 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 1.36 and to translate UK properties at a GBP/USD rate of 1.25

5. Represents normalizing adjustment related to the disposition of our ownership interest in two Seniors Housing Operating management company investments

6. Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements

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

8. Represents SHO same store property operating expenses at Welltower pro rata ownership

9. Represents average occupied units for SS properties

10. Represents pro rata SS average expenses per occupied room per month, and adjusted, where applicable, for consistent number of days per quarter

11. Represents estimate of one incremental day of variable expenses

|| 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. We primarily use these measures to determine our fixed charge coverage ratio, which represents Adjusted EBITDA divided by fixed charges. Fixed charges include total interest and secured debt principal amortization. Our leverage ratios include net debt to Adjusted EBITDA and consolidated enterprise value. 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.

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 March 31, 2024		Three Months Ended March 31, 2024
Net income	\$ 131,634	Total debt ⁽²⁾	\$ 14,285,686
Interest expense	147,318	Cash and cash equivalents and restricted cash	(2,478,335)
Income tax expense (benefit)	6,191	Net debt	11,807,351
Depreciation and amortization	365,863	Adjusted EBITDA	732,366
EBITDA	651,006	Adjusted EBITDA annualized	\$ 2,929,464
Loss (income) from unconsolidated entities	7,783	Net debt to Adjusted EBITDA ratio	4.0 x
Stock-based compensation expense	11,342		
Loss (gain) on extinguishment of debt, net	6		
Loss (gain) on real estate dispositions, net	(4,707)	Interest expense	\$ 147,318
Impairment of assets	43,331	Capitalized interest	13,809
Provision for loan losses, net	1,014	Non-cash interest expense	(9,284)
Loss (gain) on derivatives and financial instruments, net	(3,054)	Total interest	151,843
Other expenses	14,131	Secured debt principal amortization	11,887
Casualty losses, net of recoveries	2,158	Total fixed charges	163,730
Other impairments ⁽¹⁾	9,356	Adjusted EBITDA	\$ 732,366
Adjusted EBITDA	\$ 732,366	Adjusted Fixed charge coverage ratio	4.5 x

1. Represents the write off of straight-line rent receivable balances for leases placed on cash recognition.

2. Amounts include unamortized premiums/discounts, other fair value adjustments and financing lease liabilities. Excludes operating lease liabilities related to ASC 842 of \$300,779,000 for the three months ended March 31, 2024

Net Debt to Consolidated Enterprise Value

(in thousands, except share price)

	Three Months Ended
	March 31, 2024
Common shares outstanding	590,934
Period end share price	\$ 93.44
Common equity market capitalization	\$ 55,216,873
Total debt ⁽¹⁾	\$ 14,285,686
Cash and cash equivalents and restricted cash	(2,478,335)
Net debt	\$ 11,807,351
Noncontrolling interests ⁽²⁾	999,965
Consolidated enterprise value	\$ 68,024,189
Net debt to consolidated enterprise value	17.4 %

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