

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
**FORM 10-Q**

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025  
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number: 1-8923

**WELLTOWER INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of Incorporation)

**4500 Dorr Street Toledo, Ohio**  
(Address of principal executive office)

**34-1096634**  
(IRS Employer  
Identification No.)

**43615**  
(Zip Code)

**(419) - 247-2800**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name, former address and former fiscal year, if changed since last report)

**Securities registered pursuant to Section 12(b) of the Act**

| Title of each class                                           | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------------------------------------------------|-------------------|-------------------------------------------|
| Common stock, \$1.00 par value per share                      | WELL              | New York Stock Exchange                   |
| Guarantee of 4.800% Notes due 2028 issued by Welltower OP LLC | WELL/28           | New York Stock Exchange                   |
| Guarantee of 4.500% Notes due 2034 issued by Welltower OP LLC | WELL/34           | New York Stock Exchange                   |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 25, 2025, Welltower Inc. had 653,951,575 shares of common stock outstanding

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# **PART I. FINANCIAL INFORMATION**

## **CONSOLIDATED BALANCE SHEETS** **WELLTOWER INC. AND SUBSIDIARIES**

(In thousands)

|                                                              | March 31, 2025 (Unaudited) | December 31, 2024 (Note) |
|--------------------------------------------------------------|----------------------------|--------------------------|
| Assets:                                                      |                            |                          |
| Real estate investments:                                     |                            |                          |
| Real property owned:                                         |                            |                          |
| Land and land improvements                                   | \$ 5,552,719               | \$ 5,271,418             |
| Buildings and improvements                                   | 44,793,835                 | 42,207,735               |
| Acquired lease intangibles                                   | 2,688,181                  | 2,548,766                |
| Real property held for sale, net of accumulated depreciation | 95,667                     | 51,866                   |
| Construction in progress                                     | 1,045,160                  | 1,219,720                |
| Less accumulated depreciation and amortization               | (11,092,885)               | (10,626,263)             |
| Net real property owned                                      | 43,082,677                 | 40,673,242               |
| Right of use assets, net                                     | 1,230,343                  | 1,201,131                |
| Investments in sales-type leases, net                        | —                          | 172,260                  |
| Real estate loans receivable, net of credit allowance        | 1,772,708                  | 1,805,044                |
| Net real estate investments                                  | 46,085,728                 | 43,851,677               |
| Other assets:                                                |                            |                          |
| Investments in unconsolidated entities                       | 1,787,398                  | 1,768,772                |
| Cash and cash equivalents                                    | 3,501,851                  | 3,506,586                |
| Restricted cash                                              | 108,434                    | 204,871                  |
| Receivables and other assets                                 | 1,810,203                  | 1,712,402                |
| Total other assets                                           | 7,207,886                  | 7,192,631                |
| Total assets                                                 | \$ 53,293,614              | \$ 51,044,308            |
| Liabilities and equity                                       |                            |                          |
| Liabilities:                                                 |                            |                          |
| Unsecured credit facility and commercial paper               | \$ —                       | \$ —                     |
| Senior unsecured notes                                       | 13,219,202                 | 13,162,102               |
| Secured debt                                                 | 2,504,655                  | 2,338,155                |
| Lease liabilities                                            | 1,285,727                  | 1,258,099                |
| Accrued expenses and other liabilities                       | 1,702,053                  | 1,713,366                |
| Total liabilities                                            | 18,711,637                 | 18,471,722               |
| Redeemable noncontrolling interests                          | 277,461                    | 256,220                  |
| Equity:                                                      |                            |                          |
| Common stock                                                 | 652,088                    | 637,002                  |
| Capital in excess of par value                               | 42,030,903                 | 40,016,503               |
| Treasury stock                                               | (20,172)                   | (114,176)                |
| Cumulative net income                                        | 10,354,681                 | 10,096,724               |
| Cumulative dividends                                         | (18,751,105)               | (18,320,064)             |
| Accumulated other comprehensive income (loss)                | (309,636)                  | (359,781)                |
| Total Welltower Inc. stockholders' equity                    | 33,956,759                 | 31,956,208               |
| Noncontrolling interests                                     | 347,757                    | 360,158                  |
| Total equity                                                 | 34,304,516                 | 32,316,366               |
| Total liabilities and equity                                 | \$ 53,293,614              | \$ 51,044,308            |

Note: The consolidated balance sheet at December 31, 2024 has been derived from the audited financial statements at that date but does not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**  
**WELLTOWER INC. AND SUBSIDIARIES**  
(In thousands, except per share data)

|                                                                                        | Three Months Ended<br>March 31, |                   |
|----------------------------------------------------------------------------------------|---------------------------------|-------------------|
|                                                                                        | 2025                            | 2024              |
| Revenues:                                                                              |                                 |                   |
| Resident fees and services                                                             | \$ 1,864,530                    | \$ 1,360,274      |
| Rental income                                                                          | 461,567                         | 417,652           |
| Interest income                                                                        | 62,490                          | 52,664            |
| Other income                                                                           | 34,500                          | 29,151            |
| Total revenues                                                                         | 2,423,087                       | 1,859,741         |
| Expenses:                                                                              |                                 |                   |
| Property operating expenses                                                            | 1,462,390                       | 1,096,913         |
| Depreciation and amortization                                                          | 485,869                         | 365,863           |
| Interest expense                                                                       | 144,962                         | 147,318           |
| General and administrative expenses                                                    | 63,758                          | 53,318            |
| Loss (gain) on derivatives and financial instruments, net                              | (3,210)                         | (3,054)           |
| Loss (gain) on extinguishment of debt, net                                             | 6,156                           | 6                 |
| Provision for loan losses, net                                                         | (2,007)                         | 1,014             |
| Impairment of assets                                                                   | 52,402                          | 43,331            |
| Other expenses                                                                         | 14,060                          | 14,131            |
| Total expenses                                                                         | 2,224,380                       | 1,718,840         |
| Income (loss) from continuing operations before income taxes and other items           | 198,707                         | 140,901           |
| Income tax (expense) benefit                                                           | 5,519                           | (6,191)           |
| Income (loss) from unconsolidated entities                                             | 1,263                           | (7,783)           |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net | 51,777                          | 4,707             |
| Income (loss) from continuing operations                                               | 257,266                         | 131,634           |
| Net income (loss)                                                                      | 257,266                         | 131,634           |
| Less: Net income (loss) attributable to noncontrolling interests <sup>(1)</sup>        | (691)                           | 4,488             |
| Net income (loss) attributable to common stockholders                                  | <u>\$ 257,957</u>               | <u>\$ 127,146</u> |
| Weighted average number of common shares outstanding:                                  |                                 |                   |
| Basic                                                                                  | 643,393                         | 574,049           |
| Diluted                                                                                | 653,795                         | 577,530           |
| Earnings per share:                                                                    |                                 |                   |
| Basic:                                                                                 |                                 |                   |
| Income (loss) from continuing operations                                               | \$ 0.40                         | \$ 0.23           |
| Net income (loss) attributable to common stockholders                                  | <u>\$ 0.40</u>                  | <u>\$ 0.22</u>    |
| Diluted:                                                                               |                                 |                   |
| Income (loss) from continuing operations                                               | \$ 0.39                         | \$ 0.23           |
| Net income (loss) attributable to common stockholders <sup>(2)</sup>                   | <u>\$ 0.40</u>                  | <u>\$ 0.22</u>    |
| Dividends declared and paid per common share                                           | \$ 0.67                         | \$ 0.61           |

<sup>(1)</sup> Includes amounts attributable to redeemable noncontrolling interests.

<sup>(2)</sup> Includes adjustment to the numerator for income (loss) attributable to OP Units and DownREIT Units.

**STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**  
**WELLTOWER INC. AND SUBSIDIARIES**  
(In thousands)

|                                                                                                    | Three Months Ended<br>March 31, |            |
|----------------------------------------------------------------------------------------------------|---------------------------------|------------|
|                                                                                                    | 2025                            | 2024       |
| Net income                                                                                         | \$ 257,266                      | \$ 131,634 |
| Other comprehensive income (loss):                                                                 |                                 |            |
| Foreign currency translation gain (loss)                                                           | 168,537                         | (85,830)   |
| Derivative and financial instruments designated as hedges gain (loss)                              | (118,291)                       | 60,615     |
| Total other comprehensive income (loss)                                                            | 50,246                          | (25,215)   |
| Total comprehensive income (loss)                                                                  | 307,512                         | 106,419    |
| Less: Total comprehensive income (loss) attributable<br>to noncontrolling interests <sup>(1)</sup> | (629)                           | (3,050)    |
| Total comprehensive income (loss) attributable to common stockholders                              | \$ 308,141                      | \$ 109,469 |

<sup>(1)</sup> Includes amounts attributable to redeemable noncontrolling interests.

**CONSOLIDATED STATEMENTS OF EQUITY (UNAUDITED)**  
**WELLTOWER INC. AND SUBSIDIARIES**  
(In thousands)

|                                                                          | Three Months Ended March 31, 2025 |                                      |                   |                          |                         |                                                     |                             |               |
|--------------------------------------------------------------------------|-----------------------------------|--------------------------------------|-------------------|--------------------------|-------------------------|-----------------------------------------------------|-----------------------------|---------------|
|                                                                          | Common<br>Stock                   | Capital in<br>Excess of<br>Par Value | Treasury<br>Stock | Cumulative<br>Net Income | Cumulative<br>Dividends | Accumulated Other<br>Comprehensive<br>Income (Loss) | Noncontrolling<br>Interests | Total         |
| Balances at January 1, 2025                                              | \$ 637,002                        | \$ 40,016,503                        | \$ (114,176)      | \$ 10,096,724            | \$ (18,320,064)         | \$ (359,781)                                        | \$ 360,158                  | \$ 32,316,366 |
| Comprehensive income:                                                    |                                   |                                      |                   |                          |                         |                                                     |                             |               |
| Net income (loss)                                                        |                                   |                                      |                   | 257,957                  |                         |                                                     | (1,789)                     | 256,168       |
| Other comprehensive income (loss)                                        |                                   |                                      |                   |                          |                         | 50,145                                              | (53)                        | 50,092        |
| Total comprehensive income                                               |                                   |                                      |                   |                          |                         |                                                     |                             | 306,260       |
| Net change in noncontrolling interests                                   |                                   | (156,107)                            |                   |                          |                         |                                                     | 26,379                      | (129,728)     |
| Adjustment to members' interest from change in ownership in Welltower OP |                                   | (31,806)                             |                   |                          |                         |                                                     | 31,806                      | —             |
| Redemption of OP Units and DownREIT Units                                | 554                               | 68,190                               |                   |                          |                         |                                                     | (68,744)                    | —             |
| Amounts related to stock incentive plans, net of forfeitures             | 128                               | 16,637                               | (5,331)           |                          |                         |                                                     |                             | 11,434        |
| Net proceeds from issuance of common stock                               | 14,404                            | 2,117,486                            | 99,335            |                          |                         |                                                     |                             | 2,231,225     |
| Common stock dividends paid                                              |                                   |                                      |                   |                          | (431,041)               |                                                     |                             | (431,041)     |
| Balances at March 31, 2025                                               | \$ 652,088                        | \$ 42,030,903                        | \$ (20,172)       | \$ 10,354,681            | \$ (18,751,105)         | \$ (309,636)                                        | \$ 347,757                  | \$ 34,304,516 |

|                                                                          | Three Months Ended March 31, 2024 |                                      |                   |                          |                         |                                                     |                             |               |
|--------------------------------------------------------------------------|-----------------------------------|--------------------------------------|-------------------|--------------------------|-------------------------|-----------------------------------------------------|-----------------------------|---------------|
|                                                                          | Common<br>Stock                   | Capital in<br>Excess of<br>Par Value | Treasury<br>Stock | Cumulative<br>Net Income | Cumulative<br>Dividends | Accumulated Other<br>Comprehensive<br>Income (Loss) | Noncontrolling<br>Interests | Total         |
| Balances at January 1, 2024                                              | \$ 565,894                        | \$ 32,741,949                        | \$ (111,578)      | \$ 9,145,044             | \$ (16,773,773)         | \$ (163,160)                                        | \$ 676,746                  | \$ 26,081,122 |
| Comprehensive income:                                                    |                                   |                                      |                   |                          |                         |                                                     |                             |               |
| Net income (loss)                                                        |                                   |                                      |                   | 127,146                  |                         |                                                     | 4,180                       | 131,326       |
| Other comprehensive income (loss)                                        |                                   |                                      |                   |                          |                         | (17,677)                                            | (6,075)                     | (23,752)      |
| Total comprehensive income                                               |                                   |                                      |                   |                          |                         |                                                     |                             | 107,574       |
| Net change in noncontrolling interests                                   |                                   | (19,282)                             |                   |                          |                         |                                                     | 6,191                       | (13,091)      |
| Adjustment to members' interest from change in ownership in Welltower OP |                                   | (18,852)                             |                   |                          |                         |                                                     | 18,852                      | —             |
| Redemption of OP Units and DownREIT Units                                | 19                                | 825                                  |                   |                          |                         |                                                     | (844)                       | —             |
| Amounts related to stock incentive plans, net of forfeitures             | 112                               | 11,936                               | (3,264)           |                          |                         |                                                     |                             | 8,784         |
| Net proceeds from issuance of common stock                               | 26,612                            | 2,388,521                            |                   |                          |                         |                                                     |                             | 2,415,133     |
| Common stock dividends paid                                              |                                   |                                      |                   |                          | (352,529)               |                                                     |                             | (352,529)     |
| Balances at March 31, 2024                                               | \$ 592,637                        | \$ 35,105,097                        | \$ (114,842)      | \$ 9,272,190             | \$ (17,126,302)         | \$ (180,837)                                        | \$ 699,050                  | \$ 28,246,993 |

**CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
**WELLTOWER INC. AND SUBSIDIARIES**  
(In thousands)

|                                                                                               | Three Months Ended<br>March 31, |                     |
|-----------------------------------------------------------------------------------------------|---------------------------------|---------------------|
|                                                                                               | 2025                            | 2024                |
| Operating activities:                                                                         |                                 |                     |
| Net income                                                                                    | \$ 257,266                      | \$ 131,634          |
| Adjustments to reconcile net income to net cash provided from (used in) operating activities: |                                 |                     |
| Depreciation and amortization                                                                 | 485,869                         | 365,863             |
| Other amortization expenses                                                                   | 14,154                          | 13,105              |
| Provision for loan losses, net                                                                | (2,007)                         | 1,014               |
| Impairment of assets                                                                          | 52,402                          | 43,331              |
| Stock-based compensation expense                                                              | 17,505                          | 12,048              |
| Loss (gain) on derivatives and financial instruments, net                                     | (3,210)                         | (3,054)             |
| Loss (gain) on extinguishment of debt, net                                                    | 6,156                           | 6                   |
| Loss (income) from unconsolidated entities                                                    | (1,263)                         | 7,783               |
| Rental income less than (in excess of) cash received                                          | (43,893)                        | (30,503)            |
| Amortization related to above (below) market leases, net                                      | (385)                           | (5)                 |
| Loss (gain) on real estate dispositions and acquisitions of controlling interests, net        | (51,777)                        | (4,707)             |
| Proceeds from (payments on) interest rate swap settlements                                    | —                               | (59,555)            |
| Distributions by unconsolidated entities                                                      | 4,160                           | 1,609               |
| Increase (decrease) in accrued expenses and other liabilities                                 | (105,111)                       | (29,420)            |
| Decrease (increase) in receivables and other assets                                           | (30,908)                        | (42,343)            |
| Net cash provided from (used in) operating activities                                         | 598,958                         | 406,806             |
| Investing activities:                                                                         |                                 |                     |
| Cash disbursed for acquisitions, net of cash acquired                                         | (1,988,958)                     | (62,771)            |
| Cash disbursed for capital improvements to existing properties                                | (240,350)                       | (132,509)           |
| Cash disbursed for construction in progress                                                   | (126,187)                       | (231,763)           |
| Capitalized interest                                                                          | (11,520)                        | (13,809)            |
| Investment in loans receivable                                                                | (19,672)                        | (116,789)           |
| Principal collected on loans receivable                                                       | 100,372                         | 36,472              |
| Other investments, net of payments                                                            | (59,200)                        | (11,723)            |
| Contributions to unconsolidated entities                                                      | (50,513)                        | (103,825)           |
| Distributions by unconsolidated entities                                                      | 12,395                          | 10,039              |
| Net proceeds from net investment hedge settlements                                            | 37,831                          | 913                 |
| Proceeds from sales of real property                                                          | 317,663                         | 44,834              |
| Net cash provided from (used in) investing activities                                         | (2,028,139)                     | (580,931)           |
| Financing activities:                                                                         |                                 |                     |
| Payments to extinguish senior unsecured notes                                                 | —                               | (1,350,000)         |
| Net proceeds from the issuance of secured debt                                                | —                               | 1,379               |
| Payments on secured debt                                                                      | (134,277)                       | (132,833)           |
| Net proceeds from the issuance of common stock                                                | 1,992,403                       | 2,416,484           |
| Payments for deferred financing costs and prepayment penalties                                | (471)                           | (6)                 |
| Contributions by noncontrolling interests <sup>(1)</sup>                                      | 3,586                           | 23,797              |
| Distributions to noncontrolling interests <sup>(1)</sup>                                      | (113,928)                       | (22,591)            |
| Cash distributions to stockholders                                                            | (432,366)                       | (352,184)           |
| Other financing activities                                                                    | (6,782)                         | (5,479)             |
| Net cash provided from (used in) financing activities                                         | 1,308,165                       | 578,567             |
| Effect of foreign currency translation on cash and cash equivalents and restricted cash       | 19,844                          | (2,190)             |
| Increase (decrease) in cash, cash equivalents and restricted cash                             | (101,172)                       | 402,252             |
| Cash, cash equivalents and restricted cash at beginning of period                             | 3,711,457                       | 2,076,083           |
| Cash, cash equivalents and restricted cash at end of period                                   | <u>\$ 3,610,285</u>             | <u>\$ 2,478,335</u> |
| Supplemental cash flow information:                                                           |                                 |                     |
| Interest paid                                                                                 | \$ 129,033                      | \$ 149,007          |
| Income taxes paid (received), net                                                             | 11,300                          | 3,259               |

<sup>(1)</sup> Includes amounts attributable to redeemable noncontrolling interests.

**WELLTOWER INC. AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

**1. Business**

Welltower Inc. (NYSE: WELL), an S&P 500 company, is one of the world's preeminent residential wellness and healthcare infrastructure companies. We seek to position our portfolio of 1,500+ seniors and wellness housing communities at the intersection of housing, healthcare and hospitality, creating vibrant communities for mature renters and older adults in the United States, United Kingdom and Canada. We also strive to support physicians in our outpatient medical buildings with the critical infrastructure needed to deliver quality care.

We are structured as an umbrella partnership REIT under which substantially all of our business is conducted through Welltower OP LLC, the day-to-day management of which is exclusively controlled by Welltower Inc. Unless stated otherwise or the context otherwise requires, references to "Welltower" mean Welltower Inc. and references to "Welltower OP" mean Welltower OP LLC. References to "we," "us" and "our" mean collectively Welltower, Welltower OP and those entities/subsidiaries owned or controlled by Welltower and/or Welltower OP. Welltower's weighted average ownership in Welltower OP was 99.678% for the three months ended March 31, 2025. As of March 31, 2025, Welltower owned 99.641% of the issued and outstanding units of Welltower OP, with other investors owning the remaining 0.359% of outstanding units. We adjust the noncontrolling members' interest at the end of each period to reflect their interest in the net assets of Welltower OP.

**2. Accounting Policies and Related Matters**

*Basis of Presentation*

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and with instructions to Quarterly Report on Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (such as normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2025 are not necessarily an indication of the results that may be expected for the year ending December 31, 2025. For further information, refer to the financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

*New Accounting Standards*

In December 2023, the FASB issued Accounting Standards Update No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which modifies the rules on income tax disclosures to require entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and (3) income tax expense or benefit from continuing operations (separated by federal, state and foreign). ASU 2023-09 also requires entities to disclose their income tax payments to international, federal, state and local jurisdictions, among other changes. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. ASU 2023-09 should be applied on a prospective basis, but retrospective application is permitted. We are currently evaluating the potential impact of adopting this new standard on our consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." The ASU is intended to enhance transparency of income statement disclosures primarily through additional disaggregation of relevant expense captions. The standard is effective for annual reporting periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with prospective or retrospective application permitted. We are currently evaluating the potential impact of adopting this new standard on our consolidated financial statements and disclosures.

**3. Real Property Acquisitions and Development**

The total purchase price for all properties acquired through asset acquisitions is allocated to the tangible and identifiable intangible assets and liabilities at cost on a relative fair value basis. Liabilities assumed and any associated noncontrolling interests are reflected at fair value. For properties acquired through business combinations, assets acquired, liabilities assumed and any associated noncontrolling interests are recorded at fair value, with any excess consideration accounted for as goodwill. Acquired lease intangibles primarily relate to assets in our Seniors Housing Operating portfolio and generally have amortization periods of one to two years.

Transaction costs primarily represent costs incurred with acquisitions, including due diligence costs, fees for legal and valuation services, termination of pre-existing relationships computed based on the fair value of the assets acquired, lease termination fees and other acquisition-related costs. Transaction costs directly related to asset acquisitions are capitalized as a component of purchase price and all other non-capitalizable costs are reflected in other expenses on our Consolidated Statements of Comprehensive Income. Transaction costs related to business combinations are expensed as incurred.

**WELLTOWER INC. AND SUBSIDIARIES**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**

Our acquisitions of properties are at times subject to earn out provisions based on the future operating performance of the acquired properties, which could result in incremental payments in the future. Our policy is to recognize such contingent consideration with respect to asset acquisitions when the contingency is resolved and the consideration becomes payable. These amounts are included within the total net real estate assets section of the table below.

The results of operations for these acquisitions have been included in our consolidated results of operations since the date of acquisition and are a component of the appropriate segments.

The following is a summary of our real property investment activity by segment for the periods presented (in thousands):

|                                                            | Three Months Ended        |              |                    |              |                           |            |                    |            |
|------------------------------------------------------------|---------------------------|--------------|--------------------|--------------|---------------------------|------------|--------------------|------------|
|                                                            | March 31, 2025            |              |                    |              | March 31, 2024            |            |                    |            |
|                                                            | Seniors Housing Operating | Triple-net   | Outpatient Medical | Totals       | Seniors Housing Operating | Triple-net | Outpatient Medical | Totals     |
| Land and land improvements                                 | \$ 176,983                | \$ 88,247    | \$ 19,320          | \$ 284,550   | \$ 26,691                 | \$ 710     | \$ —               | \$ 27,401  |
| Buildings and improvements                                 | 1,095,050                 | 1,182,642    | 1,606              | 2,279,298    | 48,615                    | 253        | —                  | 48,868     |
| Acquired lease intangibles                                 | 139,005                   | 7,084        | 656                | 146,745      | 5,861                     | —          | —                  | 5,861      |
| Right of use assets, net                                   | 3,032                     | 18,389       | 2,783              | 24,204       | —                         | —          | —                  | —          |
| Total net real estate assets                               | 1,414,070                 | 1,296,362    | 24,365             | 2,734,797    | 81,167                    | 963        | —                  | 82,130     |
| Receivables and other assets                               | 15,237                    | —            | 59                 | 15,296       | 24                        | —          | —                  | 24         |
| Total assets acquired <sup>(1)</sup>                       | 1,429,307                 | 1,296,362    | 24,424             | 2,750,093    | 81,191                    | 963        | —                  | 82,154     |
| Secured debt                                               | (289,721)                 | —            | —                  | (289,721)    | —                         | —          | —                  | —          |
| Lease liabilities                                          | (3,032)                   | —            | (1,699)            | (4,731)      | —                         | —          | —                  | —          |
| Accrued expenses and other liabilities                     | (28,507)                  | (10,233)     | (1,589)            | (40,329)     | (532)                     | —          | —                  | (532)      |
| Total liabilities acquired                                 | (321,260)                 | (10,233)     | (3,288)            | (334,781)    | (532)                     | —          | —                  | (532)      |
| Noncontrolling interests                                   | (2,545)                   | —            | —                  | (2,545)      | —                         | —          | —                  | —          |
| Non-cash acquisition related activity <sup>(2)</sup>       | (163,627)                 | (240,075)    | (20,107)           | (423,809)    | (18,141)                  | (710)      | —                  | (18,851)   |
| Cash disbursed for acquisitions                            | 941,875                   | 1,046,054    | 1,029              | 1,988,958    | 62,518                    | 253        | —                  | 62,771     |
| Construction in progress additions                         | 100,242                   | —            | 31,328             | 131,570      | 165,140                   | 28         | 83,529             | 248,697    |
| Less: Capitalized interest                                 | (9,595)                   | —            | (1,925)            | (11,520)     | (11,660)                  | —          | (2,149)            | (13,809)   |
| Accruals <sup>(3)</sup>                                    | 1,145                     | 80           | 4,912              | 6,137        | 2,248                     | 72         | (5,445)            | (3,125)    |
| Cash disbursed for construction in progress                | 91,792                    | 80           | 34,315             | 126,187      | 155,728                   | 100        | 75,935             | 231,763    |
| Capital improvements to existing properties                | 219,244                   | 5,639        | 15,467             | 240,350      | 104,812                   | 6,064      | 21,633             | 132,509    |
| Total cash invested in real property, net of cash acquired | \$ 1,252,911              | \$ 1,051,773 | \$ 50,811          | \$ 2,355,495 | \$ 323,058                | \$ 6,417   | \$ 97,568          | \$ 427,043 |

<sup>(1)</sup> Excludes \$4,502,000 of unrestricted and restricted cash acquired during the three months ended March 31, 2025.

<sup>(2)</sup> For the three months ended March 31, 2025, relates to the acquisition of assets previously recognized as investments in unconsolidated entities and the re-issuance of Welltower Inc. treasury shares in lieu of cash consideration. For the three months ended March 31, 2024, primarily relates to the acquisition of assets previously financed as real estate loans receivable.

<sup>(3)</sup> Represents non-cash accruals for amounts to be paid in future periods for properties that converted, offset by amounts paid in the current period.

*Aspire Healthcare Acquisition*

In February 2025, we acquired 48 skilled nursing facilities for a total purchase price of \$990,908,000, which included \$750,833,000 of cash consideration and \$240,075,000 of common stock consideration. In connection with the closing, the acquired properties were leased to Aspire Healthcare under a long-term triple-net master lease.

*Care UK Acquisition*

On October 1, 2024, we acquired all of the shares of Care UK Holdings Limited, Care UK Midco Limited and Care UK Community Partnerships Limited (collectively, "Care UK"). Care UK operates 136 seniors housing properties including owned properties, leasehold interests and development properties. Total consideration for the transaction, net of cash acquired, was \$841,546,000, of which \$20,229,000 was paid in 2025. All properties will continue to be managed by Care UK. Operations related to the transaction are reported within our Seniors Housing Operating segment from the date of acquisition. We recognized \$182,219,000 of total revenue from such operations during the quarter ended March 31, 2025.

The transaction was accounted for as a business combination using the acquisition method of accounting. We continue to finalize the valuation of the assets acquired and liabilities assumed as of March 31, 2025. During the quarter ended March 31, 2025, we recorded a measurement period adjustment based on our ongoing review of the valuation of the tangible and intangible assets and liabilities acquired and their related tax basis, which resulted in an increase to net deferred tax liabilities of

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\$48,572,000 and a corresponding increase to goodwill. The adjustment to deferred tax liabilities was applied retrospectively to the acquisition date and resulted in nominal incremental income tax benefit for the quarter ended March 31, 2025. The primary areas of the acquisition accounting that are not yet finalized relate to the review of certain assumptions, inputs and estimates underlying the valuation of the tangible and intangible assets and liabilities acquired, finalizing our review of certain assets acquired and liabilities assumed and finalizing our review of the tax basis of assets acquired and liabilities assumed in order to estimate the impact of the acquisition on deferred income taxes. Please refer to Note 3 of the notes to the consolidated financial statements within our 2024 Annual Report on Form 10-K for additional information related to the Care UK acquisition.

The following unaudited pro forma financial information presents consolidated financial information as if the transaction occurred on January 1, 2024. In the opinion of management, all significant necessary adjustments to reflect the effect of the transaction have been made. The following unaudited pro forma information is not indicative of future operations (in thousands):

|                                                              | Three Months Ended<br>March 31, 2024 |
|--------------------------------------------------------------|--------------------------------------|
| Pro forma revenues                                           | \$ 2,028,367                         |
| Pro forma net income attributable to common stockholders     | \$ 115,491                           |
| Per share data (diluted)                                     |                                      |
| Net income attributable to common stockholders (as reported) | \$ 0.22                              |
| Net income attributable to common stockholders (pro forma)   | \$ 0.20                              |

Pro forma net income attributable to common stockholders and net income attributable to common stockholders per diluted share are impacted by the acquired lease intangibles noted above that have a weighted average amortization period of 1.8 years.

*Amica Senior Lifestyles*

In March 2025, we announced a definitive agreement to acquire a portfolio of 38 seniors housing communities and nine development parcels for aggregate consideration of \$4.6 billion. At closing, which is expected in late 2025 or early 2026, subject to customary closing conditions and regulatory approvals, we will assume \$560 million of secured debt with an average interest rate of 3.6%.

The following is a summary of the construction projects that were placed into service and began generating revenues during the periods presented (in thousands):

|                                            | Three Months Ended<br>March 31, 2025 | March 31, 2024 |
|--------------------------------------------|--------------------------------------|----------------|
| Development projects:                      |                                      |                |
| Seniors Housing Operating                  | \$ 132,210                           | \$ 88,680      |
| Outpatient Medical                         | 175,046                              | 91,248         |
| Total development projects                 | 307,256                              | 179,928        |
| Expansion projects                         | 106                                  | 3,083          |
| Total construction in progress conversions | \$ 307,362                           | \$ 183,011     |

**4. Intangible Assets and Goodwill**

The following is a summary of our real estate intangibles, excluding those related to ground leases or classified as held for sale, as of the dates indicated (dollars in thousands):

|                                  | March 31, 2025 | December 31, 2024 |
|----------------------------------|----------------|-------------------|
| Assets:                          |                |                   |
| Gross acquired lease intangibles | \$ 2,688,181   | \$ 2,548,766      |
| Accumulated amortization         | (1,994,876)    | (1,882,822)       |
| Net book value                   | \$ 693,305     | \$ 665,944        |
| Liabilities:                     |                |                   |
| Below market tenant leases       | \$ 78,271      | \$ 70,364         |
| Accumulated amortization         | (53,394)       | (52,397)          |
| Net book value                   | \$ 24,877      | \$ 17,967         |

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The following is a summary of real estate intangible amortization income (expense) for the periods presented (in thousands):

|                                                                          | Three Months Ended March 31, |          |
|--------------------------------------------------------------------------|------------------------------|----------|
|                                                                          | 2025                         | 2024     |
| Rental income related to (above)/below market tenant leases, net         | \$ (162)                     | \$ (31)  |
| Amortization related to in-place lease intangibles and lease commissions | (108,983)                    | (46,791) |

*Goodwill*

The change in the carrying amount of goodwill by reportable segment is as follows (in thousands):

|                                           | Seniors Housing Operating | Outpatient Medical | Total      |
|-------------------------------------------|---------------------------|--------------------|------------|
| Balance at December 31, 2024              | \$ 80,904                 | \$ 68,321          | \$ 149,225 |
| Acquisition measurement period adjustment | \$ 48,572                 | \$ —               | \$ 48,572  |
| Effect of foreign currency translation    | 2,404                     | —                  | 2,404      |
| Balance at March 31, 2025                 | \$ 131,880                | \$ 68,321          | \$ 200,201 |

**5. Dispositions, Real Property Held for Sale and Impairment**

We periodically sell properties for various reasons, including favorable market conditions, the exercise of tenant purchase options or reduction of concentrations (i.e., property type, relationship or geography). At March 31, 2025, 10 Seniors Housing Operating properties and five Triple-net properties with an aggregate real estate balance of \$95,667,000 were classified as held for sale. Expected gross sales proceeds related to these held for sale properties are approximately \$134,134,000.

The net book value of real property owned is reviewed quarterly on a property by property basis to determine if facts and circumstances suggest that a property may be impaired. If the estimated undiscounted cash flows indicate that the carrying value of the property will not be recoverable, the carrying of the property is reduced to the estimated fair market value and an impairment charge is recognized. Properties that meet the held for sale criteria are recorded at the lesser of fair value less costs to sell or the carrying value. During the three months ended March 31, 2025, we recorded impairment charges of \$52,402,000 related to six Seniors Housing Operating properties and four Triple-net properties. During the three months ended March 31, 2024, we recorded \$43,331,000 of impairment charges related to ten Seniors Housing Operating properties.

Operating results attributable to properties sold or classified as held for sale which do not meet the definition of discontinued operations are not reclassified on our Consolidated Statements of Comprehensive Income. We recognized income (loss) from continuing operations before income taxes and other items from properties sold or classified as held for sale as of March 31, 2025 of \$(35,137,000) for the three months ended March 31, 2025 and \$(35,808,000) for the same period in 2024.

The following is a summary of our real property disposition activity for the periods presented (in thousands):

|                                                                                        | Three Months Ended |                |
|----------------------------------------------------------------------------------------|--------------------|----------------|
|                                                                                        | March 31, 2025     | March 31, 2024 |
| Real estate dispositions: <sup>(1)</sup>                                               |                    |                |
| Seniors Housing Operating                                                              | \$ 289,755         | \$ 39,985      |
| Triple-net                                                                             | 181,940            | —              |
| Total dispositions                                                                     | 471,695            | 39,985         |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net | 51,777             | 4,707          |
| Net other assets/(liabilities) disposed                                                | (468)              | 142            |
| Non-cash consideration <sup>(2)</sup>                                                  | (205,341)          | —              |
| Cash proceeds from real estate dispositions                                            | \$ 317,663         | \$ 44,834      |

<sup>(1)</sup> Dispositions occurring in the three months ended March 31, 2025 include the disposition of unconsolidated equity method investments related to our Chartwell joint ventures. See discussion below for further information. Dispositions occurring in the three months ended March 31, 2024 include the disposition of an unconsolidated equity method investment that owned six Seniors Housing Operating properties.

<sup>(2)</sup> Non-cash consideration for the three months ended March 31, 2025 includes the value of the equity method investment attributed to the 16 sold Chartwell properties, as well as the value of our contribution of six consolidated properties to our seniors housing investment fund (See Note 8 for additional details).

*Strategic Dissolution of Chartwell Joint Ventures*

During the quarter ended March 31, 2025, we substantially dissolved our existing relationship with Chartwell in Canada in a transaction covering 39 previously unconsolidated Seniors Housing Operating properties. The transaction included the acquisition of Chartwell's interest in 23 properties and the sale of our interest in 16 properties to Chartwell.

We recorded net real estate investments of \$474,384,000 related to the 23 acquired and now consolidated properties, which was comprised of \$77,385,000 of cash consideration and \$396,999,000 of non-cash consideration. Non-cash consideration

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primarily includes \$223,495,000 of assumed mortgage debt secured by the acquired properties, \$78,538,000 of carryover investment from our prior equity method ownership interest, \$85,435,000 of fair value interests in the 16 properties transferred by us to Chartwell and \$9,531,000 of other net liabilities acquired. We also derecognized \$41,064,000 of equity method investments related to the 16 properties retained by Chartwell and recorded a gain of \$53,354,000 within gain (loss) on real estate dispositions and acquisitions of controlling interests, net within our Consolidated Statements of Comprehensive Income.

In conjunction with the transaction, operations for the 23 now wholly owned properties, along with operations for two other existing wholly-owned properties, transitioned to Cogir Management Corporation.

**6. Leases**

*Lessee*

We lease land, buildings, office space and certain equipment. Many of our leases include a renewal option to extend the term from one to 25 years or more. Renewal options that we are reasonably certain to exercise are recognized in our right-of-use assets and lease liabilities.

The components of lease expense were as follows for the periods presented (in thousands):

|                                          | Classification                      | Three Months Ended |                 |
|------------------------------------------|-------------------------------------|--------------------|-----------------|
|                                          |                                     | March 31, 2025     | March 31, 2024  |
| Operating lease cost: <sup>(1)</sup>     |                                     |                    |                 |
| Real estate lease expense                | Property operating expenses         | \$ 23,406          | \$ 5,693        |
| Non-real estate investment lease expense | General and administrative expenses | 1,484              | 1,454           |
| Financing lease cost:                    |                                     |                    |                 |
| Amortization of leased assets            | Property operating expenses         | 1,229              | 1,028           |
| Interest on lease liabilities            | Interest expense                    | 1,232              | 651             |
| Total                                    |                                     | <u>\$ 27,351</u>   | <u>\$ 8,826</u> |

<sup>(1)</sup> Includes short-term leases which are immaterial.

Supplemental balance sheet information related to leases in which we are the lessee is as follows (in thousands):

|                                                | Classification               | March 31, 2025      | December 31, 2024   |
|------------------------------------------------|------------------------------|---------------------|---------------------|
| Right of use assets:                           |                              |                     |                     |
| Operating leases - real estate                 | Right of use assets, net     | \$ 1,105,112        | \$ 1,094,549        |
| Financing leases - real estate                 | Right of use assets, net     | 125,231             | 106,582             |
| Real estate right of use assets, net           |                              | 1,230,343           | 1,201,131           |
| Operating leases - non-real estate investments | Receivables and other assets | 24,398              | 7,605               |
| Total right of use assets, net                 |                              | <u>\$ 1,254,741</u> | <u>\$ 1,208,736</u> |
| Lease liabilities:                             |                              |                     |                     |
| Operating leases                               |                              | \$ 1,177,785        | \$ 1,150,062        |
| Financing leases                               |                              | 107,942             | 108,037             |
| Total                                          |                              | <u>\$ 1,285,727</u> | <u>\$ 1,258,099</u> |

*Lessor*

Substantially all of our operating leases in which we are the lessor contain escalating rent structures. Leases with fixed annual rental escalators are generally recognized on a straight-line basis over the initial lease period, subject to a collectability assessment. Rental income related to leases with contingent rental escalators is generally recorded based on the contractual cash rental payments due for the period. During the three months ended March 31, 2024, we wrote off previously recognized straight-line rent receivable and unamortized lease incentive balances of \$9,356,000 through a reduction of rental income, which related to leases for which the collection of substantially all contractual lease payments was no longer probable.

Leases in our Triple-net and Outpatient Medical portfolios recognized under ASC 842, "Leases" ("ASC 842"), typically include some form of operating expense reimbursement by the tenant. For the three months ended March 31, 2025, we recognized \$461,567,000 of rental income related to operating leases, of which \$57,560,000 was for variable lease payments that primarily represents the reimbursement of operating costs such as common area maintenance expenses, utilities, insurance and real estate taxes. For the three months ended March 31, 2024, we recognized \$417,652,000 of rental income related to operating leases, of which \$56,228,000 was for variable lease payments.

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For the majority of our Seniors Housing Operating segment, revenue from resident fees and services is predominantly service-based, and as such, resident agreements are accounted for under ASC 606, "Revenue from Contracts with Customers." Within that reportable segment, we also recognize revenue from residential seniors apartment leases in accordance with ASC 842. The amount of revenue related to these leases was \$185,225,000 and \$130,565,000 for the three months ended March 31, 2025 and 2024, respectively.

During the three months ended March 31, 2025, we sold four properties for which the related master lease was classified as a sales-type lease. We recognized net proceeds of \$174,824,000 on the sale, which was included in proceeds from sales of real property in the Consolidated Statements of Cash Flows.

**7. Loans Receivable**

Loans receivable are recorded on our Consolidated Balance Sheets in real estate loans receivable, net of credit allowance, or for non-real estate loans receivable, in receivables and other assets. Real estate loans receivable consists of mortgage loans and other real estate loans, which are primarily collateralized by a first, second or third mortgage lien, a leasehold mortgage on, or an assignment or pledge of the partnership interest in, the related properties, as well as corporate guarantees and/or personal guarantees. Non-real estate loans are generally corporate loans with no real estate backing. Interest income on loans is recognized as earned based on the principal amount outstanding, subject to an evaluation of the risk of credit loss. Accrued interest receivable was \$33,032,000 and \$32,205,000 as of March 31, 2025 and December 31, 2024, respectively, and is included in receivables and other assets on the Consolidated Balance Sheets.

The following is a summary of our loans receivable (in thousands):

|                                                                 | March 31, 2025      | December 31, 2024   |
|-----------------------------------------------------------------|---------------------|---------------------|
| Mortgage loans                                                  | \$ 1,571,028        | \$ 1,540,437        |
| Other real estate loans                                         | 225,965             | 290,438             |
| Allowance for credit losses on real estate loans receivable     | (24,285)            | (25,831)            |
| Real estate loans receivable, net of credit allowance           | 1,772,708           | 1,805,044           |
| Non-real estate loans                                           | 229,554             | 230,508             |
| Allowance for credit losses on non-real estate loans receivable | (7,816)             | (7,966)             |
| Non-real estate loans receivable, net of credit allowance       | 221,738             | 222,542             |
| Total loans receivable, net of credit allowance                 | <u>\$ 1,994,446</u> | <u>\$ 2,027,586</u> |

The following is a summary of our loan activity for the periods presented (in thousands):

|                                                  | March 31, 2025     | March 31, 2024   |
|--------------------------------------------------|--------------------|------------------|
| Advances on loans receivable                     | \$ 19,672          | \$ 116,789       |
| Less: Receipts on loans receivable               | 100,372            | 36,472           |
| Net cash advances (receipts) on loans receivable | <u>\$ (80,700)</u> | <u>\$ 80,317</u> |

The allowance for credit losses on loans receivable is maintained at a level believed adequate to absorb potential losses in our loans receivable. The determination of the credit allowance is based on a quarterly evaluation of all outstanding loans, including general economic conditions and estimated collectability of loan payments. We evaluate the collectability of our loans receivable based on a combination of credit quality indicators, including, but not limited to, payment status, historical loan charge-offs, financial strength of the borrower and guarantors, and nature, extent, and value of the underlying collateral.

A loan is considered to have deteriorated credit quality when, based on current information and events, it is probable that we will be unable to collect all amounts due as scheduled according to the contractual terms of the loan agreement. For those loans we identified as having deteriorated credit quality, we determine the amount of credit loss on an individual basis. Placement on non-accrual status may be required. Consistent with this definition, all loans on non-accrual status are deemed to have deteriorated credit quality. To the extent circumstances improve and the risk of collectability is diminished, we may return these loans to income accrual status. While a loan is on non-accrual status, any cash receipts are applied against the outstanding principal balance.

For the remaining loans, we assess credit loss on a collective pool basis and use our historical loss experience for similar loans and expectations of future performance of the borrowers to determine the reserve for credit losses. The following is a summary of our loans by credit loss category (in thousands):

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| March 31, 2025       |                      |                     |                           |                     |              |
|----------------------|----------------------|---------------------|---------------------------|---------------------|--------------|
| Loan category        | Years of Origination | Loan Carrying Value | Allowance for Credit Loss | Net Loan Balance    | No. of Loans |
| Deteriorated loans   | 2007 - 2019          | \$ 9,450            | \$ (7,293)                | \$ 2,157            | 3            |
| Collective loan pool | 2010 - 2020          | 162,537             | (1,987)                   | 160,550             | 14           |
| Collective loan pool | 2021                 | 898,478             | (11,129)                  | 887,349             | 9            |
| Collective loan pool | 2022                 | 94,866              | (1,160)                   | 93,706              | 13           |
| Collective loan pool | 2023                 | 307,447             | (3,760)                   | 303,687             | 8            |
| Collective loan pool | 2024                 | 544,470             | (6,658)                   | 537,812             | 11           |
| Collective loan pool | 2025                 | 9,299               | (114)                     | 9,185               | 2            |
| Total loans          |                      | <u>\$ 2,026,547</u> | <u>\$ (32,101)</u>        | <u>\$ 1,994,446</u> | <u>60</u>    |

The total allowance for credit losses balance is deemed sufficient to absorb expected losses relating to our loan portfolio. The following is a summary of the activity within the allowance for credit losses on loans receivable for the periods presented (in thousands):

|                                | Three Months Ended |                   |
|--------------------------------|--------------------|-------------------|
|                                | March 31, 2025     | March 31, 2024    |
| Balance at beginning of period | \$ 33,797          | \$ 194,463        |
| Provision for loan losses, net | (2,007)            | 1,014             |
| Loan write-offs                | —                  | (1,088)           |
| Effect of foreign currency     | 311                | (123)             |
| Balance at end of period       | <u>\$ 32,101</u>   | <u>\$ 194,266</u> |

**8. Investments in Unconsolidated Entities**

We participate in a number of joint ventures, which generally invest in seniors housing and healthcare real estate. Our share of the results of operations for these properties has been included in our consolidated results of operations from the date of acquisition by the joint ventures and are reflected in our Consolidated Statements of Comprehensive Income as income or loss from unconsolidated entities. The following is a summary of our investments in unconsolidated entities (dollars in thousands):

|                           | Percentage Ownership <sup>(1)</sup> | March 31, 2025      | December 31, 2024   |
|---------------------------|-------------------------------------|---------------------|---------------------|
|                           |                                     |                     |                     |
| Seniors Housing Operating | 10% to 95%                          | \$ 1,453,611        | \$ 1,412,708        |
| Triple-net                | 10% to 25%                          | 30,242              | 35,066              |
| Outpatient Medical        | 15% to 50%                          | 230,289             | 249,889             |
| Non-segment/Corporate     | 32% to 88%                          | 73,256              | 71,109              |
| Total                     |                                     | <u>\$ 1,787,398</u> | <u>\$ 1,768,772</u> |

<sup>(1)</sup> As of March 31, 2025 and includes ownership of investments classified as liabilities and excludes ownership of in substance real estate.

At March 31, 2025, the aggregate unamortized basis difference of our joint venture investments of \$184,832,000 is primarily attributable to the difference between the amount for which we purchased our interest in the entity, including transaction costs, and the historical carrying value of the net assets of the joint venture. This difference is being amortized over the remaining useful life of the related properties and included in the reported amount of income from unconsolidated entities.

We have made loans related to 25 properties as of March 31, 2025 for the development and construction of certain properties that have a carrying value of \$953,071,000. We believe that such borrowers typically represent VIEs in accordance with ASC 810, "Consolidation." VIEs are required to be consolidated by their primary beneficiary, which is the enterprise that has both: (i) the power to direct the activities of the VIE that most significantly impacts the entity's economic performance; and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could be significant to the entity. We have concluded that we are not the primary beneficiary of such borrowers, therefore, the loan arrangements were assessed based on, among other factors, the amount and timing of expected residual profits, the estimated fair value of the collateral and the significance of the borrower's equity in the project. Based on these assessments, the arrangements have been classified as in substance real estate investments. We are obligated to fund an additional \$87,835,000 related to these investments.

In January 2025, we announced the formation of a private funds management business in conjunction with the launch of our first seniors housing investment fund, Seniors Housing Fund I LP (the "Fund"), which was formed with the intent to invest in U.S. seniors housing properties that are either stable or with a near-term path to stabilization. Welltower serves as the general partner and asset manager, and has a limited partner interest in the Fund, which is unconsolidated due to certain rights held by third-party limited partners. As of March 31, 2025, our unconsolidated investment balance in the Fund was \$119,629,000.

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**9. Credit Concentration**

We use consolidated net operating income ("NOI") as our credit concentration metric. See Note 18 for additional information and reconciliation. The following table summarizes certain information about our credit concentration for the three months ended March 31, 2025, excluding our share of NOI in unconsolidated entities (dollars in thousands):

| Concentration by relationship: <sup>(1)</sup> | Number of Properties | Total NOI  | Percent of NOI <sup>(2)</sup> |
|-----------------------------------------------|----------------------|------------|-------------------------------|
| Cogir Management Corporation                  | 155                  | \$ 69,290  | 7%                            |
| Sunrise Senior Living                         | 89                   | 51,763     | 5%                            |
| Integra Healthcare Properties                 | 117                  | 47,841     | 5%                            |
| Care UK                                       | 169                  | 45,670     | 5%                            |
| Oakmont Management Group                      | 67                   | 42,911     | 4%                            |
| Remaining portfolio                           | 1,619                | 703,222    | 74%                           |
| Totals                                        | 2,216                | \$ 960,697 | 100%                          |

<sup>(1)</sup> Cogir Management Corporation, Sunrise Senior Living, Care UK and Oakmont Management Group are in our Seniors Housing Operating segment. Integra Healthcare Properties is in our Triple-net segment.

<sup>(2)</sup> NOI with our top five relationships comprised 27% of total NOI for the year ended December 31, 2024.

**10. Borrowings Under Credit Facilities and Commercial Paper Program**

At March 31, 2025, we had a primary unsecured credit facility with a consortium of 29 banks that included a \$5,000,000,000 unsecured revolving credit facility, a \$1,000,000,000 unsecured term credit facility and a \$250,000,000 Canadian-denominated unsecured term credit facility. The unsecured revolving credit facility is comprised of a \$2,000,000,000 tranche that matures on July 24, 2029 (none outstanding at March 31, 2025) and a \$3,000,000,000 tranche that matures on July 24, 2028 (none outstanding at March 31, 2025). The term credit facilities mature on July 19, 2026. The \$3,000,000,000 tranche of the revolving facility and term loans may be extended for two successive terms of six months at our option. We have an option, through an accordion feature, to upsize the \$5,000,000,000 unsecured revolving credit facility and the \$1,000,000,000 unsecured term credit facility by up to an additional \$1,250,000,000, in the aggregate, and the \$250,000,000 Canadian-denominated unsecured term credit facility by up to an additional \$250,000,000. The primary unsecured credit facility also allows us to borrow up to \$1,000,000,000 in alternate currencies (none outstanding at March 31, 2025). Borrowings under the unsecured revolving credit facility are subject to interest payable at the applicable margin over the secured overnight financing rate ("SOFR") interest rate. Based on our current credit ratings, the loans under the unsecured revolving credit facility currently bear interest at 0.725% over the adjusted SOFR rate at March 31, 2025. In addition, we pay a facility fee quarterly to each bank based on the bank's commitment amount. The facility fee depends on our debt ratings and was 0.125% at March 31, 2025.

Under the terms of our commercial paper program, we may issue unsecured commercial paper notes with maturities that vary, but do not exceed 397 days from the date of issue, up to a maximum aggregate face or principal amount outstanding at any time of \$2,000,000,000 (none outstanding at March 31, 2025).

There was no activity related to the primary unsecured credit facility or the commercial paper program for the quarters ended March 31, 2025 or 2024, respectively.

**WELLTOWER INC. AND SUBSIDIARIES**  
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**11. Senior Unsecured Notes and Secured Debt**

At March 31, 2025, the annual principal payments due on our debt obligations were as follows (in thousands):

|                                         | Senior<br>Unsecured Notes <sup>(1,2)</sup> | Secured<br>Debt <sup>(3)</sup> | Totals        |
|-----------------------------------------|--------------------------------------------|--------------------------------|---------------|
| 2025                                    | \$ 1,260,000                               | \$ 89,404                      | \$ 1,349,404  |
| 2026                                    | 700,000                                    | 244,318                        | 944,318       |
| 2027 <sup>(4,5)</sup>                   | 1,882,470                                  | 358,379                        | 2,240,849     |
| 2028 <sup>(6)</sup>                     | 2,494,060                                  | 187,060                        | 2,681,120     |
| 2029                                    | 2,085,000                                  | 417,569                        | 2,502,569     |
| Thereafter <sup>(7)</sup>               | 4,944,600                                  | 1,355,440                      | 6,300,040     |
| Total principal balance                 | 13,366,130                                 | 2,652,170                      | 16,018,300    |
| Unamortized discounts and premiums, net | (20,717)                                   | —                              | (20,717)      |
| Unamortized debt issuance costs, net    | (71,827)                                   | (15,145)                       | (86,972)      |
| Fair value adjustments and other, net   | (54,384)                                   | (132,370)                      | (186,754)     |
| Total carrying value of debt            | \$ 13,219,202                              | \$ 2,504,655                   | \$ 15,723,857 |

<sup>(1)</sup> Annual interest rates range from 2.05% to 6.50%. The ending weighted average interest rate, after considering the effects of interest rate swaps, was 3.79% and 3.94% as of March 31, 2025 and March 31, 2024, respectively.

<sup>(2)</sup> All senior unsecured notes, with the exception of the \$300,000,000 Canadian-denominated 2.95% senior unsecured notes due 2027, have been issued by Welltower OP and are fully and unconditionally guaranteed by Welltower. The \$300,000,000 Canadian-denominated 2.95% senior unsecured notes due 2027 have been issued through private placement by a wholly owned subsidiary of Welltower OP and are fully and unconditionally guaranteed by Welltower OP.

<sup>(3)</sup> Annual interest rates range from 1.31% to 6.67%. The ending weighted average interest rate, after considering the effects of interest rate swaps and caps, was 4.08% and 4.62% as of March 31, 2025 and March 31, 2024, respectively. Gross real property value of the properties securing the debt totaled \$7,186,280,000 at March 31, 2025.

<sup>(4)</sup> Includes a \$1,000,000,000 unsecured term loan and a \$250,000,000 Canadian-denominated unsecured term loan (approximately \$173,850,000 based on the Canadian/U.S. Dollar exchange rate on March 31, 2025). Both term loans mature on July 19, 2026 and may be extended for two successive terms of six months at our option. The loans bear interest at adjusted SOFR plus 0.80% (5.22% at March 31, 2025) and adjusted Canadian Overnight Repo Rate Average plus 0.80% (3.85% at March 31, 2025), respectively.

<sup>(5)</sup> Includes \$300,000,000 Canadian-denominated 2.95% senior unsecured notes due 2027 (approximately \$208,620,000 based on the Canadian/U.S. Dollar exchange rate on March 31, 2025).

<sup>(6)</sup> Includes £550,000,000 senior unsecured notes due 2028 (approximately \$709,060,000 based on the Pounds Sterling/U.S. Dollar exchange rate in effect on March 31, 2025).

<sup>(7)</sup> Includes £500,000,000 senior unsecured notes due 2034 (approximately \$644,600,000 based on the Pounds Sterling/U.S. Dollar exchange rate in effect on March 31, 2025).

The following is a summary of our senior unsecured notes principal activity during the periods presented (dollars in thousands):

|                            | Three Months Ended |                |
|----------------------------|--------------------|----------------|
|                            | March 31, 2025     | March 31, 2024 |
| Beginning balance          | \$ 13,326,465      | \$ 13,699,619  |
| Debt extinguished          | —                  | (1,350,000)    |
| Effect of foreign currency | 39,665             | (21,530)       |
| Ending balance             | \$ 13,366,130      | \$ 12,328,089  |

Welltower, the parent entity that consolidates Welltower OP and all other subsidiaries, fully and unconditionally guarantees to each holder of all series of senior unsecured notes issued by Welltower OP that the principal of and premium, if any, and interest on the notes will be promptly paid in full when due, whether at the applicable maturity date, by acceleration or redemption or otherwise, and interest on the overdue principal of and interest on the notes, if any, if lawful, and all other obligations of Welltower OP to the holders of the notes will be promptly paid in full or performed. Welltower's guarantees of such notes are its senior unsecured obligation and rank equally with all of Welltower's other future unsecured senior indebtedness and guarantees from time to time outstanding. Welltower's guarantees of such notes are effectively subordinated to all liabilities of its subsidiaries and to its secured indebtedness to the extent of the assets securing such indebtedness. Because Welltower conducts substantially all of its business through its subsidiaries, Welltower's ability to make required payments with respect to the guarantees depends on the financial results and condition of its subsidiaries and its ability to receive funds from its subsidiaries, whether by dividends, loans, distributions or other payments.

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We may repurchase, redeem or refinance senior unsecured notes from time to time, taking advantage of favorable market conditions when available. We may purchase senior unsecured notes for cash through open market purchases, privately negotiated transactions, a tender offer or, in some cases, through the early redemption of such securities pursuant to their terms. The senior unsecured notes are redeemable at our option, at any time in whole or from time to time in part, subject to certain contractual restrictions, at a redemption price equal to the sum of: (i) the principal amount of the notes (or portion of such notes) being redeemed plus accrued and unpaid interest thereon up to the redemption date and (ii) any "make-whole" amount due under the terms of the notes in connection with early redemptions. Redemptions and repurchases of debt, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

*Exchangeable Senior Unsecured Notes*

In May 2023, Welltower OP issued \$1,035,000,000 aggregate principal amount of 2.750% exchangeable senior unsecured notes maturing May 15, 2028 (the "2028 Exchangeable Notes") unless earlier exchanged, purchased or redeemed. In July 2024, Welltower OP issued \$1,035,000,000 aggregate principal amount of 3.125% exchangeable senior unsecured notes maturing July 15, 2029 (the "2029 Exchangeable Notes") unless earlier exchanged, purchased or redeemed. These notes are referred to collectively as the "Exchangeable Notes."

The following is a summary of the outstanding exchangeable features:

|                         | Number of shares of Welltower Inc. Common Stock into which \$1,000 of Principal is Exchangeable <sup>(1)</sup> | Approximate Equivalent Exchange Price per Share <sup>(1)</sup> | Exchangeable Date |
|-------------------------|----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-------------------|
| 2028 Exchangeable Notes | 10.4862                                                                                                        | \$ 95.36                                                       | November 15, 2027 |
| 2029 Exchangeable Notes | 7.8177                                                                                                         | \$ 127.91                                                      | January 15, 2029  |

<sup>(1)</sup> The exchange rate is subject to adjustment upon the occurrence of specified events, including in the event of the payment of a quarterly dividend in excess of \$0.61 per share, in the case of the 2028 Exchangeable Notes, and \$0.67 per share, in the case of the 2029 Exchangeable Notes, but will not be adjusted for any accrued and unpaid interest. During the quarter ended March 31, 2025, we paid a quarterly dividend of \$0.67 per share, which will result in an adjustment to the initial exchange rate of the 2028 Exchangeable Notes in accordance with the indenture for those notes.

Prior to the close of business on the business day immediately preceding the respective exchangeable dates noted in the table above, the Exchangeable Notes are exchangeable at the option of the holders only upon certain circumstances and during certain periods. On or after the respective exchangeable dates noted in the table above, the Exchangeable Notes will be exchangeable at the option of the holders at any time prior to the close of business on the second scheduled trading day preceding the maturity date. Welltower OP will settle exchanges of the Exchangeable Notes by delivering cash up to the principal amount of the Exchangeable Notes exchanged and, in respect of the remainder of the exchanged value, if any, in excess thereof, cash or shares of Welltower's common stock, or a combination thereof, at the election of Welltower OP.

The 2028 Exchangeable Notes were exchangeable as of March 31, 2025. The 2029 Exchangeable Notes were not exchangeable as of March 31, 2025. There were not any Exchangeable Notes presented for exchange during the three months ended March 31, 2025 and 2024.

Welltower OP may redeem the 2028 Exchangeable Notes and 2029 Exchangeable Notes, at its option in whole or in part, on any business day on or after May 20, 2026 and July 20, 2027, respectively, if the last reported sales price of the common stock has been at least 130% of the exchange price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which Welltower OP provides notice of redemption. The redemption price will be equal to 100% of the principal amount of the Exchangeable Notes to be redeemed, plus accrued and unpaid interest, if any, to but excluding the redemption date.

The following is a summary of the components of the outstanding Exchangeable Notes as March 31, 2025 and December 31, 2024 (dollars in thousands):

|                                                       | March 31, 2025          |                         | December 31, 2024       |                         |
|-------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                       | 2028 Exchangeable Notes | 2029 Exchangeable Notes | 2028 Exchangeable Notes | 2029 Exchangeable Notes |
| Principal                                             | \$ 1,035,000            | \$ 1,035,000            | \$ 1,035,000            | \$ 1,035,000            |
| Less: unamortized debt issuance costs                 | 14,454                  | 17,407                  | 15,622                  | 18,422                  |
| Net carrying value included in senior unsecured notes | <u>\$ 1,020,546</u>     | <u>\$ 1,017,593</u>     | <u>\$ 1,019,378</u>     | <u>\$ 1,016,578</u>     |

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The following is a summary of our interest expense recognized related to the Exchangeable Notes for the three months ended March 31, 2025 and 2024 (dollars in thousands):

|                                     | Three Months Ended      |                         |                         |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
|                                     | March 31, 2025          |                         | March 31, 2024          |
|                                     | 2028 Exchangeable Notes | 2029 Exchangeable Notes | 2028 Exchangeable Notes |
| Contractual interest expense        | \$ 7,116                | \$ 8,086                | \$ 7,116                |
| Amortization of debt issuance costs | 1,168                   | 1,015                   | 1,165                   |
| Total interest expense              | <u>\$ 8,284</u>         | <u>\$ 9,101</u>         | <u>\$ 8,281</u>         |

The following is a summary of our secured debt principal activity for the periods presented (dollars in thousands):

|                            | Three Months Ended  |                     |
|----------------------------|---------------------|---------------------|
|                            | March 31, 2025      | March 31, 2024      |
| Beginning balance          | \$ 2,467,223        | \$ 2,222,445        |
| Debt issued                | —                   | 1,379               |
| Debt assumed               | 316,869             | —                   |
| Debt extinguished          | (119,833)           | (120,946)           |
| Principal payments         | (14,444)            | (11,887)            |
| Effect of foreign currency | 2,355               | (20,215)            |
| Ending balance             | <u>\$ 2,652,170</u> | <u>\$ 2,070,776</u> |

Our debt agreements contain various covenants, restrictions and events of default. Certain agreements require us to maintain certain financial ratios and minimum net worth and impose certain limits on our ability to incur indebtedness, create liens and make investments or acquisitions. As of March 31, 2025, we were in compliance in all material respects with all of the covenants under our debt agreements.

## 12. Derivative Instruments

We are exposed to, among other risks, the impact of changes in foreign currency exchange rates as a result of our non-U.S. investments and interest rate risk related to our capital structure. Our risk management program is designed to manage the exposure and volatility arising from these risks, and utilizes foreign currency forward contracts, cross currency swap contracts, interest rate swaps, interest rate locks and debt issued in foreign currencies to offset a portion of these risks.

### *Cash Flow Hedges and Fair Value Hedges of Interest Rate Risk*

We enter into interest rate swaps in order to maintain a capital structure containing targeted amounts of fixed and floating-rate debt and manage interest rate risk. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for our fixed-rate payments. These interest rate swap agreements are used to hedge the variable cash flows associated with variable-rate debt.

Interest rate swaps designated as fair value hedges involve the receipt of fixed amounts from a counterparty in exchange for our variable-rate payments. These interest rate swap agreements hedge the exposure to changes in the fair value of fixed-rate debt attributable to changes in the designated benchmark interest rate. For derivative instruments that are designated and qualify as a fair value hedge, the gain or loss on the derivative instrument, as well as the offsetting loss or gain on the hedged item attributable to the hedged risk, are recognized in earnings. We record the gain or loss on the hedged items in interest expense, the same line item as the offsetting loss or gain on the related interest rate swaps. In March 2022, we entered into a \$550,000,000 fixed to floating swap in connection with our March 2022 senior note issuance. This swap was terminated in January 2024 resulting in a loss of \$59,555,000. As of March 31, 2025, the unamortized loss amount was \$51,182,000. In January 2024, we entered into a \$550,000,000 forward-starting fixed to floating swap which converts a portion of cash flows on our \$750,000,000 2.8% senior unsecured notes to floating rate. The swap is effective beginning in June 2025 and matures in December 2030. As of March 31, 2025, the carrying amount of the notes, exclusive of the hedge, is \$743,895,000. The fair value of the swap as of March 31, 2025 was \$(3,202,000) and was recorded as a derivative liability with an offset to senior unsecured notes on our Consolidated Balance Sheets.

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Periodically, we enter into and designate interest rate locks to partially hedge the risk of changes in interest payments attributable to increases in the benchmark interest rate during the period leading up to the probable issuance of fixed-rate debt. We designate our interest rate locks as cash flow hedges. Gains and losses when we settle our interest rate locks are amortized into earnings over the life of the related debt, except where a material amount is deemed to be ineffective, which would be immediately recognized in the Consolidated Statements of Comprehensive Income. Approximately \$2,562,000 of losses, which are included in other comprehensive income ("OCI"), are expected to be reclassified into earnings in the next 12 months.

Cash flows from derivatives accounted for as a fair value or cash flow hedge are classified in the same category as the cash flows from the items being hedged in the Consolidated Statements of Cash Flows.

*Foreign Currency Forward Contracts and Cross Currency Swap Contracts Designated as Net Investment Hedges*

We use foreign currency forward and cross currency forward swap contracts to hedge a portion of the net investment in foreign subsidiaries against fluctuations in foreign exchange rates. For instruments that are designated and qualify as net investment hedges, the variability in the foreign currency to U.S. Dollar of the instrument is recorded as a cumulative translation adjustment component of OCI.

During the three months ended March 31, 2025 and 2024, we settled certain net investment hedges generating cash proceeds of \$36,671,000 and \$608,000, respectively. The balance of the cumulative translation adjustment will be reclassified to earnings if the hedged investment is sold or substantially liquidated.

*Derivative Contracts Undesignated*

We use foreign currency exchange contracts to manage existing exposures to foreign currency exchange risk. Gains and losses resulting from the changes in fair value of these instruments are recorded in interest expense on the Consolidated Statements of Comprehensive Income and are substantially offset by net revaluation impacts on foreign currency denominated balance sheet exposures.

*Equity Warrants*

We received equity warrants through our lending activities, which were accounted for as loan origination fees. The warrants provide us the right to participate in the capital appreciation of the underlying HC-One Group real estate portfolio above a designated price upon liquidation and contain net settlement terms qualifying as derivatives. The warrants are classified within receivables and other assets on our Consolidated Balance Sheets. These warrants are measured at fair value with changes in fair value being recognized within loss (gain) on derivatives and financial instruments, net in our Consolidated Statements of Comprehensive Income.

The following presents the notional amount of derivatives and other financial instruments as of the dates indicated (in thousands):

|                                                                     | March 31, 2025 |           | December 31, 2024 |           |
|---------------------------------------------------------------------|----------------|-----------|-------------------|-----------|
| Derivatives designated as net investment hedges:                    |                |           |                   |           |
| Denominated in Canadian Dollars                                     | \$             | 5,702,699 | \$                | 2,904,028 |
| Denominated in Pound Sterling                                       | £              | 1,980,708 | £                 | 1,430,708 |
| Financial instruments designated as net investment hedges:          |                |           |                   |           |
| Denominated in Canadian Dollars                                     | \$             | 250,000   | \$                | 250,000   |
| Denominated in Pound Sterling                                       | £              | 1,050,000 | £                 | 1,050,000 |
| Interest rate swaps and caps designated as cash flow hedges:        |                |           |                   |           |
| Denominated in U.S. Dollars                                         | \$             | —         | \$                | 22,601    |
| Denominated in Canadian Dollars <sup>(1)</sup>                      | \$             | 32,000    | \$                | —         |
| Interest rate swaps designated as fair value hedges:                |                |           |                   |           |
| Denominated in U.S. Dollars                                         | \$             | 550,000   | \$                | 550,000   |
| Derivative instruments not designated:                              |                |           |                   |           |
| Foreign currency exchange contracts denominated in Canadian Dollars | \$             | 80,000    | \$                | 80,000    |

<sup>(1)</sup> At March 31, 2025, the maximum maturity date was March 19, 2027.

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The following presents the impact of derivative instruments on the Consolidated Statements of Comprehensive Income for the periods presented (in thousands):

| Description                                                                                | Location                                                  | Three Months Ended March 31, |           |
|--------------------------------------------------------------------------------------------|-----------------------------------------------------------|------------------------------|-----------|
|                                                                                            |                                                           | 2025                         | 2024      |
| Gain (loss) on derivative instruments designated as hedges recognized in income            | Interest expense                                          | \$ 10,891                    | \$ 4,818  |
| Gain (loss) on derivative instruments not designated as hedges recognized in income        | Interest expense                                          | \$ (525)                     | \$ 1,301  |
| Gain (loss) on equity warrants recognized in income                                        | Gain (loss) on derivatives and financial instruments, net | \$ 3,210                     | \$ 3,054  |
| Gain (loss) on derivative and financial instruments designated as hedges recognized in OCI | OCI                                                       | \$ (118,291)                 | \$ 60,615 |

**13. Commitments and Contingencies**

At March 31, 2025, we had 19 outstanding letter of credit obligations totaling \$41,828,000 and expiring between 2025 and 2026. At March 31, 2025, we had outstanding construction in progress of \$1,045,160,000 and were committed to providing additional funds of approximately \$467,649,000 to complete construction. Additionally, at March 31, 2025, we had outstanding investments classified as in substance real estate of \$953,071,000 and were committed to provide additional funds of \$87,835,000 (see Note 8 for additional information). Purchase obligations at March 31, 2025 also include \$16,177,000 of contingent purchase obligations to fund capital improvements. Rents due from the tenants are increased to reflect the additional investment in the properties.

**14. Stockholders' Equity**

The following is a summary of our stockholders' equity capital accounts as of the dates indicated:

|                                    | March 31, 2025 | December 31, 2024 |
|------------------------------------|----------------|-------------------|
| Preferred Stock, \$1.00 par value: |                |                   |
| Authorized shares                  | 50,000,000     | 50,000,000        |
| Issued shares                      | —              | —                 |
| Outstanding shares                 | —              | —                 |
| Common Stock, \$1.00 par value:    |                |                   |
| Authorized shares                  | 1,400,000,000  | 1,400,000,000     |
| Issued shares                      | 652,034,658    | 637,056,054       |
| Outstanding shares                 | 651,889,055    | 635,289,329       |

*Common Stock*

In March 2025, we entered into an equity distribution agreement whereby we can offer and sell up to \$7,500,000,000 aggregate amount of our common stock, which replaced our prior equity distribution agreement dated October 29, 2024 allowing us to sell up to \$5,000,000,000 aggregate amount of our common stock (collectively, along with other previous agreements, referred to as the "ATM Program"). The ATM Program allows us to enter into forward sale agreements (none outstanding at March 31, 2025). As of March 31, 2025, we had \$7,471,190,000 of remaining capacity under the ATM Program. During April 2025, we sold 2,069,790 shares of common stock under the ATM Program.

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The following is a summary of our common stock issuances during the three months ended March 31, 2025 and 2024 (dollars in thousands, except shares and average price amounts):

|                                                | Shares Issued     | Average Price | Gross Proceeds      | Net Proceeds        |
|------------------------------------------------|-------------------|---------------|---------------------|---------------------|
| 2024 Option exercises                          | 122               | \$ 73.77      | \$ 9                | \$ 9                |
| 2024 ATM Program issuances                     | 26,611,694        | 91.22         | 2,427,464           | 2,416,475           |
| 2024 Redemption of OP Units and DownREIT Units | 19,129            |               | —                   | —                   |
| 2024 Stock incentive plans, net of forfeitures | 62,066            |               | —                   | —                   |
| 2024 Totals                                    | <u>26,693,011</u> |               | <u>\$ 2,427,473</u> | <u>\$ 2,416,484</u> |
| 2025 Option exercises                          | 16,418            | \$ 72.06      | \$ 1,183            | \$ 1,183            |
| 2025 ATM Program issuances                     | 14,389,086        | 139.11        | 2,001,646           | 1,991,220           |
| 2025 Equity issuance <sup>(1)</sup>            | 1,563,904         | 153.51        | 240,075             | 240,075             |
| 2025 Redemption of OP Units and DownREIT Units | 554,681           |               | —                   | —                   |
| 2025 Stock incentive plans, net of forfeitures | 75,637            |               | —                   | —                   |
| 2025 Totals                                    | <u>16,599,726</u> |               | <u>\$ 2,242,904</u> | <u>\$ 2,232,478</u> |

(1) Relates to the re-issuance of treasury shares in lieu of cash consideration for the acquisition of real property. Please see Note 3 for additional information.

*Dividends*

The following is a summary of our dividend payments (in thousands, except per share amounts):

|              | Three Months Ended |            |                |            |
|--------------|--------------------|------------|----------------|------------|
|              | March 31, 2025     |            | March 31, 2024 |            |
|              | Per Share          | Amount     | Per Share      | Amount     |
| Common stock | \$ 0.67            | \$ 431,041 | \$ 0.61        | \$ 352,529 |

*Accumulated Other Comprehensive Income*

The following is a summary of accumulated other comprehensive income (loss) as of the dates presented (in thousands):

|                                                           | March 31, 2025      | December 31, 2024   |
|-----------------------------------------------------------|---------------------|---------------------|
| Foreign currency translation                              | \$ (1,108,189)      | \$ (1,276,625)      |
| Derivative and financial instruments designated as hedges | 798,553             | 916,844             |
| Total accumulated other comprehensive income (loss)       | <u>\$ (309,636)</u> | <u>\$ (359,781)</u> |

**15. Stock Incentive Plans**

In March 2022, our Board of Directors approved the 2022 Long-Term Incentive Plan ("2022 Plan"), which authorizes up to 10,000,000 shares of common stock to be issued at the discretion of the Compensation Committee of the Board. Awards granted after March 28, 2022 are issued out of the 2022 Plan. The awards granted under the 2016 Long-Term Incentive Plan continue to vest and options expire ten years from the date of grant. Our non-employee directors, officers and key employees are eligible to participate in the 2022 Plan. The 2022 Plan allows for the issuance of, among other things, stock options, stock appreciation rights, restricted stock units, deferred stock units, performance units and dividend equivalent rights. Vesting periods for options, deferred stock units and restricted stock units generally range from three to five years. Options expire ten years from the date of grant. Stock-based compensation expense totaled \$17,505,000 for the three months ended March 31, 2025, and \$12,048,000 for the same period in 2024.

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**16. Earnings Per Share**

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

|                                                                                         | Three Months Ended<br>March 31, |            |
|-----------------------------------------------------------------------------------------|---------------------------------|------------|
|                                                                                         | 2025                            | 2024       |
| Numerator for basic earnings per share - net income attributable to common stockholders | \$ 257,957                      | \$ 127,146 |
| Adjustment for net income (loss) attributable to OP Units and DownREIT Units            | 950                             | (325)      |
| Numerator for diluted earnings per share                                                | \$ 258,907                      | \$ 126,821 |
| Denominator for basic earnings per share - weighted average shares                      | 643,393                         | 574,049    |
| Effect of dilutive securities:                                                          |                                 |            |
| Employee stock options                                                                  | 559                             | 69         |
| Unvested restricted shares and units                                                    | 2,976                           | 1,061      |
| OP Units and DownREIT Units                                                             | 2,467                           | 2,329      |
| Employee stock purchase program                                                         | 20                              | 22         |
| Exchangeable Notes                                                                      | 4,380                           | —          |
| Dilutive potential common shares                                                        | 10,402                          | 3,481      |
| Denominator for diluted earnings per share - adjusted weighted average shares           | 653,795                         | 577,530    |
| Basic earnings per share                                                                | \$ 0.40                         | \$ 0.22    |
| Diluted earnings per share                                                              | \$ 0.40                         | \$ 0.22    |

The 2028 Exchangeable Notes and the 2029 Exchangeable Notes are included in the computation of diluted earnings per share for the three months ended March 31, 2025. The 2028 Exchangeable Notes were not included in the computation of diluted earnings per share for the three months ended March 31, 2024 as they were anti-dilutive.

**17. Disclosure about Fair Value of Financial Instruments**

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. A three-level valuation hierarchy exists for disclosures of fair value measurements based on the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. Please see Note 2 to the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024 for additional information. The three levels are defined below:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

*Investments in Sales-Type Leases* - The fair value of sales-type leases is generally estimated by using Level 2 and Level 3 inputs to discount the estimated future cash flows of the lease using rates implicit in the lease, and an estimate of the unguaranteed residual value.

*Mortgage Loans, Other Real Estate Loans and Non-real Estate Loans Receivable* — The fair value of mortgage loans, other real estate loans and non-real estate loans receivable is generally estimated by using Level 2 and Level 3 inputs such as discounting the estimated future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

*Cash and Cash Equivalents and Restricted Cash* — The carrying amount approximates fair value.

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*Equity Warrants* — The fair value of equity warrants is estimated using Level 3 inputs and includes data points such as enterprise value of the underlying HC-One Group real estate portfolio, marketability discount for private company warrants, dividend yield, volatility and risk-free rate. The enterprise value is driven by projected cash flows, weighted average cost of capital and a terminal capitalization rate.

*Borrowings Under Primary Unsecured Credit Facility and Commercial Paper Program* — The carrying amount of the primary unsecured credit facility and commercial paper program approximates fair value because the borrowings are interest rate adjustable.

*Senior Unsecured Notes* — The fair value of the senior unsecured notes payable is estimated based on Level 1 publicly available trading prices. The carrying amount of the variable rate senior unsecured notes approximates fair value because they are interest rate adjustable.

*Secured Debt* — The fair value of fixed rate secured debt is estimated using Level 2 inputs by discounting the estimated future cash flows using the current rates at which similar loans would be made with similar credit ratings and for the same remaining maturities. The carrying amount of variable rate secured debt approximates fair value because the borrowings are interest rate adjustable.

*Foreign Currency Forward Contracts, Interest Rate Swaps and Cross Currency Swaps* — Foreign currency forward contracts, interest rate swaps and cross currency swaps are recorded in other assets or other liabilities on the balance sheet at fair value that is derived from Level 2 observable market data, including yield curves and foreign exchange rates.

*Redeemable DownREIT Unitholder Interests* — Our redeemable DownREIT Unitholder interests are recorded on the balance sheet at fair value using Level 2 inputs unless the fair value is below the initial amount, in which case the redeemable DownREIT Unitholder interests are recorded at the initial amount adjusted for distributions to the unitholders and income or loss attributable to the unitholders. The fair value is measured using the closing price of our common stock, as units may be redeemed at the election of the holder for cash or, at our option, one share of our common stock per unit, subject to adjustment in certain circumstances.

The carrying amounts and estimated fair values of our financial instruments are as follows (in thousands):

|                                                                                  | March 31, 2025  |               | December 31, 2024 |               |
|----------------------------------------------------------------------------------|-----------------|---------------|-------------------|---------------|
|                                                                                  | Carrying Amount | Fair Value    | Carrying Amount   | Fair Value    |
| Financial assets:                                                                |                 |               |                   |               |
| Investments in sales-type leases, net                                            | \$ —            | \$ —          | \$ 172,260        | \$ 172,260    |
| Mortgage loans receivable                                                        | 1,551,674       | 1,624,540     | 1,520,503         | 1,587,896     |
| Other real estate loans receivable                                               | 221,034         | 223,488       | 284,541           | 286,096       |
| Cash and cash equivalents                                                        | 3,501,851       | 3,501,851     | 3,506,586         | 3,506,586     |
| Restricted cash                                                                  | 108,434         | 108,434       | 204,871           | 204,871       |
| Non-real estate loans receivable                                                 | 221,738         | 223,388       | 222,542           | 219,813       |
| Foreign currency forward contracts, interest rate swaps and cross currency swaps | 32,270          | 32,270        | 99,968            | 99,968        |
| Equity warrants                                                                  | 67,381          | 67,381        | 62,320            | 62,320        |
| Financial liabilities:                                                           |                 |               |                   |               |
| Senior unsecured notes                                                           | \$ 13,219,202   | \$ 13,866,698 | \$ 13,162,102     | \$ 13,276,784 |
| Secured debt                                                                     | 2,504,655       | 2,469,743     | 2,338,155         | 2,271,886     |
| Foreign currency forward contracts, interest rate swaps and cross currency swaps | 54,464          | 54,464        | 13,001            | 13,001        |
| Redeemable DownREIT Unitholder interests                                         | \$ 59,842       | \$ 59,842     | \$ 49,226         | \$ 49,226     |

*Items Measured at Fair Value on a Recurring Basis*

The market approach is utilized to measure fair value for our financial assets and liabilities reported at fair value on a recurring basis. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. The following summarizes items measured at fair value on a recurring basis (in thousands):

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|                                                                                                                        | Fair Value Measurements as of March 31, 2025 |         |             |           |
|------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|---------|-------------|-----------|
|                                                                                                                        | Total                                        | Level 1 | Level 2     | Level 3   |
| Equity warrants                                                                                                        | \$ 67,381                                    | \$ —    | \$ —        | \$ 67,381 |
| Foreign currency forward contracts, interest rate swaps and cross currency swaps, net asset (liability) <sup>(1)</sup> | (22,194)                                     | —       | (22,194)    | —         |
| Totals                                                                                                                 | \$ 45,187                                    | \$ —    | \$ (22,194) | \$ 67,381 |

<sup>(1)</sup> Please see Note 12 for additional information.

The following table summarizes the change in fair value of equity warrants using unobservable Level 3 inputs for the periods presented (in thousands):

|                            | Three Months Ended |                |
|----------------------------|--------------------|----------------|
|                            | March 31, 2025     | March 31, 2024 |
| Beginning balance          | \$ 62,320          | \$ 35,772      |
| Mark-to-market adjustment  | 3,210              | 3,054          |
| Effect of foreign currency | 1,851              | (315)          |
| Ending balance             | \$ 67,381          | \$ 38,511      |

The most significant assumptions utilized in the valuation of the equity warrants are the cash flows of the underlying HC-One Group enterprise, as well as the terminal capitalization rate which was 10.0% as of each of March 31, 2025 and 2024.

*Items Measured at Fair Value on a Nonrecurring Basis*

In addition to items that are measured at fair value on a recurring basis, we also have assets and liabilities in our balance sheet that are measured at fair value on a nonrecurring basis that are not included in the tables above. Assets, liabilities and noncontrolling interests that are measured at fair value on a nonrecurring basis include those acquired, consolidated, exchanged or assumed. Asset impairments (if applicable, see Note 5 for impairments of real property and Note 7 for impairments of loans receivable) are also measured at fair value on a nonrecurring basis. We have determined that the fair value measurements included in each of these assets and liabilities rely primarily on company-specific inputs and our assumptions about the use of the assets and settlement of liabilities, as observable inputs are not available. As such, we have determined that each of these fair value measurements generally resides within Level 3 of the fair value hierarchy. We estimate the fair value of real estate and related intangibles using the income approach and unobservable data such as net operating income and estimated capitalization and discount rates. We also consider local and national industry market data including comparable sales, and commonly engage an external real estate appraiser to assist us in our estimation of fair value. We estimate the fair value of assets held for sale based on current sales price expectations or, in the absence of such price expectations, Level 3 inputs described above. We estimate the fair value of loans receivable using projected payoff valuations based on the expected future cash flows and/or the estimated fair value of collateral, net of sales costs, if the repayment of the loan is expected to be provided solely by the collateral. We estimate the fair value of secured debt assumed in asset acquisitions using current interest rates at which similar borrowings could be obtained on the transaction date.

**18. Segment Reporting**

We invest in seniors housing and healthcare real estate. We evaluate our business and make resource allocations for our three operating segments: Seniors Housing Operating, Triple-net and Outpatient Medical. Our Seniors Housing Operating properties include seniors apartments, assisted living communities, independent living/continuing care retirement communities, independent supportive living communities (Canada), care homes with and without nursing (U.K.) and combinations thereof. Seniors Housing Operating properties that are deemed qualified healthcare properties are owned and operated through RIDEA structures (see Note 19). Our Triple-net properties include the property types described above as well as long-term/post-acute care facilities. Under the Triple-net segment, we invest in seniors housing and healthcare real estate through acquisition of single tenant properties. Properties acquired are generally leased under triple-net leases and we are not involved in the management of the property. Our Outpatient Medical properties are typically leased to multiple tenants and generally require a certain level of property management by us.

We evaluate performance based on consolidated NOI of each segment. We define NOI as total revenues, including tenant reimbursements, less property operating expenses. We believe NOI provides investors relevant and useful information as it measures the operating performance of our properties at the property level on an unleveraged basis. The Chief Operating Decision Maker ("CODM"), who is our Vice Chairman & Chief Operating Officer, uses NOI to make decisions about resource allocations and to assess the property-level performance of our properties.

During the year ended December 31, 2024, we adopted ASU 2023-07 (see Note 2 in our Annual Report on Form 10-K for the year ended December 31, 2024 for further details). Additionally, we reclassified loans receivable balances and equity warrants received through lending activities (see Note 12 for further details), the related interest income, provision for loan losses and

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change in the fair value of the equity warrants from our three operating segments to Non-segment/Corporate to better align with the manner in which the CODM reviews results. Accordingly, the segment information provided in this Note has been updated to conform to the current presentation for all periods presented.

Non-segment revenue consists mainly of interest income on loans receivable balances. Additionally, it includes interest income earned on cash investments recorded in other income. Non-segment assets consist of corporate assets including loans receivable, cash, deferred loan expenses and corporate offices and equipment among others. Non-property specific revenues and expenses are not allocated to individual segments in determining NOI.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies (see Note 2 to the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024). The results of operations for all acquisitions described in Note 3 are included in our consolidated results of operations from the acquisition dates and are components of the appropriate segments. All inter-segment transactions are eliminated.

The following table summarizes information for the reportable segments for the quarter ended March 31, 2025 (in thousands):

| Three Months Ended March 31, 2025                                                      | Seniors Housing<br>Operating | Triple-net | Outpatient Medical | Non-<br>segment/Corporate | Total        |
|----------------------------------------------------------------------------------------|------------------------------|------------|--------------------|---------------------------|--------------|
| Resident fees and services                                                             | \$ 1,864,530                 | \$ —       | \$ —               | \$ —                      | \$ 1,864,530 |
| Rental income                                                                          | —                            | 252,688    | 208,879            | —                         | 461,567      |
| Interest income                                                                        | —                            | 2,111      | —                  | 60,379                    | 62,490       |
| Other income                                                                           | 3,341                        | 231        | 2,137              | 28,791                    | 34,500       |
| Total revenues                                                                         | 1,867,871                    | 255,030    | 211,016            | 89,170                    | 2,423,087    |
| Property operating expenses                                                            | 1,384,684                    | 8,818      | 64,606             | 4,282                     | 1,462,390    |
| Consolidated net operating income (loss)                                               | \$ 483,187                   | \$ 246,212 | \$ 146,410         | \$ 84,888                 | 960,697      |
| Depreciation and amortization                                                          |                              |            |                    |                           | 485,869      |
| Interest expense                                                                       |                              |            |                    |                           | 144,962      |
| General and administrative expenses                                                    |                              |            |                    |                           | 63,758       |
| Loss (gain) on derivatives and financial instruments, net                              |                              |            |                    |                           | (3,210)      |
| Loss (gain) on extinguishment of debt, net                                             |                              |            |                    |                           | 6,156        |
| Provision for loan losses, net                                                         |                              |            |                    |                           | (2,007)      |
| Impairment of assets                                                                   |                              |            |                    |                           | 52,402       |
| Other expenses                                                                         |                              |            |                    |                           | 14,060       |
| Income (loss) from continuing operations before income taxes and other items           |                              |            |                    |                           | 198,707      |
| Income tax (expense) benefit                                                           |                              |            |                    |                           | 5,519        |
| Income (loss) from unconsolidated entities                                             |                              |            |                    |                           | 1,263        |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net |                              |            |                    |                           | 51,777       |
| Income (loss) from continuing operations                                               |                              |            |                    |                           | 257,266      |
| Net income (loss)                                                                      |                              |            |                    |                           | \$ 257,266   |

The following table summarizes significant expense categories by segment for the quarter ended March 31, 2025 (in thousands):

|                                       | Seniors Housing<br>Operating | Triple-net | Outpatient Medical | Non-segment/Corporate | Total        |
|---------------------------------------|------------------------------|------------|--------------------|-----------------------|--------------|
| Compensation                          | \$ 818,164                   | \$ 12      | \$ 13,695          | \$ —                  | \$ 831,871   |
| Utilities                             | 89,927                       | 94         | 13,881             | —                     | 103,902      |
| Food                                  | 71,805                       | —          | —                  | —                     | 71,805       |
| Repairs and maintenance               | 52,983                       | 29         | 11,543             | —                     | 64,555       |
| Property taxes                        | 61,933                       | 5,967      | 18,244             | —                     | 86,144       |
| Other segment expenses <sup>(1)</sup> | 289,872                      | 2,716      | 7,243              | 4,282                 | 304,113      |
| Total property operating expenses     | \$ 1,384,684                 | \$ 8,818   | \$ 64,606          | \$ 4,282              | \$ 1,462,390 |

<sup>(1)</sup> Other segment expenses for Seniors Housing Operating include management fees, insurance expense, marketing, supplies, other miscellaneous expenses and right of use asset amortization for properties subject to lease. Triple-net other segment expenses include right of use asset amortization for properties subject to ground leases and other miscellaneous expenses. Outpatient Medical other segment expenses include insurance expense, right of use asset amortization for properties subject to ground leases and other miscellaneous expenses. Non-segment/Corporate other segment expenses primarily represent insurance costs related to our captive insurance program.

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The following table summarizes information for the reportable segments for the quarter ended March 31, 2024 (in thousands):

| Three Months Ended March 31, 2024                                                      | Seniors Housing<br>Operating | Triple-net | Outpatient Medical | Non-<br>segment/Corporate | Total             |
|----------------------------------------------------------------------------------------|------------------------------|------------|--------------------|---------------------------|-------------------|
| Resident fees and services                                                             | \$ 1,360,274                 | \$ —       | \$ —               | \$ —                      | \$ 1,360,274      |
| Rental income                                                                          | —                            | 221,744    | 195,908            | —                         | 417,652           |
| Interest income                                                                        | —                            | —          | —                  | 52,664                    | 52,664            |
| Other income                                                                           | 1,463                        | 1,199      | 2,402              | 24,087                    | 29,151            |
| Total revenues                                                                         | 1,361,737                    | 222,943    | 198,310            | 76,751                    | 1,859,741         |
| Property operating expenses                                                            | 1,019,347                    | 10,817     | 62,463             | 4,286                     | 1,096,913         |
| Consolidated net operating income (loss)                                               | \$ 342,390                   | \$ 212,126 | \$ 135,847         | \$ 72,465                 | 762,828           |
| Depreciation and amortization                                                          |                              |            |                    |                           | 365,863           |
| Interest expense                                                                       |                              |            |                    |                           | 147,318           |
| General and administrative expenses                                                    |                              |            |                    |                           | 53,318            |
| Loss (gain) on derivatives and financial instruments, net                              |                              |            |                    |                           | (3,054)           |
| Loss (gain) on extinguishment of debt, net                                             |                              |            |                    |                           | 6                 |
| Provision for loan losses, net                                                         |                              |            |                    |                           | 1,014             |
| Impairment of assets                                                                   |                              |            |                    |                           | 43,331            |
| Other expenses                                                                         |                              |            |                    |                           | 14,131            |
| Income (loss) from continuing operations before income taxes and other items           |                              |            |                    |                           | 140,901           |
| Income tax (expense) benefit                                                           |                              |            |                    |                           | (6,191)           |
| Income (loss) from unconsolidated entities                                             |                              |            |                    |                           | (7,783)           |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net |                              |            |                    |                           | 4,707             |
| Income (loss) from continuing operations                                               |                              |            |                    |                           | 131,634           |
| Net income (loss)                                                                      |                              |            |                    |                           | <u>\$ 131,634</u> |

The following table summarizes significant expense categories by segment for the quarter ended March 31, 2024 (in thousands):

|                                       | Seniors Housing<br>Operating | Triple-net       | Outpatient Medical | Non-segment/Corporate | Total               |
|---------------------------------------|------------------------------|------------------|--------------------|-----------------------|---------------------|
| Compensation                          | \$ 598,618                   | \$ 20            | \$ 14,004          | \$ —                  | \$ 612,642          |
| Utilities                             | 67,640                       | 89               | 11,962             | —                     | 79,691              |
| Food                                  | 55,625                       | —                | —                  | —                     | 55,625              |
| Repairs and maintenance               | 38,810                       | 30               | 10,425             | —                     | 49,265              |
| Property taxes                        | 50,507                       | 8,150            | 18,813             | —                     | 77,470              |
| Other segment expenses <sup>(1)</sup> | 208,147                      | 2,528            | 7,259              | 4,286                 | 222,220             |
| Total property operating expenses     | <u>\$ 1,019,347</u>          | <u>\$ 10,817</u> | <u>\$ 62,463</u>   | <u>\$ 4,286</u>       | <u>\$ 1,096,913</u> |

<sup>(1)</sup> Other segment expenses for Seniors Housing Operating include management fees, insurance expense, marketing, supplies, other miscellaneous expenses and right of use asset amortization for properties subject to lease. Triple-net other segment expenses include right of use asset amortization for properties subject to ground leases and other miscellaneous expenses. Outpatient Medical other segment expenses include insurance expense, right of use asset amortization for properties subject to ground leases and other miscellaneous expenses. Non-segment/Corporate other segment expenses primarily represent insurance costs related to our captive insurance program.

The following table summarizes our total assets by segment for the periods presented (in thousands):

| Assets:                   | As of                |                |                      |                |
|---------------------------|----------------------|----------------|----------------------|----------------|
|                           | March 31, 2025       |                | December 31, 2024    |                |
|                           | Amount               | %              | Amount               | %              |
| Seniors Housing Operating | \$ 31,598,061        | 59.3 %         | \$ 30,094,016        | 59.0 %         |
| Triple-net                | 8,757,037            | 16.4 %         | 7,934,415            | 15.5 %         |
| Outpatient Medical        | 7,538,246            | 14.1 %         | 7,530,815            | 14.8 %         |
| Non-segment/Corporate     | 5,400,270            | 10.1 %         | 5,485,062            | 10.7 %         |
| Total                     | <u>\$ 53,293,614</u> | <u>100.0 %</u> | <u>\$ 51,044,308</u> | <u>100.0 %</u> |

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Our portfolio of properties and other investments are located in the United States, the United Kingdom and Canada. Revenues and assets are attributed to the country in which the property is physically located. The following is a summary of geographic information for the periods presented (dollars in thousands):

|                | Three Months Ended  |                |                     |                |
|----------------|---------------------|----------------|---------------------|----------------|
|                | March 31, 2025      |                | March 31, 2024      |                |
|                | Amount              | %              | Amount              | %              |
| Revenues:      |                     |                |                     |                |
| United States  | \$ 1,889,335        | 78.0 %         | \$ 1,546,896        | 83.2 %         |
| United Kingdom | 375,507             | 15.5 %         | 161,508             | 8.7 %          |
| Canada         | 158,245             | 6.5 %          | 151,337             | 8.1 %          |
| Total          | <u>\$ 2,423,087</u> | <u>100.0 %</u> | <u>\$ 1,859,741</u> | <u>100.0 %</u> |

|                             | Three Months Ended  |                |                     |                |
|-----------------------------|---------------------|----------------|---------------------|----------------|
|                             | March 31, 2025      |                | March 31, 2024      |                |
|                             | Amount              | %              | Amount              | %              |
| Resident Fees and Services: |                     |                |                     |                |
| United States               | \$ 1,394,008        | 74.7 %         | \$ 1,097,339        | 80.7 %         |
| United Kingdom              | 321,829             | 17.3 %         | 116,879             | 8.6 %          |
| Canada                      | 148,693             | 8.0 %          | 146,056             | 10.7 %         |
| Total                       | <u>\$ 1,864,530</u> | <u>100.0 %</u> | <u>\$ 1,360,274</u> | <u>100.0 %</u> |

|                | As of                |                |                      |                |
|----------------|----------------------|----------------|----------------------|----------------|
|                | March 31, 2025       |                | December 31, 2024    |                |
|                | Amount               | %              | Amount               | %              |
| Assets:        |                      |                |                      |                |
| United States  | \$ 41,525,349        | 77.9 %         | \$ 41,966,871        | 82.2 %         |
| United Kingdom | 6,412,025            | 12.0 %         | 5,892,598            | 11.5 %         |
| Canada         | 5,356,240            | 10.1 %         | 3,184,839            | 6.3 %          |
| Total          | <u>\$ 53,293,614</u> | <u>100.0 %</u> | <u>\$ 51,044,308</u> | <u>100.0 %</u> |

#### 19. Income Taxes and Distributions

We elected to be taxed as a REIT commencing with our first taxable year. To qualify as a REIT for federal income tax purposes, at least 90% of taxable income (excluding 100% of net capital gains) must be distributed to stockholders. REITs that do not distribute a certain amount of taxable income in the current year are also subject to a 4% federal excise tax. The main differences between undistributed net income for federal income tax purposes and financial statement purposes are the recognition of straight-line rent for reporting purposes, basis differences in acquisitions, recording of impairments, differing useful lives and depreciation and amortization methods for real property and the provision for loan losses for reporting purposes versus bad debt expense for tax purposes.

Under the provisions of the REIT Investment Diversification and Empowerment Act of 2007 ("RIDEA"), for taxable years beginning after July 30, 2008, a REIT may lease "qualified healthcare properties" on an arm's-length basis to a taxable REIT subsidiary ("TRS") if the property is operated on behalf of such TRS by a person who qualifies as an "eligible independent contractor." Generally, the rent received from the TRS will meet the related party rent exception and will be treated as "rents from real property." A "qualified healthcare property" includes real property and any personal property that is, or is necessary or incidental to the use of, a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility, or other licensed facility which extends medical or nursing or ancillary services to patients. We have entered into various joint ventures that were structured under RIDEA. Resident level rents and related operating expenses for these facilities are reported in the unaudited consolidated financial statements and are subject to federal and state income taxes as the operations of such facilities are included in TRS entities. Certain net operating loss carryforwards could be utilized to offset taxable income in future years.

Income taxes reflected in the financial statements primarily represents U.S. federal, state and local income taxes as well as non-U.S. income based or withholding taxes on certain investments located in jurisdictions outside the U.S. The provision for income taxes for the three months ended March 31, 2025 and 2024 was primarily due to operating income or losses, offset by certain discrete items at our TRS entities. In 2014, we established certain wholly-owned direct and indirect subsidiaries in Luxembourg and Jersey and transferred interests in certain foreign investments into this holding company structure. The structure includes a property holding company that is tax resident in the United Kingdom. No material adverse current tax consequences in Luxembourg, Jersey or the United Kingdom resulted from the creation of this holding company structure and most of the subsidiary entities in the structure are treated as disregarded entities of the company for U.S. federal income tax purposes. Subsequent to 2014, we transferred certain subsidiaries to the United Kingdom, while some wholly-owned direct and

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indirect subsidiaries remain in Luxembourg and Jersey. We reflect current and deferred tax liabilities for any such withholding taxes incurred from this holding company structure in its consolidated financial statements. Generally, given current statutes of limitations, we are subject to audit by the foreign, federal, state and local taxing authorities under applicable local laws.

The Organization for Economic Co-operation and Development has proposed a global minimum tax of 15% of reported profits ("Pillar 2") that has been agreed upon in principle by over 140 countries. The model rules provide a framework for applying the minimum tax and some countries have adopted Pillar 2 effective January 1, 2024; however, countries must individually enact Pillar 2, which may result in variation in the application of the model rules and timelines. We will continue to evaluate the potential consequences of Pillar 2 on our longer-term financial position.

**20. Variable Interest Entities**

We have entered into joint ventures and have certain subsidiaries that are either wholly owned by us or by consolidated joint ventures which own real estate investments and are deemed to be VIEs. Our VIEs primarily hold real estate assets within our Seniors Housing Operating and Triple-net portfolios, the nature and risk of which are consistent with our overall portfolio. We have concluded that we are the primary beneficiary of these VIEs based on a combination of operational control of the entities and the rights to receive residual returns or the obligation to absorb losses arising from the entities. Except for capital contributions associated with the initial entity formations, the entities have been and are expected to be funded from the ongoing operations of the underlying properties. Accordingly, such entities have been consolidated, and the table below summarizes the balance sheets of consolidated VIEs in the aggregate (in thousands):

|                                        | March 31, 2025      | December 31, 2024   |
|----------------------------------------|---------------------|---------------------|
| Assets:                                |                     |                     |
| Net real estate investments            | \$ 4,462,454        | \$ 3,503,190        |
| Cash and cash equivalents              | 13,221              | 14,274              |
| Receivables and other assets           | 181,592             | 152,071             |
| Total assets <sup>(1)</sup>            | <u>\$ 4,657,267</u> | <u>\$ 3,669,535</u> |
| Liabilities and equity:                |                     |                     |
| Secured debt                           | \$ 231,554          | \$ 232,530          |
| Lease liabilities                      | 2,535               | 2,536               |
| Accrued expenses and other liabilities | 14,377              | 14,867              |
| Total equity                           | 4,408,801           | 3,419,602           |
| Total liabilities and equity           | <u>\$ 4,657,267</u> | <u>\$ 3,669,535</u> |

<sup>(1)</sup> Note that assets of the consolidated VIEs can only be used to settle obligations relating to such VIEs. Liabilities of the consolidated VIEs represent claims against the specific assets of the VIEs and the VIE's creditors do not have recourse to Welltower.

We recognized revenues from consolidated VIEs in the aggregate of \$144,463,000 for the three months ended March 31, 2025, and \$109,930,000 for the same period in 2024, respectively.

In addition, we have certain entities that qualify as unconsolidated VIEs including borrowers of loans receivable and in substance real estate investments. Our maximum exposure on these entities is limited to the net carrying value of the investments. Refer to Note 7 and Note 8 for additional details.

**EXECUTIVE SUMMARY**

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## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read together with the Consolidated Financial Statements and related Notes thereto included in Item 1 of this Quarterly Report on Form 10-Q. Other important factors are identified in our Annual Report on Form 10-K for the year ended December 31, 2024, including factors identified under the headings "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

We are structured as an umbrella partnership REIT under which substantially all of our business is conducted through Welltower OP LLC, the day-to-day management of which is exclusively controlled by Welltower Inc. Welltower Inc. has no material assets or liabilities other than its investment in Welltower OP LLC. Welltower OP LLC is the borrower under, and Welltower Inc. is the guarantor of, all of the unsecured notes described in Note 11 to our unaudited consolidated financial statements.

Unless stated otherwise or the context otherwise requires, references to "Welltower" mean Welltower Inc. and references to "Welltower OP" mean Welltower OP LLC. References to "we," "us" and "our" mean collectively Welltower, Welltower OP and those entities/subsidiaries owned or controlled by Welltower and/or Welltower OP.

### Executive Summary

#### Company Overview

Welltower Inc. (NYSE: WELL), an S&P 500 company, is one of the world's preeminent residential wellness and healthcare infrastructure companies. We seek to position our portfolio of 1,500+ seniors and wellness housing communities at the intersection of housing, healthcare and hospitality, creating vibrant communities for mature renters and older adults in the United States, United Kingdom and Canada. We also strive to support physicians in our outpatient medical buildings with the critical infrastructure needed to deliver quality care.

Welltower is the initial member and majority owner of Welltower OP, with an approximate ownership interest of 99.641% as of March 31, 2025. All of our property ownership, development and related business operations are conducted through Welltower OP and Welltower has no material assets or liabilities other than its investment in Welltower OP. Welltower issues equity from time to time, the net proceeds of which it is obligated to contribute as additional capital to Welltower OP. All debt including credit facilities, senior notes and secured debt is incurred by Welltower OP and its subsidiaries, and Welltower has fully and unconditionally guaranteed all existing senior unsecured notes.

The following table summarizes our consolidated portfolio for the three months ended March 31, 2025 (dollars in thousands):

| Type of Property          | NOI <sup>(1)</sup> | Percentage of NOI | Number of Properties |
|---------------------------|--------------------|-------------------|----------------------|
| Seniors Housing Operating | \$ 483,187         | 55.2 %            | 1,212                |
| Triple-net                | 246,212            | 28.1 %            | 633                  |
| Outpatient Medical        | 146,410            | 16.7 %            | 371                  |
| Totals                    | \$ 875,809         | 100.0 %           | 2,216                |

<sup>(1)</sup> Represents consolidated NOI and excludes our share of investments in unconsolidated entities. Entities in which we have a joint venture with a minority partner are shown at 100% of the joint venture amount. See "Non-GAAP Financial Measures" below for additional information and reconciliation.

#### Business Strategy

Our primary objectives are to protect stockholder capital and enhance stockholder value. We seek to pay consistent cash dividends to stockholders and create opportunities to increase dividend payments to stockholders as a result of annual increases in NOI and portfolio growth. To meet these objectives, we invest across the full spectrum of seniors housing and healthcare real estate and diversify our investment portfolio by property type, relationship and geographic location.

Substantially all of our revenues are derived from operating lease rentals, resident fees and services, interest earned on outstanding loans receivable and interest earned on short-term deposits. These items represent our primary sources of liquidity to fund distributions and depend upon the continued ability of our obligors to make contractual rent and interest payments to us and the profitability of our operating properties. To the extent that our obligors/partners experience operating difficulties and become unable to generate sufficient cash to make payments or operating distributions to us, there could be a material adverse impact on our consolidated results of operations, liquidity and/or financial condition.

To mitigate this risk, we monitor our investments through a variety of methods determined by the type of property. Our asset management process for seniors housing properties generally includes review of monthly financial statements and other operating data for each property, review of obligor/partner creditworthiness, property inspections and review of covenant compliance relating to licensure, real estate taxes, letters of credit and other collateral. Our internal property management division manages and monitors the outpatient medical portfolio with a comprehensive process including review of tenant relations, lease expirations, the mix of health service providers, hospital/health system relationships, property performance, capital improvement needs and market conditions among other things. We evaluate the operating environment in each

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

property's market to determine the likely trend in operating performance of the facility. When we identify unacceptable trends, we seek to mitigate, eliminate or transfer the risk. Through these efforts, we generally aim to intervene at an early stage to address any negative trends, and in so doing, support both the collectability of revenue and the value of our investment.

In addition to our asset management and research efforts, we aim to structure our relevant investments to mitigate payment risk. Operating leases and loans are normally credit enhanced by guarantees and/or letters of credit. Also, operating leases are typically structured as master leases and loans are generally cross-defaulted and cross-collateralized with other real estate loans, operating leases or agreements between us and the obligor and its affiliates.

For the three months ended March 31, 2025, resident fees and services and rental income represented 77% and 19%, respectively, of total revenues. Substantially all of our operating leases are designed with escalating rent structures. Leases with fixed annual rental escalators are generally recognized on a straight-line basis over the initial lease period, subject to a collectability assessment. Rental income related to leases with contingent rental escalators is generally recorded based on the contractual cash rental payments due for the period. Our yield on loans receivable depends upon a number of factors, including the stated interest rate, the average principal amount outstanding during the term of the loan and any interest rate adjustments.

Our primary sources of cash include resident fees and services revenue, rental income and interest receipts, interest earned on short-term deposits, borrowings under our unsecured revolving credit facility and commercial paper program, issuances of debt and equity securities, including through our ATM program (as defined below), proceeds from investment dispositions and principal payments on loans receivable. Our primary uses of cash include dividend distributions, debt service payments (including principal and interest), real property investments (including acquisitions, capital expenditures, construction advances and transaction costs), loan advances, property operating expenses, general and administrative expenses and other expenses. Depending upon the availability and cost of external capital, we believe our liquidity is sufficient to fund these uses of cash.

We also continuously evaluate opportunities to finance future investments. New investments are generally funded from temporary borrowings under our unsecured revolving credit facility and commercial paper program, internally generated cash and the proceeds from investment dispositions. Our investments generate cash from NOI and principal payments on loans receivable. Permanent financing for future investments, which replaces funds drawn under our unsecured revolving credit facility and commercial paper program, has historically been provided through a combination of the issuance of public debt and equity securities and the incurrence or assumption of secured debt. Given the general economic conditions during 2024 and into 2025, investments were generally funded proactively via issuances of common stock.

Depending upon market conditions, we believe that new investments will be available in the future with spreads over our cost of capital that will generate appropriate returns to our stockholders. It is also likely that investment dispositions may occur in the future. To the extent that investment dispositions exceed new investments, our revenues and cash flows from operations could be adversely affected. We expect to reinvest the proceeds from any investment dispositions in new investments. To the extent that new investment requirements exceed our available cash on-hand, we expect to borrow under our unsecured revolving credit facility and commercial paper program or issue debt or equity securities, including through our ATM program. At March 31, 2025, we had \$3,501,851,000 of cash and cash equivalents, \$108,434,000 of restricted cash and \$5,000,000,000 of available borrowing capacity under our unsecured revolving credit facility.

### Key Transactions

*Capital* The following summarizes key capital transactions that occurred during the three months ended March 31, 2025:

- In March 2025, we entered into the ATM Program pursuant to which we may offer and sell up to \$7,500,000,000 of common stock, which replaced our prior equity distribution agreement dated October, 2024, allowing us to sell up to \$5,000,000,000 of common stock (collectively, along with other previous agreements, referred to as the "ATM Program"). During the three months ended March 31, 2025, we sold 14,389,086 shares of common stock under our prior equity distribution agreement and the ATM Program generating gross proceeds of approximately \$2,001,646,000.
- During the three months ended March 31, 2025, we extinguished \$119,833,000 of secured debt at a blended average interest rate of 3.52%.
- During the three months ended March 31, 2025, we assumed \$316,869,000 of secured debt at a blended average interest rate of 3.21%.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

**Investments** The following summarizes our property acquisitions and joint venture investments completed during the three months ended March 31, 2025 (dollars in thousands):

|                           | Properties | Book Amount <sup>(1)</sup> | Capitalization Rates <sup>(2)</sup> |
|---------------------------|------------|----------------------------|-------------------------------------|
| Seniors Housing Operating | 47         | \$ 1,414,070               | 6.6 %                               |
| Triple-net                | 64         | 1,296,362                  | 8.3 %                               |
| Outpatient Medical        | 1          | 24,365                     | 5.8 %                               |
| Totals                    | 112        | \$ 2,734,797               | 7.3 %                               |

<sup>(1)</sup> Represents amounts recorded in net real estate investments including fair value adjustments pursuant to U.S. GAAP. See Note 3 to our unaudited consolidated financial statements for additional information.

<sup>(2)</sup> Represents annualized contractual or projected NOI to be received in cash divided by investment amounts.

**Dispositions** The following summarizes property dispositions completed during the three months ended March 31, 2025 (dollars in thousands):

|                                          | Properties | Proceeds <sup>(1)</sup> | Book Amount <sup>(2)</sup> | Capitalization Rates <sup>(3)</sup> |
|------------------------------------------|------------|-------------------------|----------------------------|-------------------------------------|
| Seniors Housing Operating <sup>(4)</sup> | 24         | \$ 342,569              | \$ 289,755                 | 7.8 %                               |
| Triple-net                               | 6          | 180,435                 | 181,940                    | 8.5 %                               |
| Totals                                   | 30         | \$ 523,004              | \$ 471,695                 | 8.1 %                               |

<sup>(1)</sup> Represents cash and noncash proceeds received upon disposition.

<sup>(2)</sup> Represents carrying value of net real estate assets at time of disposition. See Note 5 to our unaudited consolidated financial statements for additional information.

<sup>(3)</sup> Represents annualized contractual income that was being received in cash at date of disposition divided by stated purchase price.

<sup>(4)</sup> Includes the disposition of unconsolidated equity method investments that owned 16 Seniors Housing Operating properties.

**Dividends** Our Board of Directors declared a cash dividend for the quarter ended March 31, 2025 of \$0.67 per share. On May 22, 2025, we will pay our 216th consecutive quarterly cash dividend to stockholders of record on May 14, 2025.

### Key Performance Indicators, Trends and Uncertainties

We utilize several key performance indicators to evaluate the various aspects of our business. These indicators are discussed below and relate to operating performance, credit strength and concentration risk. Management uses these key performance indicators to facilitate internal and external comparisons to our historical operating results, in making operating decisions and for budget planning purposes.

**Operating Performance** We believe that net income and net income attributable to common stockholders ("NICS") per the Consolidated Statements of Comprehensive Income are the most appropriate earnings measures. Other useful supplemental measures of our operating performance include funds from operations attributable to common stockholders ("FFO") and consolidated net operating income ("NOI"); however, these supplemental measures are not defined by U.S. GAAP. Please refer to the section entitled "Non-GAAP Financial Measures" for further discussion and reconciliations. These earnings measures are widely used by investors and analysts in the valuation, comparison and investment recommendations of companies.

The following table reflects the recent historical trends of our operating performance measures for the periods presented (in thousands):

|                   | Three Months Ended |                      |                       |                  |                   |
|-------------------|--------------------|----------------------|-----------------------|------------------|-------------------|
|                   | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024 | March 31,<br>2024 |
| Net income (loss) | \$ 257,266         | \$ 123,753           | \$ 456,800            | \$ 260,670       | \$ 131,634        |
| NICS              | 257,957            | 119,971              | 449,849               | 254,714          | 127,146           |
| FFO               | 765,197            | 637,140              | 635,817               | 493,773          | 556,703           |
| NOI               | 960,697            | 841,530              | 842,962               | 713,587          | 762,828           |

**Credit Strength** 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 restricted cash. The coverage ratios indicate our ability to service interest and fixed charges (interest and secured debt principal amortization). We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. The coverage ratios are based on earnings before interest, taxes, depreciation and amortization ("EBITDA") and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"). Please refer to the section entitled "Non-

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

GAAP Financial Measures" for further discussion and reconciliation of these measures. Leverage ratios and coverage ratios are widely used by investors, analysts and rating agencies in the valuation, comparison, investment recommendations and rating of companies. The following table reflects the recent historical trends for our credit strength measures for the periods presented:

|                                                     | Three Months Ended |                      |                       |                  |                   |
|-----------------------------------------------------|--------------------|----------------------|-----------------------|------------------|-------------------|
|                                                     | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024 | March 31,<br>2024 |
| Net debt to book capitalization ratio               | 26%                | 27%                  | 28%                   | 27%              | 29%               |
| Net debt to undepreciated book capitalization ratio | 21%                | 22%                  | 23%                   | 22%              | 24%               |
| Net debt to enterprise value ratio                  | 11%                | 13%                  | 13%                   | 15%              | 17%               |
| Interest coverage ratio                             | 6.14x              | 4.94x                | 6.83x                 | 5.59x            | 4.29x             |
| Fixed charge coverage ratio                         | 5.58x              | 4.51x                | 6.37x                 | 5.21x            | 3.98x             |

**Concentration Risk** We evaluate our concentration risk in terms of NOI by property mix, relationship mix and geographic mix. Concentration risk is a valuable measure in understanding what portion of our NOI could be at risk if certain sectors were to experience downturns. Property mix measures the portion of our NOI that relates to our various property types and excludes interest income earned on our loan portfolio, which is classified as Non-segment/Corporate. Relationship mix measures the portion of our NOI that relates to our current top five relationships. Geographic mix measures the portion of our NOI that relates to our current top five states (or countries outside the United States).

The following table reflects our recent historical trends of concentration risk by NOI for the periods indicated below:

|                                        | Three Months Ended |                      |                       |                  |                   |
|----------------------------------------|--------------------|----------------------|-----------------------|------------------|-------------------|
|                                        | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024 | March 31,<br>2024 |
| Property mix <sup>(1)</sup>            |                    |                      |                       |                  |                   |
| Seniors Housing Operating              | 55%                | 57%                  | 51%                   | 57%              | 50%               |
| Triple-net                             | 28%                | 24%                  | 30%                   | 21%              | 31%               |
| Outpatient Medical                     | 17%                | 19%                  | 19%                   | 22%              | 19%               |
| Relationship mix <sup>(1)</sup>        |                    |                      |                       |                  |                   |
| Cogir Management Corporation           | 7%                 | 7%                   | 7%                    | 8%               | 8%                |
| Sunrise Senior Living                  | 5%                 | 5%                   | 5%                    | 6%               | 5%                |
| Integra Healthcare Properties          | 5%                 | 6%                   | 6%                    | 8%               | 7%                |
| Care UK                                | 5%                 | 6%                   | 1%                    | 1%               | 1%                |
| Oakmont Management Group               | 4%                 | 4%                   | 4%                    | 5%               | 4%                |
| Remaining relationships                | 74%                | 72%                  | 77%                   | 72%              | 75%               |
| Geographic mix <sup>(1)</sup>          |                    |                      |                       |                  |                   |
| United Kingdom                         | 12%                | 14%                  | 10%                   | 10%              | 10%               |
| California                             | 11%                | 11%                  | 11%                   | 13%              | 11%               |
| Texas                                  | 9%                 | 5%                   | 8%                    | 9%               | 8%                |
| Florida                                | 7%                 | 7%                   | 8%                    | 9%               | 8%                |
| Canada                                 | 7%                 | 6%                   | 6%                    | 7%               | 7%                |
| Remaining geographic areas in the U.S. | 54%                | 57%                  | 57%                   | 52%              | 56%               |

<sup>(1)</sup> Excludes our share of investments in unconsolidated entities and non-segment/corporate NOI. Entities in which we have a joint venture with a minority partner are shown at 100% of the joint venture amount.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

**Operating Lease Expirations** The following table sets forth information regarding operating lease expirations for certain portions of our portfolio as of March 31, 2025 (dollars in thousands):

|                            | Expiration Year <sup>(1)</sup> |           |           |           |           |           |           |            |           |           |            |
|----------------------------|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|------------|
|                            | 2025                           | 2026      | 2027      | 2028      | 2029      | 2030      | 2031      | 2032       | 2033      | 2034      | Thereafter |
| <b>Triple-net:</b>         |                                |           |           |           |           |           |           |            |           |           |            |
| Properties                 | 16                             | 7         | 4         | 4         | 4         | 19        | 5         | 154        | 43        | 1         | 366        |
| Base rent <sup>(2)</sup>   | \$ 7,515                       | \$ 12,074 | \$ 1,259  | \$ 6,484  | \$ 1,083  | \$ 41,949 | \$ 11,315 | \$ 158,506 | \$ 60,280 | \$ 420    | \$ 576,669 |
| %ofbase rent               | 0.9 %                          | 1.4 %     | 0.1 %     | 0.7 %     | 0.1 %     | 4.8 %     | 1.3 %     | 18.1 %     | 6.9 %     | — %       | 65.7 %     |
| Units/beds                 | 521                            | 1,068     | 569       | 565       | 219       | 2,043     | 423       | 9,119      | 3,331     | 81        | 42,724     |
| %ofunits/beds              | 0.9 %                          | 1.8 %     | 0.9 %     | 0.9 %     | 0.4 %     | 3.4 %     | 0.7 %     | 15.0 %     | 5.5 %     | 0.1 %     | 70.4 %     |
| <b>Outpatient Medical:</b> |                                |           |           |           |           |           |           |            |           |           |            |
| Square feet                | 1,376,338                      | 1,372,903 | 1,536,796 | 1,514,663 | 1,589,587 | 1,458,328 | 1,663,675 | 1,744,515  | 1,200,061 | 1,668,542 | 4,998,035  |
| Base rent <sup>(2)</sup>   | \$ 41,412                      | \$ 39,424 | \$ 47,652 | \$ 43,738 | \$ 47,592 | \$ 42,820 | \$ 49,259 | \$ 53,425  | \$ 32,323 | \$ 50,872 | \$ 150,032 |
| %ofbase rent               | 6.9 %                          | 6.6 %     | 8.0 %     | 7.3 %     | 8.0 %     | 7.2 %     | 8.2 %     | 8.9 %      | 5.4 %     | 8.5 %     | 25.0 %     |
| Leases                     | 350                            | 243       | 273       | 272       | 220       | 152       | 115       | 189        | 102       | 130       | 169        |
| %ofleases                  | 15.8 %                         | 11.0 %    | 12.3 %    | 12.3 %    | 9.9 %     | 6.9 %     | 5.2 %     | 8.5 %      | 4.6 %     | 5.9 %     | 7.6 %      |

<sup>(1)</sup> Excludes our share of investments in unconsolidated entities, developments, land parcels, loans receivable and sub-leases. Investments classified as held for sale are included in the current year.

<sup>(2)</sup> The most recent monthly cash base rent annualized. Base rent does not include tenant recoveries or amortization of above and below market lease intangibles or other non-cash income.

We evaluate our key performance indicators in conjunction with current expectations to determine if historical trends are indicative of future results. Our expected results may not be achieved, and actual results may differ materially from our expectations. Factors that may cause actual results to differ from expected results are described in more detail in "Cautionary Statement Regarding Forward-Looking Statements" and other sections of this Quarterly Report on Form 10-Q. Management regularly monitors economic and other factors to develop strategic and tactical plans designed to improve performance and maximize our competitive position. Our ability to achieve our financial objectives is dependent upon our ability to effectively execute these plans and to appropriately respond to emerging economic and company-specific trends. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2024, under the headings "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

### Corporate Governance

Maintaining investor confidence and trust is important in today's business environment. Our Board of Directors and management are strongly committed to policies and procedures that reflect the highest level of ethical business practices. Our corporate governance guidelines provide the framework for our business operations and emphasize our commitment to increase stockholder value while meeting all applicable legal requirements. These guidelines meet the listing standards adopted by the New York Stock Exchange and are available on the Internet at [www.welltower.com/investors/governance](http://www.welltower.com/investors/governance). The information on our website is not incorporated by reference in this Quarterly Report on Form 10-Q, and our web address is included as an inactive textual reference only.

### Liquidity and Capital Resources

#### Sources and Uses of Cash

Our primary sources of cash include resident fees and services, rent and interest receipts, interest earned on short-term deposits, borrowings under our unsecured revolving credit facility and commercial paper program, public issuances of debt and equity securities, proceeds from investment dispositions and principal payments on loans receivable. Our primary uses of cash include dividend distributions, debt service payments (including principal and interest), real property investments (including acquisitions, capital expenditures, construction advances and transaction costs), loan advances, property operating expenses, general and administrative expenses and other expenses. Depending upon the availability and cost of external capital, we believe our liquidity is sufficient to fund these uses of cash. These sources and uses of cash are reflected in our Consolidated Statements of Cash Flows and are discussed in further detail below.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a summary of our sources and uses of cash flows for the periods presented (dollars in thousands):

|                                                                   | Three Months Ended  |                     | Change              |             |
|-------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------|
|                                                                   | March 31, 2025      | March 31, 2024      | \$                  | %           |
| Cash, cash equivalents and restricted cash at beginning of period | \$ 3,711,457        | \$ 2,076,083        | \$ 1,635,374        | 79 %        |
| Cash provided from (used in) operating activities                 | 598,958             | 406,806             | 192,152             | 47 %        |
| Cash provided from (used in) investing activities                 | (2,028,139)         | (580,931)           | (1,447,208)         | (249)%      |
| Cash provided from (used in) financing activities                 | 1,308,165           | 578,567             | 729,598             | 126 %       |
| Effect of foreign currency translation                            | 19,844              | (2,190)             | 22,034              | 1006 %      |
| Cash, cash equivalents and restricted cash at end of period       | <u>\$ 3,610,285</u> | <u>\$ 2,478,335</u> | <u>\$ 1,131,950</u> | <u>46 %</u> |

*Operating Activities* Please see "Results of Operations" for discussion of net income fluctuations. For the three months ended March 31, 2025 and 2024, cash flows provided from operations exceeded cash distributions to stockholders.

*Investing Activities* The changes in net cash provided from/used in investing activities are primarily attributable to net changes in real property investments and dispositions, loans receivable and investments in unconsolidated entities, which are summarized above in "Key Transactions." Please refer to Notes 3 and 5 of our unaudited consolidated financial statements for additional information. The following is a summary of cash used in non-acquisition capital improvement activities for the periods presented (dollars in thousands):

|                                                                           | Three Months Ended |                   | Change          |              |
|---------------------------------------------------------------------------|--------------------|-------------------|-----------------|--------------|
|                                                                           | March 31, 2025     | March 31, 2024    | \$              | %            |
| New development                                                           | \$ 126,187         | \$ 231,763        | \$ (105,576)    | (45.6)%      |
| Recurring capital expenditures, tenant improvements and lease commissions | 74,743             | 51,616            | 23,127          | 44.8 %       |
| Renovations, redevelopments and other capital improvements                | 165,607            | 80,893            | 84,714          | 104.7 %      |
| Total                                                                     | <u>\$ 366,537</u>  | <u>\$ 364,272</u> | <u>\$ 2,265</u> | <u>0.6 %</u> |

The change in new development is primarily due to the number and size of construction projects on-going during the relevant periods. Renovations, redevelopments and other capital improvements include expenditures to maximize property value, increase net operating income, maintain a market-competitive position and/or achieve property stabilization. The increase in renovations, redevelopments and other capital improvements is due primarily to portfolio growth.

*Financing Activities* The changes in net cash provided from/used in financing activities are primarily attributable to changes related to our long-term debt arrangements, the issuances of common stock and dividend payments which are summarized above in "Key Transactions." Please refer to Notes 10, 11 and 14 to our unaudited consolidated financial statements for additional information.

During the three months ended March 31, 2024, we repaid our \$400,000,000 4.5% senior unsecured notes and \$950,000,000 3.625% senior unsecured notes, both at maturity.

### Off-Balance Sheet Arrangements

At March 31, 2025, we had investments in unconsolidated entities with our ownership generally ranging from 10% to 95%. We use financial derivative instruments to hedge interest rate and foreign currency exchange rate exposure. At March 31, 2025, we had 19 outstanding letter of credit obligations. Please see Notes 8, 12 and 13 to our unaudited consolidated financial statements for additional information.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

### Contractual Obligations

The following table summarizes our payment requirements under contractual obligations as of March 31, 2025 (in thousands):

| Contractual Obligations                                           | Payments Due by Period |                     |                     |                     |                      |
|-------------------------------------------------------------------|------------------------|---------------------|---------------------|---------------------|----------------------|
|                                                                   | Total                  | 2025                | 2026-2027           | 2028-2029           | Thereafter           |
| Senior unsecured notes and term credit facilities: <sup>(1)</sup> |                        |                     |                     |                     |                      |
| U.S. Dollar senior unsecured notes                                | \$ 10,620,000          | \$ 1,250,000        | \$ 1,200,000        | \$ 3,870,000        | \$ 4,300,000         |
| Canadian Dollar senior unsecured notes <sup>(2)</sup>             | 208,620                | —                   | 208,620             | —                   | —                    |
| Pounds Sterling senior unsecured notes <sup>(2)</sup>             | 1,353,660              | —                   | —                   | 709,060             | 644,600              |
| U.S. Dollar term credit facility                                  | 1,010,000              | 10,000              | 1,000,000           | —                   | —                    |
| Canadian Dollar term credit facility <sup>(2)</sup>               | 173,850                | —                   | 173,850             | —                   | —                    |
| Secured debt: <sup>(1,2)</sup>                                    |                        |                     |                     |                     |                      |
| Consolidated                                                      | 2,652,170              | 89,404              | 602,697             | 604,629             | 1,355,440            |
| Unconsolidated                                                    | 637,503                | 508,441             | 93,236              | 22,036              | 13,790               |
| Contractual interest obligations: <sup>(3)</sup>                  |                        |                     |                     |                     |                      |
| Senior unsecured notes and term loans <sup>(2)</sup>              | 3,001,559              | 370,936             | 833,396             | 554,786             | 1,242,441            |
| Consolidated secured debt <sup>(2)</sup>                          | 766,978                | 80,370              | 189,880             | 139,945             | 356,783              |
| Unconsolidated secured debt <sup>(2)</sup>                        | 16,690                 | 9,140               | 5,282               | 1,909               | 359                  |
| Financing lease liabilities <sup>(4)</sup>                        | 454,502                | 5,970               | 15,173              | 10,694              | 422,665              |
| Operating lease liabilities <sup>(4)</sup>                        | 2,321,784              | 60,333              | 165,999             | 165,471             | 1,929,981            |
| Purchase obligations <sup>(5)</sup>                               | 571,660                | 398,814             | 161,334             | 411                 | 11,101               |
| Total contractual obligations                                     | <u>\$ 23,788,976</u>   | <u>\$ 2,783,408</u> | <u>\$ 4,649,467</u> | <u>\$ 6,078,941</u> | <u>\$ 10,277,160</u> |

<sup>(1)</sup> Amounts represent principal amounts due and do not reflect unamortized premiums/discounts or other fair value adjustments as reflected on the balance sheet.

<sup>(2)</sup> Based on foreign currency exchange rates in effect as of the balance sheet date.

<sup>(3)</sup> Based on variable interest rates in effect as of the balance sheet date.

<sup>(4)</sup> See Note 6 to our unaudited consolidated financial statements for additional information.

<sup>(5)</sup> See Note 13 to our unaudited consolidated financial statements for additional information. Excludes amounts related to asset acquisitions under contract that have not yet closed as of March 31, 2025, including the acquisitions described in Note 3.

### Capital Structure

Please refer to "Credit Strength" above for a discussion of our leverage and coverage ratio trends. Our debt agreements contain various covenants, restrictions and events of default. Certain agreements require us to maintain financial ratios and minimum net worth and impose certain limits on our ability to incur indebtedness, create liens and make investments or acquisitions. As of March 31, 2025, we were in compliance in all material respects with the covenants under our debt agreements. None of our debt agreements contain provisions for acceleration which could be triggered by our debt ratings. However, under our primary unsecured credit facility, the ratings on our senior unsecured notes are used to determine the fees and interest charged. We plan to manage the company to maintain compliance with our debt covenants and with a capital structure consistent with our current profile. Any downgrades in terms of ratings or outlook by any or all of the rating agencies could have a material adverse impact on our cost and availability of capital, which could have a material adverse impact on our consolidated results of operations, liquidity and/or financial condition.

On March 28, 2025, Welltower and Welltower OP jointly filed with the Securities and Exchange Commission (the "SEC") an open-ended automatic or "universal" shelf registration statement on Form S-3 (the "New Registration Statement") covering an indeterminate amount of future offerings of Welltower's debt securities, common stock, preferred stock, depositary shares, guarantees of debt securities issued by Welltower OP, warrants and units and Welltower OP's debt securities and guarantees of debt securities issued by Welltower. In connection with the filing of the New Registration Statement, on March 28, 2025, Welltower filed with the SEC five prospectus supplements, as described below. On March 28, 2025, Welltower also filed with the SEC a registration statement in connection with its enhanced dividend reinvestment plan ("DRIP") under which it may issue up to 15,000,000 shares of common stock. As of April 25, 2025, 15,000,000 shares of common stock remained available for issuance under the DRIP registration statement.

The first prospectus supplement filed in connection with the New Registration Statement related to the ATM Program (as defined below). On March 28, 2025, Welltower and Welltower OP entered into an equity distribution agreement (the "EDA") with (i) BofA Securities, Inc., BBVA Securities Inc., BMO Capital Markets Corp., BNP Paribas Securities Corp., BNY Mellon

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Capital Markets, LLC, Barclays Capital Inc., Capital One Securities, Inc., Citigroup Global Markets Inc., Citizens JMP Securities, LLC, Credit Agricole Securities (USA) Inc., Deutsche Bank Securities Inc., Goldman Sachs & Co. LLC, Huntington Securities, Inc., Jefferies LLC, J.P. Morgan Securities LLC, KeyBanc Capital Markets Inc., Loop Capital Markets LLC, Mizuho Securities USA LLC, Morgan Stanley & Co. LLC, MUFG Securities Americas Inc., RBC Capital Markets, LLC, Regions Securities LLC, Scotia Capital (USA) Inc., Synovus Securities, Inc., TD Securities (USA) LLC, Truist Securities, Inc. and Wells Fargo Securities, LLC as sales agents and forward sellers and (ii) the forward purchasers named therein relating to issuances, offers and sales from time to time of up to \$7,500,000,000 aggregate amount of common stock of Welltower (together with the existing master forward sale confirmations relating thereto, the "ATM Program"). The ATM Program also allows Welltower to enter into forward sale agreements. As of April 25, 2025, we had approximately \$7,170,463,000 of remaining capacity under the ATM Program and there were no outstanding forward sales agreements. Depending upon market conditions, we anticipate issuing securities under our registration statements to invest in additional properties and to repay borrowings under our unsecured revolving credit facility and commercial paper program.

The second prospectus supplement filed in connection with the New Registration Statement continued an offering that was previously covered by a prior registration statement relating to the registration and possible issuance of up to 390,590 shares of common stock of Welltower Inc. (the "DownREIT Shares") that may be issued from time to time if, and to the extent that, certain holders of Class A units (the "DownREIT Units") of HCN G&L DownREIT II LLC, a Delaware limited liability company (the "DownREIT"), tender such DownREIT Units for redemption by the DownREIT, and HCN DownREIT Member, LLC, a majority-owned indirect subsidiary of the Company (including its permitted successors and assigns, the "Managing Member"), or a designated affiliate of the Managing Member, elects to assume the redemption obligations of the DownREIT and to satisfy all or a portion of the redemption consideration by issuing DownREIT Shares to the holders instead of or in addition to paying a cash amount.

The third such prospectus supplement continued an offering that was previously covered by a prior registration statement relating to the registration and possible issuance of up to 238,868 shares of common stock of Welltower Inc. that may be issued from time to time if, and to the extent that, certain holders of Class A Common Units (the "OP Units") of Welltower OP tender the OP Units for redemption by Welltower OP, and Welltower Inc. elects to assume the redemption obligations of Welltower OP and to satisfy all or a portion of the redemption consideration by issuing shares of its common stock to the holders instead of or in addition to paying a cash amount.

The fourth such prospectus supplement continued an offering that was previously covered by a prior registration statement relating to the registration and possible issuance of up to 23,471,419 shares of common stock of Welltower Inc. (the "Exchangeable Shares") that may, under certain circumstances, be issuable upon exchange of the 2.750% exchangeable senior notes due 2028 or 3.125% Exchangeable Senior Notes due 2029 of Welltower OP, and the resale from time to time by the recipients of such Exchangeable Shares.

The fifth such prospectus supplement registered the offer and resale by the selling stockholder identified therein of up to 1,563,904 shares of common stock of Welltower, Inc., which Welltower issued as consideration for its recent acquisition of certain properties.

### **Supplemental Guarantor Information**

Welltower OP has issued the unsecured notes described in Note 11 to our unaudited consolidated financial statements. All unsecured notes are fully and unconditionally guaranteed by Welltower, and Welltower OP is 99.641% owned by Welltower as of March 31, 2025. Effective January 4, 2021, the SEC adopted amendments to the financial disclosure requirements applicable to registered debt offerings that include certain credit enhancements. We have adopted these new rules, which permits subsidiary issuers of obligations guaranteed by the parent to omit separate financial statements if the consolidated financial statements of the parent company have been filed, the subsidiary obligor is a consolidated subsidiary of the parent company, the guaranteed security is debt or debt-like, and the security is guaranteed fully and unconditionally by the parent. Accordingly, separate consolidated financial statements of Welltower OP have not been presented. Furthermore, Welltower and Welltower OP have no material assets, liabilities, or operations other than financing activities and their investments in non-guarantor subsidiaries. Therefore, we meet the criteria in Rule 13-01 of Regulation S-X to omit the summarized financial information from our disclosures.

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### Results of Operations

#### Summary

Our primary sources of revenue include resident fees and services, rent, interest income and interest earned on short-term deposits. Our primary expenses include property operating expenses, depreciation and amortization, interest expense, general and administrative expenses and other expenses. We evaluate our business and make resource allocations on our three business segments: Seniors Housing Operating, Triple-net and Outpatient Medical. The primary performance measures for our properties are NOI and same store NOI ("SSNOI") and other supplemental measures include FFO and EBITDA, which are further discussed below. Please see Non-GAAP Financial Measures for additional information and reconciliations related to these supplemental measures.

|                                 | Three Months Ended |            | Change     |       |
|---------------------------------|--------------------|------------|------------|-------|
|                                 | March 31,          |            | Amount     | %     |
|                                 | 2025               | 2024       |            |       |
| Net income (loss)               | \$ 257,266         | \$ 131,634 | \$ 125,632 | 95 %  |
| NICS                            | 257,957            | 127,146    | 130,811    | 103 % |
| FFO                             | 765,197            | 556,703    | 208,494    | 37 %  |
| EBITDA                          | 882,578            | 651,006    | 231,572    | 36 %  |
| NOI                             | 960,697            | 762,828    | 197,869    | 26 %  |
| SSNOI                           | 650,832            | 576,049    | 74,783     | 13 %  |
| Per share data (fully diluted): |                    |            |            |       |
| NICS                            | \$ 0.40            | \$ 0.22    | \$ 0.18    | 82 %  |
| FFO                             | \$ 1.17            | \$ 0.96    | \$ 0.21    | 22 %  |
| Interest coverage ratio         | 6.14 x             | 4.29 x     | 1.85 x     | 43 %  |
| Fixed charge coverage ratio     | 5.58 x             | 3.98 x     | 1.60 x     | 40 %  |

#### Seniors Housing Operating

The following is a summary of our results of operations for the Seniors Housing Operating segment (dollars in thousands):

|                                                                                        | Three Months Ended |              | Change     |       |
|----------------------------------------------------------------------------------------|--------------------|--------------|------------|-------|
|                                                                                        | March 31,          |              | \$         | %     |
|                                                                                        | 2025               | 2024         |            |       |
| Revenues:                                                                              |                    |              |            |       |
| Resident fees and services                                                             | \$ 1,864,530       | \$ 1,360,274 | \$ 504,256 | 37 %  |
| Other income                                                                           | 3,341              | 1,463        | 1,878      | 128 % |
| Total revenues                                                                         | 1,867,871          | 1,361,737    | 506,134    | 37 %  |
| Property operating expenses                                                            | 1,384,684          | 1,019,347    | 365,337    | 36 %  |
| NOI <sup>(1)</sup>                                                                     | 483,187            | 342,390      | 140,797    | 41 %  |
| Other expenses:                                                                        |                    |              |            |       |
| Depreciation and amortization                                                          | 340,756            | 236,796      | 103,960    | 44 %  |
| Interest expense                                                                       | 16,269             | 11,186       | 5,083      | 45 %  |
| Loss (gain) on extinguishment of debt, net                                             | 6,156              | 6            | 6,150      | n/a   |
| Impairment of assets                                                                   | 23,601             | 43,331       | (19,730)   | (46)% |
| Other expenses                                                                         | 12,167             | 8,757        | 3,410      | 39 %  |
|                                                                                        | 398,949            | 300,076      | 98,873     | 33 %  |
| Income (loss) from continuing operations before income taxes and other items           | 84,238             | 42,314       | 41,924     | 99 %  |
| Income (loss) from unconsolidated entities                                             | (1,982)            | (4,582)      | 2,600      | 57 %  |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net | 53,282             | 4,602        | 48,680     | n/a   |
| Income (loss) from continuing operations                                               | 135,538            | 42,334       | 93,204     | 220 % |
| Net income (loss)                                                                      | 135,538            | 42,334       | 93,204     | 220 % |
| Less: Net income (loss) attributable to noncontrolling interests                       | 87                 | (1,016)      | 1,103      | 109 % |
| Net income (loss) attributable to common stockholders                                  | \$ 135,451         | \$ 43,350    | \$ 92,101  | 212 % |

<sup>(1)</sup> See "Non-GAAP Financial Measures" below for additional information and reconciliations.

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Resident fees and services and property operating expenses increased for the three month periods ended March 31, 2025 compared to the same period in the prior year primarily due to acquisitions including the acquisition of Care UK as described in Note 3 to our consolidated financial statements, construction conversions outpacing dispositions and the conversions of Triple-net properties to Seniors Housing Operating RIDEA structures throughout 2024. Additionally, our Seniors Housing Operating revenues are dependent on occupancy and rate growth, both of which have continued to steadily increase from the prior year. Average occupancy is as follows:

|      | Three Months Ended <sup>(1)</sup> |          |               |              |
|------|-----------------------------------|----------|---------------|--------------|
|      | March 31,                         | June 30, | September 30, | December 31, |
| 2024 | 82.5 %                            | 82.8 %   | 83.8 %        | 84.8 %       |
| 2025 | 85.1 %                            |          |               |              |

<sup>(1)</sup> Average occupancy includes our minority ownership share related to unconsolidated properties and excludes the minority partners' noncontrolling ownership share related to consolidated properties. Also excludes land parcels and properties under development.

The following is a summary of our SSNOI at Welltower's share for the Seniors Housing Operating segment (dollars in thousands):

|                      | QTD Pool           |            |           |        |
|----------------------|--------------------|------------|-----------|--------|
|                      | Three Months Ended |            | Change    |        |
|                      | March 31,          |            |           |        |
|                      | 2025               | 2024       | \$        | %      |
| SSNOI <sup>(1)</sup> | \$ 364,858         | \$ 298,617 | \$ 66,241 | 22.2 % |

<sup>(1)</sup> For the QTD Pool, amounts relate to 725 same store properties. Please see "Non-GAAP Financial Measures" below for additional information and reconciliations.

Depreciation and amortization expense fluctuates as a result of acquisitions, dispositions and segment transitions. To the extent that we acquire, develop or dispose of additional properties in the future, our provision for depreciation and amortization will change accordingly.

During the three months ended March 31, 2025, we recorded \$23,601,000 of impairment charges related to six properties. During the three months ended March 31, 2024, we recorded impairment charges of \$43,331,000 related to ten properties.

Transaction costs related to asset acquisitions are capitalized as a component of the purchase price. The fluctuation in other expenses is primarily due to the timing of noncapitalizable transaction costs associated with acquisitions and operator transitions. Changes in the gain on sales of properties are related to the volume and timing of property sales and the sales prices, which are further discussed in Note 5 to our unaudited consolidated financial statements.

During the three months ended March 31, 2025, we completed construction conversions representing \$132,210,000 or \$451,229 per unit. The following is a summary of our consolidated Seniors Housing Operating construction projects in process, excluding expansions (dollars in thousands):

| Expected Conversion Year <sup>(1)</sup> | Properties | As of March 31, 2025 |                               |    | Construction in Progress Balance |
|-----------------------------------------|------------|----------------------|-------------------------------|----|----------------------------------|
|                                         |            | Units/Beds           | Anticipated Remaining Funding |    |                                  |
| 2025                                    | 15         | 2,636                | \$ 127,293                    | \$ | 644,560                          |
| 2026                                    | 9          | 1,320                | 228,401                       |    | 120,727                          |
| 2027                                    | 1          | 225                  | 49,785                        |    | 9,548                            |
| TBD <sup>(2)</sup>                      | 3          |                      |                               |    | 46,665                           |
| Total                                   | 28         |                      |                               | \$ | 821,500                          |

<sup>(1)</sup> Properties expected to be converted in phases over multiple years are reflected in the last expected year.

<sup>(2)</sup> Represents projects for which a final budget or expected conversion date are not yet known.

Interest expense represents secured debt interest expense, which fluctuates based on the net effect and timing of assumptions, segment transitions, fluctuations in foreign currency rates, extinguishments and principal amortizations. The fluctuations in loss (gain) on extinguishment of debt is primarily attributable to the volume of extinguishments and terms of the related secured debt.

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The following is a summary of our Seniors Housing Operating segment property secured debt principal activity (dollars in thousands):

|                                  | Three Months Ended  |                     |
|----------------------------------|---------------------|---------------------|
|                                  | March 31,           |                     |
|                                  | 2025                | 2024                |
| Beginning balance                | \$ 2,042,583        | \$ 1,955,048        |
| Debt issued                      | —                   | 1,379               |
| Debt assumed                     | 316,869             | —                   |
| Debt extinguished                | (96,037)            | (120,946)           |
| Principal payments               | (12,107)            | (10,847)            |
| Effect of foreign currency       | 2,355               | (20,215)            |
| Ending balance                   | <u>\$ 2,253,663</u> | <u>\$ 1,804,419</u> |
| Ending weighted average interest | 4.17 %              | 4.52 %              |

A portion of our Seniors Housing Operating property investments are formed through partnership interests. Income (loss) from unconsolidated entities represents our share of net income or losses from partnerships where we are the noncontrolling partner. Net income attributable to noncontrolling interests represents our partners' share of net income (loss) related to joint ventures.

### Triple-net

The following is a summary of our results of operations for the Triple-net segment (dollars in thousands):

|                                                                                        | Three Months Ended |                   | Change            |             |
|----------------------------------------------------------------------------------------|--------------------|-------------------|-------------------|-------------|
|                                                                                        | March 31,          |                   | \$                | %           |
|                                                                                        | 2025               | 2024              |                   |             |
| Revenues:                                                                              |                    |                   |                   |             |
| Rental income                                                                          | \$ 252,688         | \$ 221,744        | \$ 30,944         | 14 %        |
| Interest income                                                                        | 2,111              | —                 | 2,111             | n/a         |
| Other income                                                                           | 231                | 1,199             | (968)             | (81)%       |
| Total revenues                                                                         | 255,030            | 222,943           | 32,087            | 14 %        |
| Property operating expenses                                                            | 8,818              | 10,817            | (1,999)           | (18)%       |
| NOI <sup>(1)</sup>                                                                     | 246,212            | 212,126           | 34,086            | 16 %        |
| Other expenses:                                                                        |                    |                   |                   |             |
| Depreciation and amortization                                                          | 77,684             | 62,535            | 15,149            | 24 %        |
| Interest expense                                                                       | 4,010              | 358               | 3,652             | n/a         |
| Impairment of assets                                                                   | 28,801             | —                 | 28,801            | n/a         |
| Other expenses                                                                         | 630                | 1,205             | (575)             | (48)%       |
|                                                                                        | 111,125            | 64,098            | 47,027            | 73 %        |
| Income (loss) from continuing operations before income taxes and other items           | 135,087            | 148,028           | (12,941)          | (9)%        |
| Income (loss) from unconsolidated entities                                             | (574)              | (5,637)           | 5,063             | 90 %        |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net | (6,497)            | 26                | (6,523)           | n/a         |
| Income (loss) from continuing operations                                               | 128,016            | 142,417           | (14,401)          | (10)%       |
| Net income (loss)                                                                      | 128,016            | 142,417           | (14,401)          | (10)%       |
| Less: Net income (loss) attributable to noncontrolling interests                       | (2,363)            | 5,498             | (7,861)           | (143)%      |
| Net income attributable to common stockholders                                         | <u>\$ 130,379</u>  | <u>\$ 136,919</u> | <u>\$ (6,540)</u> | <u>(5)%</u> |

<sup>(1)</sup> See "Non-GAAP Financial Measures" below for additional information and reconciliations.

The increase in rental income for the three months ended March 31, 2025 was primarily due to acquisitions and annual rent increases. Certain of our leases contain annual rental escalators that are contingent upon changes in the Consumer Price Index and/or changes in the gross operating revenues of the tenant's properties. These escalators are not fixed, so no straight-line rent is recorded; however, rental income is recorded based on the contractual cash rental payments due for the period. If gross operating revenues at our facilities and/or the Consumer Price Index do not increase, a portion of our revenues may not continue to increase. During the three months ended March 31, 2025, our Triple-net portfolio had 20 leases with rental rate increases and a weighted average increase of 4.8%.

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These increases were partially offset by the transition of Triple-net properties to Seniors Housing Operating structures during 2024. Additionally during the three months ended March 31, 2024, we wrote off previously recognized straight-line rent receivable and unamortized lease incentive balances of \$9,356,000 through a reduction of rental income related to leases for which the collection of substantially all contractual lease payments was no longer probable.

Interest income is primarily related to leases that were classified as sales-type leases.

The following is a summary of our SSNOI at Welltower's share for the Triple-net segment (dollars in thousands):

|                      | QTD Pool           |            |          |     |   |
|----------------------|--------------------|------------|----------|-----|---|
|                      | Three Months Ended |            | Change   |     |   |
|                      | March 31,          |            |          |     |   |
|                      | 2025               | 2024       | \$       | %   |   |
| SSNOI <sup>(1)</sup> | \$ 153,152         | \$ 147,451 | \$ 5,701 | 3.9 | % |

<sup>(1)</sup> For the QTD Pool, amounts relate to 470 same store properties. Please see "Non-GAAP Financial Measures" below for additional information and reconciliations.

Depreciation and amortization expense fluctuates as a result of the acquisitions, dispositions and segment transitions of Triple-net properties. To the extent we acquire or dispose of additional properties in the future, our provision for depreciation and amortization will change accordingly.

During the three months ended March 31, 2025, we recorded an impairment charge of \$28,801,000 related to four properties. Transaction costs related to asset acquisitions are capitalized as a component of purchase price. The fluctuation in other expenses is primarily due to noncapitalizable transaction costs from acquisitions and segment transitions. Changes in the gain (loss) on real estate dispositions and acquisitions of controlling interests, net were related to the volume, timing and price of related transactions.

Interest expense represents secured debt interest expense and related fees. The change in secured debt interest expense is due to the net effect and timing of assumptions, segment transitions, fluctuations in foreign currency rates, extinguishments and principal amortizations. The following is a summary of our Triple-net secured debt principal activity for the periods presented (dollars in thousands):

|                                  | Three Months Ended |           |
|----------------------------------|--------------------|-----------|
|                                  | March 31,          |           |
|                                  | 2025               | 2024      |
| Beginning balance                | \$ 335,552         | \$ 38,260 |
| Principal payments               | (1,779)            | (237)     |
| Ending balance                   | \$ 333,773         | \$ 38,023 |
| Ending weighted average interest | 3.44 %             | 4.39 %    |

A portion of our Triple-net property investments were formed through partnerships. Income (loss) from unconsolidated entities represents our share of net income or losses from partnerships where we are the noncontrolling partner. The fluctuation in income (loss) from unconsolidated entities from the prior year relates primarily to the timing and amount of hypothetical liquidation at book value ("HLBV") adjustments for in substance real estate investments. Net income attributable to noncontrolling interests represents our partners' share of net income relating to those partnerships where we are the controlling partner.

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### Outpatient Medical

The following is a summary of our results of operations for the Outpatient Medical segment for the periods presented (dollars in thousands):

|                                                                                        | Three Months Ended |            | Change    |        |
|----------------------------------------------------------------------------------------|--------------------|------------|-----------|--------|
|                                                                                        | March 31,          |            | \$        | %      |
|                                                                                        | 2025               | 2024       |           |        |
| Revenues:                                                                              |                    |            |           |        |
| Rental income                                                                          | \$ 208,879         | \$ 195,908 | \$ 12,971 | 7 %    |
| Other income                                                                           | 2,137              | 2,402      | (265)     | (11)%  |
| Total revenues                                                                         | 211,016            | 198,310    | 12,706    | 6 %    |
| Property operating expenses                                                            | 64,606             | 62,463     | 2,143     | 3 %    |
| NOI <sup>(1)</sup>                                                                     | 146,410            | 135,847    | 10,563    | 8 %    |
| Other expenses:                                                                        |                    |            |           |        |
| Depreciation and amortization                                                          | 67,429             | 66,532     | 897       | 1 %    |
| Interest expense                                                                       | (581)              | 1,718      | (2,299)   | (134)% |
| Other expenses                                                                         | 5                  | 609        | (604)     | (99)%  |
|                                                                                        | 66,853             | 68,859     | (2,006)   | (3)%   |
| Income (loss) from continuing operations before income taxes and other items           | 79,557             | 66,988     | 12,569    | 19 %   |
| Income (loss) from unconsolidated entities                                             | 454                | (426)      | 880       | 207 %  |
| Gain (loss) on real estate dispositions and acquisitions of controlling interests, net | 4,992              | 79         | 4,913     | n/a    |
| Income (loss) from continuing operations                                               | 85,003             | 66,641     | 18,362    | 28 %   |
| Net income (loss)                                                                      | 85,003             | 66,641     | 18,362    | 28 %   |
| Less: Net income (loss) attributable to noncontrolling interests                       | 773                | (352)      | 1,125     | 320 %  |
| Net income (loss) attributable to common stockholders                                  | \$ 84,230          | \$ 66,993  | \$ 17,237 | 26 %   |

<sup>(1)</sup> See "Non-GAAP Financial Measures" below for additional information and reconciliations.

Rental income has increased due primarily to acquisitions and construction conversions that occurred during 2024 and year to date in 2025. Certain of our leases contain annual rental escalators that are contingent upon changes in the Consumer Price Index. These escalators are not fixed, so no straight-line rent is recorded; however, rental income is recorded based on the contractual cash rental payments due for the period. If the Consumer Price Index does not increase, a portion of our revenues may not continue to increase. Our leases could renew above or below current rental rates, resulting in an increase or decrease in rental income. For the three months ended March 31, 2025, our consolidated Outpatient Medical portfolio signed 103,020 square feet of new leases and 361,875 square feet of renewals. The weighted-average term of these leases was 8 years, with a rate of \$44.53 per square foot and tenant improvement and lease commission costs of \$38.83 per square foot. Substantially all of these leases contain an annual fixed or contingent escalation rent structure ranging from 2.0% to 5.0%.

The fluctuation in property operating expenses and depreciation and amortization are primarily attributable to acquisitions and construction conversions that occurred during 2024 and year to date in 2025. To the extent we acquire or dispose of additional properties in the future, these expenses will change accordingly.

The following is a summary of our SSNOI at Welltower's share for the Outpatient Medical segment (dollars in thousands):

| SSNOI <sup>(1)</sup> | QTD Pool           |         |        |     |   |
|----------------------|--------------------|---------|--------|-----|---|
|                      | Three Months Ended |         | Change |     |   |
|                      | March 31,          |         |        |     |   |
|                      | 2025               | 2024    | \$     | %   |   |
|                      | \$                 | \$      | \$     | %   | % |
|                      | 132,822            | 129,981 | 2,841  | 2.2 | % |

<sup>(1)</sup> For the QTD Pool, amounts relate to 420 same store properties. Please see "Non-GAAP Financial Measures" below for additional information and reconciliations.

Changes in the gain (loss) on real estate dispositions and acquisitions of controlling interests, net were related to the volume and timing and price of related transactions.

During the three months ended March 31, 2025, we completed construction conversions representing \$175,046,000 or \$590 per square foot. The following is a summary of our consolidated Outpatient Medical construction projects in process, excluding expansions (dollars in thousands):

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As of March 31, 2025

| Expected Conversion Year | Properties | Square Feet | Anticipated Remaining Funding | Construction in Progress Balance |
|--------------------------|------------|-------------|-------------------------------|----------------------------------|
| 2025                     | 4          | 350,394     | \$ 62,171                     | \$ 116,045                       |
| TBD <sup>(1)</sup>       | 1          |             |                               | 34,169                           |
| Total                    | 5          |             |                               | \$ 150,214                       |

<sup>(1)</sup> Represents projects for which a final budget or expected conversion date are not yet known.

Total interest expense represents secured debt interest expense. The change in secured debt interest expense is primarily due to the net effect and timing of assumptions, extinguishments and principal amortizations. The following is a summary of our Outpatient Medical secured debt principal activity (dollars in thousands):

|                                  | Three Months Ended |            |
|----------------------------------|--------------------|------------|
|                                  | March 31,          |            |
|                                  | 2025               | 2024       |
| Beginning balance                | \$ 89,088          | \$ 229,137 |
| Debt extinguished                | (23,796)           | —          |
| Principal payments               | (558)              | (803)      |
| Ending balance                   | \$ 64,734          | \$ 228,334 |
| Ending weighted average interest | 4.35 %             | 5.42 %     |

A portion of our Outpatient Medical property investments were formed through partnerships. Income or loss from unconsolidated entities represents our share of net income or losses from partnerships where we are the noncontrolling partner. Net income attributable to noncontrolling interests represents our partners' share of net income or loss relating to those partnerships where we are the controlling partner.

### Non-segment/Corporate

The following is a summary of our results of operations for the Non-segment/Corporate activities for the periods presented (dollars in thousands):

|                                                                              | Three Months Ended |              | Change    |        |
|------------------------------------------------------------------------------|--------------------|--------------|-----------|--------|
|                                                                              | March 31,          |              | \$        | %      |
|                                                                              | 2025               | 2024         |           |        |
| Revenues:                                                                    |                    |              |           |        |
| Interest income                                                              | \$ 60,379          | \$ 52,664    | \$ 7,715  | 15 %   |
| Other income                                                                 | 28,791             | 24,087       | 4,704     | 20 %   |
| Total revenues                                                               | 89,170             | 76,751       | 12,419    | 16 %   |
| Property operating expenses                                                  | 4,282              | 4,286        | (4)       | —%     |
| Consolidated net operating income (loss) <sup>(1)</sup>                      | 84,888             | 72,465       | 12,423    | 17 %   |
| Expenses:                                                                    |                    |              |           |        |
| Interest expense                                                             | 125,264            | 134,056      | (8,792)   | (7)%   |
| General and administrative expenses                                          | 63,758             | 53,318       | 10,440    | 20 %   |
| Loss (gain) on derivatives and financial instruments, net                    | (3,210)            | (3,054)      | (156)     | (5)%   |
| Provision for loan losses, net                                               | (2,007)            | 1,014        | (3,021)   | (298)% |
| Other expenses                                                               | 1,258              | 3,560        | (2,302)   | (65)%  |
|                                                                              | 185,063            | 188,894      | (3,831)   | (2)%   |
| Income (loss) from continuing operations before income taxes and other items | (100,175)          | (116,429)    | 16,254    | 14 %   |
| Income tax benefit (expense)                                                 | 5,519              | (6,191)      | 11,710    | 189 %  |
| Income (loss) from unconsolidated entities                                   | 3,365              | 2,862        | 503       | 18 %   |
| Income (loss) from continuing operations                                     | (91,291)           | (119,758)    | 28,467    | 24 %   |
| Net income (loss)                                                            | (91,291)           | (119,758)    | 28,467    | 24 %   |
| Less: Net income (loss) attributable to noncontrolling interests             | 812                | 358          | 454       | 127 %  |
| Net income (loss) attributable to common stockholders                        | \$ (92,103)        | \$ (120,116) | \$ 28,013 | 23 %   |

<sup>(1)</sup> See "Non-GAAP Financial Measures" below for additional information and reconciliations.

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The increase in interest income is primarily driven by increased advances on loans receivable during 2024 and the three months ended March 31, 2025. The increase in other income is primarily due to interest earned on deposits.

Property operating expenses represent insurance costs related to our captive insurance company, which acts as a direct insurer of property level insurance coverage for our portfolio.

The following is a summary of our Non-segment/Corporate interest expense for the periods presented (dollars in thousands):

|                                                        | Three Months Ended |                   | Change            |             |
|--------------------------------------------------------|--------------------|-------------------|-------------------|-------------|
|                                                        | March 31,          |                   | \$                | %           |
|                                                        | 2025               | 2024              |                   |             |
| Senior unsecured notes                                 | \$ 116,424         | \$ 127,960        | \$ (11,536)       | (9)%        |
| Unsecured credit facility and commercial paper program | 1,578              | 1,535             | 43                | 3 %         |
| Loan expense                                           | 7,262              | 4,561             | 2,701             | 59 %        |
| Totals                                                 | <u>\$ 125,264</u>  | <u>\$ 134,056</u> | <u>\$ (8,792)</u> | <u>(7)%</u> |

The change in interest expense on senior unsecured notes is due to the net effect of issuances and extinguishments, as well as the movement in foreign exchange rates and related hedge activity. Please refer to Note 11 to our unaudited consolidated financial statements for additional information. The change in interest expense on our unsecured revolving credit facility and commercial paper program is due primarily to the net effect and timing of draws, paydowns and variable interest rate changes. Please refer to Note 10 to our unaudited consolidated financial statements for additional information regarding our unsecured revolving credit facility and commercial paper program. Loan expenses represent the amortization of costs incurred in connection with senior unsecured notes issuances.

General and administrative expenses as a percentage of consolidated revenues for the three months ended March 31, 2025 and 2024 were 2.63% and 2.87%, respectively.

Other expenses includes noncapitalizable legal expenses. The provision for income taxes primarily relates to state taxes, foreign taxes and taxes based on income generated by entities that are structured as taxable REIT subsidiaries.

Loss (gain) on derivatives and financial instruments, net is primarily attributable to the mark-to-market of the equity warrants received as part of the HC-One Group transactions that closed in 2021 and 2023.

### Other

#### Non-GAAP Financial Measures

We believe that net income and net income attributable to common stockholders, as defined by U.S. GAAP, are the most appropriate earnings measurements. However, we consider FFO, NOI, SSNOI, EBITDA and Adjusted EBITDA to be useful supplemental measures of our operating performance. 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 funds from operations attributable to common stockholders ("FFO") as a supplemental measure of operating performance for REITs that excludes historical cost depreciation from net income. FFO, as defined by NAREIT, means NICS, computed in accordance with U.S. GAAP, excluding gains (or losses) from sales of real estate and acquisitions of controlling interests, and impairment of depreciable assets, plus depreciation and amortization, and after adjustments for unconsolidated entities and noncontrolling interests.

NOI is used to evaluate the operating performance of our properties. 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 managers, 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. Same store NOI ("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. We believe the drivers of property level NOI for both consolidated properties and unconsolidated properties are generally the same and therefore, we evaluate SSNOI based on our ownership interest in each property ("Welltower Share"). To arrive at Welltower's Share, NOI is adjusted by adding our minority ownership share related to unconsolidated properties and by subtracting the minority partners' noncontrolling ownership interests for consolidated

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properties. We do not control investments in unconsolidated properties and while we consider disclosures at Welltower Share to be useful, they may not accurately depict the legal and economic implications of our joint venture arrangements and should be used with caution. 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 SSNOI five full quarters after acquisition or being placed into service for the QTD Pool. Land parcels, loans and sub-leases, as well as any properties sold or classified as held for sale during the respective periods are excluded from SSNOI. 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 SSNOI until five full quarters post completion of the redevelopment for the QTD Pool. Properties undergoing operator transitions and/or segment transitions are also excluded from SSNOI until five full quarters post completion of the transition for the QTD Pool. In addition, properties significantly impacted by force majeure, acts of God, or other extraordinary adverse events are excluded from SSNOI until five full quarters after the properties are placed back into service for the QTD Pool. SSNOI excludes non-cash NOI and includes adjustments to present consistent ownership percentages and to translate Canadian properties and U.K. properties using a consistent exchange rate. We believe NOI 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 and SSNOI to make decisions about resource allocations and to assess the property level performance of our portfolio.

EBITDA is defined as earnings (net income) before interest, 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 on disposition of properties and acquisitions of controlling interests, impairment of assets, gains/losses on derivatives and financial instruments, other expenses, other impairment charges and other adjustments as deemed appropriate. 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 interest coverage ratio, which represents EBITDA and Adjusted EBITDA divided by total interest, and our fixed charge coverage ratio, which represents EBITDA and Adjusted EBITDA divided by fixed charges. Fixed charges include total interest and secured debt principal amortization. Covenants in our unsecured senior notes and primary credit facility contain financial ratios based on a definition of EBITDA and Adjusted EBITDA that is specific to those agreements. Our leverage ratios are defined as the proportion of net debt to total capitalization and include book capitalization, undepreciated book capitalization and enterprise value. Book capitalization represents the sum of net debt (defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and restricted cash), total equity and redeemable noncontrolling interests. Undepreciated book capitalization represents book capitalization adjusted for accumulated depreciation and amortization. Enterprise value represents book capitalization adjusted for the fair market value of our common stock.

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. Management uses these financial measures to facilitate internal and external comparisons to our historical operating results and in making operating decisions. Additionally, these measures are utilized by the Board of Directors to evaluate management. None of our supplemental 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 measures, as defined by us, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies.

The table below reflects the reconciliation of FFO to NICS, the most directly comparable U.S. GAAP measure, for the periods presented. Noncontrolling interest and unconsolidated entity amounts represent adjustments to reflect our share of depreciation and amortization, gains/loss on real estate dispositions and acquisitions of controlling interests, and impairment of assets. Amounts are in thousands except for per share data.

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|                                                                                        | Three Months Ended |                      |                       |                   |                   |
|----------------------------------------------------------------------------------------|--------------------|----------------------|-----------------------|-------------------|-------------------|
|                                                                                        | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024  | March 31,<br>2024 |
| <b>FFO Reconciliation:</b>                                                             |                    |                      |                       |                   |                   |
| Net income (loss) attributable to common stockholders                                  | \$ 257,957         | \$ 119,971           | \$ 449,849            | \$ 254,714        | \$ 127,146        |
| Depreciation and amortization                                                          | 485,869            | 480,406              | 403,779               | 382,045           | 365,863           |
| Impairment of assets                                                                   | 52,402             | 23,647               | 23,421                | 2,394             | 43,331            |
| Loss (gain) on real estate dispositions and acquisitions of controlling interests, net | (51,777)           | (8,195)              | (272,266)             | (166,443)         | (4,707)           |
| Noncontrolling interests                                                               | (9,468)            | (6,667)              | (5,801)               | (6,348)           | (11,996)          |
| Unconsolidated entities                                                                | 30,214             | 27,978               | 36,835                | 27,411            | 37,066            |
| FFO                                                                                    | <u>\$ 765,197</u>  | <u>\$ 637,140</u>    | <u>\$ 635,817</u>     | <u>\$ 493,773</u> | <u>\$ 556,703</u> |
| Average diluted shares outstanding                                                     | 653,795            | 634,259              | 618,306               | 604,563           | 577,530           |
| Per diluted share data:                                                                |                    |                      |                       |                   |                   |
| Net income attributable to common stockholders <sup>(1)</sup>                          | \$ 0.40            | \$ 0.19              | \$ 0.73               | \$ 0.42           | \$ 0.22           |
| FFO                                                                                    | \$ 1.17            | \$ 1.00              | \$ 1.03               | \$ 0.82           | \$ 0.96           |

<sup>(1)</sup> Includes adjustment to the numerator for income (loss) attributable to OP Unitholders.

The table below reflects the reconciliation of consolidated NOI to net income, the most directly comparable U.S. GAAP measure, for the periods presented (dollars in thousands):

|                                                                                        | Three Months Ended |                      |                       |                   |                   |
|----------------------------------------------------------------------------------------|--------------------|----------------------|-----------------------|-------------------|-------------------|
|                                                                                        | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024  | March 31,<br>2024 |
| <b>NOI Reconciliations:</b>                                                            |                    |                      |                       |                   |                   |
| Net income (loss)                                                                      | \$ 257,266         | \$ 123,753           | \$ 456,800            | \$ 260,670        | \$ 131,634        |
| Loss (gain) on real estate dispositions and acquisitions of controlling interests, net | (51,777)           | (8,195)              | (272,266)             | (166,443)         | (4,707)           |
| Loss (income) from unconsolidated entities                                             | (1,263)            | (6,429)              | 4,038                 | (4,896)           | 7,783             |
| Income tax expense (benefit)                                                           | (5,519)            | 114                  | (4,706)               | 1,101             | 6,191             |
| Other expenses                                                                         | 14,060             | 34,405               | 20,239                | 48,684            | 14,131            |
| Impairment of assets                                                                   | 52,402             | 23,647               | 23,421                | 2,394             | 43,331            |
| Provision for loan losses, net                                                         | (2,007)            | (245)                | 4,193                 | 5,163             | 1,014             |
| Loss (gain) on extinguishment of debt, net                                             | 6,156              | —                    | 419                   | 1,705             | 6                 |
| Loss (gain) on derivatives and financial instruments, net                              | (3,210)            | (9,102)              | (9,906)               | (5,825)           | (3,054)           |
| General and administrative expenses                                                    | 63,758             | 48,707               | 77,901                | 55,565            | 53,318            |
| Depreciation and amortization                                                          | 485,869            | 480,406              | 403,779               | 382,045           | 365,863           |
| Interest expense                                                                       | 144,962            | 154,469              | 139,050               | 133,424           | 147,318           |
| Consolidated net operating income (NOI)                                                | <u>\$ 960,697</u>  | <u>\$ 841,530</u>    | <u>\$ 842,962</u>     | <u>\$ 713,587</u> | <u>\$ 762,828</u> |
| NOI by segment:                                                                        |                    |                      |                       |                   |                   |
| Seniors Housing Operating                                                              | \$ 483,187         | \$ 430,689           | \$ 378,135            | \$ 360,467        | \$ 342,390        |
| Triple-net                                                                             | 246,212            | 185,032              | 219,304               | 131,587           | 212,126           |
| Outpatient Medical                                                                     | 146,410            | 142,361              | 142,217               | 136,052           | 135,847           |
| Non-segment/Corporate                                                                  | 84,888             | 83,448               | 103,306               | 85,481            | 72,465            |
| Total NOI                                                                              | <u>\$ 960,697</u>  | <u>\$ 841,530</u>    | <u>\$ 842,962</u>     | <u>\$ 713,587</u> | <u>\$ 762,828</u> |

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The following is a reconciliation of the properties included in our QTD Pool for SSNOI:

| SSNOI Property Reconciliations:                            | QTD Pool                  |            |                    |       |
|------------------------------------------------------------|---------------------------|------------|--------------------|-------|
|                                                            | Seniors Housing Operating | Triple-net | Outpatient Medical | Total |
| Consolidated properties                                    | 1,212                     | 633        | 371                | 2,216 |
| Unconsolidated properties                                  | 44                        | —          | 76                 | 120   |
| Total properties                                           | 1,256                     | 633        | 447                | 2,336 |
| Recent acquisitions/development conversions <sup>(1)</sup> | (153)                     | (108)      | (11)               | (272) |
| Under development                                          | (30)                      | —          | (5)                | (35)  |
| Under redevelopment <sup>(2)</sup>                         | (1)                       | (3)        | (2)                | (6)   |
| Current held for sale                                      | (10)                      | (5)        | —                  | (15)  |
| Land parcels, loans and subleases                          | (107)                     | (4)        | (8)                | (119) |
| Transitions <sup>(3)</sup>                                 | (224)                     | (41)       | —                  | (265) |
| Other <sup>(4)</sup>                                       | (6)                       | (2)        | (1)                | (9)   |
| Same store properties                                      | 725                       | 470        | 420                | 1,615 |

<sup>(1)</sup> Acquisitions and development conversions will enter the QTD Pool after five full quarters from acquisition or certificate of occupancy.

<sup>(2)</sup> Redevelopment properties will enter the QTD Pool after five full quarters of operations post redevelopment completion.

<sup>(3)</sup> Transitioned properties will enter the QTD Pool after five full quarters of operations with the new operator in place or under the new structure.

<sup>(4)</sup> Represents properties that are either closed or being closed.

The following is a reconciliation of our consolidated NOI to same store NOI for the periods presented for the QTD Pool (dollars in thousands):

| SSNOI Reconciliations:                             | QTD Pool           |            |
|----------------------------------------------------|--------------------|------------|
|                                                    | Three Months Ended |            |
|                                                    | March 31,          |            |
|                                                    | 2025               | 2024       |
| Seniors Housing Operating:                         |                    |            |
| Consolidated NOI                                   | \$ 483,187         | \$ 342,390 |
| NOI attributable to unconsolidated investments     | 20,546             | 21,782     |
| NOI attributable to noncontrolling interests       | (13,085)           | (17,052)   |
| NOI attributable to non-same store properties      | (122,638)          | (47,316)   |
| Non-cash NOI attributable to same store properties | (2,509)            | (2,520)    |
| Currency and ownership adjustments <sup>(1)</sup>  | (643)              | 1,333      |
| SSNOI at Welltower Share                           | 364,858            | 298,617    |
| Triple-net:                                        |                    |            |
| Consolidated NOI                                   | 246,212            | 212,126    |
| NOI attributable to unconsolidated investments     | —                  | 5,597      |
| NOI attributable to noncontrolling interests       | (3,717)            | (12,518)   |
| NOI attributable to non-same store properties      | (70,110)           | (40,073)   |
| Non-cash NOI attributable to same store properties | (18,803)           | (20,374)   |
| Currency and ownership adjustments <sup>(1)</sup>  | (430)              | 2,693      |
| SSNOI at Welltower Share                           | 153,152            | 147,451    |
| Outpatient Medical:                                |                    |            |
| Consolidated NOI                                   | 146,410            | 135,847    |
| NOI attributable to unconsolidated investments     | 4,033              | 4,711      |
| NOI attributable to noncontrolling interests       | (2,554)            | (2,723)    |
| NOI attributable to non-same store properties      | (9,802)            | (4,231)    |
| Non-cash NOI attributable to same store properties | (5,265)            | (3,697)    |
| Currency and ownership adjustments <sup>(1)</sup>  | —                  | 74         |
| SSNOI at Welltower Share                           | 132,822            | 129,981    |
| SSNOI at Welltower Share:                          |                    |            |
| Seniors Housing Operating                          | 364,858            | 298,617    |
| Triple-net                                         | 153,152            | 147,451    |
| Outpatient Medical                                 | 132,822            | 129,981    |
| Total                                              | \$ 650,832         | \$ 576,049 |

<sup>(1)</sup> Includes adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.43 and to translate U.K. properties at a GBP/USD rate of 1.23.

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The table below reflects the reconciliation of EBITDA to net income, the most directly comparable U.S. GAAP measure, for the periods presented (dollars in thousands):

|                                 | Three Months Ended |                      |                       |                   |                   |
|---------------------------------|--------------------|----------------------|-----------------------|-------------------|-------------------|
|                                 | March 31,<br>2025  | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024  | March 31,<br>2024 |
| <b>EBITDA Reconciliations:</b>  |                    |                      |                       |                   |                   |
| Net income (loss)               | \$ 257,266         | \$ 123,753           | \$ 456,800            | \$ 260,670        | \$ 131,634        |
| Interest expense                | 144,962            | 154,469              | 139,050               | 133,424           | 147,318           |
| Income tax expense (benefit)    | (5,519)            | 114                  | (4,706)               | 1,101             | 6,191             |
| Depreciation and amortization   | 485,869            | 480,406              | 403,779               | 382,045           | 365,863           |
| EBITDA                          | <u>\$ 882,578</u>  | <u>\$ 758,742</u>    | <u>\$ 994,923</u>     | <u>\$ 777,240</u> | <u>\$ 651,006</u> |
| Interest Coverage Ratio:        |                    |                      |                       |                   |                   |
| Interest expense                | \$ 144,962         | \$ 154,469           | \$ 139,050            | \$ 133,424        | \$ 147,318        |
| Capitalized interest            | 11,520             | 14,160               | 15,668                | 14,478            | 13,809            |
| Non-cash interest expense       | (12,625)           | (15,143)             | (9,008)               | (8,953)           | (9,284)           |
| Total interest                  | <u>143,857</u>     | <u>153,486</u>       | <u>145,710</u>        | <u>138,949</u>    | <u>151,843</u>    |
| EBITDA                          | <u>\$ 882,578</u>  | <u>\$ 758,742</u>    | <u>\$ 994,923</u>     | <u>\$ 777,240</u> | <u>\$ 651,006</u> |
| Interest coverage ratio         | <u>6.14 x</u>      | <u>4.94 x</u>        | <u>6.83 x</u>         | <u>5.59 x</u>     | <u>4.29 x</u>     |
| Fixed Charge Coverage Ratio:    |                    |                      |                       |                   |                   |
| Total interest                  | \$ 143,857         | \$ 153,486           | \$ 145,710            | \$ 138,949        | \$ 151,843        |
| Secured debt principal payments | 14,444             | 14,918               | 10,417                | 10,107            | 11,887            |
| Total fixed charges             | <u>158,301</u>     | <u>168,404</u>       | <u>156,127</u>        | <u>149,056</u>    | <u>163,730</u>    |
| EBITDA                          | <u>\$ 882,578</u>  | <u>\$ 758,742</u>    | <u>\$ 994,923</u>     | <u>\$ 777,240</u> | <u>\$ 651,006</u> |
| Fixed charge coverage ratio     | <u>5.58 x</u>      | <u>4.51 x</u>        | <u>6.37 x</u>         | <u>5.21 x</u>     | <u>3.98 x</u>     |

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The table below reflects the reconciliation of Adjusted EBITDA to net income, the most directly comparable U.S. GAAP measure, for the periods presented (dollars in thousands):

|                                                                                        | Twelve Months Ended |                      |                       |                  |                   |
|----------------------------------------------------------------------------------------|---------------------|----------------------|-----------------------|------------------|-------------------|
|                                                                                        | March 31,<br>2025   | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024 | March 31,<br>2024 |
| <b>Adjusted EBITDA Reconciliations:</b>                                                |                     |                      |                       |                  |                   |
| Net income (loss)                                                                      | \$ 1,098,489        | \$ 972,857           | \$ 937,544            | \$ 615,466       | \$ 461,138        |
| Interest expense                                                                       | 571,905             | 574,261              | 574,366               | 591,848          | 610,761           |
| Income tax expense (benefit)                                                           | (9,010)             | 2,700                | (2,182)               | 7,108            | 9,510             |
| Depreciation and amortization                                                          | 1,752,099           | 1,632,093            | 1,532,417             | 1,467,952        | 1,427,852         |
| EBITDA                                                                                 | 3,413,483           | 3,181,911            | 3,042,145             | 2,682,374        | 2,509,261         |
| Loss (income) from unconsolidated entities                                             | (8,550)             | 496                  | 8,933                 | 8,926            | 54,154            |
| Stock-based compensation expense                                                       | 80,645              | 74,482               | 69,542                | 38,364           | 38,829            |
| Loss (gain) on extinguishment of debt, net                                             | 8,280               | 2,130                | 2,130                 | 1,712            | 8                 |
| Loss (gain) on real estate dispositions and acquisitions of controlling interests, net | (498,681)           | (451,611)            | (441,633)             | (240,469)        | (71,858)          |
| Impairment of assets                                                                   | 101,864             | 92,793               | 84,140                | 68,107           | 66,799            |
| Provision for loan losses, net                                                         | 7,104               | 10,125               | 12,887                | 12,753           | 10,046            |
| Loss (gain) on derivatives and financial instruments, net                              | (28,043)            | (27,887)             | (26,000)              | (13,209)         | (6,104)           |
| Other expenses                                                                         | 117,388             | 117,459              | 119,361               | 137,342          | 99,727            |
| Lease termination and leasehold interest adjustment <sup>(1)</sup>                     | —                   | —                    | —                     | —                | (65,485)          |
| Casualty losses, net of recoveries                                                     | 13,945              | 12,261               | 8,373                 | 6,163            | 7,778             |
| Other impairment <sup>(2)</sup>                                                        | 130,296             | 139,652              | 102,007               | 114,316          | 25,998            |
| Adjusted EBITDA                                                                        | \$ 3,337,731        | \$ 3,151,811         | \$ 2,981,885          | \$ 2,816,379     | \$ 2,669,153      |
| <b>Adjusted Interest Coverage Ratio:</b>                                               |                     |                      |                       |                  |                   |
| Interest expense                                                                       | \$ 571,905          | \$ 574,261           | \$ 574,366            | \$ 591,848       | \$ 610,761        |
| Capitalized interest                                                                   | 55,826              | 58,115               | 58,502                | 56,781           | 54,173            |
| Non-cash interest expense                                                              | (45,729)            | (42,388)             | (33,116)              | (30,824)         | (27,695)          |
| Total interest                                                                         | 582,002             | 589,988              | 599,752               | 617,805          | 637,239           |
| Adjusted EBITDA                                                                        | \$ 3,337,731        | \$ 3,151,811         | \$ 2,981,885          | \$ 2,816,379     | \$ 2,669,153      |
| Adjusted interest coverage ratio                                                       | 5.73 x              | 5.34 x               | 4.97 x                | 4.56 x           | 4.19 x            |
| <b>Adjusted Fixed Charge Coverage Ratio:</b>                                           |                     |                      |                       |                  |                   |
| Total interest                                                                         | \$ 582,002          | \$ 589,988           | \$ 599,752            | \$ 617,805       | \$ 637,239        |
| Secured debt principal payments                                                        | 49,886              | 47,329               | 44,841                | 47,289           | 51,021            |
| Total fixed charges                                                                    | 631,888             | 637,317              | 644,593               | 665,094          | 688,260           |
| Adjusted EBITDA                                                                        | \$ 3,337,731        | \$ 3,151,811         | \$ 2,981,885          | \$ 2,816,379     | \$ 2,669,153      |
| Adjusted fixed charge coverage ratio                                                   | 5.28 x              | 4.95 x               | 4.63 x                | 4.23 x           | 3.88 x            |

<sup>(1)</sup> Primarily relates to the derecognition of leasehold interests and the gain recognized in other income.

<sup>(2)</sup> Represents the write-off of straight-line rent receivable and unamortized lease incentive balances relating to leases placed on cash recognition.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Our leverage ratios include book capitalization, undepreciated book capitalization and enterprise value. Book capitalization represents the sum of net debt (defined as total long-term debt excluding operating lease liabilities less cash and cash equivalents and restricted cash), total equity and redeemable noncontrolling interests. Undepreciated book capitalization represents book capitalization adjusted for accumulated depreciation and amortization. Enterprise value represents book capitalization adjusted for the fair market value of our common stock. Our leverage ratios are defined as the proportion of net debt to total capitalization.

The table below reflects the reconciliation of our leverage ratios to our balance sheets for the periods presented. Amounts are in thousands, except share price.

|                                                          | As of             |                      |                       |                  |                   |
|----------------------------------------------------------|-------------------|----------------------|-----------------------|------------------|-------------------|
|                                                          | March 31,<br>2025 | December 31,<br>2024 | September 30,<br>2024 | June 30,<br>2024 | March 31,<br>2024 |
| <b>Book capitalization:</b>                              |                   |                      |                       |                  |                   |
| Unsecured credit facility and commercial paper           | \$ —              | \$ —                 | \$ —                  | \$ —             | \$ —              |
| Long-term debt obligations <sup>(1)</sup>                | 15,831,799        | 15,608,294           | 15,854,937            | 14,027,128       | 14,285,686        |
| Cash and cash equivalents and restricted cash            | (3,610,285)       | (3,711,457)          | (3,784,408)           | (2,863,598)      | (2,478,335)       |
| Total net debt                                           | 12,221,514        | 11,896,837           | 12,070,529            | 11,163,530       | 11,807,351        |
| Total equity and noncontrolling interests <sup>(2)</sup> | 34,581,977        | 32,572,586           | 31,064,003            | 29,688,579       | 28,547,908        |
| Book capitalization                                      | \$ 46,803,491     | \$ 44,469,423        | \$ 43,134,532         | \$ 40,852,109    | \$ 40,355,259     |
| Net debt to book capitalization ratio                    | 26%               | 27%                  | 28%                   | 27%              | 29%               |
| <b>Undepreciated book capitalization:</b>                |                   |                      |                       |                  |                   |
| Total net debt                                           | \$ 12,221,514     | \$ 11,896,837        | \$ 12,070,529         | \$ 11,163,530    | \$ 11,807,351     |
| Accumulated depreciation and amortization                | 11,092,885        | 10,626,263           | 10,276,509            | 9,908,007        | 9,537,562         |
| Total equity and noncontrolling interests <sup>(2)</sup> | 34,581,977        | 32,572,586           | 31,064,003            | 29,688,579       | 28,547,908        |
| Undepreciated book capitalization                        | \$ 57,896,376     | \$ 55,095,686        | \$ 53,411,041         | \$ 50,760,116    | \$ 49,892,821     |
| Net debt to undepreciated book capitalization ratio      | 21%               | 22%                  | 23%                   | 22%              | 24%               |
| <b>Enterprise value:</b>                                 |                   |                      |                       |                  |                   |
| Common shares outstanding                                | 651,889           | 635,289              | 618,396               | 608,151          | 590,934           |
| Period end share price                                   | \$ 153.21         | \$ 126.03            | \$ 128.03             | \$ 104.25        | \$ 93.44          |
| Common equity market capitalization                      | \$ 99,875,914     | \$ 80,065,473        | \$ 79,173,240         | \$ 63,399,742    | \$ 55,216,873     |
| Total net debt                                           | 12,221,514        | 11,896,837           | 12,070,529            | 11,163,530       | 11,807,351        |
| Noncontrolling interests <sup>(2)</sup>                  | 625,218           | 616,378              | 729,722               | 712,153          | 999,965           |
| Consolidated enterprise value                            | \$ 112,722,646    | \$ 92,578,688        | \$ 91,973,491         | \$ 75,275,425    | \$ 68,024,189     |
| Net debt to consolidated enterprise value ratio          | 11%               | 13%                  | 13%                   | 15%              | 17%               |

<sup>(1)</sup> Amounts include senior unsecured notes, secured debt and lease liabilities related to financing leases, as reflected on our Consolidated Balance Sheets. Operating lease liabilities related to ASC 842 are excluded.

<sup>(2)</sup> Includes amounts attributable to both redeemable noncontrolling interests and noncontrolling interests as reflected on our Consolidated Balance Sheets.

### Critical Accounting Policies and Estimates

Our unaudited consolidated financial statements are prepared in accordance with U.S. GAAP, which requires us to make estimates and assumptions. Management considers an accounting estimate or assumption critical if:

- the nature of the estimates or assumptions is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change; and
- the impact of the estimates and assumptions on financial condition or operating performance is material.

Management has discussed the development and selection of its critical accounting policies and estimates with the Audit Committee of the Board of Directors. Management believes the current assumptions and other considerations used to estimate amounts reflected in our unaudited consolidated financial statements are appropriate and are not reasonably likely to change in the future. However, since these estimates require assumptions to be made that were uncertain at the time the estimate was made, they bear the risk of change. If actual experience differs from the assumptions and other considerations used in estimating amounts reflected in our unaudited consolidated financial statements, the resulting changes could have a material adverse effect on our consolidated results of operations, liquidity and/or financial condition. Please refer to Note 2 to our financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2024 for further information on significant accounting policies that impact us. There have been no material changes to these policies in 2025.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

### **Cautionary Statement Regarding Forward-Looking Statements**

This Quarterly Report on Form 10-Q may contain "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 healthcare 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 healthcare 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. Other important factors are identified in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, including factors identified under the headings "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Finally, 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.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We are exposed to various market risks, including the potential loss arising from adverse changes in interest rates and foreign currency exchange rates. We seek to mitigate the underlying foreign currency exposures with gains and losses on derivative contracts hedging these exposures. We seek to mitigate the effects of fluctuations in interest rates by matching the terms of new investments with new long-term fixed rate borrowings to the extent possible. We may or may not elect to use financial derivative instruments to hedge interest rate exposure. These decisions are principally based on our policy to match our variable rate investments with comparable borrowings, but are also based on the general trend in interest rates at the applicable dates and our perception of the future volatility of interest rates. This section is presented to provide a discussion of the risks associated with potential fluctuations in interest rates and foreign currency exchange rates. For more information, see Notes 12 and 17 to our consolidated financial statements.

We historically borrow on our unsecured revolving credit facility and commercial paper program to acquire, construct or make loans relating to healthcare and seniors housing properties. Then, as market conditions dictate, we will issue equity or long-term fixed rate debt to repay the borrowings under our unsecured revolving credit facility and commercial paper program. We are subject to risks associated with debt financing, including the risk that existing indebtedness may not be refinanced or that the terms of refinancing may not be as favorable as the terms of current indebtedness. The majority of our borrowings were completed under indentures or contractual agreements that limit the amount of indebtedness we may incur. Accordingly, in the event that we are unable to raise additional equity or borrow money because of these limitations, our ability to acquire additional properties may be limited.

A change in interest rates will not affect the interest expense associated with our fixed rate debt. Interest rate changes, however, will affect the fair value of our fixed rate debt. Changes in the interest rate environment upon maturity of this fixed rate debt could have an effect on our future cash flows and earnings, depending on whether the debt is replaced with other fixed rate debt, variable rate debt or equity or repaid by the sale of assets. To illustrate the impact of changes in the interest rate markets, we performed a sensitivity analysis on our fixed rate debt instruments after considering the effects of interest rate swaps, whereby we modeled the change in net present values arising from a hypothetical 1% increase in interest rates to determine the instruments' change in fair value. The following table summarizes the analysis performed as of the dates indicated (in thousands):

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

|                        | March 31, 2025       |                      | December 31, 2024    |                      |
|------------------------|----------------------|----------------------|----------------------|----------------------|
|                        | Principal balance    | Change in fair value | Principal balance    | Change in fair value |
| Senior unsecured notes | \$ 12,182,280        | \$ (506,702)         | \$ 12,142,890        | \$ (471,517)         |
| Secured debt           | 2,413,920            | (110,515)            | 2,225,542            | (94,922)             |
| Totals                 | <u>\$ 14,596,200</u> | <u>\$ (617,217)</u>  | <u>\$ 14,368,432</u> | <u>\$ (566,439)</u>  |

Our variable rate debt, including our unsecured revolving credit facility and commercial paper program, is reflected at fair value. At March 31, 2025, we had \$1,422,100,000 outstanding related to our variable rate debt after considering the effects of interest rate swaps. Assuming no changes in outstanding balances, a 1% increase in interest rates would result in increased annual interest expense of \$14,221,000. At December 31, 2024, we had \$1,425,256,000 outstanding under our variable rate debt. Assuming no changes in outstanding balances, a 1% increase in interest rates would have resulted in increased annual interest expense of \$14,253,000.

We are subject to currency fluctuations that may, from time to time, affect our financial condition and results of operations. Increases or decreases in the value of the Canadian Dollar or British Pounds Sterling relative to the U.S. Dollar impact the amount of net income we earn from our investments in Canada and the United Kingdom. Based solely on our results for the three months ended March 31, 2025, including the impact of existing hedging arrangements, if these exchange rates were to increase or decrease by 10%, our annualized net income from these investments would increase or decrease, as applicable, by less than \$16,000,000. We will continue to mitigate these underlying foreign currency exposures with non-U.S. denominated borrowings and gains and losses on derivative contracts. If we increase our international presence through investments in, or acquisitions or development of, seniors housing and healthcare properties outside the U.S., we may also decide to transact additional business or borrow funds in currencies other than U.S. Dollars, Canadian Dollars or British Pounds Sterling.

We have entered into various foreign currency debt obligations. As of March 31, 2025, the total principal amount of foreign currency debt obligations was \$2,578,244,000, including \$1,353,660,000 denominated in British Pounds Sterling and \$1,224,584,000 denominated in Canadian Dollars. Fluctuations in the exchange rates between these foreign currencies and the U.S. Dollar will impact the amount of U.S. Dollars that we will require to settle the foreign currency debt obligations at maturity. If the U.S. Dollar would have been weaker or stronger by 1% in comparison to these foreign currencies as of March 31, 2025, we estimate our obligation to cash settle the principal of these foreign currency debt obligations in U.S. Dollars would have increased or decreased by approximately \$25,782,000.

We are also party to cross-currency interest rate swaps. As of March 31, 2025, the total notional amount of cross-currency interest rate swap contracts was \$6,574,817,000, including \$2,553,528,000 denominated in British Pounds Sterling and \$4,021,289,000 denominated in Canadian Dollars. If the U.S. Dollar weakened or strengthened by 1% in comparison to foreign currencies, we estimate our obligation to cash settle these hedges would have increased or decreased by approximately \$65,748,000.

For additional information regarding fair values of financial instruments, see "Item 2 — Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies" and Notes 12 and 17 to our unaudited consolidated financial statements.

**Item 4. Controls and Procedures**

Our management, under the supervision and with the participation of our Chief Executive Officer and Co-President and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, the Chief Executive Officer and the Co-President and Chief Financial Officer have concluded that our disclosure controls and procedures are effective in providing reasonable assurance that information required to be disclosed by us in the reports we file with or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. No changes in our internal control over financial reporting occurred during the fiscal quarter covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings

From time to time, there are various legal proceedings pending against us that arise in the ordinary course of our business. Management does not believe that the resolution of any of these legal proceedings either individually or in the aggregate will have a material adverse effect on our business, results of operations or financial condition. Further, from time to time, we are party to certain legal proceedings for which third parties, such as tenants, operators and/or managers are contractually obligated to indemnify, defend and hold us harmless. In some of these matters, the indemnitors have insurance for the potential damages. In other matters, we are being defended by tenants and other obligated third parties and these indemnitors may not have sufficient insurance, assets, income or resources to satisfy their defense and indemnification obligations to us. The unfavorable resolution of such legal proceedings could, individually or in the aggregate, materially adversely affect the indemnitors' ability to satisfy their respective obligations to us, which, in turn, could have a material adverse effect on our business, results of operations or financial condition. It is management's opinion that there are currently no such legal proceedings pending that will, individually or in the aggregate, have such a material adverse effect. Despite management's view of the ultimate resolution of these legal proceedings, we may have significant legal expenses and costs associated with the defense of such matters. Further, management cannot predict the outcome of these legal proceedings and if management's expectation regarding such matters is not correct, such proceedings could have a material adverse effect on our business, results of operations or financial condition.

### Item 1A. Risk Factors

There have been no material changes from the risk factors identified under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the three months ended March 31, 2025, we acquired shares of our common stock held by employees who tendered shares to satisfy tax withholding obligations upon the vesting of previously issued restricted stock awards. Specifically, the number of shares of common stock acquired from employees and the average prices paid per share for each month in the three months ended March 31, 2025 are as shown in the table below.

| Issuer Purchases of Equity Securities      |                                  |                              |                                                                                   |                                                                                       |
|--------------------------------------------|----------------------------------|------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Period                                     | Total Number of Shares Purchased | Average Price Paid Per Share | Total Number of Shares Purchased as Part of Publicly Announced Repurchase Program | Maximum Dollar Value of Shares that May Yet Be Purchased Under the Repurchase Program |
| January 1, 2025 through January 31, 2025   | 15,283                           | \$ 127.26                    | —                                                                                 | \$ 3,000,000,000                                                                      |
| February 1, 2025 through February 28, 2025 | 26,525                           | 150.73                       | —                                                                                 | 3,000,000,000                                                                         |
| March 1, 2025 through March 31, 2025       | 1,280                            | 138.18                       | —                                                                                 | 3,000,000,000                                                                         |
| Totals                                     | 43,088                           | \$ 142.03                    | —                                                                                 | \$ 3,000,000,000                                                                      |

Under the terms of various partnership agreements of certain of our affiliated limited partnerships, the interest of limited partners may be redeemed, subject to certain conditions, for cash or common shares, at our option. During the three months ended March 31, 2025, we redeemed 554,681 OP Units for common shares.

On November 7, 2022, our Board of Directors approved a share repurchase program for up to \$3,000,000,000 of common stock (the "Stock Repurchase Program"). Under the Stock Repurchase Program, we are not required to purchase shares but may choose to do so in the open market or through privately-negotiated transactions, through block trades, by effecting a tender offer, by way of an accelerated share repurchase program, through the purchase of call options or the sale of put options, or otherwise, or by any combination of the foregoing. We expect to finance any share repurchases using available cash and may use proceeds from borrowings or debt offerings. The Stock Repurchase Program has no expiration date and does not obligate us to repurchase any specific number of shares. We did not repurchase any shares of our common stock through the Stock Repurchase Program during the three months ended March 31, 2025.

### Item 5. Other Information

#### (c) Trading Plans

During the three months ended March 31, 2025, no director or Section 16 officer adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

**Item 6. Exhibits**

|         |                                                                                                                                                                                                                                                                                               |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10.1    | <a href="#"><u>Welltower Inc. 2025-2027 Long-Term Incentive Program.*</u></a>                                                                                                                                                                                                                 |
| 10.2    | <a href="#"><u>Form of Welltower Inc. 2025-2027 LTIP Form Award Agreement.*</u></a>                                                                                                                                                                                                           |
| 10.3    | <a href="#"><u>Form of Welltower OP LLC Profits Interests Plan Option Unit Agreement.*</u></a>                                                                                                                                                                                                |
| 10.4    | <a href="#"><u>Form of Welltower Inc. 2022 Long-Term Incentive Plan Restricted Stock Unit Grant Agreement.*</u></a>                                                                                                                                                                           |
| 10.5    | Summary of Director Compensation (filed with the SEC as Exhibit 10.3 to the Company's Annual Report on Form 10-K filed February 12, 2025 and incorporated by reference herein).*                                                                                                              |
| 10.6    | Equity Distribution Agreement, dated as of March 28, 2025, among Welltower Inc., Welltower OP LLC, the sales agents named therein and the related forward purchasers (filed with the SEC as Exhibit 1.1 to the Company's Form 8-K filed March 28, 2025 and incorporated by reference herein). |
| 31.1    | <a href="#"><u>Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer.</u></a>                                                                                                                                                                                                     |
| 31.2    | <a href="#"><u>Rule 13a-14(a)/15d-14(a) Certification of Co-President and Chief Financial Officer.</u></a>                                                                                                                                                                                    |
| 32.1    | <a href="#"><u>Certification pursuant to 18 U.S.C. Section 1350 by Chief Executive Officer.</u></a>                                                                                                                                                                                           |
| 32.2    | <a href="#"><u>Certification pursuant to 18 U.S.C. Section 1350 by Co-President and Chief Financial Officer.</u></a>                                                                                                                                                                          |
| 101.INS | XBRL Instance Document. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.                                                                                                                                |
| 101.SCH | XBRL Taxonomy Extension Schema Document                                                                                                                                                                                                                                                       |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document                                                                                                                                                                                                                                         |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document                                                                                                                                                                                                                                               |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document                                                                                                                                                                                                                                        |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document                                                                                                                                                                                                                                          |
| 104     | The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL                                                                                                                                                                |

\* Management contract or Compensatory Plan or Arrangement.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the under signed thereunto duly authorized.

### WELLTOWER INC.

|       |                |                                                                                                                                     |
|-------|----------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Date: | April 29, 2025 | By: <u>/s/ SHANKH MITRA</u><br>Shankh Mitra,<br>Chief Executive Officer<br>(Principal Executive Officer)                            |
| Date: | April 29, 2025 | By: <u>/s/ TIMOTHY G. MCHUGH</u><br>Timothy G. McHugh,<br>Co-President and Chief Financial Officer<br>(Principal Financial Officer) |
| Date: | April 29, 2025 | By: <u>/s/ JOSHUA T. FIEWEGER</u><br>Joshua T. Fieweger,<br>Chief Accounting Officer<br>(Principal Accounting Officer)              |