

# NON-GAAP FINANCIAL MEASURES

*Quarter Ended June 30, 2021*

**welltower**



# NON-GAAP FINANCIAL MEASURES

We believe that revenues, net income and net income attributable to common stockholders ("NICS"), as defined by U.S. generally accepted accounting principles ("U.S. GAAP"), are the most appropriate earnings measurements. However, we consider Net Operating Income ("NOI"), In-Place NOI ("IPNOI"), Same Store NOI ("SSNOI"), Revenues per Occupied Room ("REVPOR"), Same Store REVPOR ("SS REVPOR"), Funds From Operations attributable to common stockholders ("FFO"), Normalized FFO, EBITDA and Adjusted EBITDA to be useful supplemental measures of our operating performance. Excluding EBITDA and Adjusted EBITDA, these supplemental measures are disclosed on our pro rata ownership basis. Pro rata amounts are derived by reducing consolidated amounts for minority partners' noncontrolling ownership interests and adding our minority ownership share of unconsolidated amounts. We do not control unconsolidated investments. While we consider pro rata disclosures useful, they may not accurately depict the legal and economic implications of our joint venture arrangements and should be used with caution.

Our supplemental reporting measures and similarly entitled financial measures are widely used by investors, equity and debt analysts and rating agencies in the valuation, comparison, rating and investment recommendations of companies. Our management uses these financial measures to facilitate internal and external comparisons to historical operating results and in making operating decisions. Additionally, these measures are utilized by the Board of Directors to evaluate management. None of the supplemental reporting measures represent net income or cash flow provided from operating activities as determined in accordance with U.S. GAAP and should not be considered as alternative measures of profitability or liquidity. Finally, the supplemental reporting measures, as defined by us, may not be comparable to similarly entitled items reported by other real estate investment trusts or other companies. Multi-period amounts may not equal the sum of the individual quarterly amounts due to rounding.

The information in this supplemental information package should be read in conjunction with our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, earnings press releases/supplements and other information filed with, or furnished to, the Securities and Exchange Commission ("SEC").



# FFO and Normalized FFO

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

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

# FFO QUARTERLY RECONCILIATIONS

(in thousands, except per share information)

	Three Months Ended				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Net income (loss) attributable to common stockholders	\$ 179,246	\$ 325,585	\$ 163,729	\$ 71,546	\$ 26,257
Depreciation and amortization	265,371	255,532	242,733	244,426	240,885
Impairments and losses (gains) on real estate dispositions, net	(80,712)	(460,991)	(176,147)	(35,512)	(20,976)
Noncontrolling interests <sup>(1)</sup>	(42,539)	48,559	(20,579)	(12,516)	(16,591)
Unconsolidated entities <sup>(2)</sup>	14,231	16,329	16,091	19,223	19,265
NAREIT FFO attributable to common stockholders	335,597	185,014	225,827	287,167	248,840
Normalizing items:					
Loss (gain) on derivatives and financial instruments, net	1,434	1,395	569	1,934	(359)
Loss (gain) on extinguishment of debt, net	249	33,004	13,796	(4,643)	55,612
Provision for loan losses	1,422	2,857	83,085	1,383	6,197
Nonrecurring income tax benefits	—	—	—	—	(6,298)
Other impairment	1,842	112,398	—	49,241	—
Other expenses	19,411	11,544	33,088	10,994	11,687
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	1,000	6,399	(5,070)	(12,164)	14,568
Normalized FFO attributable to common stockholders	\$ 360,955	\$ 352,611	\$ 351,295	\$ 333,912	\$ 330,247
Average common shares outstanding:					
Basic	417,084	417,027	417,123	417,241	417,452
Diluted	419,121	418,987	418,753	419,079	419,305
Net income (loss) attributable to common stockholders per share:					
Basic	\$ 0.43	\$ 0.78	\$ 0.39	\$ 0.17	\$ 0.06
Diluted <sup>(3)</sup>	\$ 0.42	\$ 0.77	\$ 0.39	\$ 0.17	\$ 0.06
NAREIT FFO attributable to common stockholders per share:					
Diluted	\$ 0.80	\$ 0.44	\$ 0.54	\$ 0.69	\$ 0.59
Normalized FFO attributable to common stockholders per share:					
Diluted	\$ 0.86	\$ 0.84	\$ 0.84	\$ 0.80	\$ 0.79
NAREIT FFO Payout Ratio:					
Dividends per common share	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61
NAREIT FFO attributable to common stockholders per diluted share	\$ 0.80	\$ 0.44	\$ 0.54	\$ 0.69	\$ 0.59
NAREIT FFO Payout Ratio	76 %	139 %	113 %	88 %	103 %
Normalized FFO Payout Ratio:					
Dividends per common share	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61	\$ 0.61
Normalized FFO attributable to common stockholders per diluted share	\$ 0.86	\$ 0.84	\$ 0.84	\$ 0.80	\$ 0.79
Normalized FFO Payout Ratio	71 %	73 %	73 %	76 %	77 %
Other items: <sup>(4)</sup>					
Net straight-line rent and above/below market rent amortization <sup>(5)</sup>	\$ (25,627)	\$ (18,729)	\$ (21,640)	\$ (18,134)	\$ (20,729)
Non-cash interest expenses <sup>(6)</sup>	2,275	4,339	2,108	3,635	4,714
Recurring cap-ex, tenant improvements, and lease commissions	(17,579)	(19,443)	(21,634)	(11,433)	(20,426)
Stock-based compensation <sup>(7)</sup>	6,892	6,565	1,875	5,381	4,129

(1) Represents noncontrolling interests' share of net FFO adjustments.

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

(3) Includes adjustment to the numerator for income (loss) attributable to OP unitholders.

(4) Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.

(5) Excludes normalized other impairment.

(6) Excludes normalized incremental interest expense.

(7) Excludes certain severance related stock-based compensation recorded in other expense.

# FFO YEAR-TO-DATE RECONCILIATIONS

(in thousands, except per share information)

	Six Months Ended	
	June 30, 2020	June 30, 2021
Net income (loss) attributable to common stockholders	\$ 489,530	\$ 97,803
Depreciation and amortization	540,172	485,311
Impairments and losses (gains) on real estate dispositions, net	(315,709)	(56,488)
Noncontrolling interests <sup>(1)</sup>	(51,948)	(29,107)
Unconsolidated entities <sup>(2)</sup>	29,676	38,488
NAREIT FFO attributable to common stockholders	691,721	536,007
Normalizing items:		
Loss (gain) on derivatives and financial instruments, net	9,085	1,575
Loss (gain) on extinguishment of debt, net	249	50,969
Provision for loan losses	8,494	7,580
Preferred stock redemption charge	—	(6,298)
Incremental interest expense	5,871	—
Other impairment	34,110	49,241
Other expenses	25,703	22,681
Normalizing items attributable to noncontrolling interests and unconsolidated entities, net	5,041	2,404
Normalized FFO attributable to common stockholders	\$ 780,274	\$ 664,159
Average common shares outstanding:		
Basic	413,696	417,360
Diluted	415,775	419,205
Net income (loss) attributable to common stockholders per share:		
Basic	\$ 1.18	\$ 0.23
Diluted <sup>(3)</sup>	\$ 1.17	\$ 0.23
NAREIT FFO attributable to common stockholders per share:		
Diluted	\$ 1.66	\$ 1.28
Normalized FFO attributable to common stockholders per share:		
Diluted	\$ 1.88	\$ 1.58
NAREIT FFO Payout Ratio:		
Dividends per common share	\$ 1.48	\$ 1.22
NAREIT FFO attributable to common stockholders per diluted share	\$ 1.66	\$ 1.28
NAREIT FFO Payout Ratio	89 %	95 %
Normalized FFO Payout Ratio:		
Dividends per common share	\$ 1.48	\$ 1.22
Normalized FFO attributable to common stockholders per diluted share	\$ 1.88	\$ 1.58
Normalized FFO Payout Ratio	79 %	77 %
Other Items: <sup>(4)</sup>		
Net straight-line rent and above/below market rent amortization <sup>(5)</sup>	\$ (50,557)	\$ (38,863)
Non-cash interest expenses <sup>(6)</sup>	5,098	8,349
Recurring cap-ex, tenant improvements, and lease commissions	(40,195)	(31,859)
Stock-based compensation <sup>(7)</sup>	13,714	9,510

(1) Represents noncontrolling interests' share of net FFO adjustments.

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

(3) Includes adjustment to the numerator for income (loss) attributable to OP unitholders.

(4) Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.

(5) Excludes normalized other impairment.

(6) Excludes normalized incremental interest expense.

(7) Excludes certain severance related stock-based compensation recorded in other expense.

# Earnings Outlook Reconciliation

## Outlook Reconciliations: Quarter Ending September 30, 2021

(in millions, except per share data)

	Current Outlook	
	Low	High
<u>FFO Reconciliation:</u>		
Net income attributable to common stockholders	\$ 191	\$ 212
Impairments and losses (gains) on real estate dispositions, net <sup>(1,2)</sup>	(120)	(120)
Depreciation and amortization <sup>(1)</sup>	267	267
NAREIT FFO and Normalized FFO attributable to common stockholders	\$ 338	\$ 359
Diluted per share data attributable to common stockholders:		
Net income	\$ 0.44	\$ 0.49
NAREIT FFO and Normalized FFO	\$ 0.78	\$ 0.83
Other items: <sup>(1)</sup>		
Net straight-line rent and above/below market rent amortization	\$ (20)	\$ (20)
Non-cash interest expenses	5	5
Recurring cap-ex, tenant improvements, and lease commissions	(30)	(30)
Stock-based compensation	5	5

(1) Amounts presented net of noncontrolling interests' share and Welltower's share of unconsolidated entities.

(2) Includes estimated gains on expected dispositions.

# NOI, IPNOI, SSNOI, REVPOR AND SS REVPOR

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

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

SSNOI is used to evaluate the operating performance of our properties using a consistent population which controls for changes in the composition of our portfolio. As used herein, same store is generally defined as those revenue-generating properties in the portfolio for the relevant year-over-year reporting periods. Acquisitions and development conversions are included in the same store amounts five full quarters after acquisition or being placed into service. Land parcels, loans and sub-leases, as well as any properties sold or classified as held for sale during the period, are excluded from the same store amounts. Redeveloped properties (including major refurbishments of a Seniors Housing Operating property where 20% or more of units are simultaneously taken out of commission for 30 days or more or Outpatient Medical properties undergoing a change in intended use) are excluded from the same store amounts until five full quarters post completion of the redevelopment. Properties undergoing operator transitions and/or segment transitions are also excluded from the same store amounts until five full quarters post completion of the operator transition or segment transition. In addition, properties significantly impacted by force majeure, acts of God or other extraordinary adverse events are excluded from same store amounts until five full quarters after the properties are placed back into service. SSNOI excludes non-cash NOI and includes adjustments to present consistent property ownership percentages and to translate Canadian properties and UK properties using a consistent exchange rate. Normalizers include adjustments that in management's opinion are appropriate in considering SSNOI, a supplemental, non-GAAP performance measure. None of these adjustments, which may increase or decrease SSNOI, are reflected in our financial statements prepared in accordance with U.S. GAAP. Significant normalizers (defined as any that individually exceed 0.50% of SSNOI growth per property type) are separately disclosed and explained in the relevant supplemental reporting package. We believe NOI, IPNOI and SSNOI provide investors relevant and useful information because they measure the operating performance of our properties at the property level on an unleveraged basis. We use NOI, IPNOI and SSNOI to make decisions about resource allocations and to assess the property level performance of our properties.

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

# NOI QUARTERLY RECONCILIATIONS

(dollars in thousands)

	Three Months Ended				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Net income (loss)	\$ 159,216	\$ 394,978	\$ 155,278	\$ 72,192	\$ 45,757
Loss (gain) on real estate dispositions, net	(155,863)	(484,304)	(185,464)	(59,080)	(44,668)
Loss (income) from unconsolidated entities	(1,332)	5,981	(258)	(13,049)	7,976
Income tax expense (benefit)	2,233	2,003	290	3,943	(2,221)
Other expenses	19,411	11,544	33,088	10,994	11,687
Impairment of assets	75,151	23,313	9,317	23,568	23,692
Provision for loan losses	1,422	2,857	83,085	1,383	6,197
Loss (gain) on extinguishment of debt, net	249	33,004	13,796	(4,643)	55,612
Loss (gain) on derivatives and financial instruments, net	1,434	1,395	569	1,934	(359)
General and administrative expenses	34,062	31,003	27,848	29,926	31,436
Depreciation and amortization	265,371	255,532	242,733	244,426	240,885
Interest expense	126,357	124,851	121,173	123,142	122,341
Consolidated net operating income	527,711	402,157	501,455	434,736	498,335
NOI attributable to unconsolidated investments <sup>(1)</sup>	20,871	13,659	21,481	21,516	21,180
NOI attributable to noncontrolling interests <sup>(2)</sup>	(30,369)	(28,024)	(25,950)	(20,827)	(43,786)
Pro rata net operating income (NOI) <sup>(3)</sup>	\$ 518,213	\$ 387,792	\$ 496,986	\$ 435,425	\$ 475,729
Pro rata NOI:					
Seniors Housing Operating	\$ 179,544	\$ 175,378	\$ 163,574	\$ 172,060	\$ 143,751
Seniors Housing Triple-net	110,361	92,701	114,760	57,143	130,983
Outpatient Medical	127,840	118,421	116,448	109,398	114,330
Health System	42,426	42,425	42,425	42,425	46,500
Long-Term/Post-Acute Care	57,789	(42,381)	58,347	52,924	39,667
Corporate	253	1,248	1,432	1,475	498
Pro rata NOI <sup>(3)</sup>	\$ 518,213	\$ 387,792	\$ 496,986	\$ 435,425	\$ 475,729

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

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

(3) Represents Welltower's pro rata share of NOI. Includes amounts from investments sold or held for sale. NOI related to DownREITs included at 100%.



# NOI YEAR-TO-DATE RECONCILIATIONS

(dollars in thousands)

	<b>Six Months Ended</b>	
	<b>June 30, 2020</b>	<b>June 30, 2021</b>
Net income	\$ 488,596	\$ 117,949
Loss (gain) on real estate dispositions, net	(418,687)	(103,748)
Loss (income) from unconsolidated entities	2,360	(5,073)
Income tax expense (benefit)	7,675	1,722
Other expenses	25,703	22,681
Impairment of assets	102,978	47,260
Provision for loan losses	8,494	7,580
Loss (gain) on extinguishment of debt, net	249	50,969
Loss (gain) on derivatives and financial instruments, net	9,085	1,575
General and administrative expenses	69,543	61,362
Depreciation and amortization	540,172	485,311
Interest expense	268,364	245,483
Consolidated net operating income	1,104,532	933,071
NOI attributable to unconsolidated investments <sup>(1)</sup>	42,021	42,696
NOI attributable to noncontrolling interests <sup>(2)</sup>	(68,386)	(64,511)
Pro rata net operating income (NOI) <sup>(3)</sup>	\$ 1,078,167	\$ 911,256
Pro rata NOI:		
Seniors Housing Operating	\$ 419,001	\$ 315,811
Seniors Housing Triple-net	194,376	188,126
Outpatient Medical	263,266	223,728
Health System	85,224	88,925
Long-Term/Post-Acute Care	115,753	92,591
Corporate	547	1,973
Pro rata NOI <sup>(3)</sup>	\$ 1,078,167	\$ 911,154

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

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

(3) Represents Welltower's pro rata share of NOI. Includes amounts from investments sold or held for sale. NOI related to DownREITs included at 100%

# CURRENT QUARTER SSNOI BY SEGMENT

(dollars in thousands at Welltower pro rata ownership)

	2Q20	3Q20	4Q20	1Q21	2Q21	Y/o/Y
<b>Seniors Housing Operating</b>						
NOI	\$ 179,544	\$ 175,378	\$ 163,574	\$ 172,060	\$ 143,751	
Non-cash NOI on same store properties	(957)	(1,015)	(349)	(821)	12,338	
NOI attributable to non-same store properties	(12,476)	(9,401)	(4,515)	(13,026)	(7,405)	
Currency and ownership adjustments <sup>(1)</sup>	3,894	2,553	1,662	80	(1,127)	
Normalizing adjustment for government grants <sup>(2)</sup>	—	—	(12,350)	(33,701)	(9,327)	
Normalizing adjustment for management fee reduction <sup>(3)</sup>	—	—	—	—	(2,058)	
Normalizing adjustment for prior period allowance <sup>(4)</sup>	—	—	—	—	1,527	
Normalizing adjustment for casualty related expenses, net <sup>(5)</sup>	—	—	—	—	1,192	
Normalizing adjustment for policy change <sup>(6)</sup>	(1,596)	(991)	(358)	—	—	
Other normalizing adjustments <sup>(7)</sup>	(333)	—	—	—	(356)	
SSNOI <sup>(8)</sup>	168,076	166,524	147,664	124,592	138,535	(17.6)%
<b>Seniors Housing Triple-net</b>						
NOI	110,361	92,701	114,760	57,143	130,983	
Non-cash NOI on same store properties	(4,100)	17,006	(3,158)	42,439	(1,383)	
NOI attributable to non-same store properties	(23,111)	(26,649)	(28,521)	(18,970)	(43,056)	
Currency and ownership adjustments <sup>(1)</sup>	1,854	1,175	793	9	(258)	
Normalizing adjustment for prior period allowance <sup>(4)</sup>	1,243	—	—	3,185	(3,185)	
Normalizing adjustments for lease restructuring <sup>(9)</sup>	(871)	(65)	(873)	—	—	
SSNOI	85,376	84,168	83,001	83,806	83,101	(2.7)%
<b>Outpatient Medical</b>						
NOI	127,840	118,421	116,448	109,398	114,330	
Non-cash NOI on same store properties	(3,486)	(3,497)	(2,921)	(2,529)	(2,533)	
NOI attributable to non-same store properties	(15,841)	(8,078)	(7,698)	(5,708)	(11,961)	
Currency and ownership adjustments <sup>(1)</sup>	(10,669)	(10,063)	(5,706)	(1,151)	(67)	
Normalizing adjustment for lease termination fees <sup>(10)</sup>	(626)	—	—	—	(139)	
Other normalizing adjustments <sup>(7)</sup>	61	136	(223)	(132)	(189)	
SSNOI	97,279	96,919	99,900	99,878	99,441	2.2%
<b>Health System</b>						
NOI	42,426	42,425	42,425	42,425	46,500	
Non-cash NOI on same store properties	(6,200)	(5,585)	(5,278)	(5,278)	(5,278)	
NOI attributable to non-same store properties	(1,319)	(1,293)	(1,280)	(1,281)	(5,356)	
SSNOI	34,907	35,547	35,867	35,866	35,866	2.7%
<b>Long-Term/Post-Acute Care</b>						
NOI	57,789	(42,381)	58,347	52,924	39,667	
Non-cash NOI on same store properties	(1,529)	4,945	(1,150)	(326)	(950)	
NOI attributable to non-same store properties	(33,937)	59,861	(34,685)	(30,436)	(16,445)	
Currency and ownership adjustments <sup>(1)</sup>	149	87	49	—	(55)	
Other normalizing adjustments <sup>(7)</sup>	—	—	—	166	—	
SSNOI	22,472	22,512	22,561	22,328	22,217	(1.1)%
<b>Corporate</b>						
NOI	253	1,248	1,432	1,475	498	
NOI attributable to non-same store properties	(253)	(1,248)	(1,432)	(1,475)	(498)	
SSNOI	—	—	—	—	—	
<b>Total</b>						
NOI	518,213	387,792	496,986	435,425	475,729	
Non-cash NOI on same store properties	(16,272)	11,854	(12,856)	33,485	2,194	
NOI attributable to non-same store properties	(86,937)	13,192	(78,131)	(70,896)	(84,721)	
Currency and ownership adjustments <sup>(1)</sup>	(4,772)	(6,248)	(3,202)	(1,062)	(1,507)	
Normalizing adjustments, net	(2,122)	(920)	(13,804)	(30,482)	(12,535)	
SSNOI	\$ 408,110	\$ 405,670	\$ 388,993	\$ 366,470	\$ 379,160	(7.1)%

(1) Includes adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2658 and to translate UK properties at a GBP/USD rate of 1.38.

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

(3) Represents normalizing adjustment related to a management fee reduction for one Seniors Housing Operating partner.

(4) Represents normalizing adjustment related to an allowance of prior period rent related to one Seniors Housing Operating lease and two Seniors Housing Triple-net leases.

(5) Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.

(6) Represents normalizing adjustment to reflect the application of consistent policies for all periods presented for one Seniors Housing Operating partner.

(7) Represents aggregate normalizing adjustments which are individually less than 0.50% of SSNOI growth per property type.

(8) SHO SSNOI includes expenses that are directly attributable to the COVID-19 pandemic net of any reimbursements exclusive of those included in (2) above.

(9) Represents normalizing adjustment related to lease restructuring associated with one Seniors Housing Triple-net lease.

(10) Represents normalizing adjustment related to lease termination fees associated with Outpatient Medical tenants.

# IPNOI RECONCILIATION

(in thousands at Welltower pro rata ownership)

	<u>Seniors Housing Operating</u>	<u>Seniors Housing Triple-net</u>	<u>Outpatient Medical</u>	<u>Health System</u>	<u>Long-Term /Post-Acute Care</u>	<u>Corporate</u>	<u>Total</u>
<b>Three months ended June 30, 2021</b>							
Revenues	\$ 728,235	\$ 138,854	\$ 160,514	\$ 46,554	\$ 44,515	\$ 2,672	\$ 1,121,344
Property operating expenses	(584,484)	(7,871)	(46,184)	(54)	(4,848)	(2,174)	(645,615)
<b>NOI<sup>(1)</sup></b>	<b>143,751</b>	<b>130,983</b>	<b>114,330</b>	<b>46,500</b>	<b>39,667</b>	<b>498</b>	<b>475,729</b>
Adjust:							
Interest income	(859)	(28,885)	(4,731)	—	(3,973)	—	(38,448)
Other income	(860)	(1,357)	(5,002)	—	—	(2,672)	(9,891)
Sold / held for sale	(326)	(185)	(1,235)	(1,134)	(11,425)	—	(14,305)
Developments / land	1,710	—	84	—	—	—	1,794
Non In-Place NOI <sup>(2)</sup>	7,751	(5,148)	(2,972)	(5,963)	(954)	2,174	(5,112)
Timing adjustments <sup>(3)</sup>	150	1,129	296	—	—	—	1,575
Total adjustments	7,566	(34,446)	(13,560)	(7,097)	(16,352)	(498)	(64,387)
<b>In-Place NOI</b>	<b>151,317</b>	<b>96,537</b>	<b>100,770</b>	<b>39,403</b>	<b>23,315</b>	<b>—</b>	<b>411,342</b>
<b>Annualized In-Place NOI</b>	<b>\$ 605,268</b>	<b>\$ 386,148</b>	<b>\$ 403,080</b>	<b>\$ 157,612</b>	<b>\$ 93,260</b>	<b>\$ —</b>	<b>\$ 1,645,368</b>

(1) Represents Welltower's pro rata share of NOI. See page 7 for more information.

(2) Primarily represents non-cash NOI.

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

# RECONCILIATIONS OF SHO SS REVPOR GROWTH, SSNOI GROWTH AND SSNOI/UNIT

(dollars in thousands, except SS REVPOR and SSNOI/unit)

	United States		United Kingdom		Canada		Total	
	2Q20	2Q21	2Q20	2Q21	2Q20	2Q21	2Q20	2Q21
<b>SHO SS REVPOR Growth</b>								
Consolidated SHO revenues	\$ 592,693	\$ 540,559	\$ 78,046	\$ 98,221	\$ 102,911	\$ 103,769	\$ 773,650	\$ 742,549
Unconsolidated SHO revenues attributable to WELL <sup>(1)</sup>	22,102	22,854	—	—	20,314	22,178	42,416	45,032
SHO revenues attributable to noncontrolling interests <sup>(2)</sup>	(33,435)	(24,333)	(7,246)	(12,267)	(22,799)	(22,746)	(63,480)	(59,346)
SHO pro rata revenues <sup>(3)</sup>	581,360	539,080	70,800	85,954	100,426	103,201	752,586	728,235
Non-cash revenues on same store properties	(847)	(571)	—	—	—	—	(847)	(571)
Revenues attributable to non-same store properties	(50,833)	(43,955)	(11,432)	(22,841)	(5,048)	(4,104)	(67,313)	(70,900)
Currency and ownership adjustments <sup>(4)</sup>	390	121	6,215	(806)	9,167	(2,936)	15,772	(3,621)
Normalizing adjustment for policy change <sup>(5)</sup>	(2,114)	—	—	—	—	—	(2,114)	—
SHO SS revenues <sup>(7)</sup>	527,956	494,675	65,583	62,307	104,545	96,161	698,084	653,143
Avg. occupied units/month <sup>(8)</sup>	28,142	26,046	2,388	2,179	12,053	10,849	42,583	39,074
SHO SS REVPOR <sup>(9)</sup>	\$ 6,271	\$ 6,348	\$ 9,180	\$ 9,558	\$ 2,899	\$ 2,963	\$ 5,480	\$ 5,587
SS REVPOR YOY growth		1.2 %		4.1 %		2.2 %		2.0 %
<b>SHO SSNOI Growth</b>								
Consolidated SHO NOI	\$ 138,301	\$ 107,314	\$ 10,967	\$ 22,663	\$ 28,869	\$ 30,211	\$ 178,137	\$ 160,188
Unconsolidated SHO NOI attributable to WELL <sup>(1)</sup>	5,421	3,437	—	—	7,856	7,867	13,277	11,304
SHO NOI attributable to noncontrolling interests <sup>(2)</sup>	(5,233)	(18,698)	(385)	(2,612)	(6,252)	(6,431)	(11,870)	(27,741)
SHO pro rata NOI <sup>(3)</sup>	138,489	92,053	10,582	20,051	30,473	31,647	179,544	143,751
Non-cash NOI on same store properties	(935)	12,329	—	9	(22)	—	(957)	12,338
NOI attributable to non-same store properties	(10,601)	(948)	(1,845)	(5,889)	(30)	(568)	(12,476)	(7,405)
Currency and ownership adjustments <sup>(4)</sup>	84	29	883	(195)	2,927	(961)	3,894	(1,127)
Normalizing adjustment for government grants <sup>(10)</sup>	—	(5,021)	—	(1,177)	—	(3,129)	—	(9,327)
Normalizing adjustment for management fee reduction <sup>(11)</sup>	—	—	—	—	—	(2,058)	—	(2,058)
Normalizing adjustment for prior period allowance <sup>(12)</sup>	—	1,527	—	—	—	—	—	1,527
Normalizing adjustment for casualty related expenses <sup>(13)</sup>	—	1,192	—	—	—	—	—	1,192
Normalizing adjustment for policy change <sup>(5)</sup>	(1,596)	—	—	—	—	—	(1,596)	—
Other normalizing adjustments <sup>(6)</sup>	(333)	(356)	—	—	—	—	(333)	(356)
SHO pro rata SSNOI <sup>(7)</sup>	\$ 125,108	\$ 100,805	\$ 9,620	\$ 12,799	\$ 33,348	\$ 24,931	\$ 168,076	\$ 138,535
SHO SSNOI growth		(19.4)%		33.0 %		(25.2)%		(17.6)%
<b>SHO SSNOI/Unit</b>								
Trailing four quarters' SSNOI <sup>(7)</sup>		\$ 411,818		\$ 57,301		\$ 108,196		\$ 577,315
Average units in service <sup>(14)</sup>		35,404		3,183		13,996		52,583
SSNOI/unit in USD		\$ 11,632		\$ 18,002		\$ 7,730		\$ 10,979
SSNOI/unit in local currency <sup>(4)</sup>				£ 13,045		\$ 9,785		

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

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

(3) Represents SHO revenues/NOI at Welltower pro rata ownership. See page 8 for more information.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2658 and to translate UK properties at a GBP/USD rate of 1.38.

(5) Represents normalizing adjustment to reflect the application of consistent policies for all periods presented for one Seniors Housing Operating partner.

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

(7) Represents SS SHO revenues/SSNOI at Welltower pro rata ownership. See page 10 for more information.

(8) Represents average occupied units for SS properties related solely to referenced country on a pro rata basis.

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

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

(11) Represents normalizing adjustment related to a management fee reduction for one Seniors Housing Operating partner.

(12) Represents normalizing adjustment related to an allowance of prior period rent related to one Seniors Housing Operating lease.

(13) Represents normalizing adjustment related to casualty related expenses net of any insurance reimbursements.

(14) Represents average units in service for SS properties related solely to referenced country on a pro rata basis.

# SENIORS HOUSING OPERATING REVPOR

(dollars in thousands, except REVPOR)

	Three months ended June 30, 2021			
	United States	United Kingdom	Canada	Total
Consolidated SHO revenues	\$ 540,559	\$ 98,221	\$ 103,769	\$ 742,549
Unconsolidated SHO revenues attributable to Welltower <sup>(1)</sup>	22,854	—	22,178	45,032
SHO revenues attributable to noncontrolling interests <sup>(2)</sup>	(24,333)	(12,267)	(22,746)	(59,346)
Pro rata SHO revenues <sup>(3)</sup>	539,080	85,954	103,201	728,235
SHO interest and other income	(1,686)	—	(33)	(1,719)
SHO revenues attributable to sold and held for sale properties	(1,809)	—	(899)	(2,708)
Currency and ownership adjustments <sup>(4)</sup>	—	(1,098)	(3,038)	(4,136)
SHO local revenues	535,585	84,856	99,231	719,672
Average occupied units/month	28,683	2,869	11,129	42,681
REVPOR/month in USD	<u>\$ 6,242</u>	<u>\$ 9,886</u>	<u>\$ 2,980</u>	<u>\$ 5,699</u>
REVPOR/month in local currency <sup>(4)</sup>		<u>£ 7,164</u>	<u>\$ 3,772</u>	

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

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

(3) Represents SHO revenues at Welltower pro rata ownership. See page 8 for more information.

(4) Includes where appropriate adjustments to reflect consistent property ownership percentages, to translate Canadian properties at a USD/CAD rate of 1.2658 and to translate UK properties at a GBP/USD rate of 1.38.

# EBITDA AND ADJUSTED EBITDA

We measure our credit strength both in terms of leverage ratios and coverage ratios. The leverage ratios indicate how much of our balance sheet capitalization is related to long-term debt, net of cash and Internal Revenue Code (“IRC”) Section 1031 deposits. We expect to maintain capitalization ratios and coverage ratios sufficient to maintain a capital structure consistent with our current profile. The ratios are based on EBITDA and Adjusted EBITDA. EBITDA is defined as earnings (net income per income statement) before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding unconsolidated entities and including adjustments for stock-based compensation expense, provision for loan losses, gains/losses on extinguishment of debt, gains/losses/impairments on properties, gains/losses on derivatives and financial instruments, other expenses, additional other income and other impairment charges. We believe that EBITDA and Adjusted EBITDA, along with net income, are important supplemental measures because they provide additional information to assess and evaluate the performance of our operations. We primarily use these measures to determine our 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, secured debt principal amortization and preferred dividends. Our leverage ratios include net debt to Adjusted EBITDA, book capitalization, undepreciated book capitalization and market capitalization. Book capitalization represents the sum of net debt (defined as total long-term debt, excluding operating lease liabilities, less cash and cash equivalents and any IRC Section 1031 deposits), total equity and redeemable noncontrolling interests. Undepreciated book capitalization represents book capitalization adjusted for accumulated depreciation and amortization. Market capitalization 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.

# EBITDA AND ADJUSTED EBITDA QUARTERLY RECONCILIATIONS

(dollars in thousands)

	Three Months Ended				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Net income (loss)	\$ 159,216	\$ 394,978	\$ 155,278	\$ 72,192	\$ 45,757
Interest expense	126,357	124,851	121,173	123,142	122,341
Income tax expense (benefit)	2,233	2,003	290	3,943	(2,221)
Depreciation and amortization	265,371	255,532	242,733	244,426	240,885
EBITDA	553,177	777,364	519,474	443,703	406,762
Loss (income) from unconsolidated entities	(1,332)	5,981	(258)	(13,049)	7,976
Stock-based compensation <sup>(1)</sup>	7,290	6,565	7,380	5,576	4,757
Loss (gain) on extinguishment of debt, net	249	33,004	13,796	(4,643)	55,612
Loss (gain) on real estate dispositions, net	(155,863)	(484,304)	(185,464)	(59,080)	(44,668)
Impairment of assets	75,151	23,313	9,317	23,568	23,692
Provision for loan losses	1,422	2,857	83,085	1,383	6,197
Loss (gain) on derivatives and financial instruments, net	1,434	1,395	569	1,934	(359)
Other expenses <sup>(1)</sup>	19,013	11,544	27,583	10,799	11,059
Other impairment <sup>(2)</sup>	1,842	112,398	—	49,241	—
Total adjustments	(50,794)	(287,247)	(43,992)	15,729	64,266
Adjusted EBITDA	\$ 502,383	\$ 490,117	\$ 475,482	\$ 459,432	\$ 471,028
Interest Coverage Ratios:					
Interest expense	\$ 126,357	\$ 124,851	\$ 121,173	\$ 123,142	\$ 122,341
Capitalized interest	4,541	3,947	4,238	4,496	4,862
Non-cash interest expense	(1,914)	(3,973)	(1,739)	(2,991)	(3,972)
Total interest	\$ 128,984	\$ 124,825	\$ 123,672	\$ 124,647	\$ 123,231
EBITDA	\$ 553,177	\$ 777,364	\$ 519,474	\$ 443,703	\$ 406,762
Interest coverage ratio	4.29 x	6.23 x	4.20 x	3.56 x	3.30 x
Adjusted EBITDA	\$ 502,383	\$ 490,117	\$ 475,482	\$ 459,432	\$ 471,028
Adjusted interest coverage ratio	3.89 x	3.93 x	3.84 x	3.69 x	3.82 x
Fixed Charge Coverage Ratios:					
Total interest	\$ 128,984	\$ 124,825	\$ 123,672	\$ 124,647	\$ 123,231
Secured debt principal amortization	15,183	15,876	16,122	15,955	15,715
Total fixed charges	\$ 144,167	\$ 140,701	\$ 139,794	\$ 140,602	\$ 138,946
EBITDA	\$ 553,177	\$ 777,364	\$ 519,474	\$ 443,703	\$ 406,762
Fixed charge coverage ratio	3.84 x	5.52 x	3.72 x	3.16 x	2.93 x
Adjusted EBITDA	\$ 502,383	\$ 490,117	\$ 475,482	\$ 459,432	\$ 471,028
Adjusted fixed charge coverage ratio	3.48 x	3.48 x	3.40 x	3.27 x	3.39 x
Net Debt Ratios:					
Total debt <sup>(3)</sup>	\$ 14,543,485	\$ 13,889,030	\$ 13,905,822	\$ 14,618,713	\$ 13,572,816
Less: cash and cash equivalents <sup>(4)</sup>	(1,766,819)	(2,096,571)	(1,968,765)	(2,513,156)	(763,921)
Net debt	\$ 12,776,666	\$ 11,792,459	\$ 11,937,057	\$ 12,105,557	\$ 12,808,895
EBITDA Annualized	\$ 2,212,708	\$ 3,109,456	\$ 2,077,896	\$ 1,774,812	\$ 1,627,048
Net debt to EBITDA ratio	5.77 x	3.79 x	5.74 x	6.82 x	7.87 x
Adjusted EBITDA Annualized	\$ 2,009,532	\$ 1,960,468	\$ 1,901,928	\$ 1,837,728	\$ 1,884,112
Net debt to Adjusted EBITDA ratio	6.36 x	6.02 x	6.28 x	6.59 x	6.80 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.

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

(4) Includes IRC section 1031 deposits, if any.

# EBITDA AND ADJUSTED EBITDA YEAR-TO-DATE RECONCILIATIONS

(dollars in thousands)

	Six Months Ended	
	June 30, 2020	June 30, 2021
Net income	\$ 488,596	\$ 117,949
Interest expense	268,364	245,483
Income tax expense (benefit)	7,675	1,722
Depreciation and amortization	540,172	485,311
EBITDA	1,304,807	850,465
Loss (income) from unconsolidated entities	2,360	(5,073)
Stock-based compensation <sup>(1)</sup>	14,373	10,333
Loss (gain) on extinguishment of debt, net	249	50,969
Loss (gain) on real estate dispositions, net	(418,687)	(103,748)
Impairment of assets	102,978	47,260
Provision of loan losses	8,494	7,580
Loss / (gain) on derivatives and financial instruments, net	9,085	1,575
Other expenses <sup>(1)</sup>	25,044	21,858
Other impairment <sup>(2)</sup>	34,110	49,241
Total adjustments	(221,994)	79,995
Adjusted EBITDA	\$ 1,082,813	\$ 930,460
Interest Coverage Ratios:		
Interest expense	\$ 268,364	\$ 245,483
Capitalized interest	9,287	9,358
Non-cash interest expense	(10,039)	(6,963)
Total interest	267,612	247,878
EBITDA	\$ 1,304,807	\$ 850,465
Interest coverage ratio	4.88 x	3.43 x
Adjusted EBITDA	\$ 1,082,813	\$ 930,460
Adjusted interest coverage ratio	4.05 x	3.75 x
Fixed Charge Coverage Ratios:		
Total interest	\$ 267,612	\$ 247,878
Secured debt principal amortization	30,709	31,670
Total fixed charges	298,321	279,548
EBITDA	\$ 1,304,807	\$ 850,465
Fixed charge coverage ratio	4.37 x	3.04 x
Adjusted EBITDA	\$ 1,082,813	\$ 930,460
Adjusted fixed charge coverage ratio	3.63 x	3.33 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.



# EBITDA AND ADJUSTED EBITDA TRAILING TWELVE MONTHS RECONCILIATIONS

(dollars in thousands)

	Twelve Months Ended				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
Net income	\$ 1,376,664	\$ 1,123,710	\$ 1,038,852	\$ 781,664	\$ 668,205
Interest expense	537,355	524,863	514,388	495,523	491,507
Income tax expense (benefit)	6,811	4,846	9,968	8,469	4,015
Depreciation and amortization	1,075,261	1,058,348	1,038,437	1,008,062	983,576
EBITDA	2,996,091	2,711,767	2,601,645	2,293,718	2,147,303
Loss (income) from unconsolidated entities	(58,322)	(49,079)	8,083	(8,658)	650
Stock-based compensation <sup>(1)</sup>	24,229	25,485	28,318	26,811	24,278
Loss (gain) on extinguishment of debt, net	68,685	35,865	47,049	42,406	97,769
Loss (gain) on real estate dispositions, net	(1,001,001)	(915,055)	(1,088,455)	(884,711)	(773,516)
Impairment of assets	121,172	126,389	135,608	131,349	79,890
Provision of loan losses	8,494	11,351	94,436	88,747	93,522
Loss (gain) on derivatives and financial instruments, net	5,260	5,411	11,049	5,332	3,539
Other expenses <sup>(1)</sup>	46,971	52,630	64,171	68,939	60,985
Other impairment <sup>(2)</sup>	34,110	146,508	146,508	163,481	161,639
Total adjustments	(750,402)	(560,495)	(553,233)	(366,304)	(251,244)
Adjusted EBITDA	\$ 2,245,689	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059
Interest Coverage Ratios:					
Interest expense	\$ 537,355	\$ 524,863	\$ 514,388	\$ 495,523	\$ 491,507
Capitalized interest	18,303	18,102	17,472	17,222	17,543
Non-cash interest expense	(12,761)	(14,746)	(15,751)	(10,617)	(12,675)
Total interest	542,897	528,219	516,109	502,128	496,375
EBITDA	\$ 2,996,091	\$ 2,711,767	\$ 2,601,645	\$ 2,293,718	\$ 2,147,303
Interest coverage ratio	5.52 x	5.13 x	5.04 x	4.57 x	4.33 x
Adjusted EBITDA	\$ 2,245,689	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059
Adjusted interest coverage ratio	4.14 x	4.07 x	3.97 x	3.84 x	3.82 x
Fixed Charge Coverage Ratios:					
Total interest	\$ 542,897	\$ 528,219	\$ 516,109	\$ 502,128	\$ 496,375
Secured debt principal amortization	57,807	60,562	62,707	63,136	63,668
Total fixed charges	600,704	588,781	578,816	565,264	560,043
EBITDA	\$ 2,996,091	\$ 2,711,767	\$ 2,601,645	\$ 2,293,718	\$ 2,147,303
Fixed charge coverage ratio	4.99 x	4.61 x	4.49 x	4.06 x	3.83 x
Adjusted EBITDA	\$ 2,245,689	\$ 2,151,272	\$ 2,048,412	\$ 1,927,414	\$ 1,896,059
Adjusted fixed charge coverage ratio	3.74 x	3.65 x	3.54 x	3.41 x	3.39 x

(1) Certain severance-related costs are included in stock-based compensation and excluded from other expenses.

(2) Amounts relate to reserve for straight-line rent receivable balances for leases placed on cash recognition.

# CAPITALIZATION RATIOS QUARTERLY

(Amounts in thousands, except share price)

	As of				
	June 30, 2020	September 30, 2020	December 31, 2020	March 31, 2021	June 30, 2021
<b>Book capitalization:</b>					
Unsecured credit facility and commercial paper	\$ —	\$ —	\$ —	\$ —	\$ —
Long-term debt obligations <sup>(1)</sup>	14,543,485	13,889,030	13,905,822	14,618,713	13,572,816
Cash & cash equivalents <sup>(2)</sup>	(1,766,819)	(2,096,571)	(1,968,765)	(2,513,156)	(763,921)
Total net debt	12,776,666	11,792,459	11,937,057	12,105,557	12,808,895
Total equity and noncontrolling interest <sup>(3)</sup>	17,263,672	17,291,155	17,225,062	17,046,932	17,243,208
Book capitalization	\$ 30,040,338	\$ 29,083,614	\$ 29,162,119	\$ 29,152,489	\$ 30,052,103
Net debt to book capitalization ratio	42.5 %	40.5 %	40.9 %	41.5 %	42.6 %
<b>Undepreciated book capitalization:</b>					
Total net debt	\$ 12,776,666	\$ 11,792,459	\$ 11,937,057	\$ 12,105,557	\$ 12,808,895
Accumulated depreciation and amortization	6,001,177	6,002,775	6,104,297	6,212,432	6,415,676
Total equity and noncontrolling interest <sup>(3)</sup>	17,263,672	17,291,155	17,225,062	17,046,932	17,243,208
Undepreciated book capitalization	\$ 36,041,515	\$ 35,086,389	\$ 35,266,416	\$ 35,364,921	\$ 36,467,779
Net debt to undepreciated book capitalization ratio	35.4 %	33.6 %	33.8 %	34.2 %	35.1 %
<b>Market capitalization:</b>					
Common shares outstanding	417,302	417,305	417,401	417,520	422,562
Period end share price	\$ 51.75	\$ 55.09	\$ 64.62	\$ 71.63	\$ 83.10
Common equity market capitalization	\$ 21,595,379	\$ 22,989,332	\$ 26,972,453	\$ 29,906,958	\$ 35,114,902
Total net debt	12,776,666	11,792,459	11,937,057	12,105,557	12,808,895
Noncontrolling interests <sup>(3)</sup>	1,215,532	1,183,281	1,252,343	1,248,054	1,322,762
Enterprise value	\$ 35,587,577	\$ 35,965,072	\$ 40,161,853	\$ 43,260,569	\$ 49,246,559
Net debt to market capitalization ratio	35.9 %	32.8 %	29.7 %	28.0 %	26.0 %

(1) Amounts include senior unsecured notes, secured debt and lease liabilities related to financing leases, as reflected on our balance sheets. Operating lease liabilities related to the ASC 842 adoption are excluded.

(2) Inclusive of IRC Section 1031 deposits, if any.

(3) Includes all noncontrolling interests (redeemable and permanent) as reflected on our balance sheets.