Risk Factors Comparison 2024-02-26 to 2023-03-01 Form: 10-K

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Our business is subject to a number of risks and uncertainties. The following is a summary of the principal risk factors described in this section: • unfavorable market ~~, economic~~ and **commercial** real estate **industry** conditions due to, among other things, ~~rising or sustained~~ high interest rates ~~and~~ **, prolonged** high inflation, labor market challenges, supply chain ~~challenges~~ **disruptions** , volatility in the public equity and debt markets, pandemics **, geopolitical instability and tensions** (such as **the ongoing wars in Ukraine and the Middle East), economic downturns or a possible recession, changes in real estate utilization and other conditions beyond our control, may have a material adverse effect on our and our tenants', managers' and other operators' results of operations and financial conditions, and our and their businesses may not return to the levels experienced prior to** the COVID- 19 pandemic ~~) or other adverse public health safety events or conditions~~ , ~~geopolitical instability (such as the war in Ukraine), and other conditions beyond our control, may have a material adverse effect on our~~ and our tenants ~~'~~ , managers ~~'~~ and other operators ~~' results of operations and financial conditions, and our and their businesses may not return to the levels experienced prior to the COVID- 19 pandemic and they~~ may fail to satisfy their obligations to us; • we are exposed to risks related to our dependence on our managers or other operators for the operation of our senior living communities, and changes and trends in the healthcare industry could negatively impact our managers and other operators and our SHOP **segment** ~~business and~~ operating results; • we and our managers and other operators and tenants face significant competition; • we **have a substantial amount of debt and we** are subject to risks related to our debt, including ~~that~~ **our ability to refinance maturing debt and the cost of any such refinanced debt and our ability to reduce our debt leverage, which may remain at or above current levels for an indefinite period,** covenants and conditions contained in our debt agreements **which** may restrict our operations **by increasing our interest expense** and **limiting our** ability to make investments ~~and distributions~~ **in our properties** , **sell properties securing our** ~~and if we fail to satisfy those covenants and conditions we may be unable to incur additional~~ debt and ~~may need to repay outstanding debt from other sources of capital; • we may need additional waivers from our lenders or waivers from our noteholders in order to avoid defaulting under our credit agreement or public debt agreements and the terms of our current waivers under our credit agreement impose restrictions on our ability to~~ pay distributions ~~and~~ to ~~make~~ **our shareholders, potential downgrades to our credit ratings and other limitations on our ability to access** capital **at reasonable costs** ~~investments, and if we default under our~~ - **or at** ~~credit agreement, we may lose some or~~ all ~~of~~ **, including** the **limited availability** ~~equity interests in certain~~ of **debt capital** ~~our subsidiaries that we have pledged or face foreclosure on properties on which we have provided first mortgage liens~~ to **office and healthcare REITs generally** ~~secure our obligations under the credit agreement~~ ; • we may be unable to renew our leases when they expire without decreasing rents or incurring significant costs or at all; • our **potential future** development or redevelopment projects or ~~potential~~ sales or acquisitions may not be successful or may not be executed on the terms or within the timing we expect as a result of **ongoing** ~~competition, current~~ market and economic conditions, including capital market disruptions, ~~rising or sustained~~ high interest rates ~~and~~ **, prolonged** high inflation **, competition** , or otherwise; • we are subject to risks related to our qualification for taxation as a REIT, including REIT distribution requirements; • our existing and any future joint ventures may limit our flexibility with jointly owned investments and we may not realize the benefits we expect from these arrangements or our joint ventures could require us to provide additional capital; • ownership of real estate is subject to environmental risks and liabilities, as well as risks from adverse weather, natural disasters and **adverse impact from global** climate change ~~and climate related events~~ ; • insurance may not adequately cover our losses, and insurance costs may continue to increase; • we are subject to risks related to our dependence upon RMR to implement our business strategies and manage our day to day operations; • we are subject to risks related to the security of RMR ~~'~~ **'** s or our senior living community managers ~~'~~ **'** or other operators ~~'~~ **'** information technology; • our management structure and agreements with RMR and our relationships with our related parties, including our Managing Trustees, RMR, AlerisLife (including Five Star) and others affiliated with them, may create conflicts of interest; • ~~ESG~~ **sustainability** initiatives, requirements and market expectations may impose additional costs and expose us to new risks; • provisions in our declaration of trust, bylaws and other agreements, as well as certain provisions of Maryland law, may deter, delay or prevent a change in our control or unsolicited acquisition proposals, limit our rights and the rights of our shareholders to take action against our Trustees and officers or limit our shareholders ~~'~~ **'** ability to obtain a favorable judicial forum for certain disputes; • we may change our operational, financing and investment policies without shareholder approval; **and** • our distributions to shareholders may remain at $ 0. 01 per common share per quarter for an indefinite period or be eliminated and the form of payment could change ~~; and • if we do not regain compliance with Nasdaq' s minimum bid price continued listing standard, or we fail to meet other Nasdaq continued listing standards, Nasdaq may elect to delist our common shares, which could negatively impact the market price and liquidity of our common shares and reduce our ability to raise additional capital~~ . The risks described below may not be the only risks we face but are risks we believe may be material at this time. Other risks of which we are not yet aware, or that we currently believe are not material, may also materially and adversely impact our business operations or financial results. If any of the events or circumstances described below occurs, our business, financial condition, liquidity, results of operations or ability to pay distributions to our shareholders could be adversely impacted and the value of an investment in our securities could decline. Investors and prospective investors should consider the risks described below and the information contained under the caption " Warning Concerning Forward- Looking Statements " and elsewhere in this Annual Report on Form 10- K before deciding whether to invest in our securities. We may update these risk factors in our future periodic reports. Risks Related to Our Business Unfavorable market ~~, economic~~ and **industry** ~~real estate~~

conditions may have a material adverse effect on our results of operations, financial condition and ability to pay distributions to our shareholders. Our business **and operations** may be adversely affected by market ~~,~~ **and** economic **volatility experienced by the U. S.** and **global economies, the commercial** real estate **industry** ~~conditions in the U. S. and global economies~~ and / or the local economies in the markets in which our properties are located. Unfavorable ~~market,~~ economic and **industry** ~~real estate~~ conditions may be due to, among other things, ~~rising or sustained~~ high interest rates ~~and~~ **, prolonged** high inflation, labor market challenges, supply chain disruptions, volatility in the public equity and debt markets, pandemics **, geopolitical instability and tensions** (such as the ~~COVID- 19 pandemic~~ **ongoing wars in Ukraine and the Middle East**), **economic downturns or a possible recession** ~~geopolitical instability (such as the war in Ukraine)~~ , **changes in real estate utilization** and other conditions beyond our control. ~~Because~~ **As** economic conditions in the United States may affect the demand for healthcare related space and senior living communities, real estate values, occupancy levels and property income, current and future economic conditions in the United States, including slower growth or a **possible** recession and capital market volatility or disruptions, could have a material adverse impact on our earnings and financial condition. Economic conditions may be affected by numerous factors, including, but not limited to, the pace of economic growth and / or recessionary concerns, inflation, increases in the levels of unemployment, energy prices, uncertainty about government fiscal and tax policy, geopolitical events, the regulatory environment, the availability of credit and interest rates. Current conditions ~~,~~ **have negatively impacted** ~~or~~ **our ability to pay distributions to our shareholders and these or other conditions may continue to have** similar **impacts** ~~conditions existing~~ in the future **and** ~~, may have a material adverse effect~~ on our results of operations ~~,~~ **and** financial condition ~~and ability to pay distributions to our shareholders~~ . Our and our managers ~~'~~ **’** and other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses may not return to the levels experienced prior to the COVID- 19 pandemic and they may fail to satisfy their obligations to us. Our business is focused on healthcare related properties, including medical office and life science properties, senior living communities and wellness centers. The senior living industry experienced significant disruptions during **, and in the aftermath of,** the COVID- 19 pandemic. Although our and certain of our managers ~~'~~ **’** and other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses have improved from low points experienced during the COVID- 19 pandemic, ~~they~~ - **the recovery of our SHOP segment has been slower** ~~have not returned to pre- pandemic levels and there is a risk that~~ **than previously anticipated and uneven, and we cannot be sure when or if** ~~they~~ - **the** ~~may not~~ **senior housing business will** return to **historic** pre- pandemic levels due to ~~changed~~ **changing** market practices, delayed returns to prior market practices, current market and economic conditions, such as ~~rising or sustained~~ high interest rates **, wage** and ~~high~~ **commodity price** inflation, **limited** labor **availability** ~~market challenges~~ , ~~supply chain challenges~~ **increased insurance costs** , geopolitical **risks** ~~instability (such as the war in Ukraine)~~ and economic downturns or **a possible** ~~recessions~~ - **recession** , or otherwise. For example, **although** occupancy in our SHOP segment has ~~generally~~ increased, ~~but not to pre- pandemic levels,~~ **the rate of occupancy growth has been slower than previously anticipated** and **uneven** ~~we may continue to face challenges in our SHOP segment with labor availability~~ and **increased operating costs resulting from** wage ~~inflation, along with cost pressures from supply chain disruptions~~ and commodity price inflation **, limited labor availability and increased insurance costs, among other things, continue to negatively impact our margins** . **Additionally, while** ~~AlerisLife manages many of~~ our senior living ~~communities~~ **operators have increased rates, those rates are increasing gradually** and ~~is currently experiencing significant operating and financial challenges~~ **are not increasing at the same pace as our costs, putting further pressure on our margins** . It is unclear whether COVID- 19 infection rates will surge again in the future or if other variants of that virus or other public health safety conditions will arise in the United States or elsewhere and, if so, what the impact of that would be on human health and safety, the economy, or our managers ~~'~~ **’** and other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses. It is also uncertain what the impact of changing market and economic conditions would be on our and our managers ~~'~~ **’** and other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses. As a result of these uncertainties, our and our managers ~~'~~ **’** and other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses may not return to the levels experienced prior to the COVID- 19 pandemic. If those managers ~~'~~ **’** , other operators ~~'~~ **’** and tenants ~~'~~ **’** businesses do not sufficiently improve, they may fail to pay amounts owed to us. We have a substantial amount of debt and ~~we may incur additional~~ **are subject to risks related to our debt, including our ability to refinance maturing debt and the cost of any such refinanced** debt. As of December 31, ~~2022~~ **2023** , our consolidated debt was $ 3. 1 billion ~~and we were fully drawn on our credit facility~~ . We are subject to numerous risks associated with our debt, including **our ability to refinance maturing debt and the cost of any refinancing,** the risk that our **liquidity** ~~cash flows~~ could be insufficient for us to make required payments and risks associated with ~~increases in and sustained~~ high ~~market~~ interest rates. There are no limits in our organizational documents on the amount of debt we may incur, and **, subject to any limitations in our debt agreements,** we may incur ~~substantial debt; however, our credit agreement and our senior unsecured notes indentures and their supplements contain certain restrictions on our ability to incur additional debt for so long as certain debt service ratios are not met and we are generally restricted through the maturity date of our credit facility from incurring~~ additional debt. Our debt may increase our vulnerability to adverse market and economic conditions, limit our flexibility in planning for changes in our business and place us at a disadvantage in relation to competitors that have lower debt levels. Our debt could increase our costs of capital, limit our ability to incur additional debt in the future, **and** increase our exposure to floating interest rates or expose us to potential events of default (if not cured or waived) under covenants contained in debt instruments that could have a material adverse effect on our business, financial condition and operating results. ~~Rising~~ **High** interest rates have significantly increased ~~,~~ **our borrowing costs. Although we have** ~~and~~ - **an option** ~~may continue~~ to ~~significantly increase~~ **extend the maturity date of certain of our debt upon payment of a fee and meeting other conditions** , **the applicable conditions may not be met, and we may be required to repay** ~~our~~ - **or** ~~interest expense~~ **refinance our existing debt with new debt on less favorable terms. Further, market and economic conditions may limit the availability and cost of government- sponsored enterprise and agency financing that we may otherwise have access to** . Excessive or expensive debt could reduce the available cash flow to fund, or limit our ability to obtain financing for, working capital, capital expenditures, acquisitions, development or redevelopment projects, refinancing, lease obligations or other purposes and hinder

our ability to pay distributions to our shareholders. If we default under any of our debt obligations, we may be in default under other debt agreements of ours that have cross default provisions, including our ~~credit agreement and our~~ senior ~~unsecured~~ notes indentures and their supplements **, as applicable** . In such case, our lenders or noteholders may demand immediate payment of any outstanding debt and could seek payment from the subsidiary guarantors under our ~~credit agreement~~ **senior notes indentures** , seek to sell any pledged equity interests of certain subsidiaries or the mortgaged properties owned by certain pledging subsidiaries, or we could be forced to liquidate our assets for less than the values we would receive in a more orderly process. We may ~~need additional waivers from our lenders~~ **fail to comply with the terms of** ~~or~~ **our** ~~waivers from our noteholders in order to avoid defaulting under our credit agreement or our public~~ debt agreements, **which could adversely affect our business** and ~~the terms of~~ **prohibit us from paying distributions to our shareholders. Our debt agreements contain financial and /** ~~our~~ - **or** ~~current waivers~~ **operating covenants. These covenants may limit our operational flexibility and acquisition and disposition activities. We may not be able to satisfy all of these conditions or may default on some of these covenants for various reasons, including for reasons beyond our control. If any of the covenants in these debt agreements are breached and not cured within the applicable cure period, we could be required to repay the debt immediately, even in the absence of a payment default, or be prevented from refinancing maturing debt. As a result, covenants which limit our operational flexibility or a default** under ~~our credit agreement impose restrictions~~ **applicable debt covenants could have an adverse effect** on our **business** ~~ability to pay distributions and make capital investments~~ , **financial condition** and ~~any~~ **results of operations. In the** future ~~waiver or amendment may impose similar or additional restrictions. In February 2023~~ , we ~~and our lenders amended our credit agreement to, among other things, extend the waiver of the fixed charge coverage ratio covenant through the maturity date of our credit facility in January 2024 and to decrease the minimum liquidity covenant to $ 100. 0 million. We~~ may ~~need to further extend these waivers or~~ obtain additional **debt** ~~waivers from our lenders or waivers from our noteholders in order to avoid failing to satisfy certain financial~~ **financing , and the** covenants ~~under~~ **and conditions applicable to that debt may be more restrictive than the covenants and conditions that are contained in** our **existing** debt agreements .Secured debt exposes us to the possibility of foreclosure,which could result in the loss of our investment in certain of our subsidiaries or in a property or group of properties or other assets that secure that debt. **More** ~~We have debt that~~ **than half of our debt** is secured by properties that we or our joint ventures own or **by** a pledge of the equity interests of certain of our subsidiaries.Secured debt,including mortgage debt,increases our risk of asset and property losses because defaults on debt secured by our assets may result in foreclosure actions initiated by lenders and ultimately our loss of the property or other assets securing **any loans for which** ~~our obligations under our credit agreement if~~ we **are in** default ~~on such obligations~~ .Any foreclosure on a **mortgaged** property or group of properties could have a material adverse effect on the overall value of our portfolio of properties and more generally on us.For tax purposes,a foreclosure of any of our properties would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage.If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property,we would recognize taxable income on foreclosure , but **would** ~~our lenders or noteholders are~~ not **receive** ~~required to grant~~ any **cash proceeds** ~~such extensions or waivers and may determine not to do so. If we fail to obtain any required extensions or waivers~~ , **which** ~~we may be in default under our credit agreement and the lenders~~ could **materially** ~~terminate our credit facility~~ and ~~require~~ **adversely affect** us ~~to pay our then outstanding borrowings under our credit facility. Any future extension or waiver we may obtain may impose similar or additional restrictions, which may limit our ability to pay or increase distributions to our shareholders or make investments that we believe we should make and could reduce our ability to pursue business opportunities, grow our business and improve our operating results~~ . We are limited in our ability to operate our senior living communities and are thus dependent on our managers or other operators. Because federal income tax laws restrict REITs and their subsidiaries from operating or managing healthcare facilities, we do not operate or manage our senior living communities. Instead, we lease ~~nearly~~ **substantially** all **of** our senior living communities to our subsidiaries that qualify as TRSs under the IRC and retain third parties to manage those senior living communities. Our ~~SHOP business is therefore dependent upon a limited number of third party managers. Our~~ income from our properties may be adversely affected if our managers or other operators fail to provide quality services and amenities to residents. While we monitor the performance of our managers and other operators and apply asset management strategies and discipline, we have limited recourse under our management agreements and leases if we believe that our managers or other operators are not performing adequately. Any failure by our managers or other operators to fully perform the duties agreed to in our management agreements and leases could adversely affect our results of operations. In addition, our managers and other operators operate, and, in some cases, own or have invested in, properties that compete with our properties, which may result in conflicts of interest. As a result, our managers and other operators have made, and may in the future make, decisions regarding competing properties or our properties ~~'~~ **'** operations that may not be in our best interests and which may result in a reduction of our returns. We are exposed to operational risks, liabilities and claims with respect to our SHOP segment ~~properties~~ that could adversely affect our revenues and operations. We are exposed to various operational risks with respect to our SHOP segment ~~properties~~ that may increase our costs or adversely affect our ability to generate revenues. These risks include fluctuations in occupancy experienced during the normal course of business, Medicare and Medicaid reimbursement, if applicable, and private pay rates; economic conditions, such as ~~rising or sustained~~ high interest rates ~~and~~ **, prolonged** high inflation, labor market challenges ~~, supply chain challenges~~ and economic downturns or **a possible** ~~recessions~~ - **recession** ; competition **; litigation and regulatory and government proceedings** ; federal, state, local, and industry- regulated licensure, certification and inspection laws, regulations, and standards; the availability and increases in cost of general and professional liability insurance coverage; increases in property taxes; state regulation and rights of residents related to entrance fees; federal and state housing laws and regulations; the availability and increases in the cost of labor (as a result of unionization or otherwise); and increases in commodity prices, such as the prices of food and construction materials, as a result of, among other things, supply chain challenges or other market conditions ~~currently being experienced~~ in the global economy, including

the U. S. economy. ~~Any one~~ **Further, we and** ~~or~~ **our managers and other operators have been, are currently, and expect in the future to be involved in claims, lawsuits and regulatory and government audits, investigations and proceedings arising in the ordinary course of senior living operations. The defense and resolution of such claims, lawsuits and other proceedings may require our managers or other operators or us to incur significant expenses. In several well publicized instances, private litigation by residents of senior living communities for alleged abuses has resulted in large damage awards against senior living companies. As** a ~~combination~~ **result** of these ~~factors may adversely affect our revenue and operations~~ **conditions, the cost of liability insurance continues to increase** . ~~Further~~ **In addition** , we generally hold the applicable healthcare license and enroll in applicable government healthcare programs on behalf of the properties in our senior living operations segment. This subjects us to potential liability under various healthcare laws and regulations. Healthcare laws and regulations are wide- ranging, and noncompliance may result in the imposition of civil, criminal, and administrative penalties, including: the loss or suspension of accreditation, licenses or CONs; suspension of or non- payment for new admissions; denial of reimbursement; fines; suspension, decertification, or exclusion from federal and state healthcare programs; or facility closure. **We may incur, or be obligated to reimburse our senior living managers or other operators for, compliance related fines, assessments, penalties and returns of government payments (such as Medicare or Medicaid payments) and could have limitations imposed on our healthcare licenses. Any one or a combination of these operational risks and other factors may adversely affect our revenue and operations.** The trend for seniors to delay moving to senior living communities until they require greater care or to forgo moving to senior living communities altogether could have a material adverse effect on our business, financial condition and results of operations. Seniors have been increasingly delaying their moves to senior living communities until they require greater care or forgoing moving to senior living communities altogether **, and approximately 24 % of the senior living communities we own are independent living communities which require residents to be capable of relatively high degrees of independence** . ~~Those~~ **These** trends may continue and other factors, such as ~~the COVID- 19 pandemic and~~ seniors **'** and their families ~~'~~ **'** concerns regarding the impact on seniors of infectious diseases, virus transmissions or other public health safety conditions, may intensify those trends in the future, as may current economic conditions, such as economic downturns or a possible recession, weak housing market conditions, high ~~inflation, rising or sustained high~~ interest rates **, prolonged high inflation** and stock market volatility. Further, rehabilitation therapy and other services are increasingly being provided to seniors on an outpatient basis or in seniors ~~'~~ **'** personal residences in response to market demand and government regulation, which may increase the trend for seniors to delay moving to senior living communities. Such delays may cause decreases in occupancy rates and increases in resident turnover rates at our senior living communities. Moreover, seniors may have greater care needs and require higher acuity services, which may increase costs at our senior living communities, expose our managers or other operators to additional liability or result in lost business and shorter stays at our senior living communities if our managers or other operators are not able to provide the requisite care services or fail to adequately provide those services. Further, if we or our managers or other operators fail to successfully act upon and address these and other trends and changes in seniors ~~'~~ **'** needs and preferences or in the healthcare industry generally, we or they may be unable to offset associated lost revenues by growing other revenue sources, such as by offering new or increased service offerings to seniors, and our senior living communities may become unprofitable and the value of our senior living communities may decline. Increased labor costs, decreased labor availability and staffing turnover have negatively impacted our managers and our SHOP **segment** ~~business and~~ operating results, and these conditions may continue for an extended period. Wages and employee benefits associated with the operations of our managed senior living communities represent a significant part of our managed senior living communities ~~'~~ **'** operating expenses. Historical periods of low unemployment and the impacts of the COVID- 19 pandemic resulted in increased labor costs, including higher health benefits costs, in the senior living industry. Further, legislation has been enacted and proposed to increase the minimum wage in various jurisdictions in recent years, which has put upward pressure on wages. Moreover, **our managers and** ~~the~~ **other** ~~U. S.~~ **operators face a competitive** labor market **. A periodic** ~~has been experiencing increased competition for~~ - **or geographic** ~~, and shortages~~ - **shortage** of ~~, labor, which has negatively impacted our senior living communities' operations and increased our, our managers' and other senior living community operators' labor costs. If these conditions continue, our managers and other operators may increasingly be challenged in fully operating our senior living communities, which may require us to reduce our operations; as a result of these conditions, our revenues and growth may decline and our costs may continue to increase. The market for~~ qualified nurses and other healthcare professionals ~~is highly competitive, and periodic~~ or ~~geographic area~~ - **care** ~~shortages of such healthcare professionals~~ **givers or other trained personnel, union activities, wage laws, or general inflationary pressures on wages** may require our managers or other operators to **enhance pay** ~~increase the wages~~ and benefits **packages** ~~they offer to their employees in order to attract and retain them~~ or to ~~utilize temporary~~ **use more expensive contract** personnel ~~at~~ **,** ~~an~~ **and** ~~increased cost. In addition, employee benefit~~ **our managers or other operators may be unable to offset these added** costs **by increasing the rates charged to residents** ~~, including health insurance and workers' compensation insurance costs, have materially increased in recent years~~ . Staffing turnover at our senior living communities is common, and it increases in a competitive labor market. Heightened levels of staffing turnover at our senior living communities, particularly with respect to key and skilled positions, such as management, regional and executive directors and other skilled and qualified personnel, may disrupt operations, limit or slow the execution of business strategies, and decrease revenues and increase costs at our managed senior living communities **. In addition, employee benefit costs, including health insurance and workers' compensation insurance costs, have materially increased in recent years and continue to increase. If these conditions continue, our managers and other operators may increasingly be challenged in fully operating our senior living communities** , which may **require us to reduce** ~~have a material adverse effect on~~ our ~~business, financial condition, results of~~ operations **; as a result of these conditions, our revenues** and ~~prospects~~ **growth may decline and our costs may continue to increase** . Termination of assisted living resident agreements and resident attrition could adversely affect revenues and earnings

at our senior living communities. Unlike apartment leases that typically have a one- year term, state regulations governing assisted living communities typically require that senior living community residents have the right to terminate their assisted living resident agreements for any reason on reasonable (for example, 30 days ' ') notice. Should a large number of our residents elect to terminate their resident agreements at or around the same time, revenues and earnings at our senior living communities could be materially and adversely affected. In addition, the advanced ages of our senior living residents may result in high resident turnover rates. Our investments in our properties may not yield the returns we expect and may cost more than expected and take longer to complete. We invest significant amounts in our properties. However, we may not realize the returns we expect from these investments, and these investments may cost more than we expect. For example, **in recent years,** the global economy, including the U. S. economy, has been experiencing **experienced** supply chain disruptions due to a multitude of **the COVID- 19 pandemic and related** factors that are beyond our control , and these supply chain challenges have reduced the availability of goods and materials, **which** caused price inflation and increased the time from order to receipt of goods and materials. These **Although supply chain conditions have since stabilized, we cannot assure that there will not be future, similar supply chain disruptions. Such** conditions could result in our planned capital expenditures costing more than expected and taking longer to complete. Depressed U. S. housing market conditions and other factors may reduce the willingness or ability of seniors to relocate to our senior living communities. Downturns or stagnation in the U. S. housing market could adversely affect the ability, or perceived ability, of seniors to afford our senior living community entrance and resident fees, as prospective residents frequently use the proceeds from the sale of their homes to cover the cost of such fees. Historically, during periods of rising or sustained high interest rates, the U. S. housing market has experienced declines . The U. S. economy is currently experiencing increasing interest rates . If seniors have difficulty selling their homes, their ability to relocate to our senior living communities or finance their stays at our senior living communities with private resources could be adversely affected. Rising unemployment may also reduce the ability of family members to relocate seniors to senior living communities, and family members ' **'** willingness and ability to offer free care may also affect seniors ' **'** relocation to senior living communities. If these and other factors reduce seniors ' **'** willingness or ability to relocate to our senior living communities, occupancy rates, revenues and cash flows at our senior living communities and our results of operations could be negatively impacted. REIT distribution requirements and limitations on our ability to access reasonably priced capital **at reasonable costs or at all** may adversely impact our ability to carry out our business plan. To maintain our qualification for taxation as a REIT under the IRC, we are required to satisfy distribution requirements imposed by the IRC. See " Material United States Federal Income Tax Considerations — REIT Qualification Requirements — Annual Distribution Requirements " included in Part I, Item 1 of this Annual Report on Form 10- K. Accordingly, we may not be able to retain sufficient cash to fund our operations, repay our debt **debts** , invest in our properties or fund our acquisitions or development, redevelopment or repositioning efforts. Our business strategies therefore depend, in part, upon our ability to raise additional capital at reasonable costs. We may also be unable to raise reasonably priced capital **at reasonable costs or at all** because of reasons related to our business, market perceptions of our prospects, the terms of our debt, the extent of our leverage or for reasons beyond our control, such as capital market volatility, rising or sustained high interest rates and other market conditions **. A protracted negative impact on the economy or the industries in which our properties and businesses operate, wage and commodity price inflation, high interest rates, increased insurance costs, geopolitical risks or other economic, market or industry conditions, such as the delayed recovery of the senior housing industry, economic downturns or a possible recession, may have various negative consequences. Such consequences may include a decline in the availability of financing and increased costs for financing, including with respect to government- sponsored enterprise and agency financing that we may otherwise have access to** . Because the earnings we are permitted to retain are limited by the rules governing REIT qualification and taxation, if we are unable to raise reasonably priced capital, we may not be able to carry out our business plan. **High** We may fail to comply with the...... adversely affect us. Increases in market interest rates have significantly increased our interest expense and may otherwise materially and negatively affect us. Recent increases in market interest rates have significantly increased our interest expense. In response to significant and prolonged increases in inflation over the past year , the **U. S.** Federal Reserve has raised interest rates multiple times since the beginning of 2022 and **, which** has announced an expectation **significantly increased our interest expense. Although the U. S. Federal Reserve has indicated** that **it may lower** interest rates **in 2024, we cannot be sure that it** will **do so, and interest rates may remain at the current high levels or** continue to rise **increase** . **High** The timing, number and amount of any future interest rate increases, and the duration that those increased rates will be in effect, are uncertain. Interest rate increases may materially and negatively affect us in several ways, including: • **one of the factors that** investors may **typically** consider **important in deciding** whether to buy or sell our common shares **is** based upon the distribution rate on our common shares relative to the then prevailing market interest rates **,** and our quarterly cash distribution rate on our common shares is currently $ 0. 01 per common share in order to enhance our liquidity until our leverage profile otherwise improves. If market **At current** interest rates **rate** continue to rise or remain at elevated levels, investors may expect a higher distribution rate than we are able to pay, which may increase our cost of capital, or they may sell our common shares and seek alternative investments **with** that offer higher distribution rates. Sales of our common shares may cause a decline in the value **market price** of our common shares; • amounts outstanding under our credit facility **future debt we may incur may** require interest to be paid at floating interest rates. When interest rates increase, our interest **borrowing** costs **with respect to any such debt** will increase, which could adversely affect our cash flows, our ability to pay principal and interest on our debt, our cost of refinancing our fixed rate debts when they become due and our ability to pay distributions to our shareholders. Additionally, if we choose to hedge our interest rate risk, we cannot be sure that the hedge will be effective or that our hedging counterparty will meet its obligations to us; and • property values are often determined, in part, based upon a capitalization of rental income formula. When market interest rates increase or remain at elevated levels **are high, such as they are currently** , real estate transaction volumes often slow due to increased borrowing costs , which the commercial real estate market is currently experiencing, and

property investors often demand higher capitalization rates ~~and that~~ **, which** causes property values to decline. **High** ~~Increases in or continued elevated levels of~~ interest rates could **therefore** lower the value of our properties and cause the value of our securities to decline. Our managers or other operators may fail to comply with laws relating to the operation of our senior living communities. We and our managers or other operators are subject to, or impacted by, extensive and frequently changing federal, state and local laws and regulations, including: licensure laws; laws protecting consumers against deceptive practices; laws relating to the operation of our properties and how our managers and other operators conduct their operations, such as with respect to health and safety, fire and privacy matters; laws affecting communities that participate in Medicaid; **laws affecting** clinics and other healthcare facilities that participate in both Medicare and Medicaid which mandate allowable costs, pricing, reimbursement procedures and limitations, quality of services and care, food service and physical plants; resident rights laws (including abuse and neglect laws) and fraud laws; anti- kickback and physician referral laws; the Americans with Disabilities Act and similar laws; and safety and health standards established by OSHA. We and our managers and other operators are also required to comply with federal and state laws governing the privacy, security, use and disclosure of individually identifiable information, including financial information and protected health information under HIPAA. We and our managers and other operators expend significant resources to maintain compliance with these laws and regulations. However, if we or our managers or other operators are alleged to fail, or do fail, to comply with applicable legal requirements, we or they may have to expend significant resources to respond to such allegations, and if we or they are unable to cure deficiencies, certain sanctions may be imposed and we or they may be obligated to return payments and pay fines and interest, which may adversely affect the profitability of our senior living communities and ability to obtain, renew or maintain licenses at those communities. We and our managers and other operators and tenants face significant competition. We face significant competition for acquisition opportunities from other...... from, acquisitions. We also face competition for tenants at our properties, particularly at our medical office and life science properties. Some competing properties may be newer, better located or more attractive to tenants. Competing properties may have lower rates of occupancy than our properties, which may result in competing owners offering available space at lower rents than we offer at our properties. Development activities may increase the supply of properties of the type we own in the leasing markets in which we own properties and increase the competition we face. Competition may make it difficult for us to attract and retain tenants and may reduce the rents we are able to charge and the values of our properties. **A** ~~In recent years, a~~ significant number of new senior living communities **were** ~~have been~~ developed **in recent years** ~~and some continue to be developed~~ . Although the rate of new development of senior living communities has slowed **significantly** , the increased supply of senior living communities from ~~recent~~ **such** development activity has increased competitive pressures on our managers and other operators, particularly in certain geographic markets where we own senior living communities, and we expect these competitive challenges to continue for at least the next few years. Further, our senior living communities compete with numerous other senior living service providers, such as home healthcare companies and other real estate based service providers. Some of these senior living competitors are larger and have greater financial resources than our managers or other operators do, and some of these competitors are not for- profit entities which have endowment income and may not face the same financial pressures that they do. We cannot be sure that our managers or other operators will be able to attract a sufficient number of residents to our senior living communities at rates that will generate acceptable returns or that our managers or other operators will be able to attract employees and keep wages and other employee benefits, insurance costs and other operating expenses at levels which will allow them to compete successfully and operate our senior living communities profitably. These competitive challenges may prevent our managers and other operators from maintaining or improving occupancy and rates at our senior living communities, which may reduce our returns from our senior living communities and adversely affect the profitability of our senior living communities, and may cause the values of our properties to decline. We ~~also face~~ significant competition for acquisition opportunities from other investors,including publicly traded and private REITs,numerous financial institutions,individuals,foreign investors and other public and private companies.Some of our competitors may have greater financial and other resources than us and may be able to accept more risk than we can prudently manage,including risks with respect to the creditworthiness of property operators and the extent of leverage used in their capital structure.Because of competition for acquisitions,as well as limitations on acquisitions included in our debt agreements,we may be unable to acquire desirable properties or we may pay higher prices for,and realize lower net cash flows than we hope to achieve from,acquisitions.We **also face** may be unable to lease our properties when our leases expire. Although we typically will seek to renew or extend the terms of leases for our properties with tenants when they expire, we cannot be sure that we will be successful in doing so. Economic conditions, including **prolonged** high inflation, may cause our tenants not to renew or extend their leases when they expire, or to seek to renew their leases for less space than they currently occupy. If we are unable to extend or renew our leases, or we renew leases for reduced space, it may be time consuming and expensive to relet some of these properties. We are exposed to risks associated with property development, redevelopment and repositioning that could adversely affect us, including our financial condition and results of operations. We ~~currently have several properties under development and we~~ intend to continue to engage in development, redevelopment and repositioning activities with respect to our properties, and, as a result, we are subject to certain risks ~~, which could adversely affect us, including our financial condition and results of operations~~ . These risks include cost overruns and untimely completion of construction due to, among other things, weather conditions, inflation, labor or material shortages or delays in receiving permits or other governmental approvals, **inability to achieve desired returns,** as well as the availability and pricing of financing on favorable terms or at all. ~~Recent supply chain constraints and~~ **The global economy continues to experience** commodity pricing and other inflation, including inflation impacting wages and employee benefits ~~,~~ **. Although inflation rates** have ~~resulted in~~ **recently declined, they remain higher than pre- pandemic levels. It is uncertain whether inflation will decline further, remain relatively steady or increase; however, some market forecasts indicate that inflation rates may remain elevated for a prolonged period. These conditions have** increased **the** costs for materials, other goods and labor, including construction materials, and **caused**

some delays in construction activities, and these conditions may continue and worsen. These ~~risks~~ **pricing increases, as well as increases in labor costs,** could result in substantial unanticipated delays and increased development and renovation costs and could prevent the initiation or the completion of development, redevelopment or repositioning activities **. In addition, current economic conditions** and **volatility in the commercial real estate markets, generally, may** cause delays in leasing these properties **or possible loss of tenancies** and **negatively impact our ability to** ~~generating~~ **generate** cash flows from these properties **that meet or exceed** ~~or~~ **our cost** ~~possible loss~~ of ~~tenancies, any~~ **investment. Any** of ~~which~~ **these risks associated with our current or future development, redevelopment and repositioning activities** could have a material adverse effect on our business, financial condition and results of operations. Ownership of real estate is subject to environmental risks and liabilities. Ownership of real estate is subject to risks associated with environmental hazards. Under various laws, owners as well as operators of real estate may be required to investigate and clean up or remove hazardous substances present at or migrating from properties they own or operate and may be held liable for property damage or personal injuries that result from hazardous substances. These laws also expose us to the possibility that we may become liable to government agencies or third parties for costs and damages they incur in connection with hazardous substances. The costs and damages that may arise from environmental hazards may be substantial and are difficult to assess and estimate for numerous reasons, including uncertainty about the extent of contamination, alternative treatment methods that may be applied, the location of the property which subjects it to differing local laws and regulations and their interpretations, as well as the time it may take to remediate contamination. In addition, these laws also impose various requirements regarding the operation and maintenance of properties and recordkeeping and reporting requirements relating to environmental matters that require us or the operators of our properties to incur costs to comply with. Further, certain of our secured debt agreements contain exceptions to the general non- recourse provisions that obligate us to indemnify the lenders for certain potential environmental losses relating to hazardous materials and violations of environmental law. We may incur substantial liabilities and costs for environmental matters. We are subject to risks from adverse weather, natural disasters and **adverse impact from global** climate change ~~and climate related events~~, and we incur significant costs and invest significant amounts with respect to these matters. We are subject to risks and could be exposed to additional costs from adverse weather, natural disasters and **adverse impact from global** climate change ~~and climate related events~~. For example, our properties could be severely damaged or destroyed from either singular extreme weather events (such as floods, storms and wildfires) or through long ~~-~~ term impacts of climatic conditions (such as precipitation frequency, weather instability and rise of sea levels). Such events could also adversely impact us or the tenants of our properties if we or they are unable to operate our or their businesses due to damage resulting from such events. Insurance may not adequately cover all losses sustained by us or the tenants of our properties. If we fail to adequately prepare for such events, our revenues, results of operations and financial condition may be impacted. In addition, we may incur significant costs in preparing for possible future climate change or ~~climate related events or~~ in response to our tenants ~~'~~ **’** requests for such investments and we may not realize desirable returns on those investments. Vacancies in a property could result in significant capital expenditures and illiquidity and reduce the value of the property. The loss **or downsizing** of a tenant may reduce the value of a property and require us to spend significant amounts of capital to renovate the property before it is suitable for a new tenant. Many of the leases we enter into or acquire are for properties that are especially suited to the particular business of our tenants, such as our medical office and life science properties. Because these properties have been designed or physically modified for a particular tenant, if the current lease is terminated **, downsized** or not renewed, we may be required to renovate the property at substantial costs, decrease the rent we charge or provide other concessions in order to lease the property to another tenant. We may also have difficulty selling the property due to the special purpose for which the property may have been designed or modified. This potential illiquidity may limit our ability to quickly modify our portfolio in response to changes in economic or other conditions, including tenant demand. RMR and our senior living community managers rely on information technology and systems in providing services to us, and any material failure, inadequacy, interruption or security breach of that technology or those systems could materially harm us. RMR and our senior living community managers rely on information technology and systems, including the Internet and cloud- based infrastructures **and services** , commercially available software and their respective internally developed applications, to process, transmit, store and safeguard information and to manage or support a variety of their business processes (including managing our building systems), including financial transactions and maintenance of records, which may include personal identifying information of employees, residents, tenants and guarantors and lease data. If we or our third party vendors experience material security or other failures, inadequacies or interruptions in our or their information technology systems, we could incur material costs and losses and our operations could be disrupted. RMR and our senior living community managers take various actions, and incur significant costs, to maintain and protect the operation and security of information technology and systems, including the data maintained in those systems. However, these measures may not prevent the systems ~~'~~ **’** improper functioning or a compromise in security such as in the event of a cyberattack or the improper disclosure of personally identifiable information. Security breaches, computer viruses, attacks by hackers, online fraud schemes and similar breaches have created and can create significant system disruptions, shutdowns, fraudulent transfer of assets or unauthorized disclosure of confidential information. The risk of a security breach or disruption, particularly through cyberattack or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the intensity and sophistication of attempted attacks and intrusions from around the world have increased. The cybersecurity risks to us or our third party vendors are heightened by, among other things, the evolving nature of the threats faced, advances in computer capabilities, new discoveries in the field of cryptography and new and increasingly sophisticated methods used to perpetrate illegal or fraudulent activities, including cyberattacks, email or wire fraud and other attacks exploiting security vulnerabilities in RMR ~~'~~ **’** s, our senior living community managers ~~'~~ **’** or other third parties ~~'~~ **’** information technology networks and systems or operations. Although ~~much~~ **most** of RMR ~~'~~ **’** s and our senior living community managers ~~'~~ **’** staff returned to their offices during the pandemic, flexible working arrangements have resulted in a higher extent of remote working than they experienced prior to

the pandemic. This and other possible changing work practices have adversely impacted, and may in the future adversely impact, RMR ~~'~~**'** s, our senior living community managers ~~'~~**'** or other third parties ~~'~~**'** abilities to maintain the security, proper function and availability of their information technology and systems since remote working by their employees could strain their technology resources and introduce operational risk, including heightened cybersecurity risk. Remote working environments may be less secure and more susceptible to hacking attacks, including phishing and social engineering attempts that have sought, and may seek, to exploit remote working environments. In addition, RMR ~~'~~**'** s, our senior living community managers ~~'~~**'** or other third parties ~~'~~**'** data security, data privacy, investor reporting and business continuity processes could be impacted by a third party ~~'~~**'** s inability to perform in a remote work environment or by the failure of, or attack on, their information systems and technology. Any failure by RMR, our senior living community managers or other third party vendors to maintain the security, proper function and availability of their respective information technology and systems could result in financial losses, interrupt our operations, damage our reputation, cause us to be in default of material contracts and subject us to liability claims or regulatory penalties, any of which could materially and adversely affect our business and the value of our securities. ~~ESG~~ **Sustainability** initiatives, requirements and market expectations may impose additional costs and expose us to new risks. There ~~is an increasing~~ **continues to be increased** focus from **regulators,** investors, tenants and other stakeholders ~~and regulators~~ concerning corporate sustainability **. The SEC is considering climate change related regulations and certain states have enacted climate focused disclosure laws and we may incur significant costs in compliance with such rules** . Some investors may use ESG factors to guide their investment strategies and, in some cases, may choose not to invest in us, or otherwise do business with us, if they believe our or RMR ~~'~~**'** s policies relating to corporate sustainability are inadequate. Third party providers of corporate sustainability ratings and reports on companies have increased in number, resulting in varied and, in some cases, inconsistent standards. In addition, the criteria by which companies ~~'~~**'** corporate sustainability practices are assessed are evolving, which could result in greater expectations of us and RMR and cause us and RMR to undertake costly initiatives to satisfy such new criteria. Alternatively, if we or RMR elect not to or are unable to satisfy such new criteria or do not meet the criteria of a specific third party provider, some investors may conclude that our or RMR ~~'~~**'** s policies with respect to corporate sustainability are inadequate. **Pursuant to** ~~In July 2022,~~ RMR ~~announced its~~ **' s** zero emissions goal **, RMR** ~~pursuant to which it~~ has pledged to reduce its ~~scope~~ **Scope** 1 and 2 emissions to net zero by 2050 with a 50 % reduction commitment by 2030 from a 2019 baseline. We and RMR may face reputational damage in the event that our or their corporate sustainability procedures or standards do not meet the goals that we or RMR have set or the standards set by various constituencies. If we and RMR fail to **comply with ESG related regulations and to** satisfy the expectations of investors and our tenants and other stakeholders or our or RMR ~~'~~**'** s announced goals and other initiatives are not executed as planned, our and RMR ~~'~~**'** s reputation ~~and financial results~~ could be adversely affected, and our revenues, results of operations and ability to grow our business may be negatively impacted. In addition, we may incur significant costs in attempting to comply with **regulatory requirements,** ESG policies or third party expectations or demands ~~. The nature of our managers' and other operators' businesses exposes us and them to litigation and regulatory and government proceedings. Our managers and other operators have been, are currently, and expect in the future to be involved in claims, lawsuits and regulatory and government audits, investigations and proceedings arising in the ordinary course of their and our businesses, some of which may involve material amounts, and we may also be involved in such claims, lawsuits and regulatory and government audits, investigations and proceedings at our managed communities. The defense and resolution of such claims, lawsuits and other proceedings may require our managers or other operators or us to incur significant expenses. In several well publicized instances, private litigation by residents of senior living communities for alleged abuses has resulted in large damage awards against senior living companies. As a result of these conditions, the cost of liability insurance continues to increase~~ . Insurance may not adequately cover our losses, and insurance costs may continue to increase. We or our tenants are generally responsible for the costs of insurance coverage for our properties and the operations conducted on them, including for casualty, liability, malpractice, fire, extended coverage and rental or business interruption loss insurance. In the future, we may acquire properties for which we are responsible for the costs of insurance. **The** ~~In the past few years, the~~ costs of insurance have increased significantly **and continue to increase** , and these increased costs have had an adverse effect on us and our managers or other operators and tenants. Increased insurance costs may adversely affect our managers ~~'~~**'** abilities to operate our properties profitably and provide us with desirable returns and our tenants ~~'~~**'** abilities to pay us rent or result in downward pressure on rents we can charge under new or renewed leases. Losses of a catastrophic nature, such as those caused by hurricanes, flooding, volcanic eruptions and earthquakes **or** ~~, among other things,~~ losses as a result of outbreaks of pandemics or acts of terrorism, may be covered by insurance policies with limitations such as large deductibles or co- payments that we or a responsible tenant may not be able to pay. Insurance proceeds may not be adequate to restore an affected property to its condition prior to a loss or to compensate us for our losses, including lost revenues or other costs. Certain losses, such as losses we may incur as a result of known or unknown environmental conditions, are not covered by our insurance. Market conditions or our loss history may limit the scope of insurance or coverage available to us or our tenants on economic terms. If we determine that an uninsured loss or a loss in excess of insured limits occurs and if we are not able to recover amounts from our tenants for certain losses, we may have to incur uninsured costs to mitigate such losses or lose all or a portion of the capital invested in a property, as well as the anticipated future revenue from the property. We may not succeed in selling properties we may identify for sale and any proceeds we may receive from sales we do complete may be less than expected, and we may incur losses with respect to any such sales. **We** ~~Subject to limitations on acquisitions in our debt agreements, we~~ plan to selectively sell certain properties from time to time to **reduce our leverage,** fund **capital expenditures and** future acquisitions ~~, manage leverage~~ and strategically update, rebalance and reposition our investment portfolio. Our ability to sell properties or ~~any~~ other assets and the prices we **may** receive ~~upon~~ **in** any **such** ~~sale~~ **sales** , may be affected by various factors. In particular, these factors could arise from weaknesses in or a lack of established markets for the properties we may identify for sale, **the availability of financing to potential purchasers on reasonable terms,** changes in the financial condition of prospective

purchasers for and the tenants of the properties, the terms of leases with tenants at certain of the properties, the characteristics, quality and prospects of the properties, the ~~availability of financing to potential purchasers on reasonable terms, the~~ number of prospective purchasers, the number of competing properties in the market, unfavorable local, national or international economic conditions, such as high ~~inflation, rising or sustained high~~ interest rates **, prolonged high inflation** , labor market challenges, supply chain challenges and economic downturns or **a possible** ~~recessions~~ - **recession** , and changes in laws, regulations or fiscal policies of jurisdictions in which the properties are located. For example, current market conditions have caused, and may continue to cause, increased capitalization rates which, together with ~~rising~~ **high** interest rates, ~~has~~ **have** resulted in reduced commercial real estate transaction volume, and such conditions may continue or worsen. We may not succeed in selling properties or other assets and any sales may be delayed or may not occur or, if sales do occur, the terms may not meet our expectations, and we may incur losses in connection with any sales. **If we are unable to realize proceeds from the sale of assets sufficient to allow us to reduce our leverage to a level we, or ratings agencies or possible financing sources, believe appropriate, our credit ratings may be lowered and we may be unable to fund capital expenditures or future acquisitions to grow our business.** In addition, we may elect to change or abandon our strategy and forego or abandon property or other asset sales. ~~If we are~~ **We may be** unable to **grow our business by acquiring additional properties, and we might encounter unanticipated difficulties and expenditures relating to our acquired properties. Our business plan includes the acquisition of additional properties. Our ability to make profitable acquisitions is subject to risks, including, but not limited to, risks associated with: • the extent of our debt leverage; • the availability, terms and cost of debt and equity capital; • competition from other investors; and • contingencies in our acquisition agreements. These risks may limit our ability to grow our business by acquiring additional properties. In addition, we might encounter unanticipated difficulties and expenditures relating to our acquired properties. For example: • notwithstanding pre- acquisition due diligence, we could acquire a property that contains undisclosed defects in design or construction or unknown liabilities, including those related to undisclosed environmental contamination, or our analyses and assumptions for the properties may prove to be incorrect; • an acquired property may be located in a new market where we may face risks associated with investing in an unfamiliar market; • the market in which an acquired property is located may experience unexpected changes that adversely affect the property' s value; and • property operating costs for our acquired properties may be higher than anticipated and our acquired properties may not yield expected returns. For these reasons, among others, we might not** realize ~~proceeds from~~ the ~~sale~~ **anticipated benefits** of ~~assets sufficient~~ **our acquisitions, and our business plan** to ~~allow~~ **acquire additional properties may not succeed or may cause** us to **experience losses** ~~manage our leverage at a level we believe appropriate or which ratings agencies and possible financing sources believe appropriate, our credit ratings may be lowered, and we may further reduce our acquisition activity or investments in our existing properties~~ . Our existing and any future joint ventures may limit our flexibility with jointly owned investments and we may not realize the benefits we expect from these arrangements. We are party to joint ventures with institutional investors, and we may in the future sell or contribute additional properties to, or acquire, develop or recapitalize properties in **,** our existing or any future joint ventures. Our participation in joint ventures is subject to risks, including the following: • we share approval rights over major decisions affecting the ownership or operation of the joint ventures and any property owned by the joint ventures; • we may need to contribute additional capital in order to preserve, maintain or grow the joint ventures and their investments; • joint venture investors may have economic or other business interests or goals that are inconsistent with our business interests or goals ~~and that~~ **, which** could affect our ability to lease, relet or operate properties owned by the joint ventures; • joint venture investors may be subject to different laws or regulations than us, or may be structured differently than us for tax purposes, which could create conflicts of interest and / or affect our ability to maintain our qualification for taxation as a REIT; • our ability to sell our interest in, or sell additional properties to, the joint ventures or the joint ventures ~~'~~ **'** ability to sell additional interests of, or properties owned by, the joint ventures when we so desire are subject to the approval rights of the other joint venture investors under the terms of the agreements governing the joint ventures; and • disagreements with joint venture investors could result in litigation or arbitration that could be expensive and distracting to management and could delay important decisions. Any of the foregoing risks could have a material adverse effect on our business, financial condition and results of operations. Further, these, similar, enhanced or additional risks, including possible mandatory capital contribution requirements, may apply to any future additional or amended joint ventures. Bankruptcy law may adversely impact us. The occurrence of a tenant bankruptcy could reduce the rent we receive from that tenant, and the current economic conditions, such as **prolonged** high inflation, ~~rising or continued~~ high interest rates, labor market challenges, supply chain challenges and economic downturns or a possible recession, may increase the risk of our tenants and the managers and other operators of our senior living communities filing for bankruptcy. If a tenant files for bankruptcy, federal law may prohibit us from evicting that tenant based solely upon its bankruptcy, and a bankrupt tenant may be authorized to reject and terminate its lease with us. Any claims against a bankrupt tenant for unpaid future rent would be subject to statutory limitations that may be substantially less than the contractually specified rent we are owed under the lease, and any claim we have for unpaid past rent may not be paid in full. If any of our tenants, managers or other operators files for bankruptcy, we may experience delays in enforcing our rights, and may be limited in our ability to replace the tenant, manager or other operator. In the case of any tenant, manager or other operator bankruptcy, we may incur substantial costs in protecting our investment and re- leasing or finding a replacement tenant, manager or other operator. A severe cold or flu season, epidemics or any other widespread illnesses could adversely affect the operations of our senior living communities. Our revenues and our managers ~~'~~ **'** and other operators ~~'~~ **'** and tenants ~~'~~ **'** revenues with respect to our senior living communities are dependent on occupancy and could significantly decrease in the event of a severe cold and flu season, an epidemic or pandemic such as a new variant in the COVID- 19 pandemic or any other widespread illness. Such a decrease could significantly impact our and our managers ~~'~~ **'** and tenants ~~'~~ **'** revenues from our senior living communities. As experienced during the COVID- 19 pandemic, a future flu or other epidemic or pandemic could significantly increase the cost

burdens faced by our managers or tenants, including if they are required to implement quarantines for residents, and adversely affect their ability to meet their obligations to us and our returns, which would have a material adverse effect on our financial results. Risks Related to Our Relationships with RMR and AlerisLife (including Five Star) We are dependent upon RMR to manage our business and implement our growth strategy. We have no employees. Personnel and services that we require are provided to us by RMR pursuant to our management agreements with RMR. Our ability to achieve our business objectives depends on RMR and its ability to effectively manage our properties, to appropriately identify and complete our acquisitions and dispositions and to execute our growth strategy. Accordingly, our business is dependent upon RMR ~~'~~**’** s business contacts, its ability to successfully hire, train, supervise and manage its personnel and its ability to maintain its operating systems. If we lose the services provided by RMR or its key personnel, our business and growth prospects may decline. We may be unable to duplicate the quality and depth of management available to us by becoming internally managed or by hiring another manager. In the event RMR is unwilling or unable to continue to provide management services to us, our cost of obtaining substitute services may be greater than the fees we pay RMR under our management agreements, and as a result our expenses may increase. RMR has broad discretion in operating our day to day business. Our manager, RMR, is authorized to follow broad operating and investment guidelines and, therefore, has discretion in identifying the properties that will be appropriate investments for us, as well as our individual operating and investment decisions. Our Board of Trustees periodically reviews our operating and investment guidelines and our operating activities and investments **,** but it does not review or approve each decision made by RMR on our behalf. In addition, in conducting periodic reviews, our Board of Trustees relies primarily on information provided to it by RMR. RMR may exercise its discretion in a manner that results in investment returns that are substantially below expectations or that results in losses. Our management structure and agreements and relationships with RMR and RMR ~~'~~**’** s and its controlling shareholder ~~'~~**’** s relationships with others may create conflicts of interest, or the perception of such conflicts, and may restrict our investment activities. RMR is a majority owned subsidiary of RMR Inc. The Chair of our Board of Trustees and one of our Managing Trustees, Adam **D.** Portnoy, is the sole trustee, an officer and the controlling shareholder of ABP Trust, which is the controlling shareholder of RMR Inc., chair of the board of directors, a managing director and the president and chief executive officer of RMR Inc. and an officer and employee of RMR. RMR or its ~~subsidiary~~ **subsidiaries** also ~~acts~~ - **act** as the manager to certain other Nasdaq listed companies and private companies, and Mr. Portnoy serves as a managing ~~director, managing~~ trustee, director or trustee, as applicable, of those companies, and as chair of the board of trustees ~~or board of directors, as applicable,~~ of those Nasdaq listed companies. ~~Jennifer~~ **Christopher J. Bilotto, our President and Chief Executive Officer, and Matthew C. Brown, our Chief Financial Officer and Treasurer, are also officers and employees of RMR. Ms.** Francis, our other Managing Trustee **, served as** ~~and~~ - **an** ~~our President and Chief Executive Officer, and Richard Siedel, Jr., our Chief Financial Officer and Treasurer, are also officers~~ - **officer** ~~and employees~~ of RMR **until December 31, 2023 and will remain an employee of RMR until her retirement on July 1, 2024** . Messrs. Portnoy **, Bilotto** and ~~Siedel~~ **Brown** and Ms. Francis have duties to RMR, as well as to us, and we do not have their undivided attention. They and other RMR personnel may have conflicts in allocating their time and resources between us and RMR and other companies to which RMR or its subsidiaries provide services. Some of our Independent Trustees also serve as ~~independent directors or~~ independent trustees of other public companies to which RMR or its subsidiaries provide management services. In addition, we may in the future enter into additional transactions with RMR, its affiliates or entities managed by it or its subsidiaries. In addition to his investments in RMR Inc. and RMR, Mr. Portnoy holds equity investments in other companies to which RMR or its subsidiaries provide management services and some of these companies have significant cross ownership interests, including, for example: as of December 31, ~~2022~~ **2023** , Mr. Portnoy beneficially owned ~~1~~ **9** . ~~1~~ **8** % of our outstanding common shares and approximately 6. 1 % of AlerisLife ~~'~~**’** s outstanding common shares (including through ABP Trust) ~~, and we owned approximately 31. 9 % of AlerisLife' s outstanding common shares (which shares are currently subject to the tender offer described elsewhere in this Annual Report on Form 10- K)~~ . Our executive officers ~~may~~ also own equity investments in other companies to which RMR or its subsidiaries provide management services. These multiple responsibilities, relationships and cross ownerships may give rise to conflicts of interest or the perception of such conflicts of interest with respect to matters involving us, RMR Inc., RMR, our Managing Trustees, the other companies to which RMR or its subsidiaries provide management services and their related parties. Conflicts of interest or the perception of conflicts of interest could have a material adverse impact on our reputation, business and the market price of our common shares and other securities and we may be subject to increased risk of litigation as a result. In our management agreements with RMR, we acknowledge that RMR may engage in other activities or businesses and act as the manager to any other person or entity (including other REITs) even though such person or entity has investment policies and objectives similar to our policies and objectives and we are not entitled to preferential treatment in receiving information, recommendations and other services from RMR. Accordingly, we may lose investment opportunities to, and may compete for tenants with, other businesses managed by RMR or its subsidiaries, including our existing and any future joint ventures. We cannot be sure that our Code of Conduct or our governance guidelines, or other procedural protections we adopt will be sufficient to enable us to identify, adequately address or mitigate actual or alleged conflicts of interest or ensure that our transactions with related persons are made on terms that are at least as favorable to us as those that would have been obtained with an unrelated person. Our management agreements with RMR were not negotiated on an arm ~~'~~**’** s length basis and their fee and expense structure may not create proper incentives for RMR, which may increase the risk of an investment in our common shares. As a result of our relationships with RMR and its current and former controlling shareholder (s), our management agreements with RMR were not negotiated on an arm ~~'~~**’** s length basis between unrelated parties, and therefore, while such agreements were negotiated with the use of a special committee and disinterested Trustees, the terms, including the fees payable to RMR, may be different from those negotiated on an arm ~~'~~**’** s length basis between unrelated parties. Our property management fees are calculated based on rents we receive and **we also pay RMR** construction supervision fees for construction at our properties overseen and managed by RMR, and our base business management fee is calculated

based upon the lower of the historical costs of our real estate investments and our market capitalization. We pay RMR substantial base management fees regardless of our financial results. These fee arrangements could incentivize RMR to pursue acquisitions, capital transactions, tenancies and construction projects or to avoid disposing of our assets in order to increase or maintain its management fees and might reduce RMR ~~'~~**’**s incentive to devote its time and effort to seeking investments that provide attractive returns for us. If we do not effectively manage our investment, disposition and capital transactions and leasing, construction and other property management activities, we may pay increased management fees without proportional benefits to us. In addition, we are obligated under our management agreements to reimburse RMR for employment and related expenses of RMR ~~'~~**’**s employees assigned to work exclusively or partly at our properties, our share of the wages, benefits and other related costs of RMR ~~'~~**’**s centralized accounting personnel, our share of RMR ~~'~~**’**s costs for providing our internal audit function and as otherwise agreed. We are also required to pay for third party costs incurred with respect to us. Our obligation to reimburse RMR for certain of its costs and to pay third party costs may reduce RMR ~~'~~**’**s incentive to efficiently manage those costs, which may increase our costs. The termination of our management agreements with RMR may require us to pay a substantial termination fee, including in the case of a termination for unsatisfactory performance, which may limit our ability to end our relationship with RMR. The terms of our management agreements with RMR automatically extend on December 31 of each year so that such terms thereafter end on the 20th anniversary of the date of the extension. We have the right to terminate these agreements: (1) at any time on 60 days ~~'~~**’** written notice for convenience, (2) immediately upon written notice for cause, as defined in the agreements, (3) on written notice given within 60 days after the end of any applicable calendar year for a performance reason, as defined in the agreements, and (4) by written notice during the 12 months following a manager change of control, as defined in the agreements. However, if we terminate a management agreement for convenience, or if RMR terminates a management agreement with us for good reason, as defined in such agreement, we are obligated to pay RMR a termination fee in an amount equal to the sum of the present values of the monthly future fees, as defined in the applicable agreement, payable to RMR for the term that was remaining before such termination, which, depending on the time of termination, would be between 19 and 20 years. Additionally, if we terminate a management agreement for a performance reason, as defined in the agreement, we are obligated to pay RMR the termination fee calculated as described above, but assuming a remaining term of 10 years. These provisions substantially increase the cost to us of terminating the management agreements without cause, which may limit our ability to end our relationship with RMR as our manager. The payment of the termination fee could have a material adverse effect on our financial condition, including our ability to pay distributions to our shareholders. Our management arrangements with RMR may discourage a change of control of us. Our management agreements with RMR have continuing 20 year terms that renew annually. As noted in the preceding risk factor, if we terminate either of these management agreements other than for cause or upon a change of control of our manager, we are obligated to pay RMR a substantial termination fee. For these reasons, our management agreements with RMR may discourage a change of control of us, including a change of control which might result in payment of a premium for our common shares. Our business dealings with AlerisLife (including Five Star) comprise a significant part of our business and operations and they may create conflicts of interest or the perception of such conflicts of interest. **In March 2023, in connection with ABP Trust’ s acquisition of** AlerisLife **by tender offer, we tendered** ~~was originally organized as our subsidiary. We distributed substantially~~ all of ~~our~~ **the** AlerisLife common shares **we then owned** ~~to our shareholders on December 31~~ , ~~2001~~ **subject to the right to purchase AlerisLife common shares at the Tender Offer Price. On February 16, 2024, we exercised this purchase right and acquired, together with our applicable TRS, approximately 34. 0 % of the currently outstanding AlerisLife common shares from ABP Trust at the Tender Offer Price, for a total purchase price of $ 14. 9 million. Following this acquisition, ABP Trust owns the remaining approximate 66. 0 % of AlerisLife** . RMR provides management services to both us and AlerisLife. The Chair of our Board of Trustees and one of our Managing Trustees, Adam **D.** Portnoy, is the sole trustee, an officer and the controlling shareholder of ABP Trust, ~~which~~ **and Mr. Portnoy** is ~~a significant shareholder~~ **the sole director** of AlerisLife ~~, beneficially owning, together with its applicable subsidiary, approximately 6. 1 % of AlerisLife' s outstanding common shares as of December 31, 2022. In February 2023, a subsidiary of ABP Trust commenced the tender offer for all of the outstanding AlerisLife common shares, as further described elsewhere in this Annual Report on Form 10- K~~ . Five Star, an operating division of AlerisLife, manages many of our senior living communities. ~~In addition, Mr. Portnoy is the chair of AlerisLife' s board of directors and one of its managing directors.~~ The historical and continuing relationships which we, RMR **, ABP Trust** and Mr. Portnoy have with AlerisLife could create, or appear to create, conflicts of interest with respect to matters involving us, the other companies to which RMR or its subsidiaries provide management services and their related parties. As a result of these relationships, our agreements with AlerisLife (including Five Star) were not negotiated on an arm ~~'~~**’**s length basis between unrelated parties, and therefore **, while such agreements were negotiated with the use of a special committee and / or disinterested Trustees,** their terms may be different from those negotiated on an arm ~~'~~**’**s length basis between unrelated parties. Conflicts of interest or the perception of conflicts of interest could have a material adverse impact on our reputation, business and the market price of our common shares and other securities and we may be subject to increased risk of litigation as a result. We may be required to pay a substantial termination fee to Five Star if Five Star terminates our management agreements due to our default. If Five Star terminates our management agreements due to certain defaults by us, we are required to pay Five Star a termination fee equal to the present value of the base management fees that we would have paid to Five Star and the allocated incentive fee for the applicable communities, if any, between the date of termination and the scheduled initial expiration date of such management agreements (but not for a period exceeding 10 years), with such amounts determined based on the average base management and incentive fees for the applicable communities for each of the three calendar years ended prior to the date of termination. Further, the payment of the termination fee could have a material adverse effect on our financial condition, including our ability to pay distributions to our shareholders. We **may not realize the benefits we expect from our ownership interest in AlerisLife. We own an approximately 34. 0 % ownership interest in AlerisLife. Risks that we have identified elsewhere in this Risk**

Factors section, particularly those relating to the senior living industry, are applicable to our ownership of AlerisLife common shares. In addition, AlerisLife is a private company that is owned by ABP Trust, of which Adam D. Portnoy, one of our Managing Trustees, is the sole trustee, an officer and the controlling shareholder. We have a minority interest in AlerisLife, and we will be limited in our ability to direct or influence AlerisLife’ s corporate level decisions or to affect changes in AlerisLife’ s business, strategies, operations and management. In addition, AlerisLife’ s common shares are no longer publicly traded, therefore our ability to sell our AlerisLife shares will be limited. Further, any attempt we may make to sell our AlerisLife common shares may be unsuccessful and any price that we may be able to realize for those shares may be at a discount due to the minority interest they represent and the lack of an active trading market for those shares. As a result of the foregoing, and for other possible reasons, we may not realize any of the benefits we currently expect from our ownership of AlerisLife common shares, we may be prevented from selling our AlerisLife common shares and we could incur losses from our ownership of AlerisLife common shares, including our proportion of any operating or other losses that AlerisLife may realize. We are party to transactions with related parties that may increase the risk of allegations of conflicts of interest. We are party to transactions with related parties, including with entities controlled by Adam **D.** Portnoy or to which RMR or its subsidiaries provide management services. Our agreements with related parties or in respect of transactions among related parties may not be on terms as favorable to us as they would have been if they had been negotiated among unrelated parties. **Our** ~~We are subject to the risk that our~~ shareholders or the shareholders of RMR Inc. or other related parties may challenge ~~any~~ such related party transactions. If **any** challenges to related party transactions were to be successful, we might not realize the benefits expected from the transactions being challenged. Moreover, any such challenge could result in substantial costs and a diversion of our management ~~'~~**’** s attention, could have a material adverse effect on our reputation, business and growth and could adversely affect our ability to realize the benefits expected from the transactions, whether or not the allegations have merit or are substantiated. We may be at an increased risk for dissident shareholder activities due to perceived conflicts of interest arising from our management structure and relationships. Companies with business dealings with related persons and entities may more often be the target of dissident shareholder trustee nominations, dissident shareholder proposals and shareholder litigation alleging conflicts of interest in their business dealings. The various relationships noted above may precipitate such activities. Certain proxy advisory firms which have significant influence over the voting by shareholders of public companies have, in the past, recommended, and in the future may recommend, that shareholders withhold votes for the election of our incumbent Trustees, vote against our say on pay vote or other management proposals or vote for shareholder proposals that we oppose. These recommendations by proxy advisory firms have affected the outcomes of past Board of Trustees elections and votes on our say on pay, and similar recommendations in the future would likely affect the outcome of future Board of Trustees elections and votes on our say on pay **or other shareholder votes** , which may increase shareholder activism and litigation. These activities, if instituted against us, could result in substantial costs and diversion of our management ~~'~~**’** s attention and could have a material adverse impact on our reputation and business. Risks Related to Our Organization and Structure We may change our operational, financing and investment policies without shareholder approval and we may become more highly leveraged, which may increase our risk of default under our debt obligations. Our Board of Trustees determines our operational, financing and investment policies and may amend or revise our policies, including our policies with respect to our intention to remain qualified for taxation as a REIT, acquisitions, dispositions, growth, operations, indebtedness, capitalization and distributions, or approve transactions that deviate from these policies, without a vote of, or notice to, our shareholders. Policy changes could adversely affect the market price of our common shares and our ability to pay distributions to our shareholders. Further, our organizational documents do not limit the amount or percentage of indebtedness, funded or otherwise, that we may incur **; however, provisions in our debt agreements may limit us from incurring additional debt** . Our Board of Trustees may alter or eliminate our current policy on borrowing at any time without shareholder approval. If this policy changes, we could become more highly leveraged, which could result in an increase in our debt service costs. Higher leverage also increases the risk of default on our obligations. In addition, a change in our investment policies, including the manner in which we allocate our resources across our portfolio or the types of assets in which we seek to invest, may increase our exposure to interest rate risk, real estate market fluctuations and liquidity risk. Ownership limitations and certain provisions in our declaration of trust, bylaws and agreements, as well as certain provisions of Maryland law, may deter, delay or prevent a change in our control or unsolicited acquisition proposals. Our declaration of trust **contains provisions that generally** ~~prohibits~~ - **prohibit** ~~any shareholder~~ **shareholders** ~~, other than RMR and its affiliates (as defined under Maryland law) and certain persons who have been exempted by our Board of Trustees,~~ from owning ~~, directly and by attribution,~~ more than **5** ~~9. 8~~ % ~~of the~~ **(in value or in** number ~~or value~~ of shares ~~(~~ **,** whichever is more restrictive) of any class or series of our outstanding shares ~~of beneficial interest~~ , including our common shares. ~~This provision of~~ **The ownership limitation in** our declaration of trust is intended to ~~, among~~ **help us preserve our ability to use our net operating losses and** other ~~purposes, assist with~~ **tax benefits to reduce** our ~~REIT compliance under~~ **future taxable income. We also believe** ~~the~~ **these provisions** ~~IRC and otherwise~~ promote ~~our~~ **good** orderly governance. However, ~~this~~ **these** ~~provision~~ **provisions** may also inhibit acquisitions of a significant stake in us and may deter, delay or prevent a change in control of us or unsolicited acquisition proposals that a shareholder may consider favorable. Additionally, provisions contained in our declaration of trust and bylaws or under Maryland law may have a similar impact, including, for example, provisions relating to: • limitations on shareholder voting rights with respect to certain actions that are not approved by our Board of Trustees; • the authority of our Board of Trustees, and not our shareholders, to adopt, amend or repeal our bylaws and to fill vacancies on our Board of Trustees; • shareholder voting standards which require a supermajority of shares for approval of certain actions; • the fact that only our Board of Trustees, or, if there are no Trustees, our officers, may call shareholder meetings and that shareholders are not entitled to act without a meeting; • required qualifications for an individual to serve as a Trustee and a requirement that certain of our Trustees be “ Managing Trustees ” and other Trustees be “ Independent Trustees, ” as defined in our governing documents; •

limitations on the ability of our shareholders to propose nominees for election as Trustees and propose other business to be considered at a meeting of our shareholders; • limitations on the ability of our shareholders to remove our Trustees; • the authority of our Board of Trustees to create and issue new classes or series of shares (including shares with voting rights and other rights and privileges that may deter a change in control) and issue additional common shares; • restrictions on business combinations between us and an interested shareholder that have not first been approved by our Board of Trustees (including a majority of Trustees not related to the interested shareholder); and • the authority of our Board of Trustees, without shareholder approval, to implement certain takeover defenses. As changes occur in the marketplace for corporate governance policies, the above provisions may change, be removed, or new ones may be added. Our rights and the rights of our shareholders to take action against our Trustees and officers are limited. Our declaration of trust limits the liability of our Trustees and officers to us and our shareholders for money damages to the maximum extent permitted under Maryland law. Under current Maryland law, our Trustees and officers will not have any liability to us and our shareholders for money damages other than liability resulting from: • actual receipt of an improper benefit or profit in money, property or services; or • active and deliberate dishonesty by the Trustee or officer that was established by a final judgment as being material to the cause of action adjudicated. Our declaration of trust and indemnification agreements require us to indemnify, to the maximum extent permitted by Maryland law, any present or former Trustee or officer who is made or threatened to be made a party to a proceeding by reason of his or her service in these and certain other capacities. In addition, we may be obligated to pay or reimburse the expenses incurred by our present and former Trustees and officers without requiring a preliminary determination of their ultimate entitlement to indemnification. As a result of these limitations on liability and indemnification obligations, we and our shareholders may have more limited rights against our present and former Trustees and officers than might exist with other companies, which could limit shareholder recourse in the event of actions ~~that~~ **which** some shareholders may believe are not in our best interest. Shareholder litigation against us or our Trustees, officers, managers or other agents may be referred to mandatory arbitration proceedings, which follow different procedures than in- court litigation and may be more restrictive to shareholders asserting claims than in- court litigation. Our shareholders agree, by virtue of becoming shareholders, that they are bound by our governing documents, including the arbitration provisions of our bylaws, as they may be amended from time to time. Our bylaws provide that certain actions by one or more of our shareholders against us or any of our Trustees, officers, managers or other agents, other than disputes, or any portion thereof, regarding the meaning, interpretation or validity of any provision of our declaration of trust or bylaws, will be referred to mandatory, binding and final arbitration proceedings if we, or any other party to such dispute, including any of our Trustees, officers, managers or other agents, unilaterally so demands. As a result, we and our shareholders would not be able to pursue litigation in state or federal court against us or our Trustees, officers, managers or other agents, including, for example, claims alleging violations of federal securities laws or breach of fiduciary duties or similar director or officer duties under Maryland law, if we or any of our Trustees, officers, managers or other agents against whom the claim is made unilaterally demands the matter be resolved by arbitration. Instead, our shareholders would be required to pursue such claims through binding and final arbitration. Our bylaws provide that such arbitration proceedings would be conducted in accordance with the procedures of the Commercial Arbitration Rules of the American Arbitration Association, as modified in our bylaws. These procedures may provide materially more limited rights to our shareholders than litigation in a federal or state court. For example, arbitration in accordance with these procedures does not include the opportunity for a jury trial, document discovery is limited, arbitration hearings generally are not open to the public, there are no witness depositions in advance of arbitration hearings and arbitrators may have different qualifications or experiences than judges. In addition, although our bylaws’ arbitration provisions contemplate that arbitration may be brought in a representative capacity or on behalf of a class of our shareholders, the rules governing such representation or class arbitration may be different from, and less favorable to shareholders than, the rules governing representative or class action litigation in courts. Our bylaws also generally provide that each party to such an arbitration is required to bear its own costs in the arbitration, including attorneys’ fees, and that the arbitrators may not render an award that includes shifting of such costs or, in a derivative or class proceeding, award any portion of our award to any shareholder or such shareholder’s attorneys. The arbitration provisions of our bylaws may discourage our shareholders from bringing, and attorneys from agreeing to represent our shareholders wishing to bring, litigation against us or our Trustees, officers, managers or other agents. Our agreements with AlerisLife (including Five Star) and RMR have similar arbitration provisions to those in our bylaws. We believe that the arbitration provisions in our bylaws are enforceable under both state and federal law, including with respect to federal securities laws claims. We are a Maryland real estate investment trust and Maryland courts have upheld the enforceability of arbitration bylaws. In addition, the U. S. Supreme Court has repeatedly upheld agreements to arbitrate other federal statutory claims, including those that implicate important federal policies. However, some academics, legal practitioners and others are of the view that charter or bylaw provisions mandating arbitration are not enforceable with respect to federal securities laws claims. It is possible that the arbitration provisions of our bylaws may ultimately be determined to be unenforceable. By agreeing to the arbitration provisions of our bylaws, shareholders will not be deemed to have waived compliance by us with federal securities laws and the rules and regulations thereunder. Our bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain actions and proceedings that may be initiated by our shareholders, which could limit our shareholders’ ability to obtain a favorable judicial forum for disputes with us or our Trustees, officers, managers or other agents. Our bylaws currently provide that, unless the dispute has been referred to binding arbitration, the Circuit Court for Baltimore City, Maryland will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim for breach of a fiduciary duty owed by any of our Trustees, officers, managers or other agents to us or our shareholders; (3) any action asserting a claim against us or any of our Trustees, officers, managers or other agents arising pursuant to Maryland law, our declaration of trust or bylaws brought by or on behalf of a shareholder, either on such shareholder’s own behalf, on our behalf or on behalf of any series or class of shares of beneficial interest of ours or by our shareholders against us or any of our Trustees, officers, managers or other

agents, including any disputes, claims or controversies relating to the meaning, interpretation, effect, validity, performance or enforcement of our declaration of trust or bylaws; or (4) any action asserting a claim against us or any of our Trustees, officers, managers or other agents that is governed by the internal affairs doctrine of the State of Maryland. Our bylaws currently also provide that the Circuit Court for Baltimore City, Maryland will be the sole and exclusive forum for any dispute, or portion thereof, regarding the meaning, interpretation or validity of any provision of our declaration of trust or bylaws. The exclusive forum provision of our bylaws does not apply to any action for which the Circuit Court for Baltimore City, Maryland does not have jurisdiction or to a dispute that has been referred to binding arbitration in accordance with our bylaws. The exclusive forum provision of our bylaws does not establish exclusive jurisdiction in the Circuit Court for Baltimore City, Maryland for claims that arise under the Securities Act, the Exchange Act or other federal securities laws if there is exclusive or concurrent jurisdiction in the federal courts. Any person or entity purchasing or otherwise acquiring or holding any interest in our shares of beneficial interest shall be deemed to have notice of and to have consented to these provisions of our bylaws, as they may be amended from time to time. The arbitration and exclusive forum provisions of our bylaws may limit a shareholder’s ability to bring a claim in a judicial forum that the shareholder believes is favorable for disputes with us or our Trustees, officers, managers or other agents, which may discourage lawsuits against us and our Trustees, officers, managers or other agents. **Disputes with RMR may be referred to mandatory arbitration proceedings, which follow different procedures than in-court litigation and may be more restrictive to those asserting claims than in- court litigation. Our agreements with RMR provide that any dispute arising thereunder will be referred to mandatory, binding and final arbitration proceedings if we, or any other party to such dispute, unilaterally so demands. As a result, we and our shareholders would not be able to pursue litigation in state or federal court against RMR if we or any other parties against whom the claim is made unilaterally demands the matter be resolved by arbitration. In addition, the ability to collect attorneys’ fees or other damages may be limited in the arbitration proceedings, which may discourage attorneys from agreeing to represent parties wishing to bring such litigation.** Risks Related to Our Taxation Our failure to remain qualified for taxation as a REIT under the IRC could have significant adverse consequences. As a REIT, we generally do not pay federal or most state income taxes as long as we distribute all of our REIT taxable income and meet other qualifications set forth in the IRC. However, actual qualification for taxation as a REIT under the IRC depends on our satisfying complex statutory requirements, for which there are only limited judicial and administrative interpretations. We believe that we have been organized and have operated, and will continue to be organized and to operate, in a manner that qualified and will continue to qualify us to be taxed as a REIT under the IRC. However, we cannot be sure that the IRS, upon review or audit, will agree with this conclusion. Furthermore, we cannot be sure that the federal government, or any state or other taxation authority, will continue to afford favorable income tax treatment to REITs and their shareholders. Maintaining our qualification for taxation as a REIT under the IRC will require us to continue to satisfy tests concerning, among other things, the nature of our assets, the sources of our income and the amounts we distribute to our shareholders. In order to meet these requirements, it may be necessary for us to sell or forgo attractive investments. If we cease to qualify for taxation as a REIT under the IRC, then our ability to raise capital might be adversely affected ~~, we will be in breach under our credit agreement~~ , we may be subject to material amounts of federal and state income taxes, our cash available for distribution to our shareholders could be reduced, and the market price of our common shares could decline. In addition, if we lose or revoke our qualification for taxation as a REIT under the IRC for a taxable year, we will generally be prevented from requalifying for taxation as a REIT for the next four taxable years. Distributions to shareholders generally will not qualify for reduced tax rates applicable to " qualified dividends. " Dividends payable by U. S. corporations to noncorporate shareholders, such as individuals, trusts and estates, are generally eligible for reduced federal income tax rates applicable to " qualified dividends. " Distributions paid by REITs generally are not treated as " qualified dividends " under the IRC and the reduced rates applicable to such dividends do not generally apply. However, for tax years beginning before 2026, REIT dividends paid to noncorporate shareholders are generally taxed at an effective tax rate lower than applicable ordinary income tax rates due to the availability of a deduction under the IRC for specified forms of income from passthrough entities. More favorable rates will nevertheless continue to apply to regular corporate " qualified " dividends, which may cause some investors to perceive that an investment in a REIT is less attractive than an investment in a non- REIT entity that pays dividends, thereby reducing the demand and market price of our common shares. REIT distribution requirements could adversely affect us and our shareholders. We generally must distribute annually at least 90 % of our REIT taxable income, subject to specified adjustments and excluding any net capital gain, in order to maintain our qualification for taxation as a REIT under the IRC. To the extent that we satisfy this distribution requirement, federal corporate income tax will not apply to the earnings that we distribute, but if we distribute less than 100 % of our REIT taxable income, then we will be subject to federal corporate income tax on our undistributed taxable income. We intend to pay distributions to our shareholders to comply with the REIT requirements of the IRC. In addition, we will be subject to a 4 % nondeductible excise tax if the actual amount that we pay to our shareholders in a calendar year is less than a minimum amount specified under federal tax laws. From time to time, we may generate taxable income greater than our income for financial reporting purposes prepared in accordance with U. S. generally accepted accounting principles, or GAAP, or differences in timing between the recognition of taxable income and the actual receipt of cash may occur. If we do not have other funds available in these situations, among other things, we may borrow funds on unfavorable terms, sell investments at disadvantageous prices or distribute amounts that would otherwise be invested in future acquisitions in order to pay distributions sufficient to enable us to distribute enough of our taxable income to satisfy the REIT distribution requirement and to avoid corporate income tax and the 4 % excise tax in a particular year. These alternatives could increase our costs or reduce our shareholders’ equity. Thus, compliance with the REIT distribution requirements may hinder our ability to grow, which could cause the market price of our common shares to decline. Even if we remain qualified for taxation as a REIT under the IRC, we may face other tax liabilities that reduce our cash flow. Even if we remain qualified for taxation as a REIT under the IRC, we may be subject to federal, state and local taxes on our income and assets, including taxes

on any undistributed income, excise taxes, state or local income, property and transfer taxes, and other taxes. Also, some jurisdictions may in the future limit or eliminate favorable income tax deductions, including the dividends paid deduction, which could increase our income tax expense. In addition, in order to meet the requirements for qualification and taxation as a REIT under the IRC, prevent the recognition of particular types of non- cash income, or avert the imposition of a 100 % tax that applies to specified gains derived by a REIT from dealer property or inventory, we may hold or dispose of some of our assets and conduct some of our operations through our TRSs or other subsidiary corporations that will be subject to corporate level income tax at regular rates. In addition, while we intend that our transactions with our TRSs will be conducted on arm ~~'~~**’** s length bases, we may be subject to a 100 % excise tax on a transaction that the IRS or a court determines was not conducted at arm ~~'~~**’** s length. Any of these taxes would decrease cash available for distribution to our shareholders. If arrangements involving our TRSs fail to comply as intended with the REIT qualification and taxation rules, we may fail to qualify for taxation as a REIT under the IRC or be subject to significant penalty taxes. We lease ~~most~~ **substantially all** of our ~~properties~~ **senior living communities** to our TRSs pursuant to arrangements that, under the IRC, are intended to qualify the rents we receive from our TRSs as income that satisfies the REIT gross income tests. We also intend that our transactions with our TRSs be conducted on arm ~~'~~**’** s length bases so that we and our TRSs will not be subject to penalty taxes under the IRC applicable to mispriced transactions. While relief provisions can sometimes excuse REIT gross income test failures, significant penalty taxes may still be imposed. For ~~those~~ **our** TRS arrangements **to comply as** intended ~~to comply~~ with the REIT qualification and taxation rules under the IRC, a number of requirements must be satisfied, including: • our TRSs may not directly or indirectly operate or manage a healthcare facility, as defined by the IRC; • the leases to our TRSs must be respected as true leases for federal income tax purposes and not as service contracts, partnerships, joint ventures, financings or other types of arrangements; • the leased properties must constitute qualified healthcare properties (including necessary or incidental property) under the IRC; • our leased properties must be managed and operated on behalf of the TRSs by independent contractors who are less than 35 % affiliated with us and who are actively engaged (or have affiliates so engaged) in the trade or business of managing and operating qualified healthcare properties for any person unrelated to us; and • the rental and other terms of the leases must be arm ~~'~~**’** s length. We cannot be sure that the IRS or a court will agree with our assessment that our TRS arrangements comply as intended with REIT qualification and taxation rules. If arrangements involving our TRSs fail to comply as we intended, we may fail to qualify for taxation as a REIT under the IRC or be subject to significant penalty taxes. Legislative or other actions affecting REITs could materially and adversely affect us and our shareholders. The rules dealing with U. S. federal, state, and local taxation are constantly under review by persons involved in the legislative process and by the IRS, the U. S. Department of the Treasury ~~,~~ and other taxation authorities. Changes to the tax laws, with or without retroactive application, could materially and adversely affect us and our shareholders. We cannot predict how changes in the tax laws might affect us or our shareholders. New legislation, Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to remain qualified for taxation as a REIT or the tax consequences of such qualification to us and our shareholders. Risks Related to Our Securities Our quarterly cash distribution rate on our common shares is currently $ 0. 01 per common share and future distributions may remain at this level for an indefinite period or be eliminated and the form of payment could change. During 2020, we reduced our quarterly cash distribution rate on our common shares to $ 0. 01 per common share ~~in order~~ to enhance our liquidity until our leverage profile otherwise improves ~~. We currently intend to continue to pay quarterly distributions to our shareholders at this rate at least through the maturity date of our credit facility, and possibly thereafter~~ , subject to applicable REIT tax requirements ~~.~~ **;** ~~However~~ **however** : • our ability to pay distributions to our shareholders or sustain the rate of distributions may continue to be adversely affected if any of the risks described in this Annual Report on Form 10- K occur, including ~~rising or sustained~~ **any negative impact caused by current market and economic conditions, such as** high interest rates ~~and~~ **, prolonged** high inflation ~~, labor market challenges, supply chain challenges, volatility in the public equity and debt markets, pandemics (such as the COVID- 19 pandemic) or other adverse public health safety events or conditions, geopolitical instability (such as the war in Ukraine),~~ and economic downturns or **a possible** ~~recessions~~ **recession** , on our business, results of operations and liquidity ~~; • our payment of distributions is subject to restrictions contained in our debt agreements, including being limited under our credit agreement to amounts required to maintain our qualification for taxation as a REIT and $ 0. 01 per common share per quarter through the maturity date of our credit facility, and during the continuance of any event of default under our debt agreements, we may be limited or, in some cases, prohibited from paying distributions to our shareholders~~ ; and • the timing and amount of any distributions will be determined at the discretion of our Board of Trustees and will depend on various factors that our Board of Trustees deems relevant, including, but not limited to, our funds from operations ~~attributable to common shareholders~~ , or FFO ~~attributable to common shareholders~~ , our normalized funds from operations ~~attributable to common shareholders~~ , or Normalized FFO ~~attributable to common shareholders~~ , requirements to maintain our qualification for taxation as a REIT, limitations in our debt agreements, the availability to us of debt and equity capital, our expectation of our future capital requirements and operating performance and our expected needs for and availability of cash to pay our obligations. For these reasons, among others, our distribution rate may not increase for an indefinite period or we may cease paying distributions to our shareholders. Further, in order to preserve liquidity, we may elect to **, in part,** pay distributions to our shareholders ~~in part~~ in a form other than cash, such as issuing additional common shares ~~of ours~~ to our shareholders, as permitted by the applicable tax rules ~~. We are not currently in compliance with Nasdaq' s minimum bid price continued listing standard. If our common shares continue to trade below $ 1. 00 per common share for a sustained period, or we fail to meet other Nasdaq continued listing standards, Nasdaq may elect to delist our common shares, which could negatively impact the market price and liquidity of our common shares and reduce our ability to raise additional capital. On January 19, 2023, we received a notification letter from Nasdaq informing us that, for at least 30 consecutive business days prior to such notification, the bid price of our common shares had closed below $ 1. 00 per common share, which is the minimum required closing bid price for continued listing on Nasdaq pursuant to Listing Rule 5450 (a) (1). Under Nasdaq Listing Rule 5810 (c) (3)~~

~~(A), we have a 180 calendar day grace period, or until July 18, 2023, to regain compliance with the minimum bid price continued listing standard. To regain compliance, the closing bid price of our common shares must meet or exceed $ 1. 00 per common share for a minimum of 10 consecutive business days during the 180 calendar day grace period. If we are not in compliance by July 18, 2023, we may be afforded a second 180 calendar day grace period. To qualify for this additional time, we will be required to meet the continued listing requirement for market value of publicly held shares and all other initial listing standards for Nasdaq with the exception of the minimum bid price requirement. If we do not regain compliance within the allotted period (s), including any extensions that we may receive, Nasdaq will provide notice that our common shares will be subject to delisting. We are monitoring the bid price of our common shares and are considering options available to us to achieve compliance with the minimum bid price continued listing standard; however, we cannot be sure that we will be able to regain and / or maintain compliance with this listing standard or that we will otherwise be in compliance with other Nasdaq listing standards. If we fail to regain and / or maintain compliance with the minimum bid price requirement or to meet other applicable continued listing standards of Nasdaq in the future, and Nasdaq elects to delist our common shares, the market price and liquidity of our common shares could be negatively impacted and our ability to raise additional capital could be reduced~~ . The Notes and the Guarantees are structurally subordinated to the payment of all indebtedness and other liabilities of our subsidiaries that do not guarantee the 2025 Notes **, the 2026 Notes** and the 2031 Notes. We are the sole obligor on **our senior secured notes due 2026, or the 2026 Notes,** our outstanding senior unsecured notes ~~and any notes or other debt securities we may issue in the future~~ , **including** ~~or, together with our outstanding senior unsecured notes, the Notes. Our subsidiaries that guarantee~~ our 9. 75 % senior notes due 2025, or the 2025 Notes, and our 4. 375 % senior notes due 2031, or the 2031 Notes, **and any notes or other debt securities we may issue in the future, or, together with the 2026 Notes and our outstanding senior unsecured notes, the Notes. Our subsidiaries that guarantee the Notes** are the sole obligor on the guarantees of such notes, or the Guarantees. The subsidiaries that guarantee the 2025 **Notes, the 2026** Notes and the 2031 Notes do not currently guarantee any of our other Notes. Our non- guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due on the Notes or the Guarantees, or to make any funds available therefor, whether by dividend, distribution, loan or other payments. The rights of holders of the Notes to benefit from any of the assets of our non- guarantor subsidiaries are subject to the prior satisfaction of claims of those subsidiaries ~~'~~ **'** creditors. As a result, the Notes and the Guarantees are, and, except to the extent that future Notes are guaranteed by our non- guarantor subsidiaries, will be, structurally subordinated to all indebtedness and other liabilities of our subsidiaries that do not guarantee the 2025 Notes **, the 2026 Notes** and the 2031 Notes, including guarantees of or pledges under other indebtedness of ours, payment obligations under lease agreements, trade payables and preferred equity. As of December 31, ~~2022~~ **2023** , our non- guarantor subsidiaries had total indebtedness and other liabilities of approximately $ ~~42~~ **31** . ~~1~~ **5** million (including guarantees of other indebtedness and trade payables ~~,~~ but excluding liabilities to us or a subsidiary guarantor), which are structurally senior to the 2025 Notes **, the 2026 Notes** and the 2031 Notes. The Notes and the Guarantees **, other than the 2026 Notes and related Guarantees on a senior secured basis,** are unsecured and effectively subordinated to all of our and the subsidiary guarantors' existing and future secured debt to the extent of the value of the assets securing such debt. The outstanding Notes and Guarantees **, other than the 2026 Notes and related Guarantees on a senior secured basis, or the Unsecured Notes and Guarantees,** are not secured and any Notes we may issue in the future may not be secured. Upon any distribution to our creditors in a bankruptcy, liquidation, reorganization or similar proceeding relating to us or our property, the holders of our secured debt, including debt under ~~our credit agreement~~ **the 2026 Notes** (to the extent such debt remains outstanding and is still then secured), will be entitled to exercise the remedies available to a secured lender under applicable law and pursuant to the instruments governing such debt and to be paid in full, from the assets securing that secured debt before any payment may be made with respect to the Notes that are not secured by those assets. In that event, because ~~such~~ **the Unsecured** Notes and ~~the~~ Guarantees will not be secured by any of our assets, it is possible that there will be no assets from which claims of holders of such **unsecured** Notes can be satisfied or, if any assets remain, that the remaining assets will be insufficient to satisfy those claims in full. If the value of such remaining assets is less than the aggregate outstanding principal amount of such **unsecured** Notes and accrued interest and all future debt ranking equally with such **Unsecured** Notes and ~~the~~ Guarantees, we will be unable to fully satisfy our obligations under such **unsecured** Notes. In addition, if we fail to meet our payment or other obligations under our secured debt, the holders of that secured debt would be entitled to foreclose on our assets securing that secured debt and liquidate those assets. Accordingly, we may not have sufficient funds to pay amounts due on such **unsecured** Notes. As a result, noteholders may lose a portion or the entire value of their investment in such **unsecured** Notes. Further, the terms of the outstanding **Unsecured** Notes and ~~the~~ Guarantees permit, and the terms of any Notes we may issue in the future may permit, us to incur additional secured debt subject to compliance with certain debt ratios. The **Unsecured** Notes and ~~the~~ Guarantees will be effectively subordinated to any such additional secured debt. ~~As of February 24, 2023, our secured debt included outstanding borrowings under our credit facility, which is secured by pledges of equity in certain subsidiaries that own properties.~~ Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of notes to return payments received from guarantors. Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, ~~a~~ **the** ~~guarantee~~ **Guarantees** ~~of the 2025 Notes~~ and the ~~2031 Notes~~ **related liens, if applicable** (or any future Notes that are guaranteed by our subsidiaries) **,** could be voided, or claims in respect of a guarantee **and the related lien, if applicable,** could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the debt evidenced by its guarantee **and related lien, if applicable** : • received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee **or granting of such lien, if applicable** ; • was insolvent or rendered insolvent by reason of such incurrence; • was engaged in a business or transaction for which the guarantor ~~'~~ **'** s remaining assets constituted unreasonably small capital; or • intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature. In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor, or to a fund for the benefit of

our creditors or the creditors of the guarantor. The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if: • the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets; • the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or • it could not pay its debts as they become due. We cannot be sure as to what standard a court would apply in making these determinations. In addition, each Guarantee contains, and any future guarantees may contain, a provision intended to limit the guarantor ~~'~~ **’** s liability to the maximum amount that it could incur without causing the incurrence of obligations under its guarantee to be a fraudulent transfer. This provision may not be effective to protect the Guarantees or any future guarantees from being voided under fraudulent transfer laws, or may eliminate the guarantor ~~'~~ **’** s obligations or reduce the guarantor ~~'~~ **’** s obligations to an amount that effectively makes the guarantee worthless. There may be no public market for certain of the Notes, and one may not develop, be maintained or be liquid. We have not applied for listing of certain of the Notes on any securities exchange or for quotation on any automatic dealer quotation system, and we may not do so for Notes issued in the future. We cannot be sure of the liquidity of any market that may develop for such Notes, the ability of any holder to sell such Notes or the price at which holders would be able to sell such Notes. If a market for such Notes does not develop, holders may be unable to resell such Notes for an extended period of time, if at all. If a market for such Notes does develop, it may not continue or it may not be sufficiently liquid to allow holders to resell such Notes. Consequently, holders of the Notes may not be able to liquidate their investment readily, and lenders may not readily accept such Notes as collateral for loans. The Notes may trade at a discount from their initial issue price or principal amount, depending upon many factors, including prevailing interest rates, the ratings assigned by rating agencies, the market for similar securities and other factors, including general economic conditions and our financial condition, performance and prospects. Any decline in market prices, regardless of cause, may adversely affect the liquidity and trading markets for the Notes. A further downgrade in credit ratings could materially adversely affect the market price of the Notes and may increase our cost of capital. The outstanding Notes are rated by two rating agencies and any Notes we may issue in the future may be rated by one or more rating agencies. These credit ratings are continually reviewed by rating agencies and may change at any time based upon, among other things, our results of operations and financial condition. In ~~February~~ **January** ~~2022~~ **2023** , **Moody’ s Investor Services, or** Moody' s ~~Investors Service, or Moody' s~~ , downgraded **the** ~~our 9. 75 % senior notes due~~ 2025 ~~rating from Ba3 to B2, our 4. 375 % senior notes~~ **Notes** ~~due~~ **and** 2031 **Notes** ~~rating~~ **ratings** ~~from Ba3 to B2 and our senior unsecured debt rating from B1 to B3. In September 2022, Moody' s downgraded our 9. 75 % senior notes due 2025 rating from B2 to B3, our 4. 375 % senior notes due 2031 rating from B2 to B3 and our senior unsecured debt rating from B3 to Caa1. In November 2022, Standard & Poor' s Ratings Services, or Standard & Poor' s, downgraded our 9. 75 % senior notes due 2025 rating from BB to BB-, our 4. 375 % senior notes due 2031 rating from BB to BB- and our senior unsecured debt rating from BB- to B. In January 2023, Moody' s downgraded our 9. 75 % senior notes due 2025 rating from B3 to Caa3, our 4. 375 % senior notes due 2031 rating~~ from B3 to Caa3 and our senior unsecured debt rating from Caa1 to Ca. In February 2023, Standard & Poor **’ s Rating Services, or Standard & Poor** ' s **,** downgraded **the** ~~our 9. 75 % senior notes due~~ 2025 ~~rating from BB- to B, our 4. 375 % senior notes~~ **Notes** ~~due~~ **and** 2031 **Notes** ~~rating~~ **ratings** from BB- to B and our senior unsecured debt rating from B to CCC **. In September 2023, Moody’ s downgraded the 2025 Notes and 2031 Notes ratings from Caa3 to Ca and our senior unsecured debt rating from Ca to C. In September 2023, Standard & Poor’ s downgraded the 2025 Notes and 2031 Notes ratings from B to CCC and our senior unsecured debt rating from CCC to CCC-. In January 2024, Standard & Poor’ s upgraded the 2025 Notes and 2031 Notes ratings from CCC to B and our senior unsecured debt rating from CCC- to CCC and assigned a B rating for the 2026 Notes. Also in January 2024, Moody’ s upgraded the 2025 Notes and 2031 Notes ratings from Ca to Caa3 and our senior unsecured debt rating from C to Ca and assigned a Caa2 rating for the 2026 Notes** . Negative changes in the ratings assigned to our debt securities could have an adverse effect on the market price of the Notes and our cost and availability of capital, which could in turn have a material adverse effect on our results of operations and our ability to satisfy our debt service obligations. We may not have the ability to raise the funds necessary to finance the repurchase of the 2025 Notes **, the 2026 Notes** and the 2031 Notes upon a change of control event as will be required ~~by the indenture for the notes~~ . Upon the occurrence of a change of control, we will be required to offer to repurchase the outstanding 2025 Notes and 2031 Notes at 101 % of the principal amount thereof, **and the outstanding 2026 Notes at 100 % of the principal amount thereof, in each case** plus accrued and unpaid interest on such Notes, if any, to, but not including, the date of repurchase. However, it is possible that we will not have sufficient funds, or the ability to raise sufficient funds, at the time of the change of control to make the required repurchase of such Notes. In addition, ~~the occurrence of certain events that constitute a change of control would constitute an event of default under our credit agreement, and~~ restrictions under future debt we may incur may not allow us to repurchase such Notes upon a change of control, which could result in such debt becoming immediately due and payable and the commitments thereunder terminated. If we could not refinance such debt or otherwise obtain a waiver from the holders of such debt, we would be prohibited from repurchasing the 2025 Notes **, the 2026 Notes** and the 2031 Notes, which would constitute an event of default under the ~~indenture~~ **indentures** and related supplements governing such Notes, which in turn would constitute a default under such debt arrangements. In addition, certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, would not constitute a “ Change of Control ” under the ~~indenture~~ **indentures** and related supplements governing the 2025 **Notes, the 2026** Notes and the 2031 Notes although these types of transactions could affect our capital structure or credit ratings and the holders of such Notes. Further, courts interpreting change of control provisions under New York law (which is the governing law of the ~~indenture~~ **indentures** governing the 2025 **Notes, the 2026** Notes and the 2031 Notes) have not provided clear and consistent meanings of such change of control provisions which leads to subjective judicial interpretation of what may constitute a “ Change of Control. ” Some or all of the Guarantees may be released automatically. A

subsidiary guarantor may be released from its Guarantee under certain circumstances. Such release may occur at any time upon a sale, disposition or transfer, in compliance with the provisions of the ~~indenture~~ **indentures** and related supplements governing ~~the~~ 2025 **Notes, the 2026** Notes and the 2031 Notes, of the capital stock of such subsidiary guarantor or of substantially all of the assets of such subsidiary guarantor, or if such subsidiary guarantor becomes an Excluded Subsidiary or a Foreign Subsidiary, as such terms are defined in the applicable **indenture or** supplemental indenture. In addition, if the 2025 Notes and the 2031 Notes have a rating equal to or higher than Baa2 (or the equivalent) by Moody~~'~~**’**s or BBB (or the equivalent) by Standard & Poor~~'~~**’**s and at such time no default or event of default under the indenture and related supplements governing the 2025 Notes and the 2031 Notes has occurred and is continuing, the Guarantees and all other obligations of the subsidiary guarantors under the indenture will automatically terminate and be released. Accordingly, the 2025 **Notes, the 2026** Notes and the 2031 Notes may not at all times be guaranteed by some or all of the subsidiaries which guaranteed the 2025 Notes ~~or~~ **, the 2026 Notes and** the 2031 Notes on the date they were initially issued.