

## Risk Factors Comparison 2025-02-04 to 2024-02-09 Form: 10-K

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risks related to our business and operations; • risks related to our capital structure and market conditions; • risks related to the regulatory environment; • risks **relating to integration and property management internalization following our Merger with Physicians Realty Trust**; • risks related to tax, including REIT- related risks, and related to our jurisdiction of incorporation and our structure as an UPREIT ; ~~• risks relating to the Mergers; • risks relating to the Combined Company following the Mergers; • risks relating to the status of Physicians Realty Trust as a REIT; and • risks relating to an investment in the Combined Company’ s common stock following the Mergers and the transactions contemplated by the Merger Agreement.~~ Risks Related to Our Business and Operations We may be negatively impacted by macroeconomic trends **that may**, including rising inflation and interest rates, ~~increased~~ **increase** construction and, labor, **and other operating costs**, ~~for us~~ and historically low unemployment **our tenants, operators, and borrowers**. **In recent periods, Many many** of our costs, including labor costs, construction costs, utilities, and other operating and administrative costs, have been **adversely**, ~~and may continue to be~~, affected by **macroeconomic trends, including** inflation and, price volatility, **declines in economic growth rates, and changes in unemployment**. These macroeconomic trends have been, ~~and may continue to be~~, exacerbated by **higher interest rates** responses to the Covid pandemic, supply chain disruptions, **the geopolitical** conflicts between Russia and Ukraine and in the Middle East, federal government deficits, **responses to the Covid pandemic**, and other international and domestic events impacting the macroeconomic environment. ~~In addition~~ **If any of these adverse macroeconomic trends continue or recur in the future**, our business and results of operations may be negatively impacted. ~~Interest~~ **Interest** rates rose substantially in 2022 and 2023 ~~and may continue to rise and remain elevated for the foreseeable future~~. U. S. government policies implemented to address inflation, including actions by the Federal Reserve System’ s Federal Open Market Committee (the “ FOMC ”) to increase short- term interest rates, ~~resulted in~~ **have led to** increases in interest rates in the credit markets and other impacts on the macroeconomic environment. **Interest rates may continue to remain elevated above historical levels for the foreseeable future or rise again**. The FOMC may ~~continue to raise the federal funds rate or~~ maintain a higher federal funds rate for a longer period of time, **or may determine to raise the federal funds rate again**, either of which would likely lead to higher short- term interest rates and the possibility of lower asset values, slowing economic growth and increasing the possibility of a recession. ~~Increased~~ **Historically higher** interest rates have caused, and may ~~continue to~~ **in the future** cause, unfavorable financing terms and increased interest costs for variable rate debt and new debt. Further, actions by the ~~FOMC~~ **FOMC** to decrease short- term interest rates could lead to inflationary pressures. We may not be able to offset additional costs caused by inflation, ~~increased~~ **higher** interest rates, or other macroeconomic trends by passing them through, or increasing the rates we charge, to tenants and residents. These increased costs may hinder our ability to execute on accretive acquisitions or otherwise adversely affect our business, results of operations, and financial condition. Increased interest rates could also negatively impact consumer spending and our tenants’, operators’, and borrowers’ businesses and future demand for our properties. Furthermore, rising labor costs and personnel shortages ~~have increased, and may~~ **adversely impact us** ~~continue to increase, the cost of our,~~ or our tenants’, operators’, and borrowers’, ~~workforce~~. Competitive pressures, ~~including historically low unemployment,~~ may require that we or our tenants, operators, or borrowers enhance pay and benefits packages to compete effectively for such personnel. To the extent we or our tenants, operators, or borrowers cannot hire a sufficient number of qualified personnel, we or they may need to utilize high- cost alternatives to meet labor needs, including contract and overtime labor, or our business may operate below capacity, which may affect our ability to effectively manage risk and pursue potential revenue and growth opportunities. Additionally, changing technologies, **political and regulatory conditions**, and cultural trends could negatively impact future demand for our properties, which could have a material adverse effect on our business, results of operations, and financial condition. Life science industry changes could have a material adverse effect on our business, results of operations, and financial condition. If economic, financial, regulatory, or industry conditions ~~continue to~~ adversely affect the life science industry, we may be unable to lease or re- lease our lab properties in a timely manner or at profitable rates or with favorable terms. In addition, because lab property infrastructure improvements are typically significantly more costly than improvements to other property types due to their highly specialized nature, and lab tenants typically require greater lease square footage relative to outpatient medical tenants, repositioning efforts would have a disproportionate adverse effect on our lab segment performance. Further, our lab investments could face decreased demand from biotech and life science companies relative to supply, and life science industry consolidation could reduce the rentable square footage requirements of our client tenants and prospective client tenants, which may adversely impact our revenues from lease payments. Finally, our lab investments could also be adversely affected if the life science industry migrates from the U. S. to other countries or to areas outside of our primary lab markets in the greater South San Francisco, San Diego, and Boston areas. Our lab tenants face significant regulation, funding requirements, and uncertainty. Our lab tenants face substantial requirements for, and risks related to, the research, development, clinical testing, manufacture, and commercialization of their products and technologies, including: • significant funding requirements, including for rent payments due to us; • federal, state, and foreign regulatory approvals that may be costly or difficult to obtain, may take several years and be subject to delay, may not be obtained at all, require validation through clinical trials that may face delays or difficulties, or ultimately be unsuccessful; • product and technology efficacy risks; • acceptance risks among doctors and patients; • significant regulatory and liability risks, including the possible later discovery of safety concerns and other defects and potential loss of approvals, competition from new products, and the expiration of patent protection; • **new and emerging laws aimed at the life science / biotechnology industry,**

**increasing regulatory requirements and compliance costs, as well as** healthcare reforms and reimbursement policies of government or private healthcare payors, including **pricing-price** controls for prescription drug prices; • intellectual property and technology risks under patent, copyright, and trade secret laws; and • economic conditions **potentially** restricting growth opportunities. Our lab tenants' ability to raise capital depends on the actual or perceived viability of their products and technologies, their financial and operating condition and outlook, and the overall financial, banking, and economic environment. If venture capital firms, private investors, the public markets, companies in the life science industry, the government, or other sources of funding are difficult to obtain or unavailable to support our tenants' activities, including as a result of general economic conditions or adverse market conditions that negatively impact our tenants' ability to raise capital, our tenants' business would be adversely affected or could fail. If our lab tenants' businesses are adversely affected, they may fail to make their rent payments to us, which could have a material adverse effect on our business, results of operations, and financial condition. Decreases in our tenants', operators', or borrowers' revenues, or increases in their expenses, or other factors adversely affecting their ability to borrow money, could affect their ability to meet their financial and other contractual obligations to us. Occupancy levels at, and rental income from, our outpatient medical and senior housing properties depend on our ability and the ability of our tenants, operators, and borrowers to compete with respect to (i) the quality of care provided, (ii) reputation, (iii) price, (iv) the range of services offered, (v) the physical appearance of a property, (vi) family preference, (vii) referral sources, and (viii) location. In addition, our outpatient medical and senior housing tenants, operators, and borrowers compete with certain companies that have superior resources and attributes and / or provide similar healthcare services or alternatives such as home health agencies, telemedicine, life care at home, community- based service programs, retirement communities, and convalescent centers . **There have been, and there are expected to continue to be, advances and changes in technology, payment models, healthcare delivery models, regulation, and consumer behavior, preferences, and perception that could reduce demand for on- site activities provided at our properties. If our tenants, operators, or borrowers are unable to adapt to long- term changes in demand, their financial condition could be materially impacted and our business, financial condition, and results of operations could be adversely affected** . Furthermore, these tenants, operators, and borrowers face a competitive labor market. A shortage of care givers or other trained personnel, union activities (including strikes, labor slowdowns, or contract negotiations), wage laws, or general inflationary pressures on wages may require our tenants, operators, and borrowers to enhance pay and benefits packages, or to use more expensive contract personnel, and they may be unable to offset these added costs by increasing the rates charged to residents or patients. An inability to attract and retain qualified personnel, including personnel possessing the expertise needed to operate in the life science, outpatient medical, and senior housing sectors, could negatively impact the ability of our tenants, operators, and borrowers to meet their obligations to us. Our tenants, operators, and borrowers could also be adversely impacted by a bank failure or other event affecting financial institutions, including through disruptions in access to bank deposits or borrowing capacity, including access to letters of credit from certain of our tenants relating to lease obligations, and any resulting adverse effects to our tenants', operators', or borrowers' liquidity or financial performance could affect their ability to meet their financial and other contractual obligations to us. Although we generally have the right under specified circumstances to terminate a lease, evict a tenant or terminate an operator, demand immediate repayment of outstanding loan amounts or other obligations to us, or draw on a letter of credit, we may be unable to enforce these rights or we may determine not to do so if we believe that doing so would be more detrimental than alternative approaches. If widespread default or nonpayment of outstanding obligations from our tenants, operators, or borrowers occurs at a time when terminating our agreements with them and replacing them would be difficult or impossible, we could elect instead to amend our agreements on materially less favorable terms to us. The failure of our tenants, operators, or borrowers to meet their financial and other contractual obligations to us could have a material adverse effect on our business, results of operations, and financial condition. We may be negatively impacted by the insolvency or bankruptcy of **, or the inability to obtain funding by,** one or more of our major tenants, operators, or borrowers. A downturn in our tenants', operators', or borrowers' businesses has led, and could in the future lead, to voluntary or involuntary bankruptcy or similar insolvency proceedings, including assignment for the benefit of creditors, liquidation, or winding- up. Bankruptcy and insolvency laws afford certain rights to a defaulting tenant, operator, or borrower that has filed for bankruptcy or reorganization that has, and in the future may, render certain of our remedies unenforceable or, at the least, delay our ability to pursue such remedies and realize any related recoveries. A debtor has the right to assume, or to assume and assign to a third party, or to reject its executory contracts and unexpired leases in a bankruptcy proceeding. We have been subject to rejection of our leases in the past and may experience such rejection in the future. When a debtor rejects its leases with us, obligations under such rejected leases cease. The claim against the rejecting debtor for remaining rental payments due under the lease is an unsecured claim limited by the statutory cap set forth in the U. S. Bankruptcy Code. This statutory cap may be substantially less than the remaining rent actually owed under the lease. In addition, a debtor may also assert in bankruptcy proceedings that certain leases should be re- characterized as financing agreements, which could result in our being deemed a lender instead of a landlord. A lender' s rights and remedies, as compared to a landlord' s, generally are materially less favorable, and our rights as a lender may be subject to lower priority for payment under the U. S. Bankruptcy Code. Furthermore, the automatic stay provisions of the U. S. Bankruptcy Code preclude us from enforcing our remedies unless we first obtain relief from the court having jurisdiction over the bankruptcy case. This effectively limits or delays our ability to collect unpaid rent or interest payments, and we may ultimately not receive any payment at all. In addition, we have been, and may again be, required to fund certain expenses and obligations (e. g., real estate taxes, insurance, debt costs, and maintenance expenses) to preserve the value of our properties, avoid the imposition of liens on our properties, or transition our properties to a new tenant or operator. If we are unable to transition affected properties, they would likely experience prolonged operational disruption, leading to lower occupancy rates and further depressed revenues. Publicity about the operator' s financial condition and insolvency proceeds may also negatively impact their and our reputations, decreasing customer demand and revenues. Any or all of these risks could have a material

adverse effect on our revenues, results of operations, and cash flows. These risks could be magnified where we lease multiple properties to a single operator under a master lease, as an operator failure or default under a master lease would expose us to these risks across multiple properties. We depend on real estate investments, particularly in the healthcare property sector, making us more vulnerable to a downturn or slowdown in that specific sector than if we were investing across multiple sectors. We concentrate our investments in the healthcare property sector. A downturn or slowdown in this sector would have a greater adverse impact on our business than if we had investments across multiple sectors, and could negatively impact the ability of our tenants, operators, and borrowers to meet their obligations to us, as well as **the their** ability to maintain historical rental and occupancy rates, which could have a material adverse effect on our business, results of operations, and financial condition. In addition, such downturns could have a material adverse effect on the value of our properties and our ability to sell properties at prices or on terms acceptable or favorable to us. The illiquidity of our real estate investments may prevent us from timely responding to economic or investment performance changes. Our real estate investments can be relatively illiquid due to: (i) restrictions on our ability to sell properties under applicable REIT tax laws, (ii) other tax- related considerations, (iii) regulatory hurdles, and (iv) market conditions. As a result, we may be unable to recognize full value for any property that we seek to sell. Our inability to timely respond to economic or investment performance changes could have a material adverse effect on our business, results of operations, and financial condition. Identifying and securing new or replacement tenants or operators can be time consuming and costly. Healthcare properties can be highly customized, and the improvements generally required to conform a property to healthcare use are costly, sometimes tenant- specific, and may be subject to regulatory requirements. A new or replacement tenant or operator may require different features in a property, depending on that tenant' s or operator' s particular business. In addition, infrastructure improvements for **outpatient medical and** lab properties typically are significantly more expensive than improvements to other property types due to the highly specialized nature of the properties , and **with respect to lab properties**, the greater lease square footage often required by lab tenants. Therefore, we may incur substantial expenditures to modify a lab property and experience delays before we are able to secure a new or replacement tenant or operator or to accommodate multiple tenants or operators, which may have a material adverse effect on our business, results of operations, and financial condition. In addition, we may fail to identify suitable replacements or enter into leases, management agreements, or other arrangements with new tenants or operators on a timely basis or on terms as favorable to us as our current leases, if at all. We also may be required to fund certain expenses and obligations, such as real estate taxes, debt costs, insurance costs, and maintenance expenses, to preserve the value of, and avoid the imposition of liens on, our properties while they are being repositioned. In addition, we may incur certain obligations and liabilities, including obligations to indemnify the replacement tenant or operator. Identifying and securing new or replacement tenants or operators can be time consuming and costly, which could have a material adverse effect on our business, results of operations, and financial condition. Property development, redevelopment, and tenant improvement risks can render a project less profitable or unprofitable and delay or prevent its undertaking or completion. Our property development, redevelopment, and tenant improvement projects could be canceled, abandoned, delayed or, if completed, fail to perform in accordance with expectations due to, among other things: • the inability to obtain financing on favorable terms or at all, or the lack of liquidity we deem necessary or appropriate for the project; • legal and regulatory hurdles, including moratoriums on development and redevelopment activities , **net zero or carbon neutrality requirements, or other building and energy performance requirements** ; • the failure to obtain, or costs associated with obtaining, necessary zoning, entitlements, and permits; • cost increases; and • other factors over which we have limited or no control, including: (i) changes in market and economic conditions; (ii) natural disasters and other catastrophic events or physical climate risks, such as wildfires, earthquakes, and wind storms; (iii) pandemics or other health crises; (iv) labor conditions, including a labor shortage or work stoppage; (v) shortages of construction materials; (vi) environmental conditions; or (vii) civil unrest and acts of war or terrorism. Project costs may materially exceed original estimates due to, among other things: • **increased higher** interest rates; • increased costs for materials, transportation, environmental remediation, labor, or other inputs, including those caused by a shortage of construction materials or labor; • negligent construction or construction defects; • damage, vandalism, or accidents; and • increased operating costs, including insurance premiums, utilities, real estate taxes, and costs of complying with changes in government regulations or increases in tariffs. Delays in project completion also delay the commencement of related rental payments, including increases in rental payments following tenant improvement projects, and may provide tenants the right to terminate leases or cause us to incur additional costs, including through rent abatement. Demand for a project may decrease prior to a project' s completion, and resulting lease- up rates, rental rates, lease commencement dates, and occupancy levels may fail to meet expectations. Tenants that have pre- leased at a project may file for bankruptcy or become insolvent, or elect to terminate their lease prior to delivery if they are acquired or for other reasons. Finally, a project may have defects that we do not discover through the inspection processes, including latent defects not discovered until after we put a property in service. The foregoing risks could result in not achieving anticipated returns on investment and could have a material adverse effect on our business, results of operations, and financial condition. The hospitals on whose campuses our outpatient medical buildings are located and their affiliated healthcare systems could fail to remain competitive or financially viable, which could adversely impact their ability to attract physicians and physician groups to our outpatient medical buildings and our other properties that serve the healthcare industry. The viability of hospitals depends on factors such as: (i) the quality and mix of healthcare services provided, (ii) competition for patients and physicians, (iii) demographic trends in the surrounding community, (iv) market position, (v) growth potential, and (vi) changes to the reimbursement system, as well as the ability of the affiliated healthcare systems to provide economies of scale and access to capital. In addition, hospitals could be negatively affected by widespread cancellations of elective procedures due to health and safety measures or otherwise. If a hospital whose campus is located near one of our outpatient medical buildings is unable to meet its financial obligations, and if an affiliated healthcare system is unable to support that hospital or goes bankrupt, the hospital may be unable to successfully compete or could be forced to close or, relocate , **or be sold to another provider** ,

which could adversely impact its ability to attract physicians and other healthcare-related users. **In addition, hospitals can also be adversely affected by increasing legal and regulatory scrutiny and hurdles, including requirements for hospitals to be able to engage in certain transactions or change owners or operators, which could impact the financial viability of the hospitals.** Because we rely on our proximity to, and affiliations with, these hospitals to create tenant demand for space in our outpatient medical buildings, their inability to remain competitive or financially viable, or to attract physicians and physician groups, could adversely affect our outpatient medical building operations and have a material adverse effect on us. We may be unable to develop, maintain, or expand hospital and health system client relationships. We invest significant time in developing, maintaining, and expanding relationships with both new and existing hospital and health system clients. If we fail to maintain these relationships, including through a lack of responsiveness, failure to adapt to the current market, or employment of individuals with inadequate experience, our reputation and relationships will be harmed and we may lose business to competitors, which could have a material adverse effect on us. We assume operational risks with respect to our senior housing properties managed in RIDEA structures that could have a material adverse effect on our business, results of operations, and financial condition. Although the RIDEA structure gives us certain oversight approval rights (e. g., budgets and material contracts) and the right to review operational and financial reporting information, our operators are ultimately in control of the day-to-day business of the property. As a result, we have limited rights to direct or influence the business or operations of our CCRCs and in the properties owned by our SWF SH JV, all of which are under RIDEA structures, and we depend on our operators to operate these properties in a manner that complies with applicable law, minimizes legal risk, and maximizes the value of our investment. Under a RIDEA structure, our TRS is ultimately responsible for all operational risks and other liabilities of the properties, other than those arising out of certain actions by our operator, such as gross negligence or willful misconduct. Operational risks include, and our resulting revenues therefore depend on, among other things: (i) occupancy rates; (ii) the entrance fees and rental rates charged to residents; (iii) the requirements of, or changes to, governmental reimbursement programs such as Medicare or Medicaid, to the extent applicable, including changes to reimbursement rates; (iv) our operators' reputations and ability to attract and retain residents; (v) general economic conditions and market factors that impact seniors, including general inflationary pressures; (vi) competition from other senior housing providers; (vii) compliance with federal, state, local, and industry-regulated licensure, certification and inspection laws, regulations and standards; (viii) litigation involving our properties or residents / patients; (ix) the availability and cost of general and professional liability insurance coverage or increases in insurance policy deductibles; and (x) the ability to control operating expenses. Operators of our CCRCs and the SWF SH JV properties primarily depend on private sources for their revenues and the ability of their patients and residents to pay fees. Costs associated with independent and assisted living services are not generally reimbursable under governmental reimbursement programs such as Medicare and Medicaid. Accordingly, our operators of these properties depend on attracting seniors with appropriate levels of income and assets, which may be affected by many factors, including: (i) prevailing economic and market trends, including general inflationary pressures; (ii) consumer confidence; (iii) demographics; (iv) property condition and safety; (v) public perception about such properties; ~~and~~ (vi) social and environmental factors; **and (vii) changes in consumer preferences (such as favoring home health services instead of residing in a senior housing community).** In addition, epidemics, pandemics, and severe flu seasons or any other widespread illness could result in early move-outs or delayed move-ins during quarantine periods or during periods when actual or perceived risks of such illnesses are heightened, and have reduced, and could continue to reduce, our operators' revenues. If our operators fail to effectively conduct operations on our behalf, or to maintain and improve our properties, it could adversely affect our business reputation as the owner of the properties, as well as the business reputation of our operators and their ability to attract and retain patients and residents in our properties, which could have a material adverse effect on our and our operators' business, results of operations, and financial condition. Economic conditions, natural disasters, weather, and other events or conditions that negatively affect geographic areas where we have concentrated investments could have a material adverse effect on our business, results of operations, and financial condition. We are subject to increased exposure to adverse conditions affecting the geographies in which our properties are located, including: (i) downturns in local economies ~~and or~~ increases in unemployment rates; (ii) changes in local real estate conditions, including increases in real estate taxes and property insurance premiums; (iii) increased competition; (iv) decreased demand; (v) changes in **political administrations, or federal,** state, and local legislation, including changes affecting business or property taxes; (vi) local climate events and natural disasters and other catastrophic events, such as pandemics, earthquakes, hurricanes, windstorms, flooding, wildfires, and mudslides and other physical climate risks, including water stress and heat stress; and (vii) failures of regional banks. These risks could significantly disrupt our businesses in the region, harm our ability to compete effectively, result in increased costs or construction delays, and divert management attention, any or all of which could have a material adverse effect on our business, results of operations, and financial condition. In addition, significant climate changes in areas where we own property could result in extreme weather and changes in precipitation, temperature, and other weather patterns, all of which could result in physical damage to or a decrease in demand for properties located in these areas or affected by these conditions or delays in construction. Moreover, an increase in volatility and difficulty predicting adverse weather events, such as freeze events in warmer climates in recent years, as well as increased hurricane intensity, may result in additional losses. Intensifying natural disasters ~~including~~ **resulting from** climate change and extreme weather events, coupled with ~~the current economic~~ **macroeconomic climate factors,** have directly affected the availability of insurance, premiums, deductibles, and capacity that insurers are willing to underwrite. As a result, we may determine to self-insure more of our exposures, absorb more below deductible losses, and look for alternative means of risk transfer in order to avoid spiraling insurance costs. These events also have indirect effects on our business by increasing the costs of energy, maintenance, and snow removal at our properties. If changes in the climate have material effects, such as property destruction, or occur for extended periods, this could have a material adverse effect on business, results of operations, and financial condition. Uninsured or underinsured losses could result in a significant loss of capital invested in a property,

lower than expected future revenues, and unanticipated ~~expense~~ **expenses**. A large number of our properties are located in areas exposed to earthquakes, hurricanes, windstorms, flooding, water stress, heat stress, and other common natural disasters and physical climate risks. In particular, (i) a significant portion of our lab development projects and approximately 67 % of our lab portfolio (based on gross asset value as of December 31, ~~2023~~ **2024**) was concentrated in California, which is known to be subject to earthquakes, wildfires, and other natural disasters, and (ii) approximately ~~69~~ **68** % of our CCRC portfolio (based on gross asset value as of December 31, ~~2023~~ **2024**) was concentrated in Florida, which is known to be subject to hurricanes. While we maintain insurance coverage for earthquakes, fires, hurricanes, windstorms, floods, and other natural disasters and physical climate risks, we may be unable to purchase the limits and terms we desire on a commercially reasonable basis due to increased insurance costs or the unavailability of insurance for certain exposures in other regions. We maintain additional earthquake insurance for our properties that are located in the vicinity of active earthquake zones in amounts and with deductibles we believe are commercially reasonable. Because of our significant concentration in the seismically active regions of South San Francisco, California, and San Diego, California, an earthquake in these areas could damage a significant portion of our lab portfolio. Similarly, a hurricane in Florida could damage a significant portion of our CCRC portfolio. As a result, aggregate deductible amounts may be material, and our insurance coverage may be materially insufficient to cover our losses. Furthermore, there are certain exposures for which we do not purchase insurance because we do not believe it is economically feasible to do so or there is no viable insurance market. If one of our properties experiences a loss that is uninsured or that exceeds policy coverage limits, we could lose our investment in the damaged property as well as the anticipated future cash flows from such property. If the damaged property is subject to recourse indebtedness, we could continue to be liable for the indebtedness even if the property is irreparably damaged. In addition, even if damage to our properties is covered by insurance, a disruption of business caused by a casualty event may result in loss of revenues for us. Any business interruption insurance may not fully compensate the lender or us for such loss of revenue. Our insurance coverage does not include damages as a result of a pandemic (such as Covid), including business interruption, loss of revenue or earnings, or any related effects (e. g., increased costs related to personal protective equipment, sanitization / sterilization of surfaces and equipment, and additional staffing). Insurance coverage for pandemics is not generally available; if it does become available again, it may not be on commercially reasonable terms and we may be unable to receive insurance proceeds that would compensate us fully for our liabilities, costs, and expenses in the event of a pandemic. Our CCRC and senior housing operators also face various forms of class- action lawsuits from time to time, such as wage and hour and consumer rights actions, which generally are not covered by insurance. These class actions could result in significant defense costs, as well as settlements or verdicts that materially decrease anticipated revenues from a property and can result in the loss of a portion or all of our invested capital. We may also incur significant out- of- pocket costs associated with legal proceedings or other claims from residents and patients at our properties. Any of the foregoing risks could have a material adverse effect on our business, results of operations, and financial condition. In addition, the rise in outsized jury verdicts and / or intensifying natural disasters could threaten policy limits and / or sublimits, which may result in the exhaustion of available insurance coverage for the remainder of the policy year. These events could also have a material adverse effect on our business, results of operations, and financial condition. Our use of joint ventures may limit our returns on and our flexibility with jointly owned investments. From time to time, we develop, acquire, and / or recapitalize properties in joint ventures with other persons or entities when circumstances warrant the use of these structures. Our participation in joint ventures is subject to risks that may not be present with other methods of ownership, including: • our joint venture partners could have investment and financing goals that are inconsistent with our objectives, including the timing, terms, and strategies for any investments, and what levels of debt to incur or carry; • because we lack sole decision- making authority, we could experience impasses or disputes relating to certain decisions, including those related to budget approvals, entitlements, construction and development, acquisitions, sales of assets, debt financing, execution of lease agreements, and vendor approvals, which could result in delayed decisions and missed opportunities and could require us to expend additional resources on litigation or arbitration to resolve; • our joint venture partners may have competing interests that create conflicts of interest in our markets; • our ability to transfer our interest in a joint venture to a third party may be restricted; • the market for our interest may be limited and / or valued lower than fair market value; • our joint venture partners may be structured differently than us for tax purposes, and this could create conflicts of interest and risks to our REIT status or could restrict the ways in which we are able to exit investments; • our joint venture partners might become insolvent, fail to fund their share of required capital contributions or fail to fulfill their obligations as a joint venture partner, which may require us to infuse our own capital into the venture on behalf of the partner despite other competing uses for such capital; • our joint venture agreements may contain anti- competitive restrictions that impact certain of our non- joint venture assets and require us to manage the non- joint venture assets in a manner we otherwise would not; • our joint venture agreements may in certain circumstances grant our partners a right of first refusal to acquire certain of our non- joint venture assets; • our joint venture agreements may give our partners management rights that allow them to make operational or other decisions with which we disagree or that we would manage differently; and • our joint venture agreements may impose limitations or caps on the property management fees that we otherwise would have been entitled to receive if the underlying property were wholly owned. In addition, in some instances, our joint venture partner will have the right to cause us to sell our interest, or acquire their interest, at a time when we otherwise would not have initiated such a transaction. Our ability to acquire our partner' s interest will be limited if we lack sufficient capital resources. This could require us to sell our interest in the joint venture when we might otherwise prefer to retain it. Any of the foregoing risks could have a material adverse effect on our business, results of operations, and financial condition. Rent escalators or contingent rent provisions in our leases could hinder our profitability and growth. We derive a significant portion of our revenues from leasing properties pursuant to leases that generally provide for fixed rental rates, subject to annual escalations. If inflation exceeds our annual escalations, as it often recently has, our growth and profitability may be limited. Under certain leases, a portion of the tenant' s rental payment to us is based on the property' s revenues (i. e., contingent rent). If a tenant' s

revenue at a rental property with contingent rent declines, our rental revenues would decrease. Additionally, some of our leases provide that annual rent is modified based on changes in the Consumer Price Index or other thresholds (i. e., contingent rent escalators). If the Consumer Price Index does not increase or other applicable thresholds are not met, rental rates may not increase as anticipated or at all, which could hinder our profitability and growth. Furthermore, if economic conditions result in significant increases in the Consumer Price Index, but the escalations under our leases with contingent rent escalators are capped or the increase in the Consumer Price Index exceeds our tenants' ability to pay, our growth and profitability also may be limited. Competition may make it difficult to identify and purchase, or develop, suitable healthcare properties to grow our investment portfolio, to finance acquisitions on favorable terms, or to retain or attract tenants and operators. We face significant competition from other REITs, investment companies, private equity and hedge fund investors, sovereign funds, healthcare operators, lenders, developers, and other institutional investors, some of whom may have greater resources and lower costs of capital than we do. Increased competition and resulting capitalization rate compression make it more challenging for us to identify and successfully capitalize on opportunities that meet our business goals and could improve the bargaining power of property owners seeking to sell, thereby impeding our investment, acquisition, and development activities. Similarly, our properties face competition for tenants and operators from other properties in the same market, which may affect our ability to attract and retain tenants and operators, or may reduce the rents we are able to charge. The failure to capitalize on our development pipeline, identify and purchase a sufficient quantity of healthcare properties at favorable prices, finance acquisitions on commercially favorable terms, or attract and retain profitable tenants could have a material adverse effect on our business, results of operations, and financial condition. We may be unable to successfully ~~foreclose or~~ exercise rights on the collateral securing our real estate- related loans and, even if we are successful in ~~exercising those rights~~ **exercising those rights**, we may be unable to successfully operate, occupy, or reposition the underlying real estate. If a borrower defaults under one of our ~~mortgages~~ **real estate related loans**, we may look to ~~foreclose on~~ **exercise our rights under** the loan or ~~take additional actions~~, including acquiring title to the collateral via ~~deed in lieu of foreclosure, foreclosure,~~ **deed in lieu of foreclosure, foreclosure,** statutory or judicial foreclosure, or commencing collection litigation. ~~We may determine that substantial improvements or repairs to the property are necessary in order to maximize the property's investment potential.~~ **We may determine that substantial improvements or repairs to the property are necessary in order to maximize the property's investment potential.** In some cases, because our collateral consists of the equity interests in an entity that directly or indirectly owns the applicable real property or interests in other operating properties, we may not have full recourse with respect to assets of that entity, or that entity may have incurred unexpected liabilities, either of which would preclude us from fully recovering our investment. Borrowers ~~and guarantors~~ **and guarantors** may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against our exercise of enforcement or other remedies, and / or bring claims for lender liability in response to actions to enforce ~~mortgage borrower~~ **mortgage borrower** obligations. Because many of the properties securing our mortgage loans are licensed senior housing health care facilities, we would also need to navigate and comply with various healthcare regulatory matters in a variety of states in connection with any foreclosure effort. ~~Foreclosure Enforcement~~ **Foreclosure Enforcement** or collections-related costs, high loan- to- value ratios, healthcare regulatory issues or consents, or declines in the value of the property, may prevent us from realizing an amount equal to our ~~mortgage loan~~ **mortgage loan** balance upon ~~foreclosure enforcement~~ **foreclosure enforcement** or conclusion of litigation, and we may be required to record a valuation allowance for such losses. Even if we are able to successfully ~~foreclose~~ **exercise our rights** on the collateral securing our real estate- related loans, we may acquire properties for which we may be unable to expeditiously secure tenants or operators, if at all, or that are burdened with healthcare regulatory compliance issues that need to be addressed, or we may acquire equity interests that we are unable to immediately resell or otherwise liquidate due to limitations under the securities laws, either of which would adversely affect our ability to fully recover our investment. ~~We may also determine that substantial improvements or repairs to the property are necessary in order to maximize the property's investment potential.~~ **We may also determine that substantial improvements or repairs to the property are necessary in order to maximize the property's investment potential.** Alternatively, we may determine to sell a distressed loan for less than full value, in which event we may incur a loss on the investment. We may be required to recognize reserves, allowances, credit losses, or impairment charges. Declines in the value of our properties or other assets or loan collateral, financial deterioration of our tenants, borrowers, or other obligors, or other factors may result in the recognition of reserves, allowances, credit losses, or impairment charges. Our determination of such reserves, allowances, or credit losses relies on estimates regarding the fair value of any loan collateral, which is a complex and subjective process. In addition, we evaluate our assets for impairments based on various triggers, including market conditions, our current intentions with respect to holding or disposing of the assets and the expected future undiscounted cash flows from the assets. Impairments, reserves, allowances, and credit losses are based on estimates and assumptions that are inherently uncertain, may increase or decrease in the future, and may not represent or reflect the ultimate value of, or loss that we ultimately realize with respect to, the relevant assets. Any such impairment, reserve, allowance, or credit loss, or any change in any of the foregoing, could have an adverse impact on our results of operations and financial condition. We may invest substantial resources and time in transactions that are not consummated. We regularly review potential transactions in order to maximize stockholder value. Our review process may require significant management attention, and a potential transaction could be abandoned or rejected by us or the other parties involved after we expend significant resources and time. ~~For additional information on risks related to the consummation of the Mergers, see "Risks Relating to the Mergers" below.~~ **For additional information on risks related to the consummation of the Mergers, see "Risks Relating to the Mergers" below.** We may not be able to successfully integrate or operate acquisitions ~~and / or internalize~~ **and / or internalize** ~~property management~~ **property management**, or may incur unanticipated liabilities. Successful integration of acquired companies ~~and / or~~ **and / or** ~~internalization of the property management function, as applicable,~~ **internalization of the property management function, as applicable,** depends primarily on our ability to consolidate operations, systems, procedures, properties, and personnel, and to eliminate redundancies and reduce costs. We may encounter difficulties in these integrations ~~and property management internalizations~~ **and property management internalizations**. Potential difficulties associated with acquisitions ~~and property management internalizations~~ **and property management internalizations** include: (i) our ability to effectively monitor and manage our expanded portfolio of properties; (ii) the loss of key employees; (iii) the disruption of our ongoing business or that of the acquired entity; (iv) possible inconsistencies in standards, controls, procedures, and policies; and (v) the assumption of unexpected liabilities and claims, including: • liabilities relating to the cleanup or remediation of undisclosed environmental conditions; • unasserted

claims of vendors, residents, patients, or other persons dealing with the seller; • liabilities, claims, and litigation, whether or not incurred in the ordinary course of business, relating to periods prior to ~~our~~**the** acquisition; • claims for indemnification by general partners, directors, officers, and others indemnified by the seller; • claims for return of government reimbursement payments; and • liabilities for taxes relating to periods prior to ~~our~~**the** acquisition. In addition, acquired companies and their properties may fail to perform as expected, including with respect to estimated cost savings. Inaccurate assumptions regarding future rental or occupancy rates could result in overly optimistic estimates of future revenues. Similarly, we may underestimate future operating expenses or the costs necessary to bring properties up to standards established for their intended use or for property improvements. If we have difficulties with any of these areas, or if we later discover additional liabilities or experience unforeseen costs relating to our acquired companies **or property management internalization**, we may not achieve the anticipated economic benefits from our acquisitions **or property management internalization**, and this may have a material adverse effect on our business, results of operations, and financial condition. **For additional information on risks related to integration following the Merger, see “— Risks Relating to Integration following our Merger with Physicians Realty Trust” below.** We may be affected by unfavorable resolution of litigation or disputes and rising liability and insurance costs as a result thereof or other market factors. Our tenants, operators, property managers, **employees**, and borrowers are from time to time parties to litigation, including, for example, disputes regarding the quality of care at healthcare **properties or the operations of the** properties. The effect of litigation may materially increase the costs incurred by our tenants, operators, property managers, and borrowers, including costs to monitor and report quality of care compliance. In addition, the cost of professional liability, medical malpractice, property, business interruption, general liability, and insurance policies can be significant and may increase or not be available at a reasonable cost or at all. Cost increases could cause our tenants and borrowers to be unable to make their lease or mortgage payments or fail to purchase the appropriate liability and malpractice insurance, or cause our borrowers to be unable to meet their obligations to us, potentially decreasing our revenues and increasing our collection and litigation costs. Cost increases could also lead our operators and property managers to increase the fees they charge, which could have a material adverse effect on our business, results of operations, and financial condition. Furthermore, with respect to our CCRC properties and the properties in our SWF SH JV, all of which are operated in RIDEA structures, we generally directly bear the costs of any such increases in litigation, monitoring, reporting, and insurance due to our direct exposure to the cash flows of such properties. We are responsible for these claims, litigation, and liabilities, with limited indemnification rights against our operators, which are typically based on the gross negligence or willful misconduct by the operator. Although our leases provide us with certain information rights with respect to our tenants, one or more of our tenants may be or become party to pending litigation or investigation of which we are unaware or in which we do not have a right to participate or evaluate. In such cases, we would be unable to determine the potential impact of such litigation or investigation on our tenants or our business or results. Moreover, negative publicity of any of our operators’, property managers’, or tenants’ litigation, other legal proceedings or investigations may also negatively impact their and our reputation, resulting in lower customer demand and revenues, which could have a material adverse effect on our financial condition, results of operations, and cash flows. We may also be named as defendants in lawsuits arising out of our alleged actions or the alleged actions of our tenants, operators, or property managers for which such tenants, operators, or property managers may have agreed to indemnify us. Unfavorable resolution of any such litigation, **including an outsized jury verdict**, or negative publicity as a result of such litigation could have a material adverse effect on our business, results of operations, and financial condition. Regardless of the outcome, litigation or other legal proceedings may result in substantial costs, disruption of our normal business operations, and the diversion of management attention. We may be unable to prevail in, or achieve a favorable settlement of, any pending or future legal action against us. Even when a tenant or operator is obligated to indemnify us for liability incurred as a result of a lawsuit pursuant to the terms of its agreement with us, the tenant may fail to satisfy those obligations and, in such event, we would have to incur the costs that should have been covered by the tenant, operator, or property manager and to determine whether to expend additional resources to seek the contractually owed indemnity from that tenant, operator, or property manager, including potentially through litigation or arbitration. In some instances, we may decide not to enforce our indemnification rights if we believe that enforcement of such rights would be more detrimental to our business than alternative approaches. Regardless, such an event would divert management attention and may result in a disruption to our normal business operations, any or all of which could have an adverse effect on our business, results of operations, and financial condition. Environmental compliance costs and liabilities associated with our real estate-related investments may be substantial and may materially impair the value of those investments. Federal, state and local laws, ordinances, and regulations may require us, as a current or previous owner of real estate, to investigate, **monitor**, and **/or** clean up certain hazardous or toxic substances released at a property. We may be held liable to a governmental entity or to third parties for injury or property damage and for investigation and cleanup costs incurred in connection with the contamination. The costs of cleanup and remediation could be substantial. In addition, some environmental laws create a lien on the contaminated site in favor of the government for damages and the costs it incurs in connection with the contamination, and / or impose fines and penalties on the property owner with respect to such contamination. Although we currently carry environmental insurance on our properties in an amount that we believe is commercially reasonable and generally require our tenants and operators to indemnify us for environmental liabilities they cause, such liabilities could exceed the amount of our insurance, the financial ability of the tenant or operator to indemnify us, or the value of the contaminated property. As the owner of a site, we may also be held liable to third parties for damages and injuries resulting from environmental contamination emanating from the site. We may also experience environmental costs and liabilities arising from conditions not known to us or disrupted during development. The cost of defending against these claims, complying with environmental regulatory requirements, conducting remediation of any contaminated property, or paying personal injury or other claims or fines could be substantial and could have a material adverse effect on our business, results of operations, and financial condition. In addition, the presence of contamination or the failure to remediate contamination may

materially adversely affect our ability to use, develop, sell, or lease the property or to borrow using the property as collateral. **ESG-Corporate impact** and sustainability commitments and requirements, as well as stakeholder expectations, may impose additional costs and expose us to new risks. Investors, tenants, business partners and other stakeholders, as well as regulators and other groups, are increasingly focusing on **ESG-our corporate impact** and sustainability commitments and performance. Some investors may use **ESG-corporate impact** factors to guide their investment strategies and, in some cases, may choose not to invest in us if our **ESG-corporate impact** commitment and performance do not satisfy their criteria. Similarly, some business partners or tenants may use **ESG-corporate impact** factors to guide their business decisions and choose not to do business with us if they believe our **ESG-corporate impact** or sustainability policies are inadequate. Third- party providers of **ESG-corporate impact** ratings have increased in number, resulting in varied and, in some cases, inconsistent standards. In addition, the criteria by which companies' **ESG-corporate impact** and sustainability practices are assessed are evolving, which could result in greater expectations for us to undertake costly initiatives to satisfy such new criteria. **At the same time, diverging views on corporate impact may emerge from regulators and stakeholders, potentially resulting in increased scrutiny of our corporate impact practices and political or reputational risk.** We have established corporate goals to reduce greenhouse gas emissions, energy, water and waste in our operations, and various regions in which we own properties are establishing building performance standards. Our reputation may be adversely affected if we do not meet our announced goals or these external standards. **In addition, metrics and quantitative data we disclose related to our corporate impact and sustainability commitments are based on and verified in accordance with standards that are different from U. S. generally accepted accounting principles. Such data and metrics may be subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements.** If we fail to satisfy the expectations of investors, tenants, business partners or other stakeholders, or our announced goals and other initiatives are not executed as planned **or there are changes in the measurement techniques (including any changes in estimates or assumptions underlying the measurements) or in the standards referenced for the measurement of data,** our 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 **ESG-corporate impact** policies or third -party expectations or demands. In addition, changes in federal, state, and local legislation and regulation relating to climate change, **net zero or carbon neutrality requirements, and building and energy performance standards** could require (i) increased capital expenditures to improve the energy efficiency or resiliency of our existing properties and increase the costs of new developments and (ii) increased compliance costs for us and our tenants, in each case without a corresponding increase in revenue. In addition, our reputation may be adversely affected if we do not meet stakeholder expectations to mitigate climate risk in a transition to a low- carbon economy. We may be impacted by epidemics, pandemics, or other infectious diseases, including Covid, and health and safety measures intended to reduce their spread. Epidemics, pandemics, or other infectious diseases, including future outbreaks of Covid and its variants, as well as both future widespread and localized outbreaks of infectious diseases and other health concerns, and the health and safety measures taken to reduce the spread or lessen the impact, could cause a material disruption to our industry or deteriorate the economy as a whole. The impacts of such events could be severe and far- reaching, and may impact our operations in several ways, including: (i) tenants could experience deteriorating financial condition and be unable or unwilling to pay rent on time and in full; (ii) we may have to restructure tenants' obligations and may not be able to do so on terms that are favorable to us; (iii) inquiries and tours at our properties could decrease; (iv) move- ins, new tenanting efforts, and re- letting efforts could slow or stop altogether; (v) move- outs and potential early termination of leases thereunder could increase; (vi) operating expenses, including the costs of certain essential services or supplies, including payments to third- party contractors, service providers, and employees essential to ensure continuity in our building operations, may increase; (vii) procedures normally conducted on our properties may be disrupted, adversely affecting the economic viability of our tenants; and (viii) costs of development, including expenditures for materials utilized in construction and labor essential to complete existing developments in progress, may increase substantially. Human capital risks, including the loss or limited availability of our key personnel, could disrupt or impair our operations. We face **rising-elevated** labor costs and increased competition for talent. Insufficient employee development, inadequate succession planning or an inability to successfully **implement-maintain** a hybrid work model could negatively impact our business and operations. We also depend on the efforts of our executive officers for the success of our business. Although they are covered by our Executive Severance Plan and **Executive** Change in Control **Severance** Plan, which provide many of the benefits typically found in executive employment agreements, none of our executive officers have employment agreements with us. The loss or limited availability of the services of any of our executive officers, or our inability to recruit and retain qualified personnel, could, at least temporarily, disrupt, or impair our operations. We rely on information technology in our operations, and any material failure, inadequacy, interruption, or security failure of that technology could harm our business. We rely on information technology networks, enterprise applications, and other information systems to process, transmit, and store electronic information, and to manage or support a variety of business processes, including financial transactions and records, to maintain personal identifying information and tenant and lease data, and to operate building management systems. We utilize software and cloud- based technology from third- party service providers, on whom our information systems depend. We rely on commercially available systems, software, tools, and monitoring to provide security for the processing, transmission, and storage of confidential **employee,** tenant and customer data, including individually identifiable information relating to financial accounts, as well as building access, security, and operations. Although we have taken steps to protect the security of our information systems, with multiple layers of controls around the data maintained in those systems, it is possible that our safety and security measures will not prevent the systems' improper functioning or damage, or the improper access of systems or disclosure of personally identifiable information such as in the event of cyber- attacks or other cybersecurity incidents. **Our**

**third- party service providers may also experience unexpected power losses, computer system failures, or data network disruptions, negatively impacting the systems or solutions we depend on. If our third- party providers face a security incident or other interruptions, or if there is a flaw or failed software update in the third- party software used in our systems, our information systems may become disabled or inaccessible. This could limit access to our data and business information, potentially causing significant disruptions to our operations** . Furthermore, because our operators as well as other third- party service providers with whom we and they do business (including vendors, software creators and cloud solution and cybersecurity providers) also rely on the Internet, information technology networks, enterprise applications, systems, and software, some of our data may be vulnerable to cybersecurity incidents or cybersecurity threats involving our operators and third parties with whom we or they do business. We do not control the cybersecurity systems and protocols put in place by our operators or other third parties, and such parties may have limited indemnification obligations to us, which could cause us to be negatively impacted as a result. Cybersecurity incidents and cybersecurity threats affecting our or our operators' or other third party providers' information systems, including those caused by physical or electronic break- ins, computer viruses, malware, worms, attacks by hackers or foreign governments, ransomware attacks, disruptions from unauthorized access and tampering, including through social engineering such as phishing or vishing attacks, coordinated denial- of- service attacks, and similar breaches, could result in, among other things: (i) system disruptions; (ii) shutdowns; (iii) unauthorized access to or disclosure of confidential information, including as a result of impersonation of authorized users or manipulated communications; (iv) misappropriation of our or our business partners' proprietary or confidential information; (v) breach of our legal, regulatory, or contractual obligations; (vi) inability to access or rely upon critical business records or systems; or (vii) other delays in our operations. In some cases, it may be difficult to anticipate or immediately detect such cybersecurity threats and cybersecurity incidents and the damage they cause. The risk of cybersecurity incidents and cybersecurity threats has generally increased as the number, intensity, and sophistication of attacks and intrusions affecting companies generally have increased, and we have seen a significant increase in cyber phishing attacks. The risk of security breaches has also increased under our hybrid work model. We may be required to expend significant financial resources to detect, protect against or remediate such cybersecurity incidents or cybersecurity threats. In addition, our technology infrastructure and information systems are vulnerable to damage or interruption from natural disasters, power loss, and telecommunications failures. Any failure to adequately train employees or to maintain proper function, security, and availability of our and our operators' information systems and the data maintained in those systems could interrupt our operations, damage our reputation, subject us to liability claims or regulatory penalties, harm our business relationships, or increase our security and insurance costs, which could have a material adverse effect on our business, financial condition, and results of operations. Our tenants and borrowers may also from time to time experience cybersecurity incidents or cybersecurity threats that compromise, damage or disrupt their information systems or result in the loss or misuse of confidential information, intellectual property or sensitive or personal information. Any resulting financial impact to our tenants or borrowers, including liability claims or regulatory penalties, increased security and insurance costs as well as business impacts resulting from any damage to their reputation or harm to their business relationships, could negatively impact the ability of our tenants and borrowers to meet their financial and other contractual obligations to us, which could have a material adverse effect on our business, financial condition and results of operations. **The use of, or inability to use, artificial intelligence by us, our tenants, our vendors, and our investors presents risks and challenges that may adversely impact our business and operating results or the business and operating results of our tenants and vendors or may adversely impact the requirements and demand for properties. We may use generative artificial intelligence and / or machine learning (collectively, " AI ") tools in our operations. If our peers use AI tools to optimize operations and we fail to utilize AI tools in a comparable manner, we may be competitively disadvantaged. However, while AI tools may facilitate optimization and operational efficiencies, they also have the potential for inaccuracy, bias, infringement or misappropriation of intellectual property, and risks related to data privacy and cybersecurity. The use of AI tools may introduce errors or inadequacies that are not easily detectable, including deficiencies, inaccuracies, or biases in the data used for AI training, or in the content, analyses, or recommendations generated by AI applications. The results of such errors or inadequacies may adversely affect our business, financial condition, and results of operations. The legal requirements relating to AI continue to evolve and remain uncertain, including how legal developments could impact our business and ability to enforce our proprietary rights or protect against infringement of those rights. Cybersecurity threat actors may utilize AI tools to automate and enhance cybersecurity attacks against us. We utilize software and platforms designed to detect such cybersecurity threats, including AI- based tools, but these threats could become more sophisticated and harder to detect and counteract, which may pose significant risks to our data security and systems. Such cybersecurity attacks, if successful, could lead to data breaches, loss of confidential or sensitive information, and financial or reputational harm. The integration of AI tools in the healthcare industry may present significant opportunities and risks, including for our tenants. For example, in the life science industry, AI predictive models have the potential to be utilized broadly across various stages of drug development. Physicians in our outpatient medical portfolio may use AI tools to run comprehensive diagnostic tests. However, the adoption of AI tools also introduces a complex risk landscape for our tenants, similar to those risks described above. Moreover, the adoption of AI tools by our tenants may lead to infrastructure requirements that our buildings currently do not accommodate, such as increased power needs for high- performance computing. Infrastructure upgrades may require significant capital expenditures and could potentially impact the environmental footprint of our building operations. Our vendors may use AI tools in their products or services without our knowledge, and the providers of these tools may not meet the evolving regulatory or industry standards for privacy and data protection. Consequently, this may inhibit our or our vendors' ability to uphold an appropriate level of service and data privacy. If we, our vendors, or other third parties with which we conduct business**

**experience an actual or perceived breach of privacy or security incident due to the use of AI, we may be adversely impacted, lose valuable intellectual property or confidential information, and incur harm to our reputation and the public perception of the effectiveness of our security measures. In addition, investors, analysts, and other market participants may use AI tools to process, summarize or interpret our financial information or other data about us. The use of AI tools in financial and market analysis may introduce risks similar to those described above, including an inaccurate interpretation of our financial or operational performance or market trends or conditions, which in turn could result in inaccurate conclusions or investment recommendations.**

Risks Related to Our Capital Structure and Market Conditions Volatility, disruption, or uncertainty in the financial markets may impair our ability to raise capital, obtain new financing or refinance existing obligations, and fund acquisition and development activities. Increased or prolonged market disruption, volatility, or uncertainty could have a material adverse effect on our ability to raise capital, obtain new financing or refinance our existing obligations as they mature, and fund acquisition and development activities. Our lenders and other financial institutions could also require us to agree to more restrictive covenants, grant liens on our assets as collateral, and / or accept other terms that are not commercially beneficial to us in order to obtain financing. One or more of our lenders under our credit facility could refuse or fail to fund their financing commitment to us as a result of lender liquidity and / or viability challenges, which financing commitments we may not be able to replace on favorable terms, or at all. In addition, the failure of a bank, or events involving limited liquidity, defaults, non-performance or other adverse conditions in the financial or credit markets impacting financial institutions at which we maintain balances, or concerns or rumors about such events, could lead to disruptions in access to our bank deposits, our inability to access our bank deposits in excess of the Federal Deposit Insurance Corporation (FDIC) limits, or otherwise adversely impact our liquidity and financial performance, and our tenants, operators, and borrowers could be similarly adversely affected. Market volatility could also lead to significant uncertainty in the valuation of our investments and those of our joint ventures, which may result in a substantial decrease in the value of our properties and those of our joint ventures. As a result, we may be unable to recover the carrying amount of such investments and the associated goodwill, if any, which may require us to recognize impairment charges in earnings. Increased borrowing costs could materially adversely impact our ability to refinance existing debt, sell properties, and conduct investment activities. We currently have and may incur additional debt obligations that have variable interest rates and related payments that vary with the movement of certain indices. During inflationary periods, interest rates have historically increased. For example, **actions taken by the FOMC** in response to recent inflationary conditions, ~~actions taken by the FOMC have~~ led to rising interest rates, which may continue to ~~rise and remain at~~ **rise and remain at** elevated **levels** for the foreseeable future. ~~Elevated increases in~~ **Elevated increases in** interest rates result in increased interest costs for our variable rate debt and our new debt, which adversely affects our cost of capital and makes the financing of any acquisition and development activity more costly. In addition, ~~increased elevated~~ **increased elevated** interest rates have lowered, and could continue to lower, the amount third parties are willing to pay for our properties, thereby negatively impacting our ability to reposition our portfolio promptly in response to changes in economic or other conditions. ~~Rising Higher~~ **Rising Higher** borrowing costs could limit our ability to refinance existing debt when it matures, or cause us to pay higher interest rates upon refinancing and increased interest expense on refinanced indebtedness. We manage a portion of our exposure to interest rate risk by accessing debt with staggered maturities and through the use of derivative instruments, primarily interest rate cap and swap agreements. These agreements involve risk, including that counterparties may fail to honor their obligations under these arrangements, that these arrangements may not be effective in reducing our exposure to interest rate changes, that the amount of income we earn from hedging transactions may be limited by federal tax provisions governing REITs, and that these arrangements may cause us to incur higher debt service costs than would otherwise be the case. Failure to hedge effectively against interest rate risk could adversely affect our results of operations and financial condition. Additionally, ~~increased higher~~ **increased higher** borrowing costs and attendant negative impacts on our business can reduce the amount investors are willing to pay for our common stock. Because REIT stocks are often perceived as high-yield investments, investors may perceive less relative benefit to owning REIT stocks as borrowing costs increase. Cash available for distribution to stockholders may be insufficient to make dividend distributions at expected levels and are made at the discretion of our Board of Directors. Decreases in cash available for distributions may result in us being unable to make dividend distributions at expected levels. Our failure to make distributions commensurate with market expectations would likely result in a decrease in the market price of our common stock. Further, all distributions are made at the discretion of our Board of Directors in accordance with Maryland law and depend on: (i) our earnings; (ii) our financial condition; (iii) debt and equity capital available to us; (iv) our expectations for future capital requirements and operating performance; (v) covenants in our financial or other contractual arrangements, including those in our credit facility agreement; (vi) maintenance of our REIT qualification; and (vii) other factors as our Board of Directors may deem relevant from time to time. If access to external capital is unavailable on acceptable terms or at all, it could have a material adverse effect on our ability to meet commitments as they become due or make investments necessary to grow our business. We periodically rely on external sources of capital (including debt and equity financing) to fulfill our capital requirements. The availability of external capital sources ~~depends upon~~ **is affected by** several factors, some of which we have little or no control over, including: • general availability of capital, including ~~less favorable~~ **our ability to raise capital on acceptable** terms, ~~rising higher~~ **rising higher** interest rates, and increased borrowing costs; • the market price of the shares of our equity securities and the credit ratings of our debt and any preferred securities we may issue; • the market's perception of our growth potential and our current and potential future earnings and cash distributions; • our degree of financial leverage and operational flexibility; • the financial integrity of our lenders, which might impair their ability to meet their commitments to us or their willingness to make additional loans to us, and our inability to replace the financing commitment of any such lender on favorable terms, or at all; • bank failures or other events affecting financial institutions, which could adversely affect our or our tenants', operators', and borrowers' liquidity and financial performance; • the stability of the market value of our properties; • the financial performance and general market perception of our tenants and operators; • changes in the credit ratings on U. S. government debt securities or default or delay in

payment by the U. S. of its obligations; • issues facing the healthcare industry, including healthcare reform and changes in government reimbursement policies; and • the performance of the national and global economies generally, including any economic downturn and volatility in the financial markets. If access to capital is unavailable on acceptable terms or at all, it could have a material adverse impact on our ability to fund operations, repay or refinance our debt obligations, fund dividend payments, acquire properties, and make the investments in development and redevelopment activities, as well as capital expenditures, needed to grow our business. Our level of indebtedness may increase and materially adversely affect our future operations. Our outstanding indebtedness as of December 31, 2023-2024 was approximately \$ 6-8. 9-7 billion. We may incur additional indebtedness, which may be substantial. Any significant additional indebtedness would likely negatively affect the credit ratings of our debt and require us to dedicate a growing portion of our cash flow to interest and principal payments. Greater demands on our cash resources may reduce funds available to us to pay dividends, conduct development activities, make capital expenditures and acquisitions, or carry out other aspects of our business strategy. Increased indebtedness can also make us more vulnerable to general adverse economic and industry conditions and create competitive disadvantages for us compared to other companies with comparatively lower debt levels. Increased future debt service obligations may limit our operational flexibility, including our ability to finance or refinance our properties, contribute properties to joint ventures, or sell properties as needed. In addition, any changes to benchmark rates, or uncertainty as to the nature of such potential changes, may increase the cost of our variable rate debt or cost of funds, adversely affect the trading market for our securities, have an unpredictable impact on the financial markets or otherwise affect our financial condition and results of operations. Covenants in our debt instruments limit our operational flexibility, and breaches of these covenants could result in adverse actions by our creditors. The terms of our current secured and unsecured debt instruments require us to comply with a number of customary financial and other covenants, such as maintaining leverage ratios, minimum tangible net worth requirements, REIT status, and certain levels of debt service coverage. Our ability to incur additional debt and to conduct business in general is subject to compliance with these covenants, which limits our operational flexibility. For example, mortgages on our properties contain customary covenants such as those that limit or restrict our ability, without the consent of the lender, to further encumber or sell the applicable properties, or to replace the applicable tenant or operator. Breaches of certain covenants may result in defaults under the mortgages on our properties and cross- defaults under certain of our other indebtedness, even if we satisfy our payment obligations to the respective obligee. Covenants that limit our operational flexibility, as well as defaults resulting from the breach of any of these covenants, could have a material adverse effect on our business, results of operations, and financial condition. The market price and trading volume of our common stock may be volatile. The market price of our common stock has been, and may in the future be, highly volatile and subject to wide fluctuations. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. The stock market has experienced extreme price and volume fluctuations that have affected the market price of many companies in industries similar or related to ours and that have been unrelated to these companies' operating performances. If the market price of our common stock declines significantly, you may be unable to resell your shares at a gain. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. Some of the factors that could negatively affect our share price or result in fluctuations in the price or trading volume of our common stock include: • actual or anticipated variations in our quarterly operating results, guidance, or distributions; • changes in market valuations of similar companies; • adverse market reaction to any increased indebtedness we may incur in the future; • issuance of additional equity securities; • actions by institutional stockholders; • the publication of research reports and articles (or false or misleading information) about us, our tenants, the real estate industry, or the industries in which our tenants operate; • speculation in the press or investment community and investor sentiment regarding commercial real estate generally, our industry sectors or other real estate sectors, the industries in which our tenants operate, and the regions in which our properties are located; • short selling of our common stock or related derivative securities; and • general market and economic conditions. Adverse changes in our credit ratings could impair our ability to obtain additional debt and equity financing on favorable terms. Our credit ratings affect the amount and type of capital, as well as the terms of any financing we may obtain. The credit ratings of our senior unsecured debt are based on, among other things, our operating performance, liquidity and leverage ratios, geographic and tenant concentration, and pending or future changes in the regulatory framework applicable to our operators and our industry. If we are unable to maintain our current credit ratings, we would likely incur higher borrowing costs, which would make it more difficult or expensive to obtain additional financing or refinance existing obligations and commitments. An adverse change in our outlook may ultimately lead to a downgrade in our credit ratings, which would trigger additional borrowing costs or other potentially negative consequences under our current credit facilities and debt instruments. Also, if our credit ratings are downgraded, or general market conditions were to ascribe higher risk to our ratings, our industry, or us, our access to capital and the cost of any future debt financing will be further negatively impacted. In addition, the terms of future debt agreements could include more restrictive covenants, or require incremental collateral, which may further restrict our business operations or be unavailable due to our covenant restrictions then in effect. There is no guarantee that debt or equity financings will be available in the future to fund future acquisitions, developments, or general operating expenses, or that such financing will be available on terms consistent with our historical agreements or expectations. Risks Related to the Regulatory Environment Tenants, operators, and borrowers that fail to comply with federal, state, local, and international laws and regulations, including resident health and safety requirements, as well as licensure, certification, and inspection requirements, may cease to operate or be unable to meet their financial and other contractual obligations to us. Our tenants, operators, and borrowers across our segments are subject to or impacted by extensive, frequently changing federal, state, and local laws and regulations. See " Item 1, Business — Government Regulation, Licensing and Enforcement — Healthcare Licensure and Certificate of Need " for a discussion of certain of these laws and regulations. Unannounced surveys, inspections, or audits occur frequently, including following a regulator' s receipt of a complaint about a facility, and these surveys, inspections, and audits can result in deficiencies and further adverse action. Our tenants', operators',

or borrowers' failure to comply with any of the laws, regulations, or requirements applicable to them could result in: (i) loss of accreditation; (ii) denial of reimbursement; (iii) imposition of fines **and civil monetary penalties**; (iv) suspension or decertification from government healthcare programs; (v) civil liability; and (vi) in certain instances, suspension, or denial of admissions, criminal penalties, loss of license, or closure of the property and / or the incurrence of considerable costs arising from an investigation or regulatory action, which may have an adverse effect on properties that we own and lease to a third party tenant in our ~~lab and~~ outpatient medical **and lab** segments, that we own and operate through a RIDEA structure in our CCRC segment or our SWF SH JV, or on which we hold a mortgage, and therefore may materially adversely impact us. Furthermore, we are required under RIDEA to rely on our operators to oversee and direct these aspects of the properties' operations to ensure compliance with applicable laws and regulations. If one or more of our healthcare properties fails to comply with applicable laws and regulations, our TRS would be responsible (except in limited circumstances, such as the gross negligence or willful misconduct of our operators, where we would have a contractual claim against them), which could subject our TRS to penalties including loss or suspension of licenses, certification or accreditation, exclusion from government healthcare programs (i. e., Medicare, Medicaid), administrative sanctions, and civil monetary penalties. Some states also reserve the right to sanction affiliates of a licensee when they take administrative action against the licensee, and require a licensee to report all healthcare-related administrative actions that have been brought against any of the licensee' s affiliates, even in other states. Additionally, when we receive individually identifiable health information relating to residents of our healthcare properties, we are subject to federal and state data privacy and security laws and rules, and could be subject to liability in the event of an audit, complaint, cybersecurity incident, or data breach. Furthermore, our TRS has exposure to professional liability claims that could arise out of resident claims, such as quality of care, and the associated litigation costs. Required regulatory approvals can delay or prohibit transfers of our senior housing properties. Transfers of senior housing properties, including in connection with the foreclosure of a real- estate secured loan, to successor owners or operators are typically subject to regulatory approvals or ratifications, including change of ownership approvals for licensure and Medicare / Medicaid (if applicable) that are not required for transfers of other types of commercial operations and other types of real estate. **Federal and state authorities have become increasingly focused on the review and potential regulation of healthcare transactions for impacts on costs, access to care, and quality, which could involve lengthy review and approval periods, enhanced disclosure obligations, impact analysis, public notices, and hearings. Such regulation could adversely impact the time and cost of completing transactions and, in certain circumstances, affect the feasibility of pursuing or completing such transactions.** The sale of, or replacement of any operator at, our senior housing facilities, or the foreclosure of a loan secured by senior housing real estate, could be delayed by the regulatory approval process of any federal, state, or local government agency necessary for the transfer of the property or the replacement of the operator licensed to manage the property, during which time the property may experience performance declines. We may also elect to use an interim licensing structure to facilitate such transfers, which structure expedites the transfer by allowing a third party to operate under our license until the required regulatory approvals are obtained, but could subject us to fines or penalties if the third party fails to comply with applicable laws and regulations and fails to indemnify us for such fines or penalties pursuant to the terms of its agreement with us. Compliance with the Americans with Disabilities Act and fire, safety, and other regulations may require us to make expenditures that adversely affect our cash flows. Our properties must comply with applicable ADA and any similar state and local laws. These laws may require removal of barriers to access by persons with disabilities in public areas of our properties. Noncompliance could result in the incurrence of additional costs associated with bringing the properties into compliance, the imposition of fines or an award of damages to private litigants in individual lawsuits or as part of a class action. We could also be required to expend funds to comply with the provisions of the ADA and similar state and local laws on behalf of tenants, which could adversely affect our results of operations and financial condition. In addition, we are required to operate our properties in compliance with fire and safety regulations, building codes and other land use regulations. New and revised regulations and codes may be adopted by governmental agencies and bodies and become applicable to our properties. For example, new safety laws for senior housing properties were adopted following the particularly damaging 2018 hurricane season. Compliance could require substantial capital expenditures, both for significant upgrades and for tenant relocations that may be necessary depending on the scope and duration of upgrades, and may restrict our ability to renovate our properties. These expenditures and restrictions could have a material adverse effect on our financial condition and cash flows. Laws or regulations prohibiting eviction of our tenants, even on a temporary basis, could have a material adverse effect on our revenues if our tenants fail to make their contractual rent payments to us. Various federal, state, and local governments previously enacted, and may again enact, laws, regulations, and moratoriums or take other actions that could limit our ability to evict tenants until such laws, regulations, or moratoriums are reversed or lifted. In particular, several state and local governments implemented eviction moratoriums as a result of the Covid pandemic that applied to both residential and commercial tenants. Although these moratoriums have generally terminated or expired, federal, state, and local governments could enact moratoriums under similar circumstances in the future. While we generally have arrangements and other agreements that give us the right under specified circumstances to terminate a lease or evict a tenant for nonpayment of contractual rent, such laws, regulations, and moratoriums may restrict our ability to begin eviction proceedings even where no rent or only partial rent is being paid. Further, under current laws and regulations, eviction proceedings for delinquent tenants are already costly and time- consuming, and, if there are existing backlogs or backlogs develop in courts due to higher than normal eviction proceedings, we may incur significant costs and it may take a significant amount of time to ultimately evict any tenant who is not meeting their contractual rent obligations. If we are restricted, delayed, or prohibited from evicting tenants for failing to make contractual rent payments, it may have a material adverse effect on our business, results of operations, and financial condition. The requirements of, or changes to, governmental reimbursement programs such as Medicare or Medicaid may adversely affect our tenants', operators', and borrowers' ability to meet their financial and other contractual obligations to us. Certain of our tenants, operators, and borrowers, as well as our owned assets in

the CCRC segment and SWF SH JV, are affected, directly or indirectly, by a complex set of federal, state, and local laws and regulations pertaining to governmental reimbursement programs, ~~including the CARES Act and other similar relief legislation enacted as a result of the Covid pandemic~~. These laws and regulations are subject to frequent and substantial changes that are sometimes applied retroactively. See “ Item 1, Business — Government Regulation, Licensing and Enforcement. ” For example, to the extent that our tenants, operators, or borrowers, or assets owned in our CCRC segment or through the SFW SH JV, receive a significant portion of their revenues from governmental payors, primarily Medicare and Medicaid, they are generally subject to, among other things: • statutory and regulatory changes, including changes that impact state reimbursement programs, particularly Medicaid reimbursement and managed care payments ; • **minimum staffing levels and other staffing and quality requirements** ; • retroactive rate adjustments and recoupment efforts; • recovery of program overpayments or set- offs; • federal, state, and local litigation and enforcement actions, including those relating to Covid and the failure to satisfy the terms and conditions of financial relief; • administrative proceedings; • policy interpretations; • payment or other delays by fiscal intermediaries or carriers; • government funding restrictions (at a program level or with respect to specific properties); • reduced reimbursement rates under managed care contracts; • changes in reimbursement rates, methods, or timing under governmental reimbursement programs, including changes that impact state reimbursement programs, particularly Medicaid reimbursement and managed care payments; • **pre- and post- payment reviews and audits by governmental authorities, which could result in recoupments, denials or delay of payments**; • interruption or delays in payments due to any ongoing governmental investigations and audits at such properties or due to a partial or total federal or state government shutdown for a prolonged period of time; and • reputational harm of publicly disclosed enforcement actions, audits, or investigations related to billing and reimbursements. We are unable to predict future changes to or interpretations of, or the intensity of enforcement efforts with respect to, these laws and regulations, including those that pertain to the Medicare and Medicaid programs. The failure to comply with the extensive laws, regulations, and other requirements applicable to their business and the operation of our properties could result in, among other challenges: (i) becoming ineligible to receive reimbursement from governmental reimbursement programs or being compelled to repay amounts received, including under the CARES Act; (ii) becoming subject to prepayment reviews or claims for overpayments; (iii) bans on admissions of new patients or residents; (iv) civil or criminal penalties; and (v) significant operational changes, including requirements to increase staffing or the scope of care given to residents. These laws and regulations are enforced by a variety of federal, state, and local agencies and can also be enforced by private litigants through, among other things, federal and state false claims acts, which allow private litigants to bring qui tam or “ whistleblower ” actions. Any changes in the regulatory framework or the intensity or extent of governmental or private enforcement actions could have a material adverse effect on our tenants, operators, borrowers, and / or assets. The status of the Patient Protection and Affordable Care Act, along with the Health Care and Education Reconciliation Act of 2010 (collectively, the “ Affordable Care Act ”) and related regulations may be subject to change, and other health reform measures could be implemented as a result of political, legislative, regulatory, and administrative developments and judicial proceedings, including those with far reaching implications and effecting fundamental changes in the healthcare system. Federal and state authorities may continue to implement new or modified reimbursement methodologies that may negatively impact health care property operations. There can be no assurance that adequate reimbursements will be available for services provided by our operators and tenants. Additionally, the patient driven payment model utilized by the Centers for Medicare and Medicaid Services to calculate reimbursement rates for patients in skilled nursing properties (which is among the unit types in our CCRCs) could result in decreases in payments to our operators and tenants or increase our operators’ and tenants’ costs. We cannot make any assessment as to the ultimate timing or the effect that any future changes may have on our tenants’, operators’, and borrowers’ costs of doing business, or the cost of doing business for or the assets owned in our CCRC segment or through the SFW SH JV, and on the amount of reimbursement by government and other third- party payors. Any significant limits on the scope of services reimbursed, reductions in reimbursement rates and fees, or increases in provider or similar types of taxes, could materially adversely affect their ability to meet their financial and contractual obligations to us. We could be negatively impacted by legislation to address federal government operations and administrative decisions affecting the Centers for Medicare and Medicaid Services **or other legislative or regulatory changes affecting REITs or the industries in which we operate**. Congressional consideration of legislation pertaining to the federal debt ceiling, the Affordable Care Act, tax reform, and entitlement programs, including reimbursement rates for physicians, could have a material adverse effect on our tenants’, operators’, and borrowers’ liquidity, financial condition, or results of operations. In particular, reduced funding for entitlement programs such as Medicare and Medicaid would result in increased costs and fees for programs such as Medicare Advantage Plans and additional reductions in reimbursements to providers. Amendments to the Affordable Care Act in whole or in part and decisions by the Centers for Medicare and Medicaid Services could impact the delivery of services and benefits under Medicare, Medicaid, or Medicare Advantage Plans and could affect our tenants and operators and the manner in which they are reimbursed by such programs. Any shutdown of the federal government that delays or disrupts payments or any other material adverse effect on payments to our tenants, operators, or borrowers could adversely affect their ability to satisfy their obligations to us and could have a material adverse effect on us. **In addition, changes in federal, state, or local laws affecting the healthcare or life sciences industries, particularly that apply to REITs, or changes in the scope, interpretation, or enforcement of the related regulatory frameworks could adversely affect us or our tenants, operators, or borrowers**. Our participation in the CARES Act Provider Relief Fund and other Covid- related stimulus and relief programs could subject us or our operators to disruptive government and financial audits, enforcement actions, and recovery activity. Under the CARES Act and subsequent Covid relief legislation, Congress allocated more than \$ 178 billion to eligible health care providers through the Public Health and Social Services Emergency Fund (the “ Provider Relief Fund ” or “ PRF ”). The U. S. Department of Health and Human Services (“ HHS ”) distributed PRF awards through various general and targeted distributions. We and our senior housing operators (including operators of senior housing facilities that we have subsequently disposed of) received relief funds through

several distributions. PRF funds are intended to reimburse eligible providers for unreimbursed health care- related expenses and lost revenues attributable to Covid and must be used only to prevent, prepare for, or respond to Covid. PRF funds received under certain targeted distributions are further limited to specific uses. Additionally, the PRF program imposes certain distribution-specific eligibility criteria and requires recipients to comply with various terms and conditions. PRF program terms and conditions include limitations and requirements governing use of PRF funds, implementation of controls, retention of records, audit and reporting to governmental authorities, and other PRF program requirements, **the interpretation of which may change over time**. Failure to comply with program requirements may result in payment recovery or other enforcement actions. HHS interpretation of applicable terms and requirements has evolved over time, and may continue to evolve. The interpretation and implementation of PRF requirements and related guidance remains uncertain, and there can be no assurance that we or our operators are or will remain in compliance with all PRF and Covid relief program requirements and interpretative guidance. PRF guidance or interpretations could change in ways that adversely impact the PRF funding we or our operators received, recognized, or are able to retain. We also may be subject to or incur costs related to PRF compliance activities, reporting, and financial audits, as well as government oversight and enforcement, including post- payment recovery and recoupment and government investigations, audits, enforcement activity, and penalties. Our current and former operators may similarly be impacted. Differences in operators' PRF policies and protocols may adversely impact availability of data and ~~our related reports and financial audits~~. **Changes in federal, state, or local laws or regulations may limit our opportunities to participate in the ownership of, or investment in, healthcare real estate. Changes in federal, state, or local laws or regulations, including changes limiting REIT investment in the healthcare sector, reducing healthcare- related tax benefits for REITs, or requiring additional approvals for healthcare entities to transact with REITs, could have a material adverse effect on our ability to participate in the ownership of or invest in healthcare providers and healthcare real estate. Legislation potentially impacting REIT ownership and investment in the healthcare sector has recently been introduced or is under discussion at the federal and state level. Such legislation or similar laws or regulations, if enacted, could have a material adverse impact on our business.** **Risks Relating to Integration and Property Management Internalization Following the Merger** We may be unable to fully integrate the operations of the Company and Physicians Realty Trust successfully and realize the anticipated synergies of the Merger and benefits of property management internalization or do so within the anticipated time frame. We have benefited from, and expect to continue to benefit from, the synergies from our Merger with Physicians Realty Trust as a result of (i) the elimination of duplicative costs associated with supporting an additional public company platform, (ii) internalization of the property management function, and (iii) leveraging state-of- the- art technology and systems. However, we continue to devote significant management attention and resources to integrating the operations of the Company and Physicians Realty Trust and internalizing the property management function. Potential difficulties we may encounter in the ongoing integration process include the following: • the inability to successfully combine the operations of the Company and Physicians Realty Trust, including the integration of employees, customer records and maintaining cybersecurity protections, in a manner that permits us to achieve the cost savings anticipated from the Merger, which would result in the anticipated benefits of the Merger not being realized in the time frame currently anticipated or at all; • the inability to dispose of assets or operations that we desire to dispose of; • the complexities associated with managing the combined businesses out of different locations and integrating personnel from the two companies; • the failure to retain key employees of either of the two companies; • potential disruptions and performance shortfalls due to the failure to successfully internalize the property management function; • potential unknown liabilities and unforeseen increased expenses, delays, or regulatory conditions associated with the Merger; and • performance shortfalls as a result of the diversion of management' s attention caused by integrating the companies' operations. For all these reasons, it is possible that the integration and property management internalization process could result in the distraction of management, the disruption of our ongoing business, or inconsistencies in our operations, services, standards, controls, procedures, and policies, any of which could adversely affect our ability to maintain relationships with tenants, property managers, and employees or to achieve the anticipated synergies and other benefits of the Merger, or could otherwise adversely affect our business and financial results. **Risks Related to Tax, Including REIT- Related Risks, and Related to Our Jurisdiction of Incorporation and Our Structure as an UPREIT** Loss of our tax status as a REIT would substantially reduce our available funds and would have materially adverse consequences for us and the value of our common stock. Qualification as a REIT involves the application of numerous highly technical and complex provisions of the Internal Revenue Code of 1986, as amended (the " Code "), for which there are limited judicial and administrative interpretations, as well as the determination of various factual matters and circumstances not entirely within our control. We intend to continue to operate in a manner that enables us to qualify as a REIT. However, our qualification and taxation as a REIT depend upon our ability to meet the various qualification tests imposed under the Code, through actual annual operating results, asset diversification, distribution levels, and diversity of stock ownership. For example, to qualify as a REIT, at least 95 % of our gross income in any year must be derived from qualifying sources, and we must make distributions to our stockholders aggregating annually to at least 90 % of our REIT taxable income, excluding net capital gains. Rents we receive from a TRS in a RIDEA structure are treated as qualifying rents from real property for REIT tax purposes only if (i) they are paid pursuant to a lease of a " qualified healthcare property " and (ii) the operator qualifies as an " eligible independent contractor, " as each term is defined in the Code. If either of these requirements is not satisfied, then the rents we receive from the TRS will not be qualifying rents and we may not satisfy the REIT gross income requirements. Furthermore, new legislation, regulations, administrative interpretations, or court decisions could change the tax laws or interpretations of the tax laws regarding qualification as a REIT, or the federal income tax consequences of that qualification, in a manner that is materially adverse to our stockholders. Accordingly, we cannot assure you that we have operated or will continue to operate in a manner so as to qualify or remain qualified as a REIT. If we lose our REIT status, we will face serious tax consequences that will

substantially reduce the funds available to make payments of principal and interest on the debt securities we issue and to make distributions to stockholders. If we fail to qualify as a REIT: • we will not be allowed a deduction for distributions to stockholders in computing our taxable income; • we will be subject to corporate-level income tax on our taxable income at regular corporate rates; • we will be subject to increased state and local income taxes; and • unless we are entitled to relief under relevant statutory provisions, we will be disqualified from taxation as a REIT for the four taxable years following the year during which we fail to qualify as a REIT. As a result of all these factors, our failure to qualify as a REIT could also impair our ability to expand our business and raise capital and could materially adversely affect the value of our common stock. Our taxable REIT subsidiaries (TRSs) may be subject to corporate level tax. Certain of our subsidiaries have elected or will elect with us to be treated as TRSs. Other than some activities relating to lodging and health care facilities, a TRS may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT that the parent REIT could not provide directly. TRSs are taxed as regular C corporations, and are thus generally required to pay regular corporate income tax, and potentially the alternative minimum tax, on their earnings. Any taxes paid by our TRSs will reduce the amounts that our TRSs could otherwise distribute to us. **Furthermore, new legislation, regulations, administrative interpretations, or court decisions could change the tax laws or interpretations of the tax laws regarding our ability to continue to use one or more TRSs or other structures or arrangements in such a manner that could be materially adverse to us.** The tax imposed on any net income from “prohibited transactions” may limit our ability to engage in transactions which would be treated as sales for federal income tax purposes. We will be required to pay a 100 % tax on any net income from prohibited transactions. Prohibited transactions are, in general, sales or other taxable dispositions of property, other than foreclosure property, held as inventory or primarily for sale to customers in the ordinary course of business. A sale will not be considered a prohibited transaction, however, if it meets certain safe harbor requirements. Although we do not intend to hold any properties that would be characterized as held for sale to customers in the ordinary course of our business (other than through a TRS), such characterization is a factual determination and no guarantee can be given that the U. S. Internal Revenue Service (the “IRS”) would agree with our characterization of our properties or that we will always be able to take advantage of available safe harbors. Further changes to U. S. federal income tax laws could materially and adversely affect us and our stockholders. The present federal income tax treatment of REITs and various transactional structures that we utilize may be modified, possibly with retroactive effect, by legislative, judicial, or administrative action at any time, which could affect the federal income tax treatment of an investment in us. The federal income tax rules dealing with U. S. federal income taxation and REITs are constantly under review by persons involved in the legislative process, the IRS, and the U. S. Treasury Department, which results in statutory changes as well as revisions to regulations and interpretations. We cannot predict how changes in the tax laws might affect our investors or us. Revisions in federal tax laws and interpretations thereof could significantly and negatively affect our ability to qualify as a REIT, as well as the tax considerations relevant to an investment in us, or could cause us to change our investments and commitments. Potential deferred and contingent tax liabilities from corporate acquisitions could limit or delay future property sales. If, during the five-year period beginning on the date we acquire certain assets or companies in certain tax deferred transactions, we recognize a gain on the disposition of any property acquired, then, to the extent of the excess of (i) the fair market value of such property as of the acquisition date, over (ii) our adjusted income tax basis in such property as of that date, we will be required to pay a corporate-level federal income tax on this gain at the highest regular corporate rate. These potential tax effects could limit or delay future property sales. In addition, the IRS may assert liabilities against us for income taxes of certain entities we acquire for taxable years prior to the time that we acquire such entities, in which case we will owe these taxes plus interest and penalties, if any. There are uncertainties relating to the calculation of non-REIT tax earnings and profits (“E & P”) in certain acquisitions, which may require us to distribute E & P. In order to remain qualified as a REIT, we are required to distribute to our stockholders all of the accumulated non-REIT E & P of certain C corporations that we acquire, prior to the close of the first taxable year in which the acquisition occurs. Failure to make such E & P distributions could result in our disqualification as a REIT. The determination of the amount to be distributed in such E & P distributions is a complex factual and legal determination. We may have less than complete information at the time we undertake our analysis, or we may interpret the applicable law differently from the IRS. We currently believe that we have satisfied the requirements relating to such E & P distributions. There are, however, substantial uncertainties relating to the determination of E & P, including the possibility that the IRS could successfully assert that the taxable income of the companies acquired should be increased, which could increase our non-REIT E & P. Thus, we might fail to satisfy the requirement that we distribute all of our non-REIT E & P by the close of the first taxable year in which the acquisition occurs. Although there are procedures available to cure a failure to distribute all of our E & P, we cannot now determine whether we will be able to take advantage of these procedures or the economic impact on us of doing so. Tax protection agreements may limit our ability to sell or otherwise dispose of certain properties and may require us to maintain certain debt levels that otherwise would not be required to operate our business. We acquired in the past and in the future may acquire properties or portfolios of properties through tax deferred contribution transactions in exchange for units in our DownREITs or Healthpeak OP. In connection with these transactions, our DownREITs have entered and, with Healthpeak OP, may in the future enter into tax protection agreements that enable contributing partners to defer the recognition of taxable gain resulting from the sale or other disposition of the contributed properties. Tax protection agreements may make it economically prohibitive to sell any properties that are subject to such agreements even though it may otherwise be in our stockholders’ best interests to do so. In addition, under these agreements, we may be required to maintain a minimum level of indebtedness throughout the term of the agreements regardless of whether such debt levels are otherwise required to operate our business. Physicians Realty Trust and the Physicians Partnership ~~have had~~ also entered into similar tax protection arrangements with certain third parties and, as a result of the ~~Mergers-~~ **Merger**, we ~~would inherit~~ **inherited** the obligations under such arrangements. Our charter contains ownership limits with respect to our common stock and other classes of capital stock. Our charter contains restrictions on the ownership and

transfer of our common stock and preferred stock that are intended to assist us in preserving our qualification as a REIT. Under our charter, subject to certain exceptions, no person or entity may own, actually or constructively, more than 9.8% (by value or by number of shares, whichever is more restrictive) of the outstanding shares of our common stock or any class or series of our preferred stock. Additionally, our charter has a 9.9% ownership limitation on the direct or indirect ownership of our voting shares, which may include common stock or other classes of capital stock. Our Board of Directors, in its sole discretion, may exempt a proposed transferee from either ownership limit. The ownership limits may delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or might otherwise be in the best interests of our stockholders. We are subject to certain provisions of Maryland law and our charter relating to business combinations that may prevent a transaction that may otherwise be in the interest of our stockholders. We are subject to the Maryland Business Combination Act (the "MBCA"), which provides that unless exempted, a Maryland corporation may not engage in certain business combinations with an "interested stockholder" or an affiliate of an interested stockholder for five years after the most recent date on which the interested stockholder became an interested stockholder, and thereafter unless specified criteria are met. In addition to the restrictions on business combinations contained in the MBCA, our charter also requires that, except in certain circumstances, "business combinations" with a "related person" must be approved by the affirmative vote of the holders of at least 90% of our outstanding voting stock. These restrictions on business combinations may delay, defer, or prevent a change of control or other transaction even if such transaction involves a premium price for our common stock or our stockholders believe that such transaction is otherwise in their best interests. Conflicts of interest may exist or could arise in the future between the interests of our stockholders and the interests of holders of Healthpeak OP common units, which may impede business decisions that could benefit our stockholders. Conflicts of interest may exist or could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and Healthpeak OP or any member thereof, on the other. Our directors and officers have duties to our company under Maryland law in connection with their management of our company. At the same time, we, as the managing member of Healthpeak OP, have certain fiduciary duties and obligations to Healthpeak OP and its members under Maryland law and the operating agreement of Healthpeak OP in connection with the management of Healthpeak OP. Our fiduciary duties and obligations as the managing member of Healthpeak OP may come into conflict with the duties of our directors and officers to our company. Under Maryland law, a managing member of a Maryland limited liability company has fiduciary duties of loyalty and care to the limited liability company and its members and must discharge its duties and exercise its rights as managing member under the operating agreement or Maryland law consistent with the obligation of good faith and fair dealing. The operating agreement provides that, to the maximum extent permitted under the Maryland Limited Liability Company Act, the only duties that the managing member owes to Healthpeak OP, any member, or any other person, fiduciary or otherwise, are to perform its contractual obligations as expressly set forth in the operating agreement consistently with the implied contractual covenant of good faith and fair dealing. The operating agreement further provides that, in the event of a conflict between the interests of Healthpeak OP or any member, on the one hand, and the separate interests of our company or our stockholders, on the other hand, we, in our capacity as the managing member of Healthpeak OP, may give priority to the separate interests of our company or our stockholders (including with respect to tax consequences to members, assignees, or our stockholders), and, in the event of such a conflict, any action or failure to act on our part or on the part of our directors or officers that gives priority to the separate interests of our company or our stockholders that does not result in a violation of the contract rights of the members of Healthpeak OP under its operating agreement does not violate the duty of loyalty or any other duty that we, in our capacity as the managing member of Healthpeak OP, owe to Healthpeak OP and its members. Additionally, the operating agreement provides that we generally will not be liable to Healthpeak OP or any member for any action or omission taken in our capacity as managing member, for the debts or liabilities of Healthpeak OP or for the obligations of Healthpeak OP under the operating agreement, except for liability for our fraud, willful misconduct, or gross negligence, pursuant to any express indemnity we may give to Healthpeak OP, or in connection with a redemption. Healthpeak OP generally must indemnify us, our directors and officers, officers of Healthpeak OP, and our designees from and against any and all claims that relate to the operations of Healthpeak OP, unless (i) an act or omission of the person was material to the matter giving rise to the action and either was committed in bad faith or was the result of active and deliberate dishonesty, (ii) in the case of a criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful, or (iii) the person actually received an improper personal benefit in money, property, or services. Healthpeak OP must also pay or reimburse the reasonable expenses of any such person in advance of a final disposition of the proceeding upon its receipt of a written affirmation of the person's good faith belief that the standard of conduct necessary for indemnification has been met and a written undertaking to repay any amounts paid or advanced if it is ultimately determined that the person did not meet the standard of conduct for indemnification. Healthpeak OP is not required to indemnify or advance funds to any person with respect to any action initiated by the person seeking indemnification without our approval (except for any proceeding brought to enforce such person's right to indemnification under the operating agreement) or in respect of any proceeding in which the person is found to be liable to Healthpeak OP if the proceeding was one by or in the right of Healthpeak OP. No reported decision of a Maryland appellate court has interpreted provisions similar to the provisions of the operating agreement of Healthpeak OP that modify and reduce our fiduciary duties or obligations as the managing member or reduce or eliminate our liability to Healthpeak OP and its members, and we have not obtained an opinion of counsel as to the enforceability of the provisions set forth in the operating agreement that purport to modify or reduce the fiduciary duties and obligations that would be in effect were it not for the operating agreement. Certain provisions in the operating agreement of Healthpeak OP or other agreements may delay or prevent unsolicited acquisitions of us or certain other transactions. Provisions of the operating agreement of Healthpeak OP may delay or make more difficult unsolicited acquisitions of us or changes of our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some of our stockholders or members of Healthpeak OP might consider such proposals, if made, desirable.

These provisions include, among others: • redemption rights of qualifying parties; • a requirement that we may not be removed as the managing member of Healthpeak OP without our consent; • transfer restrictions on common units; • our ability, as managing member, in some cases, to amend the operating agreement and to cause Healthpeak OP to issue additional membership interests with terms that could delay, defer, or prevent a merger or other change of control of us or Healthpeak OP without the consent of our stockholders or the members of Healthpeak OP; and • the right of the non-managing members of Healthpeak OP to consent to certain transfers of our managing membership interest (whether by sale, disposition, statutory merger or consolidation, liquidation, or otherwise). Our charter and bylaws, the operating agreement of Healthpeak OP, and Maryland law also contain other provisions that may delay, defer, or prevent a transaction or a change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interest. In addition, provisions of certain agreements with our partners may delay or make more difficult certain other transactions, including involving issuances of common units. We are a holding company with no direct operations and, as such, we will rely on funds received from Healthpeak OP to pay liabilities, and the interests of our stockholders will be structurally subordinated to all liabilities and obligations of Healthpeak OP and its subsidiaries. We are a holding company and conduct substantially all of our operations through Healthpeak OP. We do not have, apart from an interest in Healthpeak OP, any independent operations. As a result, we rely on distributions from Healthpeak OP to continue to pay any dividends we might declare on shares of our common stock. We also rely on distributions from Healthpeak OP to meet any of our obligations, including any tax liability on taxable income allocated to us from Healthpeak OP. In addition, because we are a holding company, stockholder claims will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of Healthpeak OP and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation, or reorganization, our assets and those of Healthpeak OP and its subsidiaries will be available to satisfy the claims of our stockholders only after all of our and Healthpeak OP's and its subsidiaries' liabilities and obligations have been paid in full.

**37 An adverse outcome in any litigation or other legal proceedings relating to the Merger Agreement, or the transactions contemplated thereby, could have a material adverse impact on our business and our ability to consummate the transactions contemplated by the Merger Agreement.** On October 29, 2023, the Company and Physicians Realty Trust entered into the Merger Agreement with DOC DR Holdeo, LLC (formerly known as Alpine Sub, LLC), a Maryland limited liability company and a wholly owned subsidiary of the Company (“DOC DR Holdeo”), DOC DR, LLC (formerly known as Alpine OP Sub, LLC), a Maryland limited liability company and a wholly owned subsidiary of Healthpeak OP (“DOC DR OP Sub”), and Physicians Realty L. P. (the “Physicians Partnership”). The Merger Agreement provides for (a) the merger of Physicians Realty Trust with and into DOC DR Holdeo (the “Company Merger”), with DOC DR Holdeo surviving as a wholly owned subsidiary of the Company (the “Company Surviving Entity”); (b) immediately following the effectiveness of the Company Merger, the contribution by the Company to Healthpeak OP, a Maryland limited liability company, of all of the outstanding equity interests in the Company Surviving Entity (the “Contribution”); and (c) immediately following the Contribution, the merger of the Physicians Partnership with and into DOC DR OP Sub (the “Partnership Merger”), with DOC DR OP Sub surviving as a wholly owned subsidiary of Healthpeak OP (the “Partnership Surviving Entity”). Transactions like the Mergers are frequently the subject of litigation or other legal proceedings, including actions alleging that either our Board of Directors or Physicians Realty Trust's board of trustees, as applicable, breached its respective duties to its stockholders or shareholders, respectively, or other equity holders by entering into the Merger Agreement; by failing to obtain a greater value in the transaction for the Company's stockholders or Physicians Realty Trust's shareholders or other equity holders; by failing to make adequate disclosures; or by otherwise failing to fulfill their fiduciary duties or statutory obligations. As discussed in Note 11 to the Consolidated Financial Statements, three purported stockholders of the Company and four purported shareholders of Physicians Realty Trust have filed (and additional shareholders or stockholders, as applicable, of Physicians Realty Trust and /or the Company may file) complaints relating to the Mergers, and Physicians Realty Trust has received correspondence from multiple purported shareholders of Physicians Realty Trust relating to the Mergers. With respect to such litigation, and if additional litigation or other legal proceedings are brought against us or against our Board of Directors in connection with the Merger Agreement, or the transactions contemplated thereby, we will defend against it, but we might not be successful in doing so. An adverse outcome in such matters, as well as the costs, time, and effort of a defense, even if successful, could have a material adverse effect on our ability to consummate the Mergers or on our business, results of operations, or financial position, including through the delay of the Mergers with consequent direct and indirect costs, the possible diversion of either company's resources, or the distraction of key personnel. The Exchange Ratio is fixed and will not be adjusted in the event of any change in the stock or share prices, respectively, of either us or Physicians Realty Trust. As a result of the Mergers, and through a series of transactions, (i) each outstanding common share of Physicians Realty Trust (other than Physicians Realty Trust common shares to be canceled in accordance with the Merger Agreement) will be converted into the right to receive 0.674 shares of Company common stock (the “Merger Consideration”), without interest, plus cash in lieu of consideration for fractional shares, but subject to any withholding required under applicable tax laws, and (ii) each Partnership OP Unit (as defined in the Merger Agreement) will be converted into common units in the Partnership Surviving Entity equal to the 0.674 Exchange Ratio. The Exchange Ratio will not be adjusted for changes in the market prices of either shares of our common stock or Physicians Realty Trust's common shares. Changes in the market price of Physicians Realty Trust common shares prior to the effective time of the Mergers will affect the market value of the Merger Consideration that Physicians Realty Trust shareholders will receive on the closing date of the Mergers. Share price changes may result from a variety of factors (many of which are beyond our or Physicians Realty Trust's control), including the following factors: • market reaction to the prospects of Healthpeak and its subsidiaries after the Company Merger (the “Combined Company”); • changes in the respective businesses, operations, assets, liabilities, and prospects of the Company and Physicians Realty Trust; • changes in market assessments of the business, operations, financial position, and prospects of any of the Company, Physicians Realty Trust, or the Combined Company; • market assessments of the likelihood that the Mergers will be completed; • interest

rates, general market and economic conditions, and other factors generally affecting the market prices of our common stock and Physicians Realty Trust's common shares; • federal, state and local legislation, governmental regulation, and legal developments in the businesses in which we and Physicians Realty Trust operate; and • other factors beyond the control of the Company and Physicians Realty Trust, including those described or referred to in this "Risk Factors" section. The market price of Company common stock at the closing of the Mergers may vary from its price on the date the Merger Agreement was executed, on the date of the joint proxy statement / prospectus, and on the date of our special meeting. As a result, the market value of the Merger Consideration represented by the Exchange Ratio will also vary. If the market price of shares of Company common stock increases between the date the Merger Agreement was signed or the date of the special meeting and the closing of the Mergers, Physicians Realty Trust's shareholders will receive shares of Company common stock that have a market value upon completion of the Company Merger that is greater than the market value of such shares calculated pursuant to the Exchange Ratio on the date the Merger Agreement was signed or on the date of the special meeting, respectively. Alternatively, if the market price of shares of Company common stock declines between the date the Merger Agreement was signed or the date of the special meeting and the closing of the Mergers, including for any of the reasons described above, Physicians Realty Trust's shareholders will receive shares of Company common stock that have a market value upon completion of the Company Merger that is less than the market value of such shares calculated pursuant to the Exchange Ratio on the date the Merger Agreement was signed or on the date of the special meeting, respectively. Our stockholders will be significantly diluted by the Mergers. The Mergers will significantly dilute the ownership position of our stockholders. Upon completion of the Mergers, based on the number of shares of Company common stock and Physicians Realty Trust common shares outstanding as of December 31, 2023, it is estimated that legacy Company common stockholders will own approximately 77% of the common stock of the Combined Company, and legacy Physicians Realty Trust common shareholders will own approximately 23% of the common stock of the Combined Company. Additionally, because the Company will be issuing shares of Company common stock to certain holders of Partnership OP Unit in the Partnership Merger, each outstanding share of Company common stock after the completion of the Mergers will represent a smaller percentage of the voting power of the Company than if such shares of common stock had not been issued in the Partnership Merger. The Company may also issue additional shares of common stock or preferred stock in the future, which would create further dilution. Consequently, our stockholders, as a general matter, will have less influence over the management and policies of the Combined Company after the effective time of the Mergers than they currently exercise over the management and policies of the Company.

**Risks Relating to the Combined Company**

Following the Mergers The Combined Company expects to incur substantial expenses related to the Mergers. The Combined Company expects to incur substantial expenses in connection with completing the Mergers and integrating the operations and systems of the Company with those of Physicians Realty Trust. While the Company has assumed that a certain level of expenses would be incurred, there are a number of factors beyond its control that could affect the total amount or the timing of the Combined Company's expenses relating to the completion of the Mergers and the integration of the Combined Company's operations. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. As a result, the expenses associated with the Mergers could, particularly in the near term, reduce the savings that the Combined Company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings related to the integration of the operations of the Company and Physicians Realty Trust following the completion of the Mergers. Following the Mergers, the Combined Company may be unable to integrate the operations of the Company and Physicians Realty Trust successfully and realize the anticipated synergies and other benefits of the Mergers or do so within the anticipated time frame. The Mergers involve the combination of two companies that currently operate as independent public companies and their respective operating partnerships. The Combined Company is expected to benefit from the elimination of duplicative costs associated with supporting a public company platform and the leveraging of state-of-the-art technology and systems. However, the Combined Company will be required to devote significant management attention and resources to integrating the operations of the Company and Physicians Realty Trust. Potential difficulties the Combined Company may encounter in the integration process include the following: • the inability to successfully combine the operations of the Company and Physicians Realty Trust, including the integration of employees, customer records and maintaining cybersecurity protections, in a manner that permits the Combined Company to achieve the cost savings anticipated to result from the Mergers, which would result in the anticipated benefits of the Mergers not being realized in the time frame currently anticipated or at all; • the inability to dispose of assets or operations that the Combined Company desires to dispose of; • the complexities associated with managing the combined businesses out of different locations and integrating personnel from the two companies; • the failure to retain key employees of either of the two companies; • potential unknown liabilities and unforeseen increased expenses, delays, or regulatory conditions associated with the Mergers; and • performance shortfalls as a result of the diversion of management's attention caused by completing the Mergers and integrating the companies' operations. For all these reasons, it is possible that the integration process could result in the distraction of the Combined Company's management, the disruption of the Combined Company's ongoing business, or inconsistencies in the Combined Company's operations, services, standards, controls, procedures, and policies, any of which could adversely affect the ability of the Combined Company to maintain relationships with tenants, property managers, and employees or to achieve the anticipated benefits of the Mergers, or could otherwise adversely affect the business and financial results of the Combined Company. Following the Mergers and the transactions contemplated by the Merger Agreement, the Combined Company may be unable to retain key employees. The success of the Combined Company will depend in part upon its ability to retain key Company and Physicians Realty Trust employees. Key employees may depart either before or after the Mergers because of issues relating to the uncertainty and difficulty of integration or separation, a desire not to remain with the Combined Company following the Mergers, or due to compensation arrangements that differ from Physicians Realty Trust employees' current compensation arrangements with Physicians Realty Trust. Accordingly, no assurance can be given that the Company, Physicians Realty Trust or, following the

Mergers and the transactions contemplated by the Merger Agreement, the Combined Company will be able to retain key employees to the same extent as in the past. The Mergers will result in changes to the board of directors of the Combined Company that may affect the strategy of the Combined Company as compared to that of the Company and Physicians Realty Trust individually. Following the Mergers, the composition of the board of directors of the Combined Company will change from the current boards of the Company and Physicians Realty Trust individually. Pursuant to the Merger Agreement, at the date and time the Company Merger becomes effective (the "Company Merger Effective Time"), John T. Thomas, Physicians Realty Trust's President and Chief Executive Officer, will be appointed to, and become the Vice Chair of, the Combined Company's board of directors and will have an active role in the Combined Company's strategy, relationships and business development. In addition, at the Company Merger Effective Time, Governor Tommy G. Thompson, Physicians Realty Trust's Chair of the board of trustees, and Pamela J. Kessler, Ava E. Lias-Booker and Richard A. Weiss will also be appointed to the Combined Company's board of directors. Following the consummation of the Mergers, pursuant to an amendment to our Bylaws, our Board of Directors is expected to be increased to 13 members, with Katherine M. Sandstrom continuing as the Chair of our Board of Directors and all then-current directors of our Board of Directors continuing as members. The senior management team of the Combined Company will be comprised primarily of the current senior management team of the Company. This new composition of the board of directors, together with the management team, of the Combined Company may affect the business strategy and operating decisions of the Combined Company upon the completion of the Mergers. The future results of the Combined Company will suffer if the Combined Company does not effectively manage its operations following the Mergers and the transactions contemplated by the Merger Agreement. Following the Mergers, the Combined Company may continue to expand or materially alter its operations through additional acquisitions, development opportunities, dispositions, joint ventures, and other strategic or tactical transactions, some of which involve complex challenges. The future success of the Combined Company will depend, in part, upon the ability of the Combined Company to manage its expansion opportunities and operational changes, which pose substantial challenges for the Combined Company to execute in an efficient and timely manner, to successfully monitor its operations, costs, regulatory compliance and service quality, and to maintain other necessary internal controls. No assurance can be given that the Combined Company's expansion, acquisition, disposition, or operational opportunities will be successful, or that it will realize its expected operating efficiencies, cost savings, revenue enhancements, synergies, or other benefits. The trading price of shares of the Combined Company common stock following the Mergers may be affected by factors different from those affecting the price of shares of our common stock before the Mergers. The results of operations of the Combined Company, as well as the trading price of the Combined Company common stock, after the Mergers may be affected by factors different from those currently affecting our results of operations or the trading prices of our common stock. These different factors include: • a greater number of shares of the Combined Company common stock outstanding, as compared to the number of shares of our common stock currently outstanding; • different stockholders in the Combined Company; • the Combined Company managing a different portfolio of assets, including owning new assets and / or a different mix or concentration of assets; and • the Combined Company's combined debt profile and capitalization. Accordingly, the historical trading prices and financial results of the Company and Physicians Realty Trust may not be indicative of these matters for the Combined Company after the Mergers. Counterparties to certain significant agreements with Physicians Realty Trust may exercise contractual rights under such agreements in connection with the Mergers, including in certain cases the right to acquire properties owned by Physicians Realty Trust. Physicians Realty Trust is party to certain agreements that give the counterparty certain rights following a change of control or similar event, including in some cases the right to terminate the agreement. Under some such agreements, the Mergers may constitute a change of control or cause certain other triggering events and therefore the counterparty may exercise certain rights under its agreement with Physicians Realty Trust upon the closing of the Mergers, which may include termination rights, consent or notice obligations, fees or penalties, pre-payment obligations, and / or rights of first refusal, or similar arrangements pursuant to debt arrangements, leases, management and servicing contracts, and other arrangements. Specifically, Physicians Realty Trust is party to certain ground leases with certain hospitals, health systems or other ground lessors, whereby such hospitals, health systems or other ground lessors could exercise purchase rights and rights of first offer and first refusal with respect to sales of the property subject to such ground leases. Any such counterparty may request modifications of its agreement as a condition to granting a waiver or consent under its agreement, it may exercise or seek to exercise its rights triggered by such event, including to terminate or seek to terminate its agreement with Physicians Realty Trust as a result of such change of control (if permitted to do so by the applicable agreement). There is no assurance that such counterparties will grant their consent to the Mergers under such agreements, that such counterparties will elect not to exercise their rights under such agreements, including termination rights where available, that the exercise of any such rights will not result in a material adverse effect, or that any modifications of such agreements will not result in a material adverse effect. The Combined Company's anticipated level of indebtedness will increase upon completion of the Mergers and may increase the related risks Healthcare currently faces. Upon completion of the Mergers, the Combined Company intends to assume and / or refinance certain indebtedness of Physicians Realty Trust and the Physicians Partnership and, assuming that occurs, the Combined Company's consolidated indebtedness will increase substantially and it will be subject to increased risks associated with debt financing, including an increased risk that the Combined Company's cash flow could be insufficient to meet required payments on its debt securities or other indebtedness or to pay dividends on its common stock or any preferred stock it may issue. The Combined Company's increased indebtedness could have important consequences to holders of its common stock and its debt securities including: • increasing the Combined Company's vulnerability to general adverse economic and industry conditions; • limiting the Combined Company's ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements; • requiring the use of a substantial portion of the Combined Company's cash flow from operations for the payment of principal and interest on its indebtedness, thereby reducing its ability to use its cash flow to fund working capital, acquisitions, capital expenditures,

and general corporate requirements; • limiting the Combined Company's flexibility in planning for, or reacting to, changes in its business and its industry; and • putting the Combined Company at a disadvantage compared to its competitors with less indebtedness. If the Combined Company defaults under a debt instrument, it will be in default under any other debt instrument that has cross-default provisions, the holders of all such indebtedness may be entitled to demand its immediate repayment and, in the case of secured indebtedness, the Combined Company may lose any property securing that indebtedness.

**Risks Relating to the Status of Physicians Realty Trust as a REIT** We may incur adverse tax consequences if Physicians Realty Trust has failed to qualify as a REIT for U. S. federal income tax purposes. The closing of the Mergers is conditioned on the receipt by the Company of an opinion of Physicians Realty Trust's counsel to the effect that, commencing with Physicians Realty Trust's taxable year ended December 31, 2015 and through the Company Merger Effective Time, Physicians Realty Trust has been organized and has operated in conformity with the requirements for qualification and taxation as a REIT under the Code. The foregoing REIT opinion, however, is limited to the factual representations provided by Physicians Realty Trust to its counsel and the assumptions set forth therein, and is not a guarantee that Physicians Realty Trust has, in fact, qualified as a REIT. Moreover, such opinion is not binding on the IRS, and neither the Company nor Physicians Realty Trust has requested or plans to request a ruling from the IRS that Physicians Realty Trust qualifies as a REIT. Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The complexity of these provisions and of the applicable regulations (as in effect from time to time) of the U. S. Department of the Treasury under the Code is greater in the case of a REIT, like Physicians Realty Trust, that holds assets through a partnership. If Physicians Realty Trust is determined to have lost its REIT status for a taxable year ending on or before the Company Merger, Physicians Realty Trust would be subject to adverse tax consequences similar to those described above in "Risks Related to Tax, Including REIT-Related Risks, and Related to Our Jurisdiction of Incorporation and Our Structure as an UPREIT" — Loss of our tax status as a REIT would substantially reduce our available funds and would have materially adverse consequences for us and the value of our common stock with respect to the failure of the Company to maintain its REIT status. This could substantially reduce the Combined Company's cash available for distribution, including cash available to pay dividends to its stockholders, because, assuming that the Combined Company otherwise maintains its REIT qualification: • the Combined Company generally would be subject to corporate level federal income tax with respect to the built-in gain on each asset of Physicians Realty Trust existing at the time of the Company Merger if the Combined Company were to dispose of Physicians Realty Trust assets during the five-year period following the Company Merger, and may also be subject to corporate level state income tax on such built-in gains if the assets are disposed of during the applicable period prescribed by state law; • the Combined Company would succeed to any earnings and profits accumulated by Physicians Realty Trust for taxable periods that it did not qualify as a REIT, and the Combined Company would have to pay a special dividend and/or employ applicable deficiency dividend procedures (including interest payments to the IRS) to eliminate such earnings and profits (or if the Combined Company does not timely distribute those earnings and profits, the Combined Company could fail to qualify as a REIT); and • if Physicians Realty Trust incurred any unpaid tax liabilities prior to the Company Merger, those tax liabilities would be transferred to the Combined Company as a result of the Company Merger. If there is an adjustment to Physicians Realty Trust's taxable income or dividends paid deductions, the Combined Company could elect to use the deficiency dividend procedure in order to maintain Physicians Realty Trust's REIT status. That deficiency dividend procedure could require the Combined Company to make significant distributions to its stockholders and to pay significant interest to the IRS. As a result of all these factors, Physicians Realty Trust's failure to qualify as a REIT could impair the Combined Company's ability to expand its business and raise capital, and would materially adversely affect the value of its capital stock.

**Risks Relating to an Investment in the Combined Company's Common Stock following the Mergers and the Transactions Contemplated by the Merger Agreement** The market price of shares of the Combined Company common stock may decline as a result of the Mergers and the transactions contemplated by the Merger Agreement. The market price of shares of the Combined Company common stock may decline as a result of the Mergers and the transactions contemplated by the Merger Agreement if, among other things, the Combined Company does not achieve the perceived benefits of the Mergers as rapidly or to the extent anticipated by financial or industry analysts, or the effect of the Mergers on the Combined Company's results of operations or financial condition is not consistent with the expectations of financial or industry analysts or stockholders more generally. In addition, upon consummation of the Mergers and the transactions contemplated by the Merger Agreement, Company stockholders and Physicians Realty Trust shareholders will own interests in the Combined Company, which will operate an expanded business with a different mix of properties, risks and liabilities. Current stockholders of the Company and shareholders of Physicians Realty Trust may not wish to continue to invest in the Combined Company, or may wish to dispose of some or all of their shares of the Combined Company common stock. If, following the Company Merger Effective Time or while the Mergers are pending, large amounts of the Combined Company common stock or Company common stock, as applicable, are sold, the market price of the Combined Company common stock or Company common stock, as applicable, could decline, perhaps substantially.