Risk Factors Comparison 2024-02-29 to 2023-03-01 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Adverse U. S. and global market, economic and political conditions, health crises and other events beyond our control could have a material adverse effect on our business, results of operations, and financial condition. Another economic or financial crisis, significant concerns over energy costs and inflation, rising interest rates, geopolitical issues **(including as a result of the armed conflict between Russia and Ukraine, and recent escalation in the conflict between the State of Israel and Hamas, and potentially other countries in the Middle East and North Africa)** , the availability and cost of credit, or a declining real estate market in the U. S. or abroad can contribute to increased volatility, diminished expectations for the economy and the markets, shortage of available healthcare workers and related increased labor costs, and high levels of unemployment by historical standards. As was the case from 2008 through 2010, as well as most of 2022 **and 2023** , these factors, combined with volatile oil prices and fluctuating business and consumer confidence, can precipitate **an** ~~a steep~~ economic decline. Adverse U. S. and global market, economic and political conditions, including dislocations and volatility in the credit markets, rising inflation and interest rates, and general global economic uncertainty, could have a material adverse effect on our business, results of operations, and financial condition as a result of the following potential consequences, among others: • reduced values of our properties may limit our ability to dispose of assets at attractive prices, or at all, or to obtain debt financing secured by our properties and may reduce the availability of unsecured loans; and • our ability to obtain financing on terms and conditions that we find acceptable, or at all, may be limited, which could reduce our ability to pursue acquisition and redevelopment opportunities ~~and~~ **,** refinance existing debt, reduce our returns from our acquisition and redevelopment activities **, reduce our ability to sell properties or re- tenant properties at favorable terms,** and increase our future interest expense. Public health crises, pandemics and epidemics, such as those caused by new strains of viruses such as H5N1 (avian flu), severe acute respiratory syndrome (SARS) and, most recently, COVID- 19, could adversely impact our and our tenants' business by disrupting supply chains and transactional activities, **creating labor shortages,** and negatively impacting local, national, or global economies. Our revenues are dependent upon our relationships with and success of our tenants, particularly our largest tenants, like Steward, Circle, **Priory,** Prospect, ~~Priory,~~ and ~~Springstone~~ **Lifepoint Behavioral** . Our tenants' financial performance and resulting ability to satisfy their lease and loan obligations to us are material to our financial results and our ability to service our debt and make distributions to our stockholders. ~~Our~~ **In addition,our** tenants experience operational challenges from time- to- time,and this can be even more of a risk for those tenants that grow (or have grown) via acquisitions in a short time frame,like Steward,Circle,and others. **The ability of** ~~Such operational challenges can result in~~ our tenants and operators ~~having~~ to **integrate newly acquired businesses into their existing operational,financial reporting,and collection systems is critical towards ensuring their continued success.If such integration is not successfully implemented in a timely manner,operators can be negatively impacted in the form of** write- ~~off~~ **offs of** uncollectible accounts receivable, ~~incurring~~ higher expenses,or even ~~undergoing~~ insolvency in certain **extreme** cases. ~~For example,we recorded approximately $ 700 million of impairment charges related to Steward in the 2023 fourth quarter due to ongoing operational and liquidity challenges.For more information,including reserves and impairment charges,see Note 3 (Operational~~ We are dependent upon the ability of our tenants to make rent and loan payments to us, and any failure to meet these obligations could have a material adverse effect on our financial condition and results of operations. As of December 31, ~~2022~~ **2023** , our largest tenants – Steward, Circle, **Priory,** Prospect, ~~Priory,~~ and ~~Springstone~~ **Lifepoint Behavioral** – represented ~~24~~ **19** . 2 %, **11** ~~10. 5 %, 7. 5 %, 6~~ . 6 %, ~~and 5~~ **7. 6 %, 6** . 0 %, **and 4. 4 %,** respectively, of our total assets. ~~Our~~ **We rely on our tenants to provide us with accurate financial and other information under the terms of our leases or in the ordinary course of business relationship, which we, in turn, use for making business decisions, assessing risk and calculating and reporting tenant coverage and other data. Because most of our tenants are private companies, the financial information they provide us with might not be audited. If the financial or other information provided to us by our tenants is not accurate, our reported tenant coverage and other data, which is based on such tenant- provided information might prevent us from making a timely or accurate business decision or adequately assessing risk in connection with a tenant, which could adversely impact our financial condition, results of operations, stock price, and reputation. In addition, our** tenants operate in the healthcare industry, which is highly regulated by U. S. federal, state, and local laws along with laws in Europe ~~, Australia,~~ and South America and changes in regulations may temporarily impact our tenants' operations until they are able to make the appropriate adjustments to their business. In addition, our tenants experience operational...... even insolvency in certain extreme cases. Any adverse result to our tenants (particularly Steward, Circle, **Priory,** Prospect, ~~Priory,~~ and ~~Springstone~~ **Lifepoint Behavioral**) in regulatory proceedings or financial or operational setbacks may have a material adverse effect on the relevant tenant' s operations and on its ability to make required lease and loan payments to us. ~~If any~~ **We have made investments in certain operators of our healthcare facilities and the cash flows (and related returns) from these investments are subject to more volatility than our properties with the traditional net leasing structure. At December 31, 2023, we have approximately $ 1. 8 billion of investments in unconsolidated operating entities, including $ 0. 4 billion of investments in Steward, our largest tenant. These investments include loans but also equity investments that generate returns dependent upon the operator' s performance. As a result, the cash flow and returns from these investments may be more volatile than that of our traditional triple- net leasing structure. As disclosed elsewhere in this Annual Report, Steward has been experiencing operational challenges, which could impact our ability to recover our investments, in part or at all, and therefore could have a material adverse impact on our financial condition, results of operations, stock price, and ability**

to make distributions to our stockholders. See the risk factor titled " Our revenues are dependent upon our relationships with and success of our tenants, particularly our largest tenants, like Steward, Circle, Priory, Prospect, and Lifepoint Behavioral " and Item 7 of this Annual Report on Form 10- K. The bankruptcy or insolvency of our tenants or investees could harm our operating results and financial condition. Any bankruptcy filings by one of ~~these~~ **our** tenants **could bar us from** ~~were to file for bankruptcy protection, we may not be able to collect~~ **collecting** ~~any~~ pre- ~~filing amounts owed to~~ **bankruptcy debts from that tenant or their property, unless we receive an order permitting** us **to do so from the bankruptcy court. A tenant bankruptcy can be expected to delay our efforts to collect past due balances under our leases and loans, and could ultimately preclude collection of these sums. If a lease is assumed** by ~~such~~ **a** tenant **in** ~~. In a~~ bankruptcy ~~proceeding~~ **(like it was in the case of Pipeline Health System** , ~~such~~ **LLC (" Pipeline") in 2022), we expect that all pre- bankruptcy balances due under the lease would be paid to us in full. However, if a lease is rejected by a** tenant ~~may terminate our lease (s),~~ in ~~which case~~ **bankruptcy,** we would have **only** a general unsecured claim ~~that would likely be~~ for **damages** ~~less than the full amount owed to us~~ . Any secured claims we have against ~~such~~ **our** ~~tenant~~ **tenants** may only be paid to the extent of the value of the collateral, which may not cover **any or** all **of** ~~or~~ **our losses. Any unsecured claim (such as our equity interests in our tenants) we hold against a bankrupt entity may be paid only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims. We may recover none or substantially less than the full value of** any **unsecured claims** ~~of our losses. The protections that we have in our leases~~ , which **would harm** ~~can include letters of credit, cross default provisions, parent guarantees, repair reserves, and the right to exercise remedies including the termination of the lease and replacement of the operator, may prove to be insufficient, in whole or in part, or may entail further delays. In instances where we have an equity investment in our tenant' s operations, in addition to the effect on these tenants' ability to meet their financial obligation to us, our ownership and investment interests may also be negatively impacted. We have experienced rapid growth over the years, from adding new tenants to expanding our global footprint, and our failure to effectively manage our growth may adversely impact~~ our financial condition ~~and cash flows, which could negatively affect our ability to service our debt and make distributions. We have experienced growth through investments in healthcare properties and expansion into ten countries and four continents. We continually evaluate property acquisition and development opportunities as they arise, and we typically have a number of potential acquisition and development transactions under active consideration. There is no assurance that we will be able to adapt our management, administrative, accounting, and operational systems, or hire and retain sufficient operational staff, to manage the facilities we have acquired over the years across ten countries and those that we may acquire or develop in the future. Additionally, investing in real estate located in foreign countries creates risks associated with the uncertainty of foreign laws, economies, and markets, and exposes us to local economic downturns and adverse market developments. Our failure to manage such growth effectively may adversely impact our financial condition and cash flows, which could negatively affect our ability to service our debt and make distributions to our stockholders. Our rapid growth could also increase our capital requirements, which may require us to issue potentially dilutive equity securities and / or incur additional debt~~ . It may be costly to replace defaulting tenants and we may not find suitable replacements on suitable terms. Failure on the part of a tenant to comply materially with the terms of a lease could give us the right to terminate the lease, repossess the facility, cross default certain other leases and loans with that tenant, and enforce the payment obligations under the lease. The process of terminating a lease with a defaulting tenant and repossessing the applicable facility may be costly and require a disproportionate amount of management' s attention. In addition, defaulting tenants may initiate litigation in connection with a lease termination or repossession against us. If a tenant- operator defaults and we choose to terminate the lease, we would then be required to find another tenant- operator or to sell the facility. The transfer of healthcare facilities is highly regulated, which may result in delays and increased costs in locating a suitable replacement tenant. The lease of these properties to non- healthcare operators may be difficult due to the added cost and time of refitting the properties. If we are unable to re- let the properties, we may be forced to sell the properties at a loss. There can be no assurance that we would be able to find another tenant in a timely fashion, or at all, or that, if another tenant were found, we would be able to enter into a new lease on favorable terms. Defaults by our tenants under our leases may adversely affect our results of operations, financial condition, and our ability to service our debt and make distributions to our stockholders. Defaults by our significant tenants under master leases (like Steward, Circle, ~~and~~ **Priory,** Prospect **, and Lifepoint Behavioral**) ~~will~~ **would** have an even ~~greater effect~~ **more pronounced negative impact. For recent developments in our relationship with Steward, see the risk factor titled" Our revenues are dependent upon our relationships with and success of our tenants, particularly our largest tenants, like Steward, Circle, Priory, Prospect, and Lifepoint Behavioral" and Item 7 of this Annual Report on Form 10- K** . It may be costly to find new tenants when lease terms end, and we may not be able to replace such tenants with suitable replacements on suitable terms. Failure on the part of a tenant to renew or extend the lease at the end of its fixed term could result in us having to search for, negotiate with, and execute new lease agreements. The process of finding and negotiating with a new tenant, along with costs (such as maintenance, property taxes, utilities, ground lease expenses, etc.) that we will incur while the facility is untenanted, may be costly and require a disproportionate amount of our management' s attention. There can be no assurance that we would be able to find another tenant in a timely fashion, or at all, or that, if another tenant were found, we would be able to enter into a new lease on favorable terms. If we are unable to re- let the properties to healthcare operators, we may be forced to sell the properties at a loss due to the repositioning expenses likely to be incurred by non- healthcare purchasers. Alternatively, we may be required to spend substantial amounts to adapt the facility to other uses. Thus, the non- renewal or extension of leases may adversely affect our results of operations, financial condition, and our ability to service our debt and make distributions to our stockholders. This risk is even greater for those properties under master leases (like Steward, Circle, and Prospect) because several properties have the same lease ending dates. See Item 2 for our lease and loan maturity schedule. We have **experienced rapid growth over** ~~made investments in certain operators of our healthcare facilities and~~ the **years, from adding new tenants to expanding our global footprint, and our failure to**

effectively manage our growth may adversely impact our financial condition and cash flows ~~(~~**, which could negatively affect our ability to service our debt** and ~~related returns) from these~~ **make distributions. In past years, we have experienced growth through** investments **in healthcare** ~~are subject to more volatility than our~~ properties **and expansion into nine countries and three continents. We continually evaluate property acquisition and development opportunities as they arise. There is no assurance that we will be able to adapt our management, administrative, accounting, and operational systems, or hire and retain sufficient operational staff, to manage any facilities that we may acquire or develop in the future. Additionally, investing in real estate located in foreign countries creates risks associated** with the **uncertainty** ~~traditional net leasing structure. At December 31, 2022, we have approximately $ 1. 4 billion~~ of **foreign laws** ~~investments in unconsolidated operating entities~~ , **economies** ~~including $ 0. 5 billion of investments in Steward~~ , ~~our largest tenant. These investments include loans but also equity investments that generate returns dependent upon the operator' s performance. As a result, the cash flow~~ and **markets, and exposes us to local economic downturns and adverse market developments** ~~returns from these investments may be more volatile than that of our traditional triple- net leasing structure~~ . Our ~~results of operations and~~ **failure to manage our growth effectively may adversely impact our** financial condition ~~may be adversely~~ **and cash flows, which could negatively** ~~affected~~ -- **affect our ability** ~~if the related operators fail~~ to **service our debt** ~~successfully operate the facilities efficiently~~ and ~~in a manner that is in~~ **make distributions to our stockholders. Our growth could also increase our capital requirements, which may require us to issue potentially dilutive equity securities and /** ~~our~~ - **or** ~~best interest~~ **incur additional debt** . We have less experience with healthcare facilities located outside the U. S. At December 31, ~~2022~~ **2023** , we had approximately 39 % of our total assets located in ~~nine~~ **eight** different countries outside the U. S. We have less experience investing in healthcare properties or other real estate- related assets located outside the U. S. Investing in real estate located in foreign countries creates risks associated with the uncertainty of foreign laws and markets including, without limitation, laws respecting foreign ownership, the enforceability of loan and lease documents, and foreclosure laws. Foreign real estate and tax laws are complex and subject to change, and we cannot assure you we will always be in compliance with those laws or that compliance will not expose us to additional expense. The properties we have acquired internationally will face risks in connection with unexpected changes in regulatory requirements, political and economic instability, potential imposition of adverse or confiscatory taxes, possible challenges to the anticipated tax treatment of the structures that allow us to acquire and hold investments, possible currency transfer restrictions, the difficulty in enforcing obligations in other countries, the impact from Brexit and future developments in the European Union, and the burden of complying with a wide variety of foreign laws. In addition, to qualify as a REIT, we generally will be required to operate any non- U. S. investments in accordance with the rules applicable to U. S. REITs, which may be inconsistent with local practices. We may also be subject to fluctuations in local real estate values or markets or the economy as a whole, which may adversely affect our investments. In addition, the revenues and expenses incurred internationally are denominated in either euros, British pounds, Swiss francs ~~, Australian dollars~~ , or Colombian pesos, which could expose us to losses resulting from fluctuations in exchange rates to the extent we have not hedged our position, which in turn could adversely affect our revenues, operating margins, and dividends, and may also affect the book value of our assets and the amount of stockholders' equity. While we may hedge some of our foreign currency risk, we may not be able to do so successfully and may incur losses on our investments as a result of exchange rate fluctuations. Furthermore, we are subject to laws and regulations, such as the Foreign Corrupt Practices Act and similar local anti- bribery laws, which generally prohibit companies and their employees, agents, and contractors from making improper payments to governmental officials for the purpose of obtaining or retaining business. Failure to comply with these laws could subject us to civil and criminal penalties that could materially and adversely affect our results of operations, the value of our international investments, and our ability to service our debt and make distributions to our stockholders. We and our tenants have exposure to contingent rent escalators, which could impact profitability. We receive a significant portion of our revenues by leasing assets under long- term net leases that generally provide for fixed rental rates subject to annual escalations. These annual escalations may be contingent on changes in CPI (or a similar index internationally), typically with specified caps and floors. If, as a result of weak economic conditions or other factors, the CPI does not increase, our growth and profitability may be hindered by these leases. In addition, if strong economic conditions or higher than normal inflation results in significant increases in CPI (like has been the case in ~~2022~~ **2023**), but the escalations under our leases are capped, our growth and profitability may be limited. On the flip side, higher than normal increases in CPI could negatively impact our tenants' profitability, particularly if reimbursement revenues from governmental programs, like Medicare, do not keep pace. Even if these governmental programs eventually increase reimbursement rates in line with CPI, there could be interim ~~shortfall~~ **shortfalls** for our tenants, which may adversely impact our ability to collect rent / interest on a timely basis. ~~The bankruptcy or insolvency of our tenants or investees could harm our operating results and financial condition. Some of our tenants may be newly organized, have limited or no operating history, or may be thinly capitalized such that they may need loans from us for working capital purposes from time- to- time. Any bankruptcy filings by one of our tenants could bar us from collecting pre- bankruptcy debts from that tenant or their property, unless we receive an order permitting us to do so from the bankruptcy court. A tenant bankruptcy can be expected to delay our efforts to collect past due balances under our leases and loans, and could ultimately preclude collection of these sums. If a lease is assumed by a tenant in bankruptcy (like it was in the case of Pipeline Health System, LLC (" Pipeline") in 2022), we expect that all pre- bankruptcy balances due under the lease would be paid to us in full. However, if a lease is rejected by a tenant in bankruptcy, we would have only a general unsecured claim for damages. Any secured claims we have against our tenants may only be paid to the extent of the value of the collateral, which may not cover any or all of our losses. Any unsecured claim (such as our equity interests in our tenants) we hold against a bankrupt entity may be paid only to the extent that funds are available and only in the same percentage as is paid to all other holders of unsecured claims. We may recover none or substantially less than the full value of any unsecured claims, which would harm our financial condition.~~ Our business is highly competitive, and we may be unable to compete successfully. We compete for **acquisition and** development opportunities ~~and opportunities to~~

~~purchase healthcare facilities~~ with, among others ~~:~~ **,** private investors, including large private equity funds; healthcare providers, including physicians; other REITs; real estate developers; government- sponsored and / or not- for- profit agencies; financial institutions; and other lenders. Some of these competitors may have substantially greater financial resources than we have and may have better relationships with lenders and sellers. Competition for healthcare facilities ~~from competitors~~ may adversely affect our ability to acquire or develop healthcare facilities and the prices we pay for those facilities. If we are unable to acquire or develop facilities or if we pay too much for facilities, our revenue, earnings growth, and financial return could be materially adversely affected. Certain of our facilities, or facilities we may acquire or develop in the future, will face competition from other nearby facilities that provide services comparable to those offered at our facilities. Some of those facilities are owned by governmental agencies and supported by tax revenues, and others are owned by tax- exempt corporations and may be supported to a large extent by endowments and charitable contributions. Those types of support are not generally available to our facilities. In addition, competing healthcare facilities located in the areas served by our facilities may provide healthcare services that are not available at our facilities. From time- to- time, referral sources, including physicians and managed care organizations, may change the healthcare facilities to which they refer patients ~~, which~~ **. Each of these circumstances** could adversely affect our tenants and indirectly our results of operations, financial condition, and ability to service our debt and make distributions. Many of our tenants have an option to purchase the facilities we lease to them, which could disrupt our operations. Many of our tenants have the option to purchase the facilities we lease to them. There is no assurance that the formulas we have developed for setting the purchase price will yield a fair market value purchase price. In the event our tenants decide to purchase the facilities at the end of the lease term, we may not be able to re- invest the capital on as favorable terms, or at all. Our inability to effectively manage the turnover of our facilities could materially adversely affect our ability to execute our business plan and our results of operations. We have ~~114~~ **112** leased properties that are subject to purchase options as of December 31, ~~2022~~ **2023** . For ~~93~~ **95** of these properties, the purchase option generally allows the lessee to purchase the real estate at the end of the lease term, assuming not currently in default, at a price equivalent to the greater of (i) fair market value or (ii) our original purchase price (increased, in some cases, by a certain annual rate of return from the lease commencement date). The lease agreements generally provide for an appraisal process to determine fair market value. For ~~13~~ **nine** of these properties, the purchase option generally allows the lessee to purchase the real estate at the end of the lease term, assuming not currently in default, at our purchase price (increased, in some cases, by a certain annual rate of return from lease commencement date). For the remaining eight ~~leases~~ **properties** , the purchase options approximate fair value. In certain circumstances, a prospective purchaser of our hospital real estate may be deemed to be subject to Anti- Kickback and Stark statutes, which are described in the " Healthcare Regulatory Matters " section in Item 1 of this Annual Report on Form 10- K. In such event, it may not be practicable for us to sell a property to such prospective purchaser at a price other than fair market value. Merger and acquisition activity or consolidation in the healthcare industry may result in a change of control of, or a competitor' s investment in, one or more of our tenants or operators, which could have a material adverse effect on us. The healthcare industry continues to experience consolidation, including among owners of real estate and healthcare providers. We compete with other healthcare REITs, healthcare providers, healthcare lenders, real estate partnerships, banks, insurance companies, private equity firms, and other investors that pursue a variety of investments, which may include investments in our tenants. We have historically developed strong, long- term relationships with many of our tenants. A competitor' s investment in one of our tenants, any change of control of a tenant, or a change in the tenant' s management team could enable our competitor to influence or control that tenant' s business and strategy. This influence could have a material adverse effect on us by impairing our relationship with the tenant, negatively affecting our interest, or impacting the tenant' s financial and operational performance, including their ability to pay us rent or interest. Depending on our contractual agreements and the specific facts and circumstances, we may have consent rights, termination rights, remedies upon default, or other rights and remedies related to a competitor' s investment in, a change of control of, or other transactions impacting a tenant. In deciding whether to exercise our rights and remedies, including termination rights or remedies upon default, we assess numerous factors, including legal, contractual, regulatory, business, and other relevant considerations. Our investments in joint ventures could be adversely affected by our lack of control, our partners' failure to meet their obligations, and disputes with our partners. We have investments in five unconsolidated real estate joint ventures with independent parties that total approximately $ 1. 5 billion at December 31, ~~2022~~ **2023** . Joint venture arrangements involve risks including the possibility that the other party may refuse or not be able to make capital contributions if needed, that our partner might have economic or other interests that are inconsistent with the joint venture' s interests, or that we may become engaged in a dispute with our partner. If any of these events occur, we may need to provide additional funding to the joint ventures to meet its obligations, incur additional expenses to resolve disputes, or be forced to buy out the partner' s interest or to sell our interests at a time that is not advantageous to us. Any loss of income, cash flow, or disruption of management' s time could have a negative impact on the rest of our business. Increased scrutiny and changing expectations from investors, employees, and other stakeholders regarding our ESG practices and reporting could cause us to incur additional costs, devote additional resources, and expose us to additional risks, which could adversely impact our reputation, tenant and employee acquisition and retention, and access to capital. Companies across all industries are facing increased scrutiny related to their ESG practices and reporting. Investors, employees, and other stakeholders have begun to focus on ESG practices and to place greater importance on the implications and social cost of their investments and business decisions. For example, an increasing number of investment funds focus on positive ESG practices and sustainability scores when making an investment decision. In addition, investors, particularly institutional investors, use ESG practices and scores to benchmark companies against their peers and if a company is perceived as lagging, such investors may engage with a company to improve ESG disclosure or performance and may also make voting decisions on this basis. Given this increased focus and demand, public reporting regarding ESG practices is becoming more broadly expected. If our ESG practices and reporting regarding, among others, corporate governance, environmental compliance, human capital management, and workforce inclusion and diversity do not meet investor, employee, and other stakeholder expectations, our reputation may be negatively impacted. We could also incur additional costs and devote additional resources to monitoring, reporting, and implementing various ESG practices. Our failure, or perceived failure, to meet the goals and objectives we set in our sustainability disclosure or the expectations of our various stakeholders, could negatively impact our reputation, tenant and employee retention, and access to capital. **FINANCING** RISKS ~~RELATED TO FINANCING OUR BUSINESS Limited access to capital may restrict our growth. Our business plan contemplates growth through acquisitions and development of facilities. As a REIT, we are required to make cash distributions, which reduce our ability to fund acquisitions and developments with retained earnings. Thus, access to the capital markets, bank borrowings, and other financing vehicles are important to fund new opportunistic investments. Due to market or other conditions, we may not be able to obtain additional equity or debt capital or dispose of assets on favorable terms, if at all, at the time we need additional capital to acquire healthcare properties, which could have a material adverse effect on our results of operations and our ability to service our debt and make distributions to our stockholders.~~ Our indebtedness could adversely affect our financial condition and may otherwise adversely impact our business operations and our ability to make distributions to stockholders. As of February ~~17~~ **16** , ~~2023~~ **2024** , we had approximately $ 10. ~~3~~ **1** billion of debt outstanding **- see" Contractual Commitments" in Item 7 of this Annual Report on Form 10- K for a schedule of our debt coming due over the next five years** . Our indebtedness could have significant effects on our business ~~. For example~~ , ~~it could~~ **including by: •** ~~require~~ **requiring** us to use a substantial portion (or all) of our cash flow from operations to service our indebtedness, which would reduce ~~the~~ available cash flow to fund working capital, development projects, and other general corporate purposes ~~and reduce cash for~~ **, as well as** distributions; ~~force~~ **• forcing** us to dispose of one or more of our properties, possibly on disadvantageous terms, to make payments on our debt; **• reducing our ability to extend existing bank debt or refinance debt on favorable terms; •** ~~increase~~ **increasing** our vulnerability to general adverse economic and industry conditions; **•** ~~limit~~ **limiting** our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; **•** ~~restrict~~ **restricting** us from making strategic acquisitions or exploiting other business opportunities; and ~~place~~ **• placing** us at a competitive disadvantage compared to our competitors that have less debt. Our future borrowings under our loan facilities may bear interest at variable rates in addition to the $ 1. ~~1~~ **8** billion in variable interest rate debt that we had outstanding as of February ~~17~~ **16** , ~~2023~~ **2024** (excluding the variable rate debt that we have fixed through interest rate swaps). If interest rates increase significantly, our operating results would decline along with the cash available for distributions to our stockholders. In addition, most of our current debt is, and we anticipate that much of our future debt will be, non- amortizing and payable in balloon payments. Therefore, we will likely need to refinance at least a portion of that debt as it matures. There is a risk that we may not be able to refinance debt maturing in ~~2023~~ **2024** and future years or that the terms of any refinancing will not be as favorable as the terms of the then- existing debt. If principal payments due at maturity cannot be refinanced, extended, or repaid with proceeds from other sources, such as new equity capital, joint venture proceeds, or sales of facilities, our cash flow may not be sufficient to repay all maturing debt in years when significant balloon payments come due. See Item 7 ~~of Part II~~ of this Annual Report on Form 10- K for further information on our current debt maturities. Covenants in our debt instruments limit our operational flexibility, and a breach of these covenants could materially affect our financial condition and results of operations. The terms of our unsecured credit facility (" Credit Facility") and the indentures governing our outstanding unsecured senior notes and other debt instruments that we may enter into in the future are subject to customary financial ~~and~~ **,** operational **, and reporting** covenants. For example, our Credit Facility imposes certain restrictions on us, including restrictions on our ability to: incur debts; create or incur liens; provide guarantees in respect of obligations of any other entity; make redemptions and repurchases of our capital stock; prepay, redeem, or repurchase debt; engage in mergers or consolidations; enter into affiliated transactions; dispose of real estate; and change our business. In addition, our Credit Facility and senior unsecured notes limit the amount of dividends we can pay. Finally, senior unsecured notes require us to maintain total unencumbered assets (as defined in the related indenture) of not less than 150 % of our unsecured indebtedness. From time- to- time, the lenders of our Credit Facility may adjust certain covenants to give us more flexibility to complete a transaction; however, such modified covenants are temporary, and we must be in a position to meet the lowered reset covenants in the future. Our continued ability to incur debt and operate our business is subject to compliance with the covenants in our debt instruments ~~, which limit operational flexibility~~ . Breaches of these covenants could result in defaults under applicable debt instruments and other debt instruments due to cross- default provisions, even if payment obligations are satisfied. Financial and other covenants **, among others,** that limit our operational flexibility, as well as defaults resulting from a breach of any of these covenants in our debt instruments, could have a material adverse effect on our financial condition and results of operations. Failure to hedge effectively against interest rate changes may adversely affect our results of operations and our ability to make distributions to our stockholders. As of February ~~17~~ **16** , ~~2023~~ **2024** , we had approximately $ ~~2~~ **3** . ~~8~~ **0** billion in variable interest rate debt along with € 655 million and approximately $ ~~900~~ **890** million in our joint venture arrangements with Primotop Holdings S. à. r. l. (" Primotop ") and MAM, respectively. This variable rate debt subjects us to interest rate volatility. To manage this interest rate volatility, we have entered into interest rate swaps to fix the interest rate on all but $ 1. ~~1~~ **8** billion of this debt and have an interest rate cap in place on another $ ~~900~~ **890** million. However, even these hedging arrangements involve risk, including the risk that counterparties may fail to honor their obligations, that these arrangements may not be effective in reducing our exposure to interest rate changes, and that these arrangements may result in higher interest rates than we would otherwise have (in the case of our interest rate swaps). Moreover, no hedging activity can completely insulate us from the risks associated with changes in interest rates. Failure to hedge effectively against interest rate changes may materially adversely affect our results of operations and our ability to service our debt and make distributions to our stockholders. The market price and trading volume of our common stock may be volatile and may decline regardless of our operating performance, and you may lose all or part of your investment. As can be seen in **2023 and** 2022, the market price of our common stock may be highly volatile and ~~be~~ subject to wide fluctuations. In addition, the trading volume in our common stock may fluctuate and cause significant price variations to occur. A variety of factors may cause significant price variations, including **, we believe,** the amount and status of short interest in our securities and any coordinated trading activities or large derivative positions in our common stock. For example, the potential for a short squeeze whereby a number of investors take a short position in a stock and have to buy the borrowed securities to close out the position at a time that other short sellers of the same security also want to close out their positions, may result in volatility in our stock price. If the market price of our common stock declines significantly, you may be unable to sell your shares at or above your purchase price. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. Although not a comprehensive list, some possible 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 or distributions; • changes in our earnings estimates, or publications of research, news, or other reports about us or the real estate industry; • changes in market valuations of similar companies; • changes in the market value of our facilities; • adverse market reaction to any increased indebtedness we incur in the future; • additions or departures of key management personnel; • actions by institutional stockholders; • an oversupply of, or a reduction in demand for, general acute care hospitals, behavioral health facilities, IRFs, LTACHs, or freestanding ER / urgent care facilities; • speculation in the press or investment community; • short- selling activity; • the financial performance and health of our tenants; and • general market and economic conditions, including inflation and rising interest rates. Future sales of common stock may have adverse effects on our stock price. We cannot predict the effect, if any, of future sales of common stock on the market price of our common stock. Sales of substantial amounts of common stock, or the perception that these sales could occur, may adversely affect prevailing market prices for our common stock. If the market price of our common stock declines significantly, you may be unable to sell your shares at or above your purchase price. In addition, such a share price decline could impair our ability to raise future capital through a sale of additional equity securities. Downgrades in our credit ratings could have a material adverse effect on our cost and availability of capital. ~~As of February 17, 2023, our issue- level rating on our unsecured notes remained at BBB-, while our corporate credit rating from S & P remained at BB and our corporate family rating from Moody' s Investors Service was Ba1. On December 22, 2022, all of our ratings with S & P were placed on negative credit watch. There can be no assurance that we will be able to maintain our current credit ratings. Any downgrades in terms of ratings or outlook by any or all of the rating agencies could have a material adverse effect on our cost and availability of capital, which could in turn have a material adverse effect on our financial condition and results of operations. An increase in market interest rates may have an adverse effect on the market price of our securities. One of the factors that investors may consider in deciding whether to buy or sell our securities is our dividend rate as a percentage of our price per share of common stock, relative to market interest rates. If market interest rates continue to increase, prospective investors may desire a higher distribution on our securities or seek securities paying higher distributions. The market price of our common stock likely will be based primarily on the earnings that we derive from rental and interest income with respect to our facilities and our related distributions to stockholders, and not from the underlying appraised value of the facilities themselves. As a result, interest rate fluctuations and capital market conditions can affect the market price of our common stock. In addition, rising interest rates would result in increased interest expense on our variable- rate debt, thereby adversely affecting cash flow and our ability to service our indebtedness and make distributions. RISKS RELATING TO REAL ESTATE INVESTMENTS Our investments are and are expected to continue to be concentrated in a single industry segment, making us more vulnerable economically than if our investments were more diversified. We acquire, develop, and make investments in healthcare real estate. In addition, we selectively make investments in healthcare operators. We are subject to risks inherent in concentrating investments in real estate. The risks resulting from a lack of diversification become even greater as a result of our business strategy to invest solely in healthcare facilities. A downturn in the real estate industry could materially adversely affect the value of our facilities. A downturn in the healthcare industry could negatively affect our tenants' ability to make lease or loan payments to us as well as our return on our equity investments. Consequently, our ability to meet debt service obligations or make distributions to our stockholders is dependent on the real estate and healthcare industries. Our facilities may not have efficient alternative uses, which could impede our ability to find replacement tenants in the event of termination or default under our leases. Primarily all of the facilities in our current portfolio are net- leased healthcare facilities. If we, or our tenants, terminate the leases for these facilities, or if these tenants lose their regulatory authority to operate these facilities, we may not be able to locate suitable replacement tenants to lease the facilities for their specialized uses. Alternatively, we may be required to spend substantial amounts to adapt the facilities to other uses. Any loss of revenues or additional capital expenditures occurring as a result could have a material adverse effect on our financial condition and results of operations and could hinder our ability to meet debt service obligations or make distributions to our stockholders. Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our facilities and harm our financial condition. Real estate investments are relatively illiquid. Additionally, the real estate market is affected by many factors beyond our control, including adverse changes in global, national, and local economic and market conditions and the availability, costs, and terms of financing. Our ability to quickly sell or exchange any of our facilities in response to changes in economic and other conditions will be limited. No assurances can be given that we will recognize full value for any facility that we are required to sell for liquidity reasons. Our inability to respond rapidly to changes in the performance of our investments could adversely affect our financial condition and results of operations. Development and construction risks could adversely affect our ability to service debt and make distributions. We have developed and constructed facilities in the past and are currently developing several facilities. Our development and related construction activities may subject us to the following risks: we may have to compete for suitable development sites; our ability to complete construction is dependent on there being no title, environmental, or other legal proceedings arising; we may be subject to delays due to weather conditions, strikes, supply chain disruptions, available labor, and other contingencies beyond our control; we may be unable to obtain, or suffer delays in obtaining necessary zoning, land- use, building, occupancy, and other required governmental permits, which could result in increased costs, delays, or our~~

~~abandonment of these projects; and we may incur construction costs for a facility which exceed our original estimates due to increased costs for materials or labor or other costs that we did not anticipate. We expect to fund our development projects over time. The time frame required for development and construction of these facilities means that we may have to wait for some time to earn significant cash returns. In addition, our tenants may not be able to obtain managed care provider contracts in a timely manner or at all. Risks associated with our development projects may reduce anticipated rental revenue, which could affect our ability to service our debt and make distributions. We may be subject to risks arising from future acquisitions of real estate. We may be subject to risks in connection with our acquisition of healthcare real estate, including: • we may have no previous business experience with the tenants at the facilities acquired, and we may face difficulties in working with them; • underperformance of the acquired facilities due to various factors, including unfavorable terms and conditions of any acquired lease agreements, disruptions caused by the management of our tenants, or changes in economic conditions; • diversion of our management' s attention away from other business concerns; • exposure to any undisclosed or unknown potential liabilities (including environmental liabilities) relating to the acquired facilities (or entities acquired in a share deal); and • potential underinsured losses on the acquired facilities. We cannot assure you that we will be able to manage the new properties without encountering difficulties or that any such difficulties will not have a material adverse effect on us. Our facilities may not achieve expected results, which may harm our financial condition and operating results and our ability to service our debt and make the distributions to our stockholders required to maintain our REIT status. Acquisitions and developments entail risks that investments will fail to perform in accordance with expectations and that estimates of the costs of necessary improvements may prove inaccurate, as well as general investment risks associated with any new real estate investment. Newly- developed or newly- renovated facilities may not have operating histories that are helpful in making objective pricing decisions. The purchase prices of these facilities will be based in part upon projections by management as to the expected operating results of the facilities, subjecting us to risks that these facilities may not achieve anticipated operating results or may not achieve these results within anticipated time frames. If our facilities do not achieve expected results and generate ample cash flows from operations, amounts available to service our debt or to make distributions to stockholders in order to maintain our status as a REIT could be adversely affected. We may suffer losses that are not covered by insurance or that are in excess of our insurance coverage limits. Our leases and mortgage loans generally require our tenants / borrowers to carry property, general liability, professional liability, loss of earnings, all risk, and extended coverage insurance in amounts sufficient to permit the replacement of the facility in the event of a total loss, subject to applicable deductibles. We carry general liability insurance and loss of earnings coverage on all of our properties as a contingent measure in case our tenant' s coverage is not sufficient. However, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, and acts of terrorism, which may be uninsurable or not insurable at a price we or our tenants / borrowers can afford. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it impracticable to use insurance proceeds to replace a facility after it has been damaged or destroyed. Under such circumstances, the insurance proceeds we receive might not be adequate to restore our economic position with respect to the affected facility. If any of these or similar events occur, it may reduce our return from the facility and the value of our investment. We continually review the insurance maintained by our tenants / borrowers and believe the coverage provided to be adequate and customary for similarly situated companies in our industry. However, we cannot provide any assurances that such insurance will be available at a reasonable cost in the future. Also, we cannot assure you that material uninsured losses, or losses in excess of insurance proceeds, will not occur in the future. Capital expenditures for facility renovation may be greater than anticipated and may adversely impact rent payments by our tenants and our ability to service debt and make distributions to stockholders. Facilities, particularly those that consist of older structures, have an ongoing need for capital improvements, including periodic replacement of fixtures and fixed equipment. Although our leases generally require our tenants to be primarily responsible for the cost of such expenditures, renovation of facilities involves certain risks, including the possibility of environmental problems, regulatory requirements, construction cost overruns and delays, uncertainties as to market demand or deterioration in market demand after commencement of renovation, and the emergence of unanticipated competition from other facilities. All of these factors could adversely impact rent and loan payments by our tenants and returns on our equity investments, which in turn could have a material adverse effect on our financial condition, results of operations, and our ability to service debt and make distributions. All of our healthcare facilities are subject to property taxes that may increase in the future and adversely affect our business. Our facilities are subject to real and personal property taxes that may increase as property tax rates change and as the facilities are assessed or reassessed by taxing authorities. Our leases generally provide that the property taxes are charged to our tenants as an expense related to the facilities that they occupy. As the owner of the facilities, however, we are ultimately responsible for payment of the taxes to the government. If property taxes increase, our tenants may be unable to make the required tax payments, ultimately requiring us to pay the taxes. If we incur these tax liabilities, our ability to service our debt and make expected distributions to our stockholders could be adversely affected. In addition, if such taxes increase on properties in which we have an equity investment in the tenant, our return on investment maybe negatively affected. As the owner and lessor of real estate, we are subject to risks under environmental laws, the cost of compliance with which and any violation of which could materially adversely affect us. Various environmental laws may impose liability on the current or prior owner or operator of real property for removal or remediation of hazardous or toxic substances. Current or prior owners or operators may also be liable for government fines and damages for injuries to persons, natural resources, and adjacent property. These environmental laws often impose liability whether or not the owner or operator knew of, or was responsible for, the presence or disposal of the hazardous or toxic substances. The cost of complying with environmental laws could materially adversely affect our ability to service our debt or make distributions to our stockholders. In addition, the presence of hazardous or toxic substances, or the failure of our tenants to properly manage, dispose of, or remediate such substances, including medical waste generated by other healthcare operators, may adversely affect our tenants or our ability to use, sell, or rent such property or to borrow using such property as collateral which, in turn, could reduce~~

~~our revenue and our financing ability. We typically obtain Phase I environmental assessments (or similar studies) on facilities we acquire or develop or on which we make mortgage loans. However, even if the Phase I environmental assessment reports do not reveal any material environmental contamination, it is possible that material environmental contamination and liabilities may exist, of which we are unaware. Although our leases and mortgage loans require our operators to comply with laws and regulations governing their operations, including the disposal of medical waste, and to indemnify us for environmental liabilities, the scope of their obligations may be limited. We cannot assure you that our tenants would be able to fulfill their indemnification obligations and, therefore, any material violation of environmental laws could have a material adverse effect on us. In addition, environmental laws are constantly evolving, and changes in laws or regulations, or changes in interpretations of the foregoing, could create liabilities where none exist today. Our interests in facilities through ground leases expose us to the loss of the facility upon breach or termination of the ground lease, may limit our use of the facility, and may result in additional expense to us if our tenants vacate our facility. We have acquired interests in 29 facilities, at least in part, by acquiring leasehold interests in the land on which the facility is located rather than an ownership interest in the property. As lessee under ground leases, we are exposed to the possibility of losing the property upon termination, or an earlier breach by us, which could be a negative impact to our financial condition. Ground leases may also restrict our use of facilities, which may limit our flexibility in renting the facility and may impede our ability to sell the property. Finally, if our facility lease expires or is terminated for whatever reason resulting in the tenant vacating the facility, we would be responsible for the ground lease payments until we found a replacement tenant, which would negatively impact our cash flows and results of operations. RISKS RELATING TO THE HEALTHCARE INDUSTRY The continued pressure on fee- for- service reimbursement from third- party payors and the shift towards alternative payment models, could adversely affect the profitability of our tenants and hinder their ability to make payments to us. Sources of revenue for our tenants may include the Medicare and Medicaid programs, private insurance carriers, and health maintenance organizations, among others. In addition to ongoing efforts to reduce healthcare costs, the failure of any of our tenants to comply with various laws and regulations could jeopardize their ability to continue participating in Medicare, Medicaid, and other government- sponsored payment programs. The shift in our tenant payor mix away from fee- for- service payors results in an increase in the percentage of revenues attributable to alternative payment models implemented by private and government payors, which can lead to reductions in reimbursement for services provided by our tenants. There is continued focus on transitioning Medicare from its traditional fee- for- service model to models that employ one or more capitated, value-based, or bundled payment approaches, and private payors have implemented similar types of alternative payment models. Such efforts from private and government payors, in addition to general industry trends, continue to place pressures on our tenants to control healthcare costs. Furthermore, pressures to control healthcare costs and a shift away from traditional health insurance reimbursement have resulted in an increase in the number of patients whose healthcare coverage is provided under managed care plans, such as health maintenance organizations and preferred provider organizations. These shifts place further cost pressures on our tenants. We also continue to believe that, due to the aging of the population and the expansion of governmental payor programs, there will be a marked increase in the number of patients relying on healthcare coverage provided by governmental payors. In instances where we have an equity investment in our tenants' operations, in addition to the effect on these tenants' ability to meet their financial obligations to us, our ownership and investment interests may also be negatively impacted. The CMS regulatory restrictions on reimbursement for LTACHs and IRFs can lead to reduced reimbursement for our tenants that operate such facilities and departments. CMS continues to explore restrictions on LTACH and IRF reimbursement focused on more restrictive facility and patient level criteria. The Reform Law enacted in 2010 represented a major shift in the U. S. healthcare industry by, among other things, allowing millions of formerly uninsured individuals to obtain health insurance coverage and by significantly expanding Medicaid. We cannot predict with absolute precision how these changes will affect the long- term financial condition of our tenants. However, any significant negative impact to our tenants could have a material adverse effect on our financial condition and results of operations and could negatively affect our ability to service our debt and make distributions to our stockholders. Significant regulation and loss of licensure or certification or failure to obtain licensure or certification could negatively impact our tenants' financial condition and results of operations and affect their ability to make payments to us. The U. S. healthcare industry is highly regulated by federal, state, and local laws and is directly affected by federal conditions of participation, state licensing requirements, facility inspections, state and federal reimbursement policies, regulations concerning capital and other expenditures, certification requirements and other such laws, regulations, and rules. As with the U. S. healthcare industry, our tenants in Australia, the United Kingdom, South America, and other parts of Europe are also subject in some instances to comparable types of laws, regulations, and rules that affect their ownership and operation of healthcare facilities. Although our lease and mortgage loan agreements require our tenants / borrowers to comply with applicable laws, and we intend for these facilities to comply with such laws, we do not actively monitor compliance. Therefore, we cannot offer any assurance that our tenants / borrowers will be found to be in compliance with such, as the same may ultimately be implemented or interpreted. From time- to- time, our tenants are subject to various federal and state inquiries, investigations, and other proceedings and would expect such governmental compliance and enforcement activities to be ongoing at any given time with respect to one or more of our tenants, either on a confidential or public basis. An adverse result to our tenant / borrower in one or more such governmental proceedings may have a material adverse effect on their operations and financial condition and on its ability to make required lease and / or loan payments to us. In instances where we have an equity investment in the operator, in addition to the effect on these tenants' / borrowers' ability to meet their financial obligation to us, our ownership and investment interests may be negatively impacted. In the U. S., licensed health care facilities must comply with minimum health and safety standards and are subject to survey and inspection by state and federal agencies and their agents or affiliates, including CMS, The Joint Commission, and state departments of health. CMS develops Conditions of Participation and Conditions for Coverage that health care organizations must meet in order to begin and continue participating in the Medicare and Medicaid programs and receive payment under such programs. These minimum health and safety standards are aimed at~~

~~improving quality and protecting the health and safety of beneficiaries, and there are several common criteria that exist across health entities. The failure to comply with any of these standards could jeopardize a healthcare organization' s Medicare certification and, in turn, its right to receive payment under the Medicare and Medicaid programs. Further, many hospitals and other institutional providers in the U. S. are accredited by accrediting organizations, such as The Joint Commission. The Joint Commission was created to accredit healthcare providers, including our tenants that meet its minimum health and safety standards. A national accrediting organization, such as The Joint Commission, enforces standards that meet or exceed such requirements. Once hospitals achieve a minimum number of patients and approximately every three years thereafter, surveyors for The Joint Commission conduct on site surveys of facilities for compliance with a multitude of patient safety, treatment, and administrative requirements. Facilities may lose accreditation for failure to meet such requirements, which in turn may result in the loss of license or certification including under the Medicare and Medicaid programs, as well as inability to participate in certain managed care plans, which require the healthcare provider to be accredited. Finally, healthcare facility reimbursement practices and quality of care issues may result in loss of license or certification, such as engaging in the practice of " upcoding, " whereby services are billed for higher procedure codes, or an event involving poor quality of care, which leads to the serious injury or death of a patient. The failure of any tenant / borrower to comply with such laws, requirements, and regulations resulting in a loss of its license would affect its ability to continue its operation of the facility and would adversely affect its ability to make lease and / or loan payments to us. This, in turn, could have a material adverse effect on our financial condition and results of operations and could negatively affect our ability to service our debt and make distributions. In addition, establishment of healthcare facilities and transfers of operations of healthcare facilities in the U. S. are typically subject to regulatory approvals, such as federal antitrust laws and state certificate of need laws in the U. S. Restrictions and delays in transferring the operations of healthcare facilities, in obtaining new third- party payor contracts, including Medicare and Medicaid provider agreements, and in receiving licensure and certification approval from appropriate state and federal agencies by new tenants, may affect our ability to terminate lease agreements, remove tenants that violate lease terms, and replace existing tenants with new tenants. Furthermore, these matters may affect a new tenant' s / borrower' s ability to obtain reimbursement for services rendered, which could adversely affect its ability to make lease and / or loan payments to us. In instances where we have an equity investment in the operator, in addition to the effect on these tenants' / borrowers' ability to meet their financial obligations to us, our ownership and investment interests may also be negatively impacted. Our tenants are subject to fraud and abuse laws, the violation of which by a tenant may jeopardize the tenant' s ability to make payments to us and adversely affect their profitability. As noted earlier, in the U. S., the federal government and numerous state governments have passed laws and regulations that attempt to eliminate healthcare fraud and abuse by prohibiting business arrangements that induce patient referrals, the ordering of specific ancillary services, or the submission of false claims for payment. The trend towards increased investigation and enforcement activity in the areas of fraud and abuse and patient self- referrals to detect and eliminate fraud and abuse in the Medicare and Medicaid programs is likely to continue in future years. As described above, the penalties for violations of these laws can be substantial and may result in the imposition of criminal and civil penalties and possible exclusion from federal and state healthcare programs. Imposition of any of these penalties upon any of our tenants could jeopardize a tenant' s ability to operate a facility or to make lease and / or loan payments, thereby potentially adversely affecting us. In the case of an acquisition of a provider' s operations, some of our tenants have accepted an assignment of the previous operator' s Medicare provider agreement. Such operators that take assignment of Medicare provider agreements might be subject to liability for federal or state regulatory, civil, and criminal investigations of the previous owner' s operations and claims submissions. These types of issues may not be discovered prior to purchase or after our tenants commence operations in these facilities. Adverse decisions, fines, or recoupments might negatively impact our tenants' financial condition, and in turn their ability to make lease and / or loan payments to us. Certain of our lease arrangements may be subject to laws related to fraud and abuse or physician self- referrals. Physician investment in subsidiaries that lease our facilities could subject our leases to scrutiny under fraud and abuse and physician self- referral laws. Under the Stark Law, and its implementing regulations, if our leases do not satisfy the requirements of an applicable exception, the ability of our tenants to bill for services provided to Medicare beneficiaries pursuant to referrals from physician investors could be adversely impacted and subject our tenants to fines, which could impact our tenants' ability to make lease and / or loan payments to us. In instances where we have an equity investment in our tenants' operations, in addition to the effect on the tenants' ability to meet their financial obligations to us, our ownership and investment interests may also be negatively impacted. Therefore, in all cases, we intend to use our good faith efforts to structure our lease arrangements to comply with these laws. We may be required to incur substantial renovation costs to make our healthcare properties suitable for other tenants. Healthcare facilities are typically highly customized and subject to healthcare- specific building code requirements. The improvements generally required to conform a property to healthcare use can be costly and at times tenant- specific. A new or replacement operator may require different features in a property, depending on that operator' s particular business. If a current operator is unable to pay rent and / or vacates a property, we may incur substantial expenditures to modify a property before we are able to secure another tenant. Also, if the property needs to be renovated to accommodate multiple tenants, or regulatory requirements, we may incur substantial expenditures before we are able to re- lease the space. These expenditures or renovations may have a material adverse effect on our business, results of operations, and financial condition. State certificate of need laws may adversely affect our development of facilities and the operations of our tenants. Certain healthcare facilities in which we invest may be subject to state laws in the U. S. which require regulatory approval in the form of a certificate of need prior to the transfer of a healthcare facility or prior to initiation of certain projects, including the establishment of new or replacement facilities, the addition of beds, the addition or expansion of services, and certain capital expenditures. State certificate of need laws are not uniform throughout the U. S., are subject to change, and may delay developments of facilities or acquisitions or certain other transfers of ownership of facilities. We cannot predict the impact of state certificate of need laws on any of the preceding activities or on the operations of our tenants. Certificate of need~~

~~laws often materially impact the ability of competitors to enter into the marketplace of our facilities. As a result, a portion of the value of the facility may be related to the limitation on new competitors. In the event of a change in the certificate of need laws, this value may markedly change. RISKS RELATING TO OUR ORGANIZATION AND STRUCTURE We depend on key personnel, the loss of any one of whom may threaten our ability to operate our business successfully. We depend on the services of our executives and other officers to carry out our business and investment strategy. If we were to lose any of these, it may be more difficult for us to locate attractive acquisition targets, complete our acquisitions, and manage the facilities that we have acquired or developed. Additionally, as we expand, we will continue to need to attract and retain additional qualified officers and employees. The loss of the services of any of our officers, or our inability to recruit and retain qualified personnel in the future, could have a material adverse effect on our business and financial results. Pursuant to Maryland law, our charter and bylaws contain provisions that may have the effect of deterring changes in management and third- party acquisition proposals, which in turn could depress the price of our common stock or cause dilution. Our charter contains ownership limitations that may restrict business combination opportunities, inhibit change of control transactions, and reduce the value of our common stock. To qualify as a REIT under the Code, no more than 50 % in value of our outstanding stock, after taking into account options to acquire stock, may be owned, directly or indirectly, by five or fewer persons during the last half of each taxable year. Our charter generally prohibits direct or indirect ownership by any person of more than 9. 8 % in value or in number, whichever is more restrictive, of outstanding shares of any class or series of our securities, including our common stock. Generally, our common stock owned by affiliated owners will be aggregated for purposes of the ownership limitation. The ownership limitation could have the effect of delaying, deterring, or preventing a change in control or other transaction in which holders of common stock might receive a premium for their common stock over the then- current market price or which such holders otherwise might believe to be in their best interests. The ownership limitation provisions also may make our common stock an unsuitable investment vehicle for any person seeking to obtain, either alone or with others as a group, ownership of more than 9. 8 % of either the value or number of the outstanding shares of our common stock. Our charter and bylaws contain provisions that may impede third- party acquisition proposals. Our charter and bylaws also provide restrictions on replacing or removing directors. Directors may be removed by the affirmative vote of the holders of two- thirds of our common stock. Additionally, stockholders are required to give us advance notice of director nominations. Special meetings of stockholders can only be called by our president, our board of directors, or the holders of at least 25 % of stock entitled to vote at the meetings. These and other charter and bylaw provisions may delay or prevent a change of control or other transaction in which holders of our common stock might receive a premium for their common stock over the then- current market price or which such holders otherwise might believe to be in their best interests. We rely on information technology in our operations, and any material failure, inadequacy, interruption, or security failure of our technology (or that of our third- party vendors) could harm our business. We rely on information technology networks and systems, including the Internet, to process, transmit, and store electronic information, and to manage or support a variety of business processes, including financial transactions and records, and maintaining personal identifying information (in accordance with GDPR law in Europe and similar laws elsewhere) along with tenant and lease data. We purchase or license some of our information technology from vendors. We rely on commercially available systems, software, tools, and monitoring to provide security for the processing, transmission, and storage of confidential data. Although we have taken steps to protect the security of our information systems and the data maintained in those systems, it is possible that our safety and security measures will not prevent the systems' improper functioning or the improper access or disclosure of our or our tenant' s information, such as in the event of cyber- attacks. Further, our failure to protect the security of our information systems and data maintained in those systems could subject us to liability under various U. S. federal and state, and foreign privacy laws and regulations. Even well- protected information systems remain potentially vulnerable because the techniques used in security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed not to be detected and, in fact, may not be detected. Accordingly, we may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk. A security breach, including physical or electronic break- ins, computer viruses, attacks by hackers and similar breaches, or other significant disruption involving our IT networks and related systems (or that of our third- party vendors) could: • disrupt the proper functioning of our networks and systems and therefore our operations, possibly for an extended period of time; • result in misstated financial reports, violations of loan covenants, and / or missed reporting deadlines; • result in our inability to properly monitor our compliance with regulations regarding our qualification as a REIT; • result in the unauthorized access to, and destruction, loss, theft, misappropriation, or release of proprietary, confidential, sensitive, or otherwise valuable information of ours or others, which others could use to compete against us or for disruptive, destructive, or otherwise harmful purposes; • require management attention and resources to remedy any resulting damages; • subject us to liability claims or regulatory penalties; or • damage our reputation among our tenants and investors generally. Any of the foregoing could have a materially adverse effect on our business, financial condition, and results of operations. Unfavorable resolution of pending and future litigation or other regulatory proceedings could have a material adverse effect on our financial condition. From time- to- time, we may be involved in litigation and regulatory proceedings. Additionally, we may be named as defendants in lawsuits arising out of the actions of our tenants, in which such tenants have agreed to indemnify, defend, and hold us harmless from and against various claims, litigation, and liabilities. An unfavorable resolution of pending or future litigation, regulatory proceedings, or other claims may have a material adverse effect on our business, results of operations, and financial condition. Regardless of outcome, litigation and regulatory proceedings may result in substantial costs and expenses, significantly divert the attention of management, and could damage our reputation. An unfavorable outcome may result in our having to pay significant fines, judgments, or settlements, which, if not indemnifiable by our tenants, or if uninsured, or if exceeding insurance coverage, could adversely impact our financial condition, cash flows, results of operations, and the trading price of our common stock. Changes in accounting pronouncements could adversely affect us and the reported financial~~

~~performance of our tenants. Uncertainties posed by various initiatives of accounting standard- setting by the Financial Accounting Standards Board (“ FASB ”) and the SEC, which create and interpret applicable accounting standards for U. S. companies, may change the financial accounting and reporting standards or their interpretation and application of these standards that govern the preparation of our financial statements. These changes could have a material impact on our reported financial condition and results of operations. In some cases, we could be required to apply a new or revised standard retroactively, resulting in potentially material restatements of prior period financial statements. Similarly, these changes could have a material impact on our tenants’ / borrowers’ reported financial condition or results of operations or could affect our tenants’ preferences regarding leasing real estate. TAX RISKS Loss of our tax status as a REIT would have significant adverse consequences to us and the value of our common stock. We believe that we qualify as a REIT as of December 31, 2022. In addition, we own a direct interest in two subsidiary REITs that have elected to be taxed as a REIT commencing with the 2019 and 2022 tax years, respectively. The REIT qualification requirements are extremely complex, and interpretations of the federal income tax laws governing qualification as a REIT are limited. Accordingly, there is no assurance that we will be successful in operating so as to qualify as a REIT. At any time, new laws, regulations, interpretations, or court decisions may change the federal tax laws relating to, or the federal income tax consequences of, qualification as a REIT. It is possible that future economic, market, legal, tax, or other considerations may cause our board of directors to revoke the REIT election, which it may do without stockholder approval. If we lose or revoke our REIT status (currently or with respect to any tax years for which the statute of limitations has not yet expired), we will face serious tax consequences that will substantially reduce the funds available for distribution because we would not be allowed a deduction for distributions to stockholders in computing our taxable income; therefore, we would be subject to federal income tax at regular corporate rates, and we might need to borrow money or sell assets in order to pay any such tax. We also could be subject to increased state and local taxes. Unless we are entitled to relief under statutory provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify. As a result of all these factors, a loss or revocation of our REIT status could have a material adverse effect on our financial condition and results of operations and would adversely affect the value of our common stock. Failure to make required distributions as a REIT would subject us to tax. In order to qualify as a REIT, each year we must distribute to our stockholders at least 90 % of our REIT taxable income, excluding net capital gains. To the extent that we satisfy the distribution requirement, but distribute less than 100 % of our taxable income, we will be subject to federal corporate income tax on our undistributed income. In addition, we will incur a 4 % nondeductible excise tax on the amount, if any, by which our distributions in any year are less than the sum of (1) 85 % of our ordinary income for that year; (2) 95 % of our capital gain net income for that year; and (3) 100 % of our undistributed taxable income from prior years. We may be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution. Differences in timing between the recognition of income and the related cash receipts or the effect of required debt amortization payments could require us to borrow money or sell assets to pay out enough of our taxable income to satisfy the distribution requirement and to avoid corporate income tax and the 4 % excise tax in a particular year. In the future, we may borrow to pay distributions to our stockholders. Any funds that we borrow would subject us to interest rate and other market risks. Complying with REIT requirements may cause us to forego otherwise attractive opportunities. To qualify as a REIT for U. S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders, and the ownership of our stock. In order to meet these tests, we may be required to forego attractive business or investment opportunities. Currently, no more than 20 % of the value of our assets may consist of securities of one or more TRS and no more than 25 % of the value of our assets may consist of securities that are not qualifying assets under the test requiring that 75 % of a REIT’ s assets consist of real estate and other related assets. In addition, at least 95 % of our gross income in any year must be derived from qualifying sources and at least 75 % of our gross income must be generated from either rents from real estate or interest on loans secured by real estate (i. e. mortgage loans). Further, a TRS may not directly or indirectly operate or manage a healthcare facility. Compliance with current and future changes to REIT requirements may limit our flexibility in executing our business plan. If certain sale- leaseback transactions are not characterized by the Internal Revenue Service (“ IRS ”) or similar tax authorities internationally as “ true leases, ” we may be subject to adverse tax consequences. We have purchased certain properties and leased them back to the sellers of such properties. We intend for any such sale- leaseback transactions to be structured in a manner that the lease will be characterized as a “ true lease, ” thereby allowing us to be treated as the owner of the property for income tax purposes. However, depending on the terms of any specific transaction, taxing authorities might take the position that the transaction is not a “ true lease ”. In the event any sale- leaseback transaction is challenged and successfully re- characterized, we might not be able to deduct depreciation expense on the real estate, resulting in potential higher income taxes. Transactions with TRSs may be subject to excise tax. We have historically entered into leases and other transactions with our TRS and its subsidiaries and expect to continue to do so in the future. Under applicable rules, transactions such as leases between our TRS and its parent REIT that are not conducted on a market terms basis may be subject to a 100 % excise tax. While we believe that all of our transactions with our TRS are at arm’ s length, imposition of a 100 % excise tax could have a material adverse effect on our financial condition and results of operations. Loans to our tenants could be characterized as equity, in which case our income from that tenant might not be qualifying income under the REIT rules and we could lose our REIT status. Our TRS may make loans to tenants of our facilities to acquire operations or for working capital purposes. The IRS may take the position that certain loans to tenants should be treated as equity interests rather than debt, and that our interest income from such tenant should not be treated as qualifying income for purposes of the REIT gross income tests. If the IRS were to successfully treat a loan to a particular tenant as an equity interest, the tenant would be a “ related party tenant ” with respect to our company and the rent that we receive from the tenant would not be qualifying income for purposes of the REIT gross income tests. As a result, we could be in jeopardy of failing the 75 % income test discussed above, which if we did would cause us to lose our REIT status. In~~

~~addition, if the IRS were to successfully treat a particular loan as interests held by our operating partnership rather than by our TRS, we could fail the 5 % asset test, and if the IRS further successfully treated the loan as other than straight debt, we could fail the 10 % asset test with respect to such interest. As a result of the failure of either test, we could lose our REIT status, which would subject us to corporate level income tax and adversely affect our ability to service our debt and make distributions to our stockholders. Certain transfers may generate prohibited transaction income, resulting in a penalty tax on gain attributable to the transaction. From time- to- time, we may transfer or otherwise dispose of some of our properties, including by contributing properties as part of joint venture investments. Under the Code, any gain resulting from transfers of properties we hold as inventory or primarily for sale to customers in the ordinary course of business is treated as income from a prohibited transaction subject to a 100 % penalty tax. We do not believe that our transfers or disposals of property or our contributions of properties into joint venture investments are prohibited transactions. However, whether property is held for investment purposes is a question of fact that depends on all the facts and circumstances surrounding the particular transaction. The IRS may contend that these types of transfers or dispositions are prohibited transactions. While we believe that the IRS would not prevail in any such dispute, if the IRS were to argue successfully that a transfer, disposition, or contribution of property constituted a prohibited transaction, we would be required to pay a 100 % penalty tax on any gain allocable to us from the prohibited transaction. In addition, income from a prohibited transaction might adversely affect our ability to satisfy the income tests for qualification as a REIT. Changes in U. S. or foreign tax laws, regulations, including changes to tax rates, may adversely affect our results of operations. We are headquartered in the U. S. with subsidiaries and investments globally and are subject to income taxes in these jurisdictions. Significant judgment is required in determining our provision for income taxes. Although we believe that we have adequately assessed and accounted for our potential tax liabilities, and that our tax estimates are reasonable, there can be no assurance that additional taxes will not be due upon audit of our tax returns or as a result of changes to applicable tax laws. The U. S. government, as well as the governments of many of the locations in which we operate (such as Australia, Germany, the United Kingdom, Colombia, Portugal, Spain, Finland, and Luxembourg, which is where most of our Europe entities are domiciled) are actively discussing changes to corporate taxation. Our future tax expense could be adversely affected by these changes in tax laws or their interpretation, both domestically and internationally. Potential tax reforms being considered by many countries include changes that could impact, among other things, global tax reporting, intercompany transfer pricing arrangements, the definition of taxable permanent establishments, and other legal or financial arrangements. The nature and timing of any changes to each jurisdiction' s tax laws and the impact on our future tax exposure both in the U. S. and abroad cannot be predicted with any accuracy but could materially and adversely impact our results of operations and cash flows.~~