UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended December 31, 2020

or

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

For the transition period from _____ to _____

Commission file number: 001-13561

EPR PROPERTIES

(Exact name of registrant as specified in its charter)

Maryland **(State or other jurisdiction of incorporation or organization)**	**43-1790877** **(I.R.S. Employer Identification No.)**
909 Walnut Street, Suite 200 **Kansas City, Missouri** **(Address of principal executive offices)**	**64106** **(Zip Code)**

Registrant's telephone number, including area code: (816) 472-1700

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common shares, par value $0.01 per share	EPR	New York Stock Exchange
5.75% Series C cumulative convertible preferred shares, par value $0.01 per share	EPR PrC	New York Stock Exchange
9.00% Series E cumulative convertible preferred shares, par value $0.01 per share	EPR PrE	New York Stock Exchange
5.75% Series G cumulative redeemable preferred shares, par value $0.01 per share	EPR PrG	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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

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

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

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

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

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

The aggregate market value of the common shares of beneficial interest ("common shares") of the registrant held by non-affiliates, based on the closing price on the last business day of the registrant's most recently completed second fiscal quarter, as reported on the New York Stock Exchange, was $2,477,018,949.

At February 24, 2021, there were 74,766,645 common shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for the 2021 Annual Meeting of Shareholders to be filed with the Commission pursuant to Regulation 14A are incorporated by reference in Part III of this Annual Report on Form 10-K.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

With the exception of historical information, certain statements contained or incorporated by reference herein may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), such as those pertaining to the uncertain financial impact of the COVID-19 pandemic, our capital resources and liquidity, our expected cash flows and liquidity, continuing waivers of financial covenants related to our bank credit facilities and private placement notes, the performance of our customers, including AMC and Regal, our expected cash collections, expected use of proceeds from dispositions and our results of operations and financial condition. The estimates presented herein are based on the Company's current expectations and, given the current economic uncertainty, there can be no assurances that the Company will be able to continue to comply with other applicable covenants under its debt agreements, which could materially impact actual performance. Forward-looking statements involve numerous risks and uncertainties, and you should not rely on them as predictions of actual events. There is no assurance the events or circumstances reflected in the forward-looking statements will occur. You can identify forward-looking statements by use of words such as “will be,” “intend,” “continue,” “believe,” “may,” “expect,” “hope,” “anticipate,” “goal,” “forecast,” “pipeline,” “estimates,” “offers,” “plans,” “would” or other similar expressions or other comparable terms or discussions of strategy, plans or intentions in this Annual Report on Form 10-K.

Forward-looking statements necessarily are dependent on assumptions, data or methods that may be incorrect or imprecise. These forward-looking statements represent our intentions, plans, expectations and beliefs and are subject to numerous assumptions, risks and uncertainties. Many of the factors that will determine these items are beyond our ability to control or predict. For further discussion of these factors see "Summary Risk Factors" below and Item 1A - "Risk Factors" in this Annual Report on Form 10-K.

For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K or the date of any document incorporated by reference herein. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Except as required by law, we do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances after the date of this Annual Report on Form 10-K.

SUMMARY RISK FACTORS

Our business is subject to varying degrees of risk and uncertainty. You should carefully review and consider the full discussion of our risk factors in Item 1A - “Risk Factors” in this Annual Report on Form 10-K. If any of these risks occur, our business, financial condition or results of operations could be materially and adversely affected. Set forth below is a summary list of the principal risk factors relating to our business:

- Risks associated with the current outbreak of the novel coronavirus, or COVID-19, or the future outbreak of any other highly infectious or contagious diseases;
- Global economic uncertainty and disruptions in financial markets;
- Reduction in discretionary spending by consumers;
- Covenants in our debt instruments that limit our ability to take certain actions;
- Adverse changes in our credit ratings;
- Fluctuations in interest rates;
- Defaults in the performance of lease terms by our tenants;
- Defaults by our customers and counterparties on their obligations owed to us;
- A borrower's bankruptcy or default;
- Our ability to renew maturing leases on terms comparable to prior leases and/or our ability to locate substitute lessees for these properties on economically favorable terms;
- Risks of operating in the experiential real estate industry;

- Our ability to compete effectively;
- Risks associated with four tenants representing a substantial portion of our lease revenues;
- The ability of our build-to-suit tenants to achieve sufficient operating results within expected time-frames and therefore have capacity to pay their agreed upon rent;
- Risks associated with our dependence on third-party managers to operate certain of our properties;
- Risks associated with our level of indebtedness;
- Risks associated with use of leverage to acquire properties;
- Financing arrangements that require lump-sum payments;
- Our ability to raise capital;
- The concentration and lack of diversification of our investment portfolio;
- Our continued qualification as a real estate investment trust for U.S. federal income tax purposes and related tax matters;
- The ability of our subsidiaries to satisfy their obligations;
- Financing arrangements that expose us to funding and completion risks;
- Our reliance on a limited number of employees, the loss of which could harm operations;
- Risks associated with the employment of personnel by managers of certain of our properties;
- Risks associated with the gaming industry;
- Risks associated with gaming and other regulatory authorities;
- Delays or prohibitions of transfers of gaming properties due to required regulatory approvals;
- Risks associated with security breaches and other disruptions;
- Changes in accounting standards that may adversely affect our financial statements;
- Fluctuations in the value of real estate income and investments;
- Risks relating to real estate ownership, leasing and development, including local conditions such as an oversupply of space or a reduction in demand for real estate in the area, competition from other available space, whether tenants and users such as customers of our tenants consider a property attractive, changes in real estate taxes and other expenses, changes in market rental rates, the timing and costs associated with property improvements and rentals, changes in taxation or zoning laws or other governmental regulation, whether we are able to pass some or all of any increased operating costs through to tenants or other customers, and how well we manage our properties;
- Our ability to secure adequate insurance and risk of potential uninsured losses, including from natural disasters;
- Risks involved in joint ventures;
- Risks in leasing multi-tenant properties;
- A failure to comply with the Americans with Disabilities Act or other laws;
- Risks of environmental liability;
- Risks associated with the relatively illiquid nature of our real estate investments;
- Risks with owning assets in foreign countries;
- Risks associated with owning, operating or financing properties for which the tenants', mortgagors' or our operations may be impacted by weather conditions, climate change and natural disasters;
- Risks associated with the development, redevelopment and expansion of properties and the acquisition of other real estate related companies;
- Our ability to pay dividends in cash or at current rates;
- Fluctuations in the market prices for our shares;
- Certain limits on changes in control imposed under law and by our Declaration of Trust and Bylaws;
- Policy changes obtained without the approval of our shareholders;
- Equity issuances that could dilute the value of our shares;
- Future offerings of debt or equity securities, which may rank senior to our common shares;
- Risks associated with changes in foreign exchange rates; and
- Changes in laws and regulations, including tax laws and regulations.

Market and Industry Data

This Annual Report on Form 10-K contains market and industry data and forecasts that have been obtained from publicly available information, various industry publications, and other published industry sources. We have not

independently verified the information from third party sources and cannot make any representation as to the accuracy or completeness of such information. None of the reports and other materials of third party sources referred to in this Annual Report on Form 10-K were prepared for use in, or in connection with, this Annual Report on Form 10-K.

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PART I

Item 1. Business

General

EPR Properties (“we,” “us,” “our,” “EPR” or the “Company”) was formed on August 22, 1997 as a Maryland real estate investment trust (“REIT”), and an initial public offering of our common shares of beneficial interest (“common shares”) was completed on November 18, 1997. Since that time, we have been a leading net lease investor in experiential real estate, venues which create value by facilitating out of home leisure and recreation experiences where consumers choose to spend their discretionary time and money. We focus our underwriting of experiential property investments on key industry and property cash flow criteria, as well as the credit metrics of our tenants and customers.

In 2019, we began the implementation of a strategy focused solely on future growth in experiential properties. We believe experiential is an enduring sector of the real estate industry and that our focus on properties in this sector, industry relationships and the knowledge of our management, provide us with a competitive advantage in providing capital to operators of these types of properties. We believe this focused niche approach aligns with long-term trends in consumer demand and offers the potential for higher growth and better yields. In pursuit of this strategy, we sold our remaining charter school portfolio in the fourth quarter of 2019, as well as a portion of our private school and early education portfolios in the fourth quarter of 2020. Our remaining Education portfolio, consisting of early childhood education centers and private schools, continues as a legacy investment and provides additional geographic and property diversity.

The outbreak of the COVID-19 pandemic severely impacted global economic activity during 2020 and caused significant volatility and negative pressure in financial markets, which is expected to continue into 2021. The global impact of the outbreak rapidly evolved and many jurisdictions within the United States and abroad reacted by instituting quarantines, mandating business and school closures and restricting travel. As a result, the COVID-19 pandemic severely impacted experiential real estate properties, given that such properties involve congregate social activity and discretionary consumer spending. During 2020, the COVID-19 pandemic negatively affected our business, and could continue to have a material adverse effect on our financial condition, results of operations and cash flows. The continuing impact of the COVID-19 pandemic on our business will depend on several factors, including, but not limited to, the scope, severity and duration of the pandemic, the actions taken to contain the outbreak or mitigate its impact, the development and distribution of vaccines and the efficacy of those vaccines, the public’s confidence in the health and safety measures implemented by our tenants and borrowers, and the direct and indirect economic effects of the outbreak and containment measures, all of which are uncertain and cannot be predicted.

While the pandemic has created a very challenging environment, consumers have historically demonstrated an enduring desire for out-of-home congregate experiences. We expect that as COVID-19 vaccinations reach critical mass, business and school closures will be lifted and consumers will return to the leisure and recreation activities our properties offer. We believe that this is further supported by the fact that our customers offer popular and affordable entertainment and social outlet options, particularly through our theatres, eat & play and cultural venues. Additionally, we offer regional destinations (experiential lodging, ski, attractions and gaming properties) which are drive-to locations that do not require air travel.

We are a self-administered REIT. As of December 31, 2020, our total assets were approximately $6.7 billion (after accumulated depreciation of approximately $1.1 billion). Our investments are generally structured as long-term triple-net leases that require tenants to pay substantially all expenses associated with the operation and maintenance of the property, or as long-term mortgages with economics similar to our triple-net lease structure.

Our total investments (a non-GAAP financial measure) were approximately $6.5 billion at December 31, 2020. See Item 7 - "Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Financial Measures" for the calculation of total investments and reconciliation of total investments to "Total assets"

in the consolidated balance sheet at December 31, 2020 and 2019. We currently group our investments into two reportable segments: Experiential and Education. As of December 31, 2020, our Experiential investments comprised $5.9 billion, or 91%, and our Education investments comprised $0.6 billion, or 9%, of our total investments. A more detailed description of the property types included within these segments is provided below.

We believe our management's knowledge and industry relationships have facilitated favorable opportunities for us to acquire, finance and lease properties. Prior to the pandemic, our primary challenges were locating suitable properties, negotiating favorable lease or financing terms, and managing our real estate portfolio as we have continued to grow. During the pandemic, our focus has been addressing all challenges brought on by the pandemic including monitoring customer status and working with customers to help ensure long-term stability and assisting them in establishing re-opening plans.

Going forward, we are particularly focused on property categories which allow us to use our experience to mitigate some of the risks inherent in a changing economic environment. We cannot provide any assurance that any such potential investment or acquisition opportunities will arise in the near future, or that we will actively pursue any such opportunities.

Although we are primarily a long-term investor, we may also sell assets if we believe that it is in the best interest of our shareholders or pursuant to contractual rights of our tenants or our customers.

Experiential

As of December 31, 2020, our Experiential segment included total investments of approximately $5.9 billion in the following property types (owned or financed):

- 178 theatre properties;
- 55 eat & play properties (including seven theatres located in entertainment districts);
- 18 attraction properties;
- 13 ski properties;
- six experiential lodging properties;
- one gaming property;
- three cultural properties; and
- seven fitness & wellness properties.

As of December 31, 2020, our owned Experiential real estate portfolio of approximately 19.3 million square feet was 93.8% leased and included $57.6 million in property under development and $20.2 million in undeveloped land inventory.

Theatres
A significant portion of our Experiential portfolio consists of modern megaplex theatres. The COVID-19 pandemic has had a severe impact on the theatre industry. Many theatre locations remain closed due to local restrictions or operator decision to close as a result of the impact of the COVID-19 pandemic, specifically the decision by many major studios to delay the release of blockbuster movies in hopes that larger audiences will be available as additional markets open. Due to these closures and the lack of content to exhibit, our tenants have required significant rent deferrals and, in some circumstances, restructured lease agreements. While studios pushed the majority of movie content to 2021, certain studios chose hybrid content release strategies in support of their direct-to-consumer streaming services. In these cases, the standard movie release strategy referred to as "release windows" was set aside as movies were either simultaneously released in theatres and through streaming services, or simply released directly through streaming services. While these decisions were made as a result of the pandemic, it is yet to be determined how the industry will again coalesce around a standard release strategy in a post-pandemic environment.

Several theatre tenants have been placed on a cash-basis for revenue recognition purposes due to the ongoing uncertainty. During 2020, we experienced vacancies at certain theatre properties and have determined to either sell these properties or manage them through a third-party manager. As theatres continue to be impacted by the pandemic, we will evaluate the best strategy for any future vacancies on a property-by-property basis.

The modern megaplex theatre provides a greatly enhanced audio and visual experience for patrons. Prior to the pandemic, there was a trend among national and local exhibitors to further enhance the customer experience. These enhancements include reserved, luxury seating and expanded food and beverage offerings, including the addition of alcohol and more efficient point of sale systems. The evolution of the theatre industry over the last 20 years from the sloped floor theatre to the megaplex stadium theatre to the expanded amenity theatre has demonstrated that exhibitors and their landlords are willing to make investments in their theatres to take the customer experience to the next level.

Moviegoing has been a dominant out-of-home entertainment option for decades, with over 1.2 billion tickets sold in North America during 2019 according to the Motion Picture Association (MPA) 2019 Theme Report. We believe that the evolution in theatres and enhanced customer experience will bring customers back to enjoy film exhibition in a post-pandemic environment. While consumers have the option of watching streaming content at home, data has shown that theatre exhibition and streaming options have successfully coexisted. In fact, a survey published by EY (The Relationship Between Movie Theater Attendance and Streaming Behavior - February, 2020) illustrated that the most frequent moviegoers also spend the most time streaming. This is in part likely due to the fact that the majority of content streamed in-home is series-based content. Additionally, theatre exhibition remains a critical initial distribution platform for studios to fully monetize titles.

Ultimately, the pace of recovery and stabilization of theatre exhibition will be dependent upon several factors including the success of the deployment of vaccines, consumer confidence in attending theatres and studios' willingness to broadly release content to theatres.

While theatres are the largest property type in our Experiential segment currently, it is expected that over time it will become a smaller percent of the portfolio. We expect this to occur as we grow in other target experiential property types and possibly through dispositions of theatre properties.

As of December 31, 2020, our owned theatre properties were leased to 17 different leading theatre operators. A significant portion of our total revenue was from Cinemark USA, Inc. ("Cinemark"), American Multi-Cinema, Inc. ("AMC") and Regal Entertainment Group ("Regal"). For the year ended December 31, 2020, approximately $42.1 million or 10.1%, $30.0 million or 7.2% and $13.1 million or 3.1% of the Company's total revenue was from Cinemark, AMC and Regal, respectively.

Eat & Play

The emergence of the "eatertainment" category has inspired an increasing number of successful concepts that appeal to consumers by providing good food and high-quality entertainment options all at one location. Our eat & play portfolio includes golf entertainment complexes, entertainment districts and family entertainment centers.

Our golf entertainment complexes combine golf with entertainment, competition and food and beverage service, and are leased to, or we have mortgage receivables from, Topgolf USA ("Topgolf"). By combining interactive entertainment with quality food and beverage and a long-lived recreational activity, Topgolf provides an innovative, enjoyable and repeatable customer experience. Due to the pandemic, our TopGolf locations were closed for a portion of 2020 based on local restrictions. However, these locations have reopened and are recovering quickly as customers return to experience this interactive activity. We expect to continue to pursue select opportunities related to golf entertainment complexes. A significant portion of our total revenue was from Topgolf, which totaled approximately $80.7 million, or 19.5%, of the Company's total revenue for the year ended December 31, 2020.

We also continue to seek opportunities for the acquisition, financing or development of entertainment districts. Entertainment districts are restaurant, retail and other entertainment venues typically anchored by a megaplex theatre. The opportunity to capitalize on the traffic generation of our existing market-dominant theatres to create

entertainment districts not only strengthens the execution of the megaplex theatre but adds diversity to our tenant and asset base. We have and will continue to evaluate our existing portfolio for additional development of entertainment, retail and restaurant density, and we will also continue to evaluate the purchase or financing of existing entertainment districts that have demonstrated strong financial performance and meet our quality standards. The leasing and property management requirements of our entertainment districts are generally met using third-party professional service providers.

Our family entertainment center operators offer a variety of entertainment options including bowling, bocce ball and karting. We will continue to seek opportunities for the acquisition, financing or development of such properties that leverage our expertise in this area.

Attractions
Our attractions portfolio consists primarily of waterparks and amusement parks, each of which draw a diverse segment of customers. Prior to the pandemic, outdoor waterparks had historically experienced attendance growth since their inception in 1977. Consumer demand for indoor waterparks was also increasing pre-pandemic, making a trip to the waterpark accessible in all four seasons. Today's amusement parks offer themed experiences designed to appeal to all ages.

Our attraction operators continue to deliver innovative and compelling attractions along with high standards of service, making our attractions a day of fun that is accessible for families, teens, locals and tourists. These attractions offer experiences designed to appeal to all ages while remaining accessible in both cost and proximity. As the attractions industry continues to evolve, innovative technologies and concepts are redefining the attractions experience.

Due to the pandemic, our attraction properties were closed for all or a portion of 2020 based on local restrictions with certain properties still required to be closed. We believe that demand for attractions will normalize in a post-pandemic environment. Our attraction properties are leased to, or we have mortgage notes receivable from, five different operators. We expect to continue to pursue opportunities in this area.

Ski
Our ski portfolio provides a sustainable advantage for the experience-oriented consumer, providing outdoor entertainment in the winter and, in some cases, year-round. All the ski properties that serve as collateral for our mortgage notes in this area, as well as our five owned properties, offer snowmaking capabilities and provide a variety of terrains and vertical drop options. We believe that the primary appeal of our ski properties lies in the convenient and reliable experience consumers can expect. Given that all our ski properties are located near major metropolitan areas, they offer skiing, snowboarding and other activities without the expense, travel, or lengthy preparations of remote ski resorts. Furthermore, advanced snowmaking capabilities increase the reliability of the experience during the winter versus other ski properties that do not have such capabilities. Our ski properties were minimally impacted by the pandemic in 2020 because the ski season was substantially over when pandemic restrictions began. Additionally, in 2021, due to the outdoor nature of the activity and the convenient location of our properties, we believe that our ski portfolio will perform well through the pandemic. Our ski properties are leased to, or we have mortgage notes receivable from, five different operators. We expect to continue to pursue opportunities in this area.

Experiential Lodging
Experiential lodging meets the needs of consumers by providing a convenient, central location that combines high-quality lodging amenities with entertainment, recreation and leisure activities. The appeal of these properties attracts multiple generations at once. Due to the pandemic, our experiential lodging property in Sullivan County, New York has been closed by state mandate since March of 2020 and our two locations in Florida were required to be closed for a portion of the second quarter of 2020. Additionally, travel restrictions negatively impacted our locations in Florida when they were able to reopen. We believe that demand for experiential lodging will return in a post-pandemic environment. Our investments in experiential lodging have been typically structured using triple-net leases, however, we currently operate these three properties (two of which are included in an unconsolidated joint venture) through a traditional REIT lodging structure. In the traditional REIT lodging structure, we hold qualified

lodging facilities under the REIT and we separately hold the operations of the facilities in taxable REIT subsidiaries ("TRSs") which are facilitated by management agreements with eligible independent contractors. We expect to continue to pursue opportunities for investments in experiential lodging.

Gaming
Our strategic focus in our gaming portfolio is on casino resorts and hotels leased to leading operators with a strong regulatory track record that seek to drive consumer loyalty and value through quality customer experiences, superior service, world-class affinity programs and continuous innovation on and off the gaming floor. Additionally, we focus on casino resorts and hotels that provide a wide array of experiential offerings outside of lodging and state-of-the-art gaming. Through live entertainment, various recreational opportunities, dining options and night clubs, the combination of amenities appeals to a broader demographic. In 2020, regional gaming properties demonstrated stronger resilience versus Las Vegas strip casinos, as they are not dependent on air travel and conventions, both of which saw significant declines during the year.

As of December 31, 2020, our investments in gaming consisted of land under ground lease related to the Resorts World Catskills casino and resort project in Sullivan County, New York. Our ground lease tenant has invested in excess of $930.0 million in the construction of the casino and resort project, and the casino first opened for business in February 2018. We will continue to pursue opportunities for investment in gaming under triple net lease structures or mortgages.

Cultural
Our cultural investments seek to engage consumers and create memorable experiences and are evolving to offer immersive and interactive exhibits that encourage repeat visits. Combining an opportunity to experience animals, art or history with a congregate social experience, cultural venues, such as zoos, aquariums and museums, are reemerging as an entertainment option. As appreciation for the importance of leisure time is growing, cultural venues are broadening their appeal to reach a variety of customers.

Desiring to be a preeminent choice in what is now known as location-based experiences, several trends have developed among cultural venues. Many are utilizing new technology, personalizing the guest experience and implementing an element of play that was previously absent. In making new investments in this property type, we will continue to identify the locations and tenants that execute well on these trends and have a history of strong attendance. City Museum in St. Louis is one of our properties and is a great example of an emerging category called “artainment” which is an art display that invites guests to interact and explore.

Due to the pandemic, our cultural investments were closed for a portion of 2020 based on local restrictions but all locations have reopened. Although City Museum is experiencing a slower recovery, our two other cultural investments are recovering quickly. We believe that demand for cultural activities will return in a post-pandemic environment and we expect to continue to pursue opportunities in this area.

Fitness & Wellness
In recent years, consumers have begun to spend more time and money on their well-being. The diverse offerings of boutique and larger fitness centers have caught the interest of many consumers, driving an expansion of both fitness and more broadly, the wellness industry. By allowing fitness club members to focus on their individual interests and goals in a community setting, operators gain loyalty and retention which are essential elements in the ongoing success of a facility. Commercial fitness centers have stayed at the forefront of the industry by offering personalization within congregate settings. Our tenants make it their goal to motivate, educate, and to help consumers look and feel better.

We will continue to seek opportunities for the acquisition, financing or development of other experiential properties that leverage our expertise in this area.

Education

As of December 31, 2020, our Education segment included total investments of approximately $0.6 billion in the following property types (owned or financed):

- 65 early childhood education center properties; and
- 10 private school properties.

As of December 31, 2020, our owned Education real estate portfolio of approximately 1.4 million square feet was 100% leased and included $3.0 million in undeveloped land inventory.

Private schools were minimally impacted by the pandemic as students were still learning in a remote environment in areas where closures were required. Most of our early education centers have experienced mandated closures and a drop in revenue that we believe is temporary and will continue to recover as people return to work. As discussed above, our growth going forward will be focused on Experiential properties and therefore we do not expect to seek additional opportunities for Education properties.

Business Objectives and Strategies

Our vision is to continue to build the premier experiential REIT. We focus on real estate venues which create value by facilitating out of home leisure and recreation experiences where consumers choose to spend their discretionary time and money. These are properties which make up the social infrastructure of society.

Our long-term primary business objective is to enhance shareholder value by achieving predictable and increasing Funds From Operations As Adjusted ("FFOAA") and dividends per share (See Item 7 – “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Financial Measures - Funds From Operations (FFO), Funds From Operations As Adjusted (FFOAA) and Adjusted Funds From Operations (AFFO)” for a discussion of FFOAA, which is a non-GAAP financial measure). Our growth strategy focuses on acquiring or developing experiential properties in which we maintain a depth of knowledge and relationships, and which we believe offer sustained performance throughout most economic cycles. We intend to achieve this objective by continuing to execute the Growth Strategies, Operating Strategies and Capitalization Strategies described below.

Growth Strategies

Our strategic growth is focused on acquiring or developing experiential real estate venues which create value by facilitating out of home leisure and recreation experiences where consumers choose to spend their discretionary time and money. We may also pursue opportunities to provide mortgage financing for these investments in certain situations where this structure is more advantageous than owning the underlying real estate.

Our focus on Experiential properties is consistent with our strategic organizational design which is structured around building a center of knowledge and strong operating competencies in the experiential real estate market. Retention and building of this knowledge depth creates a competitive advantage allowing us to more quickly identify key market trends.

To this end, we will deliberately apply information and our ingenuity to identify properties which represent potential logical extensions within each of our existing experiential property types, or potential future additional experiential property types. As part of our strategic planning and portfolio management process, we assess new opportunities against the following underwriting principles:

Industry

- Experiential Alignment
- Proven Business Model
- Enduring Value
- Addressable Opportunity

Property

- Location Quality
- Competitive Position
- Location Rent Coverage
- Cash Flow Durability

Tenant

- Demonstrated Success
- Commitment
- Reputable Management
- Solid Credit Quality

We believe that our over 20 years of experience and knowledge in the experiential real estate market gives us the opportunity to be the dominant player in this area. Additionally, we have tenant and borrower relationships that provide us with access to investment opportunities.

The pandemic has impeded our growth in the near term while our focus has been addressing challenges brought on by the pandemic including monitoring customer status and working with customers to help ensure long-term stability and assisting them in establishing re-opening plans. We expect to return to growth as our customers' businesses continue to recover and, in turn, our cash flows stabilize.

Operating Strategies

Lease Risk Minimization

To avoid initial lease-up risks and produce a predictable income stream, we typically acquire or develop single-tenant properties that are leased under long-term leases. We believe our willingness to make long-term investments in properties offers our tenants financial flexibility and allows tenants to allocate capital to their core businesses. Although we will continue to emphasize single-tenant properties, we have acquired or developed, and may continue to acquire or develop, multi-tenant properties we believe add shareholder value.

Lease Structure

We have structured our leasing arrangements to achieve a positive spread between our cost of capital and the rents paid by our tenants. We typically structure leases on a triple-net basis under which the tenants bear the principal portion of the financial and operational responsibility for the properties. During each lease term and any renewal periods, the leases typically provide for periodic increases in rent and/or percentage rent based upon a percentage of the tenant’s gross sales over a pre-determined level. In our multi-tenant property leases and some of our theatre leases, we generally require the tenant to pay a common area maintenance (“CAM”) charge to defray its pro rata share of insurance, taxes and maintenance costs.

Mortgage Structure

We have structured our mortgages to achieve economics similar to our triple-net lease structure with a positive spread between our cost of capital and the interest paid by our tenants. During each mortgage term and any renewal

periods, the notes typically provide for periodic increases in interest and/or participating features based upon a percentage of the tenant's gross sales over a pre-determined level.

Traditional REIT Lodging Structure
In certain limited instances, we have utilized traditional REIT lodging structures, where we hold qualified lodging facilities under the REIT and we separately hold the operations of the facilities in TRSs which are facilitated by management agreements with eligible independent contractors. However, we currently anticipate migrating over time what we hold in such structures to more traditional net lease or mortgage arrangements.

Development and Redevelopment
We intend to continue developing properties and redeveloping existing properties that are consistent with our growth strategies. We generally do not begin development of a single-tenant property without a signed lease providing for rental payments that are commensurate with our level of capital investment. In the case of a multi-tenant development, we generally require a significant amount of the development to be pre-leased prior to construction to minimize lease-up risks. In addition, to minimize overhead costs and to provide the greatest amount of flexibility, we generally outsource construction management to third-party firms.

We believe our build-to-suit development program is a competitive advantage. First, we believe our strong relationships with our tenants and developers drive new investment opportunities that are often exclusive to us, rather than bid broadly, and with our deep knowledge of their businesses, we believe we are a value-added partner in the underwriting of each new investment. Second, we offer financing from start to finish for a build-to-suit project such that there is no need for a tenant to seek separate construction and permanent financing, which we believe makes us a more attractive partner. Third, we are actively developing strong relationships with tenants in the experiential sector leading to multiple investments without strict investment portfolio allocations. Finally, multiple investments with the same tenant allows us in most cases to include cross-default provisions in our lease or financing contracts, meaning a default in an obligation to us at one location is a default under all obligations with that tenant.

We will also investigate opportunities to redevelop certain of our existing properties. We may redevelop properties in conjunction with a lease renewal or new tenant, or we may redevelop properties that have more earnings potential due to the redevelopment. Additionally, certain of our properties have excess land where we will pro-actively seek opportunities to further develop.

Tenant and Customer Relationships
We intend to continue developing and maintaining long-term working relationships with experiential operators and developers by providing capital for multiple properties on a regional, national and international basis, thereby creating efficiency and value for both the operators and the Company.

Portfolio Diversification
We will endeavor to further diversify our asset base by property type, geographic location and tenant or customer. In pursuing this diversification strategy, we will target experiential business operators that we view as leaders in their property types and have the ability to compete effectively and perform under their agreements with the Company.

Dispositions
We will consider discretionary property dispositions for reasons such as creating price awareness of a certain property type, opportunistically taking advantage of an above-market offer or reducing exposure related to a certain tenant, property type or geographic area.

Capitalization Strategies

Debt and Equity Financing
We believe that our shareholders are best served by a conservative capital structure. Therefore, we seek to maintain a conservative debt level on our balance sheet as measured primarily by our net debt to adjusted EBITDAre, a non-GAAP measure (see Item 7 – "Management's Discussion and Analysis of Financial Condition - Non-GAAP

Financial Measures" for definitions and reconciliations). We also seek to maintain conservative interest, fixed charge, debt service coverage and net debt to gross asset ratios.

We rely primarily on an unsecured debt structure. In the future, while we may obtain secured debt from time to time or assume secured debt financing obligations in acquisitions, we intend to issue primarily unsecured debt securities to satisfy our debt financing needs. We believe this strategy increases our access to capital and permits us to more efficiently match available debt and equity financing to our ongoing capital requirements.

During the year ended December 31, 2020, we amended our Consolidated Credit Agreement, which governs our unsecured revolving credit facility and our unsecured term loan facility, and our Note Purchase Agreement, which governs our private placement notes. The amendments modified certain provisions and waived our obligation to comply with certain covenants under these debt agreements during the Covenant Relief Period, subject to certain conditions. These waivers to comply with certain covenants were obtained in light of the uncertainty related to impacts of the COVID-19 pandemic on us and our tenants and borrowers. The amendments also imposed additional restrictions on us during the Covenant Relief Period, including limitations on making investments, incurring indebtedness, making capital expenditures, paying dividends and making other distributions, repurchasing our shares, voluntarily prepaying certain indebtedness, encumbering certain assets and maintaining a minimum liquidity amount, in each case subject to certain exceptions. The term "Covenant Relief Period," as used in this Annual Report on Form 10-K, generally means the period of time beginning on June 29, 2020 and ending on (i) December 31, 2021, in the case of our Consolidated Credit Agreement, or (ii) October 1, 2021 (subject to extension to January 1, 2022 at our election, subject to certain conditions), in the case of our Note Purchase Agreement governing our private placement notes. We have the right under certain circumstances to terminate the Covenant Relief Period earlier.

Our sources of equity financing consist of the issuance of common shares as well as the issuance of preferred shares (including convertible preferred shares). In addition to larger underwritten registered public offerings of both common and preferred shares, we have also offered shares pursuant to registered public offerings through the direct share purchase component of our Dividend Reinvestment and Direct Share Purchase Plan (“DSP Plan”). While such offerings are generally smaller than a typical underwritten public offering, issuing common shares under the direct share purchase component of our DSP Plan allows us to access capital on a more frequent basis in a cost-effective manner. We expect to opportunistically access the equity markets in the future and, depending primarily on the size and timing of our equity capital needs, may continue to issue shares under the direct share purchase component of our DSP Plan. Furthermore, we may issue shares in connection with acquisitions in the future.

Joint Ventures

We will examine and may pursue potential additional joint venture opportunities with institutional investors or developers if the investments to which they relate meet our guiding principles discussed above. We may employ higher leverage in joint ventures and be more inclined to use secured financing at the property level.

Payment of Regular Dividends

We pay dividend distributions to our common shareholders on a monthly basis (as opposed to a quarterly basis). We temporarily suspended our monthly cash dividend to common shareholders after the common share dividend payable May 15, 2020. Our plan is to reinstitute such dividends to common shareholders, when conditions allow, however, there can be no assurances as to our ability to do so or the timing thereof. Our Series C cumulative convertible preferred shares (“Series C preferred shares”) have a dividend rate of 5.75%, our Series E cumulative convertible preferred shares (“Series E preferred shares”) have a dividend rate of 9.00% and our Series G cumulative redeemable preferred shares ("Series G preferred shares") have a dividend rate of 5.75%. Among the factors the Company’s board of trustees (“Board of Trustees”) considers in setting the common share dividend rate are the applicable REIT tax rules and regulations that apply to dividends, the Company’s results of operations, including FFO and FFOAA per share, and the Company’s Cash Available for Distribution (defined as net cash flow available for distribution after payment of operating expenses, debt service, preferred dividends and other obligations).

Competition

We compete for real estate financing opportunities with other companies that invest in real estate, as well as traditional financial sources such as banks and insurance companies. REITs have financed, and may continue to seek to finance, experiential and other specialty properties as new properties are developed or become available for acquisition.

Human Capital

Our strategy is specializing in investments in select enduring experiential properties in the real estate industry, and our people are vital to our success in executing on this strategy. As a human-capital intensive business, the long-term success of our firm depends on our people. Our Vice President, Human Resources and Administration works in conjunction with our Executive Vice President and General Counsel, who reports directly to our Chief Executive Officer, to develop and oversee our human capital management objectives, programs and initiatives. In addition, our Board of Trustees is actively involved in our human capital management in its oversight of our long-term strategy and through its Compensation and Human Capital Committee and engagement with management. Our management regularly reports to the Compensation and Human Capital Committee regarding management's human capital objectives, programs and initiatives.

Our key human capital objectives are to attract, retain and develop the highest quality talent to ensure that we have the right talent, in the right place, at the right time. To achieve these objectives, our human capital programs are designed to develop talent to prepare them for critical roles and leadership positions for the future; reward and support employees through competitive pay, benefit, and perquisite programs; enhance our culture through efforts aimed at making the workplace more engaging and inclusive; acquire talent and facilitate internal talent mobility to create a high-performing, diverse workforce; and evolve and invest in technology, tools, and resources to enable employees at work. As of December 31, 2020, we had 53 full-time employees.

Examples of key programs and initiatives that are focused to attract, develop and retain our diverse workforce include:

- Development. We provide opportunities for our associates to learn and thrive as professionals, including educational reimbursement, mentorship, executive coaching and ongoing professional development. Annually, EPR hosts leadership development sessions for all levels of our organization. In 2020, we hosted and facilitated virtual sessions with an external professional, focused on building our “Feedback Rich Culture.”

- Diversity, equity and inclusion (DE&I). Our DE&I objectives are to ensure our culture is evolving and inclusive, and build teams that reflect the life experiences of our customers and the ultimate consumers of our customers’ services. Specific steps we have taken to address our commitment to DE&I include:
    - Hosting in 2020 multiple culture-changing and learning opportunities regarding DE&I with external experts and the response was overwhelmingly positive;
    - Adopting in 2020 the “Rooney” rule with respect to our recruiting processes to ensure an active approach to diversification at all areas of our organization;
    - Establishing a partnership with a local charter school to provide internship opportunities to diverse alumni as a means to invest in a future and local diverse talent pipeline; and
    - Sponsoring since 2015, the EPR Women’s Initiative Network, or EWIN, that represents and supports our diverse communities within our workforce. EWIN facilitates networking and connections with peers, outreach and mentoring, leadership and skill development. Most of our employees regularly participate in EWIN programs.

- Compensation and Benefits. Our benefits include competitive base pay, performance-based restricted stock awards and a 401(k) with a robust company match. We support our employees’ physical and mental health through paid parental leave, industry-leading health care benefits, unlimited sick leave, flexible paid time

off and employee assistance programs. In addition, we offer yearly wellness reimbursements, an on-site fitness center and fully stocked kitchens.

- Community & Social Impact. Giving back is one of our core values. We demonstrate this through our charitable giving program, EPR Impact, a key cornerstone of our social responsibility. Through a number of employees actively engaged in nonprofits and our commitment to donating to and sponsoring charitable causes and events, we are fortunate to partner with amazing organizations both locally and nationally. As a benefit to employees, EPR Impact's annual budget includes a pool of funds to support employee-directed contributions to nonprofit organizations where an employee is personally involved. Additionally, EPR will match employee contributions annually up to a given amount for contributions from their personal funds to nonprofit organizations that meet the criteria of the program. In response to the COVID-19 pandemic, "EPRcares" was formed as a way to raise employee funds to provide relief to local front-line workers. This initiative raised over $47,000 and aided 51 organizations in 2020. Additionally, EPR Impact launched a giving initiative, "The Amazing Giving Race," to support local companies.

Regulation

To maintain our status as a REIT for federal income tax purposes, we must distribute to our shareholders at least 90% of our taxable income for a calendar year, as well as satisfy certain assets, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. In addition, we are subject to numerous federal, state and local laws and regulations applicable to owners of real property. For instance, under federal, state and local environmental laws, we may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, in or under our properties, as well as certain other potential costs relating to hazardous or toxic substances (including government fines and penalties and damages for injuries to persons and adjacent property). These laws may impose liability without regard to whether we knew of, or were responsible for, the presence or disposal of those substances. In addition, most of our properties must comply with the Americans with Disabilities Act ("ADA"). The ADA requires that public accommodations reasonably accommodate individuals with disabilities and that new construction or alterations be made to commercial facilities to conform to accessibility guidelines. The ownership, operation, and management of our gaming facilities are also subject to pervasive regulation. These gaming regulations impact our gaming tenants and persons associated with our gaming facilities, which in many jurisdictions include us as the landlord and owner of the real estate.

Our properties are also subject to various other federal, state and local regulatory requirements. We do not know whether existing requirements will change or whether compliance with future requirements will involve significant unanticipated expenditures. Although these expenditures would be the responsibility of our tenants in most cases and for our managers to oversee at our properties, if these tenants or managers fail to perform these obligations, we may be required to do so. For additional information regarding regulations applicable to our business, and risks associated with our failure to comply with such regulations, see Item 1A – "Risk Factors" in this Annual Report on Form 10-K.

Principal Executive Offices

The Company's principal executive offices are located at 909 Walnut Street, Suite 200, Kansas City, Missouri 64106; telephone (816) 472-1700.

Materials Available on Our Website

Our internet website address is www.eprkc.com. We make available, free of charge, through our website copies of our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (the "Commission" or "SEC"). You may also view our Code of Business Conduct and Ethics, Company Governance Guidelines, Independence Standards for Trustees and the charters of our Audit, Nominating/Company Governance, Finance and Compensation and Human Capital Committees on our website. Copies of these documents are also

available in print to any person who requests them. We do not intend for information contained in our website to be part of this Annual Report on Form 10-K.

Item 1A. Risk Factors

There are many risks and uncertainties that can affect our current or future business, operating results, financial condition or share price. The following discussion describes important factors which could adversely affect our current or future business, operating results, financial condition or share price. This discussion includes a number of forward-looking statements. See "Cautionary Statement Concerning Forward-Looking Statements."

Risks That May Impact Our Financial Condition or Performance

The current outbreak of the novel coronavirus, or COVID-19, has negatively impacted and caused disruption to, and the continued COVID-19 outbreak or the future outbreak of any other highly infectious or contagious diseases could materially and adversely impact or cause disruption to, our performance, financial condition, results of operations and cash flows.

The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. In the United States, governmental authorities have instituted quarantines, mandated business and school closures and restricted travel. As a result, the COVID-19 pandemic continues to severely impact experiential real estate properties given that such properties rely on social interaction and discretionary consumer spending. Most of our tenants and borrowers announced temporary closures of their operations during this pandemic. Many experts predict that the outbreak will trigger a period of global economic slowdown or a global recession. The COVID-19 pandemic has negatively affected, and the COVID-19 pandemic (or a future pandemic) could have material and adverse effects on, our ability, and the ability of our customers, to successfully operate and on our financial condition, results of operations and cash flows due to, among other factors:

- complete or partial closures of, or other operational issues at, our properties resulting from government, tenant or borrower action;
- the reduced economic activity has severely impacted our tenants' and borrowers' businesses, financial condition and liquidity and caused most of our tenants and borrowers to obtain modifications of their obligations to us;
- most of our tenants obtained varying levels of deferral of rent since the outbreak of COVID-19 and may have difficulty repaying those deferrals as they become due;
- the reduced economic activity could result in a recession, which could negatively impact consumer discretionary spending;
- difficulty accessing debt and equity capital on attractive terms, or at all, and a severe disruption and instability in the global financial markets or deteriorations in credit and financing conditions may affect our access to capital necessary to fund business operations or address maturing liabilities on a timely basis and our tenants' and borrowers' ability to fund their business operations and meet their obligations to us;
- a general decline in business activity and demand for real estate transactions would adversely affect our ability or desire to grow our portfolio of experiential real estate properties;
- a deterioration in our and our tenants' and borrowers' ability to operate in affected areas or delays in the supply of products or services to us and our tenants and borrowers from vendors that are needed for our and our tenants' and borrowers' efficient operations has adversely affected our operations and those of our tenants and borrowers; and
- the potential negative impact on the health of our personnel, particularly if a significant number of them are impacted, would result in a deterioration in our ability to ensure business continuity during a disruption.

The ultimate extent to which the COVID-19 pandemic impacts our operations and those of our tenants and borrowers will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the outbreak, the actions taken to contain the outbreak or mitigate its impact, the development and distribution of vaccines and the efficacy of those vaccines, the public's confidence in the health and safety measures implemented by our tenants and borrowers, and the direct and indirect economic effects of the outbreak and containment measures, among others. The financial impact of the COVID-19 pandemic

could negatively impact our future compliance with financial covenants of our credit facility and other debt agreements and result in a default and potentially an acceleration of indebtedness. Such non-compliance could negatively impact our ability to make additional borrowings under our revolving credit facility, pay dividends and repurchase common shares under our share repurchase program. As discussed below under "Management's Discussion and Analysis of Financial Condition and Results of Operations," we entered into amendments to our bank credit facilities and agreements regarding certain private placement notes that provide a temporary suspension or modification of certain of our financial covenants during the Covenant Relief Period. The Covenant Relief Period may be terminated earlier at our election at the end of a fiscal quarter if we would have been in compliance with financial covenants at the end of the quarter if the Covenant Relief Period had not been in effect. In connection with obtaining these covenant modifications, we temporarily suspended our monthly cash dividend to common shareholders and our share repurchase program. There can be no assurances as to our ability to reinstitute cash dividend payments to common shareholders or share repurchases or the timing thereof. The rapid development and fluidity of the COVID-19 pandemic precludes any prediction as to the ultimate adverse impact of the pandemic. Nevertheless, the COVID-19 pandemic has negatively affected, and presents additional material uncertainty and risk with respect to, our performance, financial condition, results of operations and cash flows.

Global economic uncertainty and disruptions in the financial markets may impair our ability to refinance existing obligations or obtain new financing for acquisition or development of properties.

There exists a high level of global economic uncertainty, including uncertainty regarding the impact of the COVID-19 pandemic after its subsidence. Regarding experiential industries, it is unclear whether the COVID-19 pandemic will negatively impact future consumer preferences regarding congregate activities, such as those offered by theatres, casinos, restaurants, attractions and other industries in which we invest. Political decisions and uncertainty in the U.S. and abroad, such as the direction and levels of stimulus spending in response to the impact of the COVID-19 pandemic, have contributed to volatility in the global financial markets. Many economists believe that the aftermath of the COVID-19 pandemic will present a significant risk of a recession to the U.S. economy. We rely in part on debt financing to finance our investments and development. To the extent that turmoil in the financial markets continues or intensifies, it has the potential to adversely affect our ability to refinance our existing obligations as they mature or obtain new financing for acquisition or development of properties and adversely affect the value of our investments. If we are unable to refinance existing indebtedness on attractive terms at its maturity, we may be forced to dispose of some of our assets. Uncertain economic conditions and disruptions in the financial markets could also result in a substantial decrease in the value of our investments, which could also make it more difficult to refinance existing obligations or obtain new financing. In addition, these factors may make it more difficult for us to sell properties or may adversely affect the price we receive for properties that we do sell, as prospective buyers may experience increased costs of capital or difficulties in obtaining capital. These events in the credit markets may have an adverse effect on other financial markets in the U.S., which may make it more difficult or costly for us to raise capital through the issuance of our common shares or preferred shares. In addition, disruptions in global financial markets may have other adverse effects on us, our tenants, our borrowers or the economy in general.

Most of our customers, consisting primarily of tenants and borrowers, operate properties in market segments that depend upon discretionary spending by consumers. Any continued reduction in discretionary spending by consumers within the market segments in which our customers or potential customers operate could adversely affect such customers' operations and, in turn, reduce the demand for our properties or financing solutions.

Most of our portfolio is leased to or financed with customers operating service or retail businesses on our property locations. Many of these customers operate services or businesses that are dependent upon consumer experiences. Theatre, eat & play, attraction, ski, experiential lodging, gaming, private school and early childhood education center properties, represent some of the largest market investments in our portfolio; and AMC, Topgolf, Regal Cinemas, Inc. and Cinemark USA, Inc. represented our largest customers for the fiscal year ended December 31, 2020. The success of most of these businesses depends on the willingness or ability of consumers to use their discretionary income to purchase our customers' products or services. In addition, the lodging and gaming industries are also highly sensitive to consumer discretionary spending. A downturn in the economy, or a trend to not want to go "out of home" could cause consumers in each of our property types to reduce their discretionary spending within the market segments in which our customers or potential customers operate, which could adversely affect such customers' operations and, in turn, reduce the demand for our properties or financing solutions. The current

COVID-19 pandemic has significantly reduced consumer discretionary spending, which is severely impacting experiential real estate properties, including those of our customers, and it is unclear whether the COVID-19 pandemic will negatively impact future consumer preferences regarding congregate activities.

Covenants in our debt instruments could adversely affect our financial condition and our acquisitions and development activities.
Our unsecured revolving credit facility, term loan facility, senior notes and other loans that we may obtain in the future contain certain cross-default provisions as well as customary restrictions, requirements and other limitations on our ability to incur indebtedness, including covenants involving our maximum total debt to total asset value; maximum permitted investments; minimum tangible net worth; maximum secured debt to total asset value; maximum unsecured debt to eligible unencumbered properties; minimum unsecured interest coverage; and minimum fixed charge coverage. Our ability to borrow under our unsecured revolving credit facility and our term loan facility is also subject to compliance with certain other covenants. We also have senior notes issued in a private placement transaction that are subject to certain covenants. In addition, some of our properties are subject to mortgages that contain customary covenants such as those that limit our ability, without the prior consent of the lender, to further mortgage the applicable property or to discontinue insurance coverage.

As discussed below under "Management's Discussion and Analysis of Financial Condition and Results of Operations", we entered into amendments to our bank credit facilities and agreements regarding certain private placement notes that provide a temporary suspension or modification of our financial covenants during the Covenant Relief Period. During the Covenant Relief Period, we are subject to certain restrictions, including limitations on certain investments, incurrences of indebtedness, capital expenditures, payment of dividends or other distributions and stock repurchases, and maintenance of a minimum liquidity amount, in each case subject to certain exceptions. There can be no assurance as to the timing of the termination of the Covenant Relief Period. In addition, upon termination of the Covenant Relief Period, failure to comply with our covenants or obtain modifications of such covenants could cause a default under the applicable debt instrument, and we may then be required to repay such debt with capital from other sources. The ongoing financial impact of the COVID-19 pandemic could negatively impact our future compliance with financial covenants of our credit facility and other debt agreements and result in a default and potentially an acceleration of indebtedness. Under those circumstances, other sources of capital may not be available to us, or be available only on unattractive terms. Additionally, our ability to satisfy current or prospective lenders' insurance requirements may be adversely affected if lenders generally insist upon greater insurance coverage against acts of terrorism than is available to us in the marketplace or on commercially reasonable terms.

We rely on debt financing, including borrowings under our unsecured revolving credit facility, term loan facility, issuances of debt securities and debt secured by individual properties, to finance our acquisition and development activities and for working capital. If we are unable to obtain financing from these or other sources, or to refinance existing indebtedness upon maturity, our financial condition and results of operations would likely be adversely affected. The ultimate extent to which the COVID-19 pandemic impacts our ability to comply with existing or modified financial covenants and obtain financing will depend on future developments, which, as discussed above, are highly uncertain and cannot be predicted with confidence.

Adverse changes in our credit ratings could impair our ability to obtain additional debt and equity financing on favorable terms, if at all, and negatively impact the market price of our securities, including our common shares.
The credit ratings of our senior unsecured debt and preferred equity securities are based on our operating performance, liquidity and leverage ratios, overall financial position and other factors employed by the credit rating agencies in their rating analysis of us. Our credit ratings can affect the amount and type of capital we can access, as well as the terms of any financings we may obtain, and downward changes in our credit ratings and outlook were recently made by certain credit rating agencies. There can be no assurance that we will be able to maintain our current credit ratings, particularly in light of the effects of the ongoing COVID-19 pandemic, and in the event that our current credit ratings further deteriorate, we would likely incur a higher cost of capital and it may be more difficult or expensive to obtain additional financing or refinance existing obligations and commitments. Also, further downgrades in our credit ratings would trigger additional costs or other potentially negative consequences under our current and future credit facilities and future debt instruments.

An increase in interest rates could increase interest cost on new debt and could materially adversely impact our ability to refinance existing debt, sell assets and limit our acquisition and development activities.
Although the U.S. Federal Reserve decreased its benchmark interest rate multiple times in 2019 and 2020, there can be no assurances that the rate will not increase in the future. If interest rates increase, so could our interest costs for any new debt. This increased cost could make the financing of any acquisition and development activity more costly. Rising interest rates could limit our ability to refinance existing debt when it matures or cause us to pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness. In addition, an increase in interest rates could decrease the amount third parties are willing to pay for our assets, thereby limiting our ability to reposition our portfolio promptly in response to changes in economic or other conditions.

We depend on leasing space to tenants on economically favorable terms and collecting rent from our tenants, who may not be able to pay.
At any time, a tenant may experience a downturn in its business that may weaken its financial condition. Similarly, a general decline in the economy may result in a decline in demand for space at our commercial properties. Our financial results depend significantly on leasing space at our properties to tenants on economically favorable terms. In addition, because a majority of our income comes from leasing real property, our income, funds available to pay indebtedness and funds available for distribution to our shareholders or share repurchases will decrease if a significant number of our tenants cannot pay their rent or if we are not able to maintain our levels of occupancy on favorable terms. If our tenants cannot pay their rent or we are not able to maintain our levels of occupancy on favorable terms, there is also a risk that the fair value of the underlying property will be considered less than its carrying value and we may have to take a charge against earnings. In addition, if a tenant does not pay its rent, we might not be able to enforce our rights as landlord without significant delays and substantial legal costs.

If a tenant becomes bankrupt or insolvent, that could diminish or eliminate the income we expect from that tenant's leases. If a tenant becomes insolvent or bankrupt, we cannot be sure that we could recover the premises from the tenant promptly or from a trustee or debtor-in-possession in a bankruptcy proceeding relating to the tenant. On the other hand, a bankruptcy court might authorize the tenant to terminate its leases with us. If that happens, our claim against the bankrupt tenant for unpaid future rent would be subject to statutory limitations that might be substantially less than the remaining rent owed under the leases. In addition, any claim we have for unpaid past rent would likely not be paid in full and we would also have to take a charge against earnings for any accrued straight-line rent receivable related to the leases.

The reduced economic activity resulting from the COVID-19 pandemic is severely impacting our tenants' businesses, financial condition and liquidity and has caused most of our tenants to be unable to meet their obligations to us in full, or at all, or to otherwise seek modifications of such obligations. We also anticipate that one or more of our tenants may become bankrupt or insolvent as a result of this reduced economic activity. The ultimate extent to which the COVID-19 pandemic impacts the operations of our tenants will depend on future developments, which, as discussed above, are highly uncertain and cannot be predicted with confidence.

We are exposed to the credit risk of our customers and counterparties and their failure to meet their financial obligations could adversely affect our business.
Our business is subject to credit risk. There is a risk that a customer or counterparty will fail to meet its obligations when due. Customers and counterparties that owe us money may default on their obligations to us due to bankruptcy, lack of liquidity, operational failure or other reasons. Although we have procedures for reviewing credit exposures to specific customers and counterparties to address present credit concerns, default risk may arise from events or circumstances that are difficult to detect or foresee. Some of our risk management methods depend upon the evaluation of information regarding markets, clients or other matters that are publicly available or otherwise accessible by us. That information may not, in all cases, be accurate, complete, up-to-date or properly evaluated. In addition, concerns about, or a default by, one customer or counterparty could lead to significant liquidity problems, losses or defaults by other customers or counterparties, which in turn could adversely affect us. We have experienced customer defaults resulting from the COVID-19 pandemic, and we expect to experience future defaults, the breadth of which will depend upon the scope, severity and duration of the COVID-19 pandemic. We may be materially and adversely affected in the event of a significant default by our customers and counterparties.

We could be adversely affected by a borrower's bankruptcy or default.
If a borrower becomes bankrupt or insolvent or defaults under its loan, that could force us to declare a default and foreclose on any available collateral. As a result, future interest income recognition related to the applicable note receivable could be significantly reduced or eliminated. There is also a risk that the fair value of the collateral, if any, will be less than the carrying value of the note and accrued interest receivable at the time of a foreclosure and we may have to take a charge against earnings. If a property serves as collateral for a note, we may experience costs and delays in recovering the property in foreclosure or finding a substitute operator for the property. If a mortgage we hold is subordinated to senior financing secured by the property, our recovery would be limited to any amount remaining after satisfaction of all amounts due to the holder of the senior financing. In addition, to protect our subordinated investment, we may desire to refinance any senior financing. However, there is no assurance that such refinancing would be available or, if it were to be available, that the terms would be attractive. We experienced borrower defaults resulting from the COVID-19 pandemic, and we may experience future defaults, the breadth of which will depend upon the scope, severity and duration of the COVID-19 pandemic. One or more of our borrowers may become bankrupt or insolvent as a result of this reduced economic activity. The ultimate extent to which the COVID-19 pandemic impacts the operations of our borrowers will depend on future developments, which, as discussed above, are highly uncertain and cannot be predicted with confidence.

From time to time, the base terms of some of our leases will expire and there is no assurance that such leases will be renewed at existing lease terms, at otherwise economically favorable terms or at all.
From time to time, the base terms of some of our leases with our tenants will expire. These tenants have and may continue to seek rent or other concessions from us, including requiring us to modify the properties in order to renew their leases. There is no guarantee that we will be able to renew these leases at existing lease terms, at otherwise economically favorable terms or at all. In addition, if we fail to renew these leases, there can be no assurances that we will be able to locate substitute tenants for such properties or enter into leases with these substitute tenants on economically favorable terms.

Operating risks in the experiential real estate industry may affect the ability of our tenants to perform under their leases.
The ability of our tenants to operate successfully in the experiential real estate industry and remain current on their lease obligations depends on a number of factors, including, with respect to theatres, the availability and popularity of motion pictures, the performance of those pictures in tenants' markets, the allocation of popular pictures to tenants, the release window (represents the time that elapses from the date of a picture's theatrical release to the date it is available on other mediums) and the terms on which the pictures are licensed. Neither we nor our tenants control the operations of motion picture distributors. During the COVID-19 pandemic, motion picture distributors have increasingly relied upon streaming as a method of delivering product, including Warner Bros. announced simultaneous release of “Wonder Woman 1984” to theatres and streaming on HBO Max. There can be no assurances that motion picture distributors will continue to rely on theatres as the primary means of distributing first-run films, and motion picture distributors have and may in the future consider alternative film delivery methods. In addition, in August 2020, a U.S. District Court granted the U.S. Department of Justice's request to terminate the Paramount Consent Decrees, which prohibit movie studios from owning theatres or utilizing "block booking," a practice whereby movie studios sell multiple films as a package to theatres, in addition to other restrictions. The termination was effective immediately for certain restrictions, while other restrictions are subject to a two-year sunset period. There can be no assurances as to the effects of this regulatory action or whether this regulatory action will materially adversely affect our theatre tenants' operations and, in turn, their ability to perform under their leases.

Our other experiential customers are exposed to the risk of adverse economic conditions that can affect experiential activities. Eat & play, ski, attraction, experiential lodging, gaming, fitness & wellness and cultural properties are discretionary activities that can entail a relatively high cost of participation and may be adversely affected by an economic slowdown or recession. Economic conditions, including high unemployment and erosion of consumer confidence, may potentially have negative effects on our customers and on their results of operations. The reduced economic activity resulting from the COVID-19 pandemic is severely impacting our tenants' businesses, financial condition and liquidity. The ultimate extent to which the COVID-19 pandemic impacts the operations of our tenants will depend on future developments, which, as discussed above, are highly uncertain and cannot be predicted with

confidence. We cannot predict what impact these uncertainties may have on overall guest visitation, guest spending or other related trends and the ultimate impact it will have on our tenants' and mortgagors' operations and, in turn, their ability to perform under their respective leases or mortgages.

Real estate is a competitive business.
Our business operates in highly competitive environments. We compete with a large number of real estate property investors and developers including traded and non-traded public REITS, private equity investors and institutional investment funds. Some of these investors may be willing to accept lower returns on their investments, or have greater financial resources than we do, a greater ability to borrow funds to acquire properties and the ability to accept more risk than we prudently manage. This competition may increase the demand for the types of properties in which we typically invest and, therefore, reduce the number of suitable acquisition opportunities available to us and increase the prices paid for such acquisition properties. This competition will increase if investments in real estate become more attractive relative to other types of investment. Accordingly, competition for the acquisition of real property could materially and adversely affect us.

Principal factors of competition are rent or interest charged, attractiveness of location, the quality of the property and breadth and quality of services provided. If our competitors offer space at rental rates below the rental rates we are currently charging our tenants, we may lose potential tenants, and we may be pressured to reduce our rental rates below those we currently charge in order to retain tenants when our tenants' leases expire. Our success depends upon, among other factors, trends of the national and local economies, financial condition and operating results of current and prospective tenants and customers, availability and cost of capital, construction and renovation costs, taxes, governmental regulations, legislation and population trends.

Four tenants represent a significant portion of our lease revenues.
AMC, Topgolf, Regal Cinemas Inc. and Cinemark USA, Inc., represent a significant portion of our total revenue. For the year ended December 31, 2020, total revenues of approximately $30.0 million or 7.2% were from AMC, approximately $80.7 million or 19.5% were from TopGolf, approximately $13.1 million or 3.1% were from Regal and approximately $42.1 million or 10.1% were from Cinemark. The COVID-19 pandemic is severely impacting these tenants', as well as our other tenants' businesses, financial condition and liquidity.

We have diversified and expect to continue to diversify our real estate portfolio by entering into lease transactions or financing arrangements with a number of other tenants or borrowers. If for any reason AMC, TopGolf, Regal and/or Cinemark failed to perform under their lease obligations for a significant period of time, or under any modified lease obligations, we could be required to reduce or suspend our shareholder dividends or share repurchases and may not have sufficient funds to support operations or service our debt until substitute tenants are obtained. If that happened, we cannot predict when or whether we could obtain substitute quality tenants on acceptable terms.

Properties we develop may not achieve sufficient operating results within expected timeframes and therefore the tenant or borrowers may not be able to pay their agreed upon rent or interest, and managed properties may not be able to operate profitably, which could adversely affect our financial results.
A significant portion of our investments include investments in build-to-suit projects. When construction is completed, these projects may require some period of time to achieve targeted operating results. For properties leased or financed, we may provide our tenants or borrowers with lease or financing terms that are more favorable to them during this timeframe. Tenants and borrowers that fail to achieve targeted operating results within expected timeframes may be unable to pay their obligations pursuant to the agreed upon lease or financing terms or at all. If we are required to restructure lease or financing terms or take other action with respect to the applicable property, our financial results may be impacted by lower revenues, recording an impairment or provision for loan loss, writing off rental or interest amounts or otherwise. Additionally, if we have entered into a management agreement to operate a property we have developed, the project may not be able to achieve targeted operating results which may impact our financial results by lowering income or recording an impairment loss.

We have entered into management agreements to operate certain of our properties and we could be adversely affected if such managers do not manage these properties successfully.
To maintain our status as a REIT, we are generally not permitted to directly operate our properties. As a result, from time to time, we enter into management agreements with third-party managers to operate certain properties. In the past, this practice has been most frequent with our experiential lodging properties. However, as a result of the impact of the COVID-19 pandemic, we have also begun managing a small number of theatres formerly operated by our tenants and may manage a greater number in the future if defaults result in our taking back additional theatre locations. For managed properties, our ability to direct and control how our properties are operated is less than if we were able to manage these properties directly. Under the terms of our management agreements, our participation in operating decisions relating to these properties is generally limited to certain matters. We do not supervise any of these managers or their personnel on a day-to-day basis. We cannot provide any assurances that the managers will manage our properties in a manner that is consistent with their respective obligations under the applicable management agreement or our obligations under any franchise agreements. We could be materially and adversely affected if any of our managers fail to effectively manage revenues and expenses, provide quality services and amenities, or otherwise fail to manage our properties in our best interests, and we may be financially responsible for the actions and inactions of the managers. In certain situations, we may terminate the management agreement. However, we can provide no assurances that we could identify a replacement manager, or that the replacement manager will manage our property successfully. A failure by our third-party managers to successfully manage our properties could lead to an increase in our operating expenses or decrease in our revenue, or both.

Our indebtedness may affect our ability to operate our business and may have a material adverse effect on our financial condition and results of operations.
We have a significant amount of indebtedness. As of December 31, 2020, we had total debt outstanding of approximately $3.7 billion, including $590.0 million outstanding under our revolving credit facility, drawn as a precautionary measure to increase our cash position and preserve financial flexibility that was subsequently paid down to $90.0 million in January 2021. Our indebtedness could have important consequences, such as:

- limiting our ability to obtain additional financing to fund our working capital needs, acquisitions, capital expenditures or other debt service requirements or for other purposes;
- limiting our ability to use operating cash flow in other areas of our business because we must dedicate a substantial portion of these funds to service debt;
- limiting our ability to compete with other companies who are not as highly leveraged, as we may be less capable of responding to adverse economic and industry conditions;
- restricting us from making strategic acquisitions, developing properties or pursuing business opportunities;
- restricting the way in which we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness;
- exposing us to potential events of default (if not cured or waived) under financial and operating covenants contained in our debt instruments that could have a material adverse effect on our business, financial condition and operating results;
- increasing our vulnerability to a downturn in general economic conditions or in pricing of our investments;
- negatively impacting our credit ratings; and
- limiting our ability to react to changing market conditions in our industry and in our customers' industries.

In addition to our debt service obligations, our operations require substantial investments on a continuing basis. Our ability to make scheduled debt payments, to refinance our obligations with respect to our indebtedness and to fund capital and non-capital expenditures necessary to meet our remaining commitments on existing projects and maintain the condition of our assets, as well as to provide capacity for the growth of our business, depends on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and financial, business, competitive, legal and other factors.

Subject to the restrictions in our unsecured revolving credit facility, our unsecured term loan facility and the debt instruments governing our existing senior notes, we may incur significant additional indebtedness, including additional secured indebtedness. Although the terms of our unsecured revolving credit facility, our unsecured term loan facility and the debt instruments governing our existing senior notes contain restrictions on the incurrence of

additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and additional indebtedness incurred in compliance with these restrictions could be significant. If new debt is added to our current debt levels, the risks described above could increase.

The financial impact of the COVID-19 pandemic has negatively impacted our compliance with financial covenants of our credit facility and other debt agreements. As discussed below under "Management's Discussion and Analysis of Financial Condition and Results of Operations", during 2020, we entered into amendments to our unsecured revolving credit facility, our unsecured term loan facility and the debt instruments governing our certain private placement notes to provide for a Covenant Relief Period. Upon expiration of the Covenant Relief Period, those financial covenants will apply and our failure to comply with the financial covenants of our credit facility and other debt agreements could result in a default and potentially an acceleration of indebtedness. Such non-compliance could negatively impact our ability to make additional borrowings under our revolving credit facility, pay dividends and repurchase common shares under our share repurchase program. There can be no assurances that we will be able to comply with financial covenants in future periods. The ultimate extent to which the COVID-19 pandemic impacts our operations will depend on future developments, which, as discussed above, are highly uncertain and cannot be predicted with confidence.

There are risks inherent in having indebtedness and using such indebtedness to fund acquisitions.
We currently use debt to fund portions of our operations and acquisitions. In a rising interest rate environment, the cost of our existing variable rate debt and any new debt will increase. We have used leverage to acquire properties and expect to continue to do so in the future. Although the use of leverage is common in the real estate industry, our use of debt exposes us to some risks. If a significant number of our tenants fail to make their lease payments for a significant period of time, the risk of which has been heightened as a result of the COVID-19 pandemic, and we do not have sufficient cash to pay principal and interest on the debt, we could default on our debt obligations. A small amount of our debt financing is secured by mortgages on our properties and we may enter into additional secured mortgage financing in the future. If we fail to meet our mortgage payments, the lenders could declare a default and foreclose on those properties.

Most of our debt instruments contain balloon payments which may adversely impact our financial performance and our ability to pay dividends.
Most of our financing arrangements require us to make a lump-sum or "balloon" payment at maturity. There can be no assurance that we will be able to refinance such debt on favorable terms or at all. To the extent we cannot refinance such debt on favorable terms or at all, we may be forced to dispose of properties on disadvantageous terms or pay higher interest rates, either of which would have an adverse impact on our financial performance and ability to pay dividends to our shareholders.

We must obtain new financing in order to grow.
As a REIT, we are required to distribute at least 90% of our taxable net income to shareholders in the form of dividends. Other than deciding to make these dividends in our common shares, we are limited in our ability to use internal capital to acquire properties and must continually raise new capital in order to continue to grow and diversify our investment portfolio. Our ability to raise new capital depends in part on factors beyond our control, including conditions in equity and credit markets, conditions in the industries in which our tenants are engaged and the performance of real estate investment trusts generally, all of which have been negatively impacted by the COVID-19 pandemic. We continually consider and evaluate a variety of potential transactions to raise additional capital, but we cannot assure that attractive alternatives will always be available to us, nor that our share price will increase or remain at a level that will permit us to continue to raise equity capital publicly or privately, particularly in light of the effects of the ongoing COVID-19 pandemic.

Our real estate investments are concentrated in experiential real estate properties and a significant portion of those investments are in megaplex theatre properties, making us more vulnerable economically than if our investments were more diversified.

We acquire, develop or finance experiential real estate properties. A significant portion of our investments are in megaplex theatre properties. Although we are subject to the general risks inherent in concentrating investments in real estate, the risks resulting from a lack of diversification become even greater as a result of investing primarily in experiential real estate properties. These risks are further heightened by the fact that a significant portion of our investments are in megaplex theatre properties. Although a downturn in the real estate industry could significantly adversely affect the value of our properties, a downturn in the experiential real estate industry could compound this adverse effect. These adverse effects could be more pronounced than if we diversified our investments to a greater degree outside of experiential real estate properties or, more particularly, outside of megaplex theatre properties. In addition, the COVID-19 pandemic is severely impacting experiential real estate properties, particularly theatre operations, given that such properties rely on social interaction and discretionary consumer spending and have been subject to state and local governmental restrictions.

If we fail to qualify as a REIT, we would be taxed as a corporation, which would substantially reduce funds available for payment of dividends to our shareholders.

If we fail to qualify as a REIT for U.S. federal income tax purposes, we will be taxed as a corporation. We are organized to and believe we qualify as a REIT, and intend to operate in a manner that will allow us to continue to qualify as a REIT. However, we cannot provide any assurance that we have always qualified and will remain qualified in the future. This is because qualification as a REIT involves the application of highly technical and complex provisions of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"), on which there are only limited judicial and administrative interpretations, and depends on facts and circumstances not entirely within our control, including requirements relating to the sources of our gross income. Rents received or accrued by us from our tenants may not be treated as qualifying income for purposes of these requirements if the leases are not respected as true leases or qualified financing arrangements for U.S. federal income tax purposes and instead are treated as service contracts, joint ventures or some other type of arrangement. If some or all of our leases are not respected as true leases or qualified financing arrangements for U.S. federal income tax purposes and are not otherwise treated as generating qualifying REIT income, we may fail to qualify to be taxed as a REIT. Furthermore, our qualification as a REIT will depend on our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. Our ability to satisfy the asset tests depends upon our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we may not obtain independent appraisals. In addition, future legislation, new regulations, administrative interpretations or court decisions may significantly change the tax laws, the application of the tax laws to our qualification as a REIT or the U.S. federal income tax consequences of that qualification.

If we were to fail to qualify as a REIT in any taxable year (including any prior taxable year for which the statute of limitations remains open), we would face tax consequences that could substantially reduce the funds available for the service of our debt and payment of dividends:

- we would not be allowed a deduction for dividends paid to shareholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;
- we could be subject to increased state and local taxes;
- unless we are entitled to relief under statutory provisions, we could not elect to be treated as a REIT for four taxable years following the year in which we were disqualified; and
- we could be subject to tax penalties and interest.

In addition, if we fail to qualify as a REIT, we will no longer be required to pay dividends. As a result of these factors, our failure to qualify as a REIT could adversely affect the market price for our shares.

Even if we remain qualified for taxation as a REIT under the Internal Revenue Code, we may face other tax liabilities that reduce our funds available for payment of dividends to our shareholders or the repurchase of shares.
Even if we remain qualified for taxation as a REIT under the Internal Revenue Code, we may be subject to federal, state and local taxes on our income and assets, including taxes on any undistributed income, excise taxes, state or local income, property and transfer taxes, and other taxes. Also, some jurisdictions may in the future limit or eliminate favorable income tax deductions, including the dividends paid deduction, which could increase our income tax expense. In addition, in order to meet the requirements for qualification and taxation as a REIT under the Internal Revenue Code, prevent the recognition of particular types of non-cash income, or avert the imposition of a 100% tax that applies to specified gains derived by a REIT from dealer property or inventory, we may hold or dispose of some of our assets and conduct some of our operations through our TRSs or other subsidiary corporations that will be subject to corporate level income tax at regular rates. In addition, while we intend that our transactions with our TRSs will be conducted on arm's length bases, we may be subject to a 100% excise tax on a transaction that the Internal Revenue Service ("IRS") or a court determines was not conducted at arm's length. Any of these taxes would decrease cash available for distribution to our shareholders or the repurchase of shares under our share repurchase program.

Distribution requirements imposed by law limit our flexibility.
To maintain our status as a REIT for federal income tax purposes, we are generally required to distribute to our shareholders at least 90% of our taxable income for that calendar year. Our taxable income is determined without regard to any deduction for dividends paid and by 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 (i) 85% of our ordinary income for that year, (ii) 95% of our capital gain net income for that year and (iii) 100% of our undistributed taxable income from prior years. We intend to continue to make distributions to our shareholders to comply with the distribution requirements of the Internal Revenue Code and to reduce exposure to federal income and nondeductible excise taxes. Differences in timing between the receipt of income and the payment of expenses in determining our taxable income and the effect of required debt amortization payments could require us to borrow funds on a short-term basis in order to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT.

If arrangements involving our TRSs fail to comply as intended with the REIT qualification and taxation rules, we may fail to qualify for taxation as a REIT under the Internal Revenue Code or be subject to significant penalty taxes.
We lease some of our experiential lodging properties to our TRSs pursuant to arrangements that, under the Internal Revenue Code, are intended to qualify the rents we receive from our TRSs as income that satisfies the REIT gross income tests. We also intend that our transactions with our TRSs be conducted on arm's length bases so that we and our TRSs will not be subject to penalty taxes under the Internal Revenue Code applicable to mispriced transactions. While relief provisions can sometimes excuse REIT gross income test failures, significant penalty taxes may still be imposed.

For our TRS arrangements to comply as intended with the REIT qualification and taxation rules under the Internal Revenue Code, a number of requirements must be satisfied, including:

- our TRSs may not directly or indirectly operate or manage a lodging facility, as defined by the Internal Revenue Code;
- the leases to our TRSs must be respected as true leases for federal income tax purposes and not as service contracts, partnerships, joint ventures, financings or other types of arrangements;
- the leased properties must constitute qualified lodging facilities (including customary amenities and facilities) under the Internal Revenue Code;
- our leased properties must be managed and operated on behalf of the TRSs by independent contractors who are less than 35% affiliated with us and who are actively engaged (or have affiliates so engaged) in the trade or business of managing and operating qualified lodging facilities for persons unrelated to us; and
- the rental and other terms of the leases must be arm's length.

We cannot be sure that the IRS or a court will agree with our assessment that our TRS arrangements comply as intended with REIT qualification and taxation rules. If arrangements involving our TRSs fail to comply as we intended, we may fail to qualify for taxation as a REIT under the Internal Revenue Code or be subject to significant penalty taxes.

We may depend on distributions from our direct and indirect subsidiaries to service our debt, pay dividends to our shareholders and repurchase shares. The creditors of these subsidiaries, and our direct creditors, are entitled to amounts payable to them before we pay any dividends to our shareholders or repurchase shares.

Substantially all of our assets are held through our subsidiaries. We depend on these subsidiaries for substantially all of our cash flow from operations. The creditors of each of our direct and indirect subsidiaries are entitled to payment of that subsidiary's obligations to them, when due and payable, before distributions may be made by that subsidiary to us. In addition, our creditors, whether secured or unsecured, are entitled to amounts payable to them before we may pay any dividends to our shareholders or repurchase shares under our share repurchase program. Thus, our ability to service our debt obligations, pay dividends to holders of our common and preferred shares and repurchase shares depends on our subsidiaries' ability first to satisfy their obligations to their creditors and then to pay distributions to us and our ability to satisfy our obligations to our direct creditors. Our subsidiaries are separate and distinct legal entities and have no obligations, other than limited guaranties of certain of our debt, to make funds available to us.

Our development financing arrangements expose us to funding and completion risks.

Our ability to meet our construction financing obligations which we have undertaken or may enter into in the future depends on our ability to obtain equity or debt financing in the required amounts. There is no assurance we can obtain this financing or that the financing rates available will ensure a spread between our cost of capital and the rent or interest payable to us under the related leases or mortgage notes receivable. As a result, we could fail to meet our construction financing obligations or decide to cease such funding which, in turn, could result in failed projects and penalties, each of which could have a material adverse impact on our results of operations and business.

We have a limited number of employees and loss of personnel could harm our operations and adversely affect the value of our shares.

We had 53 full-time employees as of December 31, 2020 and, therefore, the impact we may feel from the loss of an employee may be greater than the impact such a loss would have on a larger organization. We are dependent on the efforts of the following individuals: Gregory K. Silvers, our President and Chief Executive Officer; Mark A. Peterson, our Executive Vice President and Chief Financial Officer; Craig L. Evans, our Executive Vice President, General Counsel and Secretary; Greg Zimmerman, our Executive Vice President and Chief Investment Officer; and Tonya L. Mater, our Senior Vice President and Chief Accounting Officer. While we believe that we could find replacements for our personnel, the loss of their services could harm our operations and adversely affect the value of our shares.

We are subject to risks associated with the employment of personnel by managers of certain of our properties.

Managers of certain of our properties are responsible for hiring and maintaining the labor force at each of these properties. Although we do not directly employ or manage employees at these properties, we are subject to many of the costs and risks associated with such labor force, including but not limited to risks associated with that certain union contract binding the manager of our Kartrite Resort and Indoor Waterpark. From time to time, the operations of our properties that are managed by third parties may be disrupted as a result of strikes, lockouts, public demonstrations or other negative actions and publicity. We may also incur increased legal costs and indirect labor costs as a result of contract disputes and other events. The resolution of labor disputes or renegotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules.

We may in the future have greater dependence upon the gaming industry and may be susceptible to the risks associated with it, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.
As a landlord of gaming facilities or secured creditor to gaming operators, we may be impacted by the risks associated with the gaming industry. Therefore, so long as we make investments in gaming-related assets, our success is dependent on the gaming industry, which could be adversely affected by economic conditions in general, changes in consumer trends and preferences and other factors over which we and our tenants have no control, such as the COVID-19 pandemic. A component of the rent under our gaming facility lease agreements will be based, over time, on the performance of the gaming facilities operated by our tenants on our properties and any decline in the operating results of our gaming tenants could be material and adverse to our business, financial condition, liquidity, results of operations and prospects.

The gaming industry is characterized by a high degree of competition among a large number of participants, including riverboat casinos, dockside casinos, land-based casinos, video lottery, sweepstakes and poker machines not located in casinos, Native American gaming, internet lotteries and other internet wagering gaming services and, in a broader sense, gaming operators face competition from all manner of leisure and entertainment activities. Gaming competition is intense in most of the markets where our facilities are located. Recently, there has been additional significant competition in the gaming industry as a result of the upgrading or expansion of facilities by existing market participants, the entrance of new gaming participants into a market, internet gaming and legislative changes. As competing properties and new markets are opened, we may be negatively impacted. Additionally, decreases in discretionary consumer spending brought about by weakened general economic conditions such as, but not limited to, lackluster recoveries from recessions, high unemployment levels, higher income taxes, low levels of consumer confidence, weakness in the housing market, cultural and demographic changes and increased stock market volatility may negatively impact our revenues and operating cash flows.

We will face extensive regulation from gaming and other regulatory authorities with respect to our gaming properties.
The ownership, operation, and management of gaming facilities are subject to pervasive regulation. These gaming regulations impact our gaming tenants and persons associated with our gaming facilities, which in many jurisdictions include us as the landlord and owner of the real estate. Certain gaming authorities in the jurisdictions in which we hold properties may require us and/or our affiliates to maintain a license as a key business entity or supplier because of our status as landlord. Gaming authorities also retain great discretion to require us to be found suitable as a landlord, and certain of our shareholders, officers and trustees may be required to be found suitable as well.

In many jurisdictions, gaming laws can require certain of our shareholders to file an application, be investigated, and qualify or have his, her or its suitability determined by gaming authorities. Gaming authorities have very broad discretion in determining whether an applicant should be deemed suitable. Subject to certain administrative proceeding requirements, the gaming regulators have the authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved, for any cause deemed reasonable by the gaming authorities.

Gaming authorities may conduct investigations into the conduct or associations of our trustees, officers, key employees or investors to ensure compliance with applicable standards. If we are required to be found suitable and are found suitable as a landlord, we will be registered as a public company with the gaming authorities and will be subject to disciplinary action if, after we receive notice that a person is unsuitable to be a shareholder or to have any other relationship with us, we:

- pay that person any distribution or interest upon any of our voting securities;
- allow that person to exercise, directly or indirectly, any voting right conferred through securities held by that person;
- pay remuneration in any form to that person for services rendered or otherwise; or
- fail to pursue all lawful efforts to require such unsuitable person to relinquish his or her voting securities, including, if necessary, the immediate purchase of the voting securities for cash at fair market value.

Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage of voting securities of a gaming company and, in some jurisdictions, non-voting securities, typically 5% of a publicly-traded company, to report the acquisition to gaming authorities, and gaming authorities may require such holders to apply for qualification, licensure or a finding of suitability, subject to limited exceptions for "institutional investors" that hold a company's voting securities for passive investment purposes only.

Required regulatory approvals can delay or prohibit transfers of our gaming properties, which could result in periods in which we are unable to receive rent for such properties.
Our tenant is (and any future tenants of our gaming properties will be) required to be licensed under applicable law in order to operate any of our properties that are gaming facilities. If our gaming facility lease agreements, or any future lease agreement we enter into, are terminated (which could be required by a regulatory agency) or expire, any new tenant must be licensed and receive other regulatory approvals to operate our properties as gaming facilities. Any delay in, or inability of, the new tenant to receive required licenses and other regulatory approvals from the applicable state and county government agencies may prolong the period during which we are unable to collect the applicable rent. Further, in the event that our gaming facility lease agreements or future lease agreements are terminated or expire and a new tenant is not licensed or fails to receive other regulatory approvals, the properties may not be operated as gaming facilities and we will not be able to collect the applicable rent. Moreover, we may be unable to transfer or sell the affected properties as gaming facilities, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer. Our service providers, tenants and managers of our properties and their business partners are exposed to similar risks.
In the ordinary course of our business, we collect and store sensitive data, including our proprietary business information and that of our tenants, managers of our properties and other customers and personally identifiable information of our employees, in our facility and on our network. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise our network and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, disrupt our operations, damage our reputation, and cause a loss of confidence, which could adversely affect our business. Our service providers, tenants, managers of our properties and other customers and their business partners are exposed to similar risks and the occurrence of a security breach or other disruption with respect to their information technology and infrastructure could, in turn, have a material adverse impact on our results of operations and business.

Changes in accounting standards issued by the Financial Accounting Standards Board ("FASB") or other standard-setting bodies may adversely affect our business.
Our financial statements are subject to the application of U.S. GAAP, which is periodically revised and/or expanded. From time to time, we are required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the FASB and the SEC. It is possible that accounting standards we are required to adopt may require changes to the current accounting treatment that we apply to our consolidated financial statements and may require us to make significant changes to our systems. Changes in accounting standards could result in a material adverse impact on our business, financial condition and results of operations.

Risks That Apply to Our Real Estate Business

Real estate income and the value of real estate investments fluctuate due to various factors.
The value of real estate fluctuates depending on conditions in the general economy and the real estate business. These conditions may also limit our revenues and available cash. The rents, interest and other payments we receive and the occupancy levels at our properties may decline as a result of adverse changes in any of the factors that affect the value of our real estate. If our revenues decline, we generally would expect to have less cash available to pay our indebtedness, distribute to our shareholders and effect share repurchases. In addition, some of our unreimbursed costs of owning real estate may not decline when the related rents decline.

The factors that affect the value of our real estate include, among other things:

- international, national, regional and local economic conditions;
- consequences of any armed conflict involving, or terrorist attack against, the United States or Canada;
- the threat of domestic terrorism or pandemic outbreaks (such as COVID-19), which could cause consumers to avoid congregate settings;
- our ability or the ability of our tenants or managers to secure adequate insurance;
- natural disasters, such as earthquakes, hurricanes and floods, which could exceed the aggregate limits of insurance coverage;
- local conditions such as an oversupply of space or lodging properties or a reduction in demand for real estate in the area;
- competition from other available space or, in the case of our experiential lodging properties, competition from other lodging properties or alternative lodging options in our markets;
- whether tenants and users such as customers of our tenants consider a property attractive;
- the financial condition of our tenants, mortgagors and managers, including the extent of bankruptcies or defaults;
- whether we are able to pass some or all of any increased operating costs through to tenants or other customers;
- how well we manage our properties or how well the managers of properties manage those properties;
- in the case of our experiential lodging properties, dependence on demand from business and leisure travelers, which may fluctuate and be seasonal;
- fluctuations in interest rates;
- changes in real estate taxes and other expenses;
- changes in market rental rates;
- the timing and costs associated with property improvements and rentals;
- changes in taxation or zoning laws;
- government regulation;
- availability of financing on acceptable terms or at all;
- potential liability under environmental or other laws or regulations; and
- general competitive factors.

The rents, interest and other payments we receive and the occupancy levels at our properties may decline as a result of adverse changes in any of these factors. If our revenues decline, we generally would expect to have less cash available to pay our indebtedness and distribute to our shareholders. In addition, some of our unreimbursed costs of owning real estate may not decline when the related rents decline.

There are risks associated with owning and leasing real estate.
Although our lease terms in most cases, obligate the tenants to bear substantially all of the costs of operating the properties and our managers to manage such costs, investing in real estate involves a number of risks, including:

- the risk that tenants will not perform under their leases or that managers will not perform under their management agreements, reducing our income from such leases or properties under such management;
- we may not always be able to lease properties at favorable rates or certain tenants may require significant capital expenditures by us to conform existing properties to their requirements;
- we may not always be able to sell a property when we desire to do so at a favorable price; and
- changes in tax, zoning or other laws could make properties less attractive or less profitable.

If a tenant fails to perform on its lease covenants or a manager fails to perform on its management covenants, that would not excuse us from meeting any debt obligation secured by the property and could require us to fund reserves in favor of our lenders, thereby reducing funds available for payment of dividends. We cannot be assured that tenants or managers will elect to renew their leases or management agreements when the terms expire. If a tenant or manager does not renew its lease or agreement or if a tenant or a manager defaults on its lease or management obligations, there is no assurance we could obtain a substitute tenant or manager on acceptable terms. If we cannot

obtain another quality tenant or manager, we may be required to modify the property for a different use, which may involve a significant capital expenditure and a delay in re-leasing the property or obtaining a new manager. In addition, tenants or managers may seek concessions or other modifications to existing leases and management agreements as a result of the COVID-19 pandemic.

Some potential losses are not covered by insurance.
Our leases with tenants and agreements with managers of our properties require the tenants and managers to carry comprehensive liability, casualty, workers' compensation, extended coverage and rental loss insurance on our properties, as applicable. We believe the required coverage is of the type, and amount, customarily obtained by an owner of similar properties. We believe all of our properties are adequately insured. However, we are exposed to risks that the insurance coverage levels required under our leases with tenants and agreements with managers of our properties may be inadequate, and these risks may be increased as we expand our portfolio into experiential properties that may present more risk of loss as compared to properties in our existing portfolio. In addition, there are some types of losses, such as pandemics, catastrophic acts of nature, acts of war or riots, for which we, our tenants or managers of our properties cannot obtain insurance at an acceptable cost or at all. If there is an uninsured loss or a loss in excess of insurance limits, we could lose both the revenues generated by the affected property and the capital we have invested in the property. We would, however, remain obligated to repay any mortgage indebtedness or other obligations related to the property. In addition, the cost of insurance protection against terrorist acts has risen dramatically over the years. There can be no assurance our tenants or managers of our properties will be able to obtain terrorism insurance coverage, as applicable, or that any coverage they do obtain will adequately protect our properties against loss from terrorist attack.

Joint ventures may limit flexibility with jointly owned investments.
We may continue to acquire or develop properties in joint ventures with third parties when those transactions appear desirable. We would not own the entire interest in any property acquired by a joint venture. Major decisions regarding a joint venture property may require the consent of our partner. If we have a dispute with a joint venture partner, we may feel it necessary or become obligated to acquire the partner's interest in the venture. However, we cannot ensure that the price we would have to pay or the timing of the acquisition would be favorable to us. If we own less than a 50% interest in any joint venture, or if the venture is jointly controlled, the assets and financial results of the joint venture may not be reportable by us on a consolidated basis. To the extent we have commitments to, or on behalf of, or are dependent on, any such "off-balance sheet" arrangements, or if those arrangements or their properties or leases are subject to material contingencies, our liquidity, financial condition and operating results could be adversely affected by those commitments or off-balance sheet arrangements.

Our multi-tenant properties expose us to additional risks.
Our entertainment districts in Colorado, New York, California, and Ontario, Canada, and similar properties we may seek to acquire or develop in the future, involve risks not typically encountered in the purchase and lease-back of real estate properties which are operated by a single tenant. The ownership or development of multi-tenant retail centers could expose us to the risk that a sufficient number of suitable tenants may not be found to enable the centers to operate profitably and provide a return to us. This risk may be compounded by the failure of existing tenants to satisfy their obligations due to various factors, including economic downturns. In addition, the COVID-19 pandemic is severely impacting our retail tenants' businesses, financial condition and liquidity, which has resulted in most of these tenants failing to satisfy their obligations to us or otherwise seeking modifications to their lease arrangements. These risks, in turn, could cause a material adverse impact to our results of operations and business.

Retail centers are also subject to tenant turnover and fluctuations in occupancy rates, which could affect our operating results. Multi-tenant retail centers also expose us to the risk of potential "CAM slippage," which may occur when the actual cost of taxes, insurance and maintenance at the property exceeds the CAM fees paid by tenants.

Failure to comply with the Americans with Disabilities Act and other laws could result in substantial costs.
Most of our properties must comply with the ADA. The ADA requires that public accommodations reasonably accommodate individuals with disabilities and that new construction or alterations be made to commercial facilities to conform to accessibility guidelines. Failure to comply with the ADA can result in injunctions, fines, damage

awards to private parties and additional capital expenditures to remedy noncompliance. Our leases with tenants and agreements with managers of our properties require them to comply with the ADA.

Our properties are also subject to various other federal, state and local regulatory requirements. We do not know whether existing requirements will change or whether compliance with future requirements will involve significant unanticipated expenditures. Although these expenditures would be the responsibility of our tenants in most cases and for our managers to oversee at our properties, if these tenants or managers fail to perform these obligations, we may be required to do so.

Potential liability for environmental contamination could result in substantial costs.
Under federal, state and local environmental laws, we may be required to investigate and clean up any release of hazardous or toxic substances or petroleum products at our properties, regardless of our knowledge or actual responsibility, simply because of our current or past ownership of the real estate. If unidentified environmental problems arise, we may have to make substantial payments, which could adversely affect our cash flow and our ability to service our debt and pay dividends to our shareholders. This is because:

- as owner, we may have to pay for property damage and for investigation and clean-up costs incurred in connection with the contamination;
- the law may impose clean-up responsibility and liability regardless of whether the owner or operator knew of or caused the contamination;
- even if more than one person is responsible for the contamination, each person who shares legal liability under environmental laws may be held responsible for all of the clean-up costs; and
- governmental entities and third parties may sue the owner or operator of a contaminated site for damages and costs.

These costs could be substantial and in extreme cases could exceed the value of the contaminated property. The presence of hazardous substances or petroleum products or the failure to properly remediate contamination may adversely affect our ability to borrow against, sell or lease an affected property. In addition, some environmental laws create liens on contaminated sites in favor of the government for damages and costs it incurs in connection with a contamination. Most of our loan agreements require the Company or a subsidiary to indemnify the lender against environmental liabilities. Our leases with tenants and agreements with managers of our properties require them to operate the properties in compliance with environmental laws and to indemnify us against environmental liability arising from the operation of the properties. We believe all of our properties are in material compliance with environmental laws. However, we could be subject to strict liability under environmental laws because we own the properties. There is also a risk that tenants may not satisfy their environmental compliance and indemnification obligations under the leases or other agreements. Any of these events could substantially increase our cost of operations, require us to fund environmental indemnities in favor of our lenders, limit the amount we could borrow under our unsecured revolving credit facility and term loan facility and reduce our ability to service our debt and pay dividends to shareholders.

Real estate investments are relatively illiquid.
We may desire to sell properties in the future because of changes in market conditions, poor tenant performance or default of any mortgage we hold, or to avail ourselves of other opportunities. We may also be required to sell a property in the future to meet debt obligations or avoid a default. Specialty real estate projects such as we have cannot always be sold quickly, and we cannot assure you that we could always obtain a favorable price. In addition, the Internal Revenue Code limits our ability to sell our properties. We may be required to invest in the restoration or modification of a property before we can sell it. The inability to respond promptly to changes in the performance of our property portfolio could adversely affect our financial condition and ability to service our debt, pay dividends to our shareholders and effect share repurchases.

There are risks in owning assets outside the United States.
Our properties in Canada are subject to the risks normally associated with international operations. The rentals under our Canadian leases are payable in Canadian dollars ("CAD"), which could expose us to losses resulting from fluctuations in exchange rates to the extent we have not hedged our position. Canadian 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. We may also be subject to fluctuations in Canadian real estate values or markets or the Canadian economy as a whole, which may adversely affect our Canadian investments.

Additionally, we have made investments in projects located in China and may enter other international markets, which may have similar risks as described above as well as unique risks associated with a specific country.

There are risks in owning or financing properties for which the tenant's, mortgagor's, or our operations may be impacted by weather conditions, climate change and natural disasters.
We have acquired and financed ski properties and expect to do so in the future. The operators of these properties, our tenants or mortgagors, are dependent upon the operations of the properties to pay their rents and service their loans. The ski property operator's ability to attract visitors is influenced by weather conditions and climate change in general, each of which may impact the amount of snowfall during the ski season. Adverse weather conditions may discourage visitors from participating in outdoor activities. In addition, unseasonably warm weather may result in inadequate natural snowfall, which increases the cost of snowmaking, and could render snowmaking wholly or partially ineffective in maintaining quality skiing conditions and attracting visitors. Excessive natural snowfall may materially increase the costs incurred for grooming trails and may also make it difficult for visitors to obtain access to ski properties. We also own and finance attractions (including waterparks) which would also be subject to risks relating to weather conditions such as in the case of waterparks and amusement parks, excessive rainfall or unseasonable temperatures. Prolonged periods of adverse weather conditions, or the occurrence of such conditions during peak visitation periods, could have a material adverse effect on the operator's financial results and could impair the ability of the operator to make rental or other payments or service our loans.

A severe natural disaster, such as a forest fire, may interrupt the operations of an operator, damage our properties, reduce the number of guests who visit the resorts in affected areas and negatively impact an operator's revenue and profitability. Damage to our properties could take a long time to repair and there is no guarantee that we would have adequate insurance to cover the costs of repair and recoup lost profits. Furthermore, such a disaster may interrupt or impede access to our affected properties or require evacuations and may cause visits to our affected properties to decrease for an indefinite period. The ability of our operators to attract visitors to our experiential lodging properties is also influenced by the aesthetics and natural beauty of the outdoor environment where these resorts are located. A severe forest fire or other severe impacts from naturally occurring events could negatively impact the natural beauty of our resort properties and have a long-term negative impact on an operator's overall guest visitation as it could take several years for the environment to recover.

We face risks associated with the development, redevelopment and expansion of properties and the acquisition of other real estate related companies.
We may develop, redevelop or expand new or existing properties or acquire other real estate related companies, and these activities are subject to various risks. We may not be successful in pursuing such development or acquisition opportunities. In addition, newly developed or redeveloped/expanded properties or newly acquired companies may not perform as well as expected. We are subject to other risks in connection with any such development or acquisition activities, including the following:

- we may not succeed in completing developments or consummating desired acquisitions on time;
- we may face competition in pursuing development or acquisition opportunities, which could increase our costs;
- we may encounter difficulties and incur substantial expenses in integrating acquired properties into our operations and systems and, in any event, the integration may require a substantial amount of time on the part of both our management and employees and therefore divert their attention from other aspects of our business;

- we may undertake developments or acquisitions in new markets or industries where we do not have the same level of market knowledge, which may expose us to unanticipated risks in those markets and industries to which we are unable to effectively respond, such as an inability to attract qualified personnel with knowledge of such markets and industries;
- we may incur construction costs in connection with developments, which may be higher than projected, potentially making the project unfeasible or unprofitable;
- we may incur unanticipated capital expenditures in order to maintain or improve acquired properties;
- we may be unable to obtain zoning, occupancy or other governmental approvals;
- we may experience delays in receiving rental payments for developments that are not completed on time;
- our developments or acquisitions may not be profitable;
- we may need the consent of third parties such as anchor tenants, mortgage lenders and joint venture partners, and those consents may be withheld;
- we may incur adverse tax consequences if we fail to qualify as a REIT for U.S. federal income tax purposes following an acquisition;
- we may be subject to risks associated with providing mortgage financing to third parties in connection with transactions, including any default under such mortgage financing;
- we may face litigation or other claims in connection with, or as a result of, acquisitions, including claims from terminated employees, tenants, former stockholders or other third parties;
- the market price of our common shares, preferred shares and debt securities may decline, particularly if we do not achieve the perceived benefits of any acquisition as rapidly or to the extent anticipated by securities or industry analysts or if the effect of an acquisition on our financial condition, results of operations and cash flows is not consistent with the expectations of these analysts;
- we may issue shares in connection with acquisitions resulting in dilution to our existing shareholders; and
- we may assume debt or other liabilities in connection with acquisitions.

In addition, there is no assurance that planned third-party financing related to development and acquisition opportunities will be provided on a timely basis or at all, thus increasing the risk that such opportunities are delayed or fail to be completed as originally contemplated. We may also abandon development or acquisition opportunities that we have begun pursuing and consequently fail to recover expenses already incurred and have devoted management time to a matter not consummated. In some cases, we may agree to lease or other financing terms for a development project in advance of completing and funding the project, in which case we are exposed to the risk of an increase in our cost of capital during the interim period leading up to the funding, which can reduce, eliminate or result in a negative spread between our cost of capital and the payments we expect to receive from the project. Furthermore, our acquisitions of new properties or companies will expose us to the liabilities of those properties or companies, some of which we may not be aware at the time of acquisition. In addition, development of our existing properties presents similar risks. If a development or acquisition is unsuccessful, either because it is not meeting our expectations or was not completed according to our plans, we could lose our investment in the development or acquisition.

Risks That May Affect the Market Price of Our Shares

We cannot assure you we will continue paying cash dividends at current rates.
Our dividend policy is determined by our Board of Trustees. Our ability to pay dividends on our common shares or to pay dividends on our preferred shares at their stated rates depends on a number of factors, including our liquidity, our financial condition and results of future operations, the performance of lease and mortgage terms by our tenants and customers, our ability to acquire, finance and lease additional properties at attractive rates, and provisions in our loan covenants.

The financial impact of the COVID-19 pandemic has negatively impacted our compliance with financial covenants of our credit facility and other debt agreements. During 2020, we temporarily suspended our monthly cash dividend to common shareholders after the common share dividend payable May 15, 2020, and we are subject to restrictions on the payment of common share dividends during the Covenant Relief Period (except as may be necessary to maintain REIT status and to not owe income tax) under the amendments to our unsecured revolving credit facility, our unsecured term loan facility and the debt instruments governing certain of our private placement notes, as

described below under "Management's Discussion and Analysis of Financial Condition and Results of Operations". If we do not reinstate common share dividends in future periods or maintain or increase any future common share dividend rate, the market price of our common shares and possibly our preferred shares could be adversely affected. Furthermore, if the Board of Trustees decides to pay dividends on our common shares partially or substantially all in common shares, that could have an adverse effect on the market price of our common shares and possibly our preferred shares. There can be no assurances as to our ability to reinstitute cash dividend payments to common shareholders or the timing thereof or to continue paying dividends on our preferred shares.

Market interest rates may have an effect on the value of our shares.
One of the factors that investors may consider in deciding whether to buy or sell our common shares or preferred shares is our dividend rate as a percentage of our share price, relative to market interest rates. If market interest rates increase, prospective investors may desire a higher dividend rate on our common shares or seek securities paying higher dividends or interest.

Broad market fluctuations could negatively impact the market price of our shares.
The stock market has experienced extreme price and volume fluctuations as a result of the COVID-19 pandemic that have affected the market price of the common equity of many companies, including companies in industries similar or related to ours. These broad market fluctuations could reduce the market price of our shares. Furthermore, our operating results and prospects may be below the expectations of public market analysts and investors or may be lower than those of companies with comparable market capitalizations. Either of these factors could lead to a material decline in the market price of our shares.

Market prices for our shares may be affected by perceptions about the financial health or share value of our tenants, mortgagors and managers or the performance of REIT stocks generally.
To the extent any of our tenants or customers, or their competition, report losses or slower earnings growth, take charges against earnings or enter bankruptcy proceedings, the market price for our shares could be adversely affected. The reduced economic activity resulting from the COVID-19 pandemic is severely impacting our tenants' businesses, financial condition and liquidity, which could adversely affect the market price for our shares. The market price for our shares could also be affected by any weakness in the performance of REIT stocks generally or weakness in any of the sectors in which our tenants and customers operate.

Limits on changes in control may discourage takeover attempts which may be beneficial to our shareholders.
There are a number of provisions in our Declaration of Trust and Bylaws and under Maryland law and agreements we have with others, any of which could make it more difficult for a party to make a tender offer for our shares or complete a takeover of the Company which is not approved by our Board of Trustees. These include:

- a limit on beneficial ownership of our shares, which acts as a defense against a hostile takeover or acquisition of a significant or controlling interest, in addition to preserving our REIT status;
- the ability of the Board of Trustees to issue preferred or common shares, to reclassify preferred or common shares, and to increase the amount of our authorized preferred or common shares, without shareholder approval;
- limits on the ability of shareholders to remove trustees without cause;
- requirements for advance notice of shareholder proposals at shareholder meetings;
- provisions of Maryland law restricting business combinations and control share acquisitions not approved by the Board of Trustees and unsolicited takeovers;
- provisions of Maryland law protecting corporations (and by extension REITs) against unsolicited takeovers by limiting the duties of the trustees in unsolicited takeover situations;
- provisions in Maryland law providing that the trustees are not subject to any higher duty or greater scrutiny than that applied to any other director under Maryland law in transactions relating to the acquisition or potential acquisition of control;
- provisions of Maryland law creating a statutory presumption that an act of the trustees satisfies the applicable standards of conduct for trustees under Maryland law;
- provisions in loan or joint venture agreements putting the Company in default upon a change in control; and

- provisions of our compensation arrangements with our employees calling for severance compensation and vesting of equity compensation upon termination of employment upon a change in control or certain events of the employees' termination of service.

Any or all of these provisions could delay or prevent a change in control of the Company, even if the change was in our shareholders' interest or offered a greater return to our shareholders.

We may change our policies without obtaining the approval of our shareholders.
Our operating and financial policies, including our policies with respect to acquiring or financing real estate or other companies, growth, operations, indebtedness, capitalization and dividends, are exclusively determined by our Board of Trustees. Accordingly, our shareholders do not control these policies.

Dilution could affect the value of our shares.
Our future growth will depend in part on our ability to raise additional capital. If we raise additional capital through the issuance of equity securities, the interests of holders of our common shares could be diluted. Likewise, our Board of Trustees is authorized to cause us to issue preferred shares in one or more series, the holders of which would be entitled to dividends and voting and other rights as our Board of Trustees determines, and which could be senior to or convertible into our common shares. Accordingly, an issuance by us of preferred shares could be dilutive to or otherwise adversely affect the interests of holders of our common shares. As of December 31, 2020, our Series C preferred shares are convertible, at each of the holder's option, into our common shares at a conversion rate of 0.4137 common shares per $25.00 liquidation preference, which is equivalent to a conversion price of approximately $60.43 per common share (subject to adjustment in certain events). Additionally, as of December 31, 2020, our Series E preferred shares are convertible, at each of the holder's option, into our common shares at a conversion rate of 0.4826 common shares per $25.00 liquidation preference, which is equivalent to a conversion price of approximately $51.80 per common share (subject to adjustment in certain events). Under certain circumstances in connection with a change in control of the Company, holders of our Series G preferred shares may elect to convert some or all of their Series G preferred shares into a number of our common shares per Series G preferred share equal to the lesser of (a) the $25.00 per share liquidation preference, plus accrued and unpaid dividends divided by the market value of our common shares or (b) 0.7389 shares. Depending upon the number of Series C, Series E and Series G preferred shares being converted at one time, a conversion of Series C, Series E and Series G preferred shares could be dilutive to or otherwise adversely affect the interests of holders of our common shares. In addition, we may issue a significant amount of equity securities in connection with acquisitions or investments, with or without seeking shareholder approval, which could result in significant dilution to our existing shareholders.

Future offerings of debt or equity securities, which may rank senior to our common shares, may adversely affect the market price of our common shares.
If we decide to issue debt securities in the future, which would rank senior to our common shares, it is likely that they will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, any equity securities or convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common shares and may result in dilution to owners of our common shares. We and, indirectly, our shareholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, holders of our common shares will bear the risk of our future offerings reducing the market price of our common shares and diluting the value of their shareholdings in us.

Changes in foreign currency exchange rates may have an impact on the value of our shares.
The functional currency for our Canadian operations is the Canadian dollar. As a result, our future operating results could be affected by fluctuations in the exchange rate between U.S. and Canadian dollars, which in turn could affect our share price. We have attempted to mitigate our exposure to Canadian currency exchange risk by entering into foreign currency exchange contracts to hedge in part our exposure to exchange rate fluctuations. Foreign currency derivatives are subject to future risk of loss. We do not engage in purchasing foreign exchange contracts for speculative purposes.

Additionally, we have made investments in China and may enter other international markets which pose similar currency fluctuation risks as described above.

We may be subject to adverse legislative or regulatory tax changes that could reduce the market price of our shares.
At any time, the U.S. federal income tax laws or regulations governing REITs or the administrative interpretations of those laws or regulations may be changed, possibly with retroactive effect. We cannot predict if or when any new U.S. federal income tax law, regulation or administrative interpretation, or any amendment to any existing U.S. federal income tax law, regulation or administrative interpretation, will be adopted, promulgated or become effective or whether any such law, regulation or interpretation may take effect retroactively. We and our shareholders could be adversely affected by any such change in, or any new, U.S. federal income tax law, regulation or administrative interpretation. Furthermore, any proposals seeking broader reform of U.S. federal income tax laws, if enacted, could change the federal income tax laws applicable to REITs, subject us to federal tax or reduce or eliminate the current deduction for dividends paid to our shareholders, any of which could negatively affect the market for our shares.

Item 1B. Unresolved Staff Comments

There are no unresolved comments from the staff of the SEC required to be disclosed herein as of the date of this Annual Report on Form 10-K.

Item 2. Properties

As of December 31, 2020, our real estate portfolio consisted of investments in our Experiential and Education reportable segments. Except as otherwise noted, all of the real estate investments listed below are owned or ground leased directly by us.

The following table sets forth our owned properties (excludes properties under development, land held for development and properties securing our mortgage notes) listed by segment and property type, gross square footage (except for certain ski and attraction properties where such number is not meaningful), percentage leased and total rental revenue for the year ended December 31, 2020 (dollars in thousands). At certain properties included below, we are the tenant under third-party ground leases and have assumed responsibility for performing the obligations thereunder. However, pursuant to the facility leases, the tenants are generally responsible for performing substantially all of our obligations under the ground leases.

	Number of Properties	Building Gross Square Footage	Percentage Leased	Rental Revenue for the Year Ended December 31, 2020	% of Company's Rental Revenue
Experiential					
Theatres	178	12,203,123	94.1 %	$ 103,984	28.0 %
Eat & Play (1)	51	4,922,523	90.1 %	120,186	32.3 %
Attractions	17	21,205	100.0 %	26,605	7.1 %
Ski	5	608,255	100.0 %	28,466	7.6 %
Experiential Lodging	5	871,417	100.0 %	16,303	4.4 %
Gaming (2)	1	—	— %	10,631	2.9 %
Cultural	3	512,768	100.0 %	2,639	0.7 %
Fitness & Wellness	3	186,900	100.0 %	2,316	0.6 %
Total Experiential	263	19,326,191	93.8 %	$ 311,130	83.6 %
Education					
Early Childhood Education Centers	63	1,115,821	100.0 %	$ 24,649	6.6 %
Private Schools	9	292,362	100.0 %	36,397	9.8 %
Total Education	72	1,408,183	100.0 %	$ 61,046	16.4 %
Total	335	20,734,374	94.2 %	$ 372,176	100.0 %

(1) Includes seven theatres located in entertainment districts.
(2) Represents land under ground lease to a casino operator.

The following table sets forth lease expirations regarding EPR's owned portfolio as of December 31, 2020 excluding non-theatre tenant leases at entertainment districts and experiential lodging properties operated through a traditional REIT lodging structure (dollars in thousands):

Year	Number of Properties	Square Footage	Rental Revenue for the Year Ended December 31, 2020	% of Company's Rental Revenue
2021	—	—	$ —	— %
2022	2	113,770	1,814	0.5 %
2023	2	90,134	953	0.3 %
2024	6	458,240	6,294	1.7 %
2025	2	39,240	2,673	0.7 %
2026	7	287,693	3,595	1.0 %
2027	11	657,881	18,660	5.0 %
2028	11	824,306	9,912	2.7 %
2029	12	679,171	10,401	2.8 %
2030	22	1,663,772	22,405	6.0 %
2031	13	688,919	6,702	1.8 %
2032	19	979,167	11,988	3.2 %
2033	9	423,882	8,343	2.2 %
2034	41	2,459,231	28,130	7.6 %
2035	33	2,691,756	58,482	15.7 %
2036	22	1,619,365	21,634	5.8 %
2037	32	1,941,997	38,372	10.3 %
2038	35	1,717,060	26,223	7.0 %
2039	4	176,156	6,739	1.8 %
2040	2	101,159	1,923	0.5 %
Thereafter	35	472,852	25,630	6.9 %
	320	18,085,751	$ 310,873	83.5 %

Our owned properties are located in 41 states and in the Canadian province of Ontario. The following table sets forth certain state-by-state and Ontario, Canada information regarding our owned real estate portfolio as of December 31, 2020 (dollars in thousands):

Location	Building (gross sq. ft.)	Rental Revenue for the Year Ended December 31, 2020	% of Rental Revenue
Texas	3,287,154	$ 52,102	14.0 %
Florida	1,584,699	22,956	6.2 %
California	1,274,020	44,402	11.9 %
Ontario, Canada	1,204,639	21,788	5.9 %
Pennsylvania	932,661	27,035	7.3 %
Illinois	844,991	12,077	3.2 %
Virginia	816,508	19,187	5.2 %
Ohio	814,269	13,464	3.6 %
Colorado	720,447	15,512	4.2 %
Michigan	699,275	8,030	2.2 %
North Carolina	667,317	7,642	2.0 %
New York	646,711	30,650	8.2 %
Missouri	627,308	1,945	0.5 %
Louisiana	624,032	5,952	1.6 %
Kansas	512,002	5,880	1.6 %
Arizona	465,755	10,127	2.7 %
Indiana	457,998	3,369	0.9 %
Tennessee	435,433	5,687	1.5 %
Georgia	430,695	8,868	2.4 %
New Jersey	392,930	6,335	1.7 %
Kentucky	365,971	2,701	0.7 %
South Carolina	349,388	4,498	1.2 %
Maryland	340,986	4,311	1.2 %
Alabama	323,972	2,618	0.7 %
Oregon	201,532	3,604	1.0 %
Connecticut	185,074	3,830	1.0 %
Minnesota	181,764	4,971	1.3 %
Idaho	179,036	1,424	0.4 %
Arkansas	165,219	3,484	0.9 %
Mississippi	116,900	916	0.2 %
Massachusetts	111,166	1,020	0.3 %
Nebraska	107,402	331	0.1 %
Maine	107,000	487	0.1 %
New Hampshire	97,400	591	0.2 %
Iowa	93,755	1,402	0.4 %
Nevada	92,697	2,550	0.7 %
Oklahoma	90,737	6,058	1.6 %
New Mexico	71,297	163	— %
Washington	47,004	2,154	0.6 %
Montana	44,650	993	0.3 %
Wisconsin	22,580	377	0.1 %
Hawaii	—	685	0.2 %
	20,734,374	$ 372,176	100.0 %

Office Location
Our executive office is located in Kansas City, Missouri and is leased from a third-party landlord. The lease has projected 2021 annual rent of approximately $884 thousand and is scheduled to expire on September 30, 2026, with two separate five-year extension options available. In March, our employees transitioned to a fully remote work force to protect the safety and well-being of our personnel. Our prior investments in technology, business continuity planning and cyber-security protocols have enabled us to continue working with limited operational impacts.

Tenants and Leases
Our existing leases on real estate investments (on a consolidated basis - excluding unconsolidated joint venture properties) provide for aggregate annual minimum rentals for 2021 of approximately $461.5 million (not including the impact of rent deferrals, ground lease payments for leases in which we are a sub-lessor, periodic rent escalations that are not fixed, percentage rent or straight-line rent). Our leases have an average remaining base lease term life of approximately 12 years. These leases may be extended for predetermined extension terms at the option of the tenants. Our leases are typically triple-net leases that require the tenant to pay substantially all expenses associated with the operation of the properties, including taxes, other governmental charges, insurance, utilities, service, maintenance and any ground lease payments.

Property Acquisitions and Developments in 2020
Our property acquisitions and developments in 2020 consisted primarily of spending on Experiential properties. The percentage of total investment spending related to build-to-suit projects, including investment spending for mortgage notes on such projects, increased to approximately 55% in 2020, from approximately 20% in 2019. While we expect that acquisitions will continue to be the greater portion of our investment spending in future years, we also expect that build-to-suit projects will remain a component of such spending as well. Many of our build-to-suit opportunities come to us from our existing strong relationships with property operators and developers and we expect to continue to pursue these opportunities. During the year ended December 31, 2020, we limited our investment spending to enhance our liquidity position in light of the negative impact of the COVID-19 pandemic. We will continue to limit our investment spending during the Covenant Relief Period under the amendments to the agreements governing our bank credit facilities and private placement notes.

Item 3. Legal Proceedings

We are subject to certain claims and lawsuits in the ordinary course of business, the outcome of which cannot be determined at this time. In the opinion of management, any liability we might incur upon the resolution of these claims and lawsuits will not, in the aggregate, have a material adverse effect on our consolidated financial position or results of operations.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common shares are listed on the New York Stock Exchange ("NYSE") under the trading symbol "EPR."

During the year ended December 31, 2020, the Company did not sell any unregistered equity securities.

On February 24, 2021, there were approximately 6,707 holders of record of our outstanding common shares.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs	
October 1 through October 31, 2020 common shares	—	$ —	—	$ 44,006,350	
November 1 through November 30, 2020 common shares	—	—	—	44,006,350	
December 1 through December 31, 2020 common shares	—	—	—	44,006,350	
Total	—	$ —	—	$ —	(1)

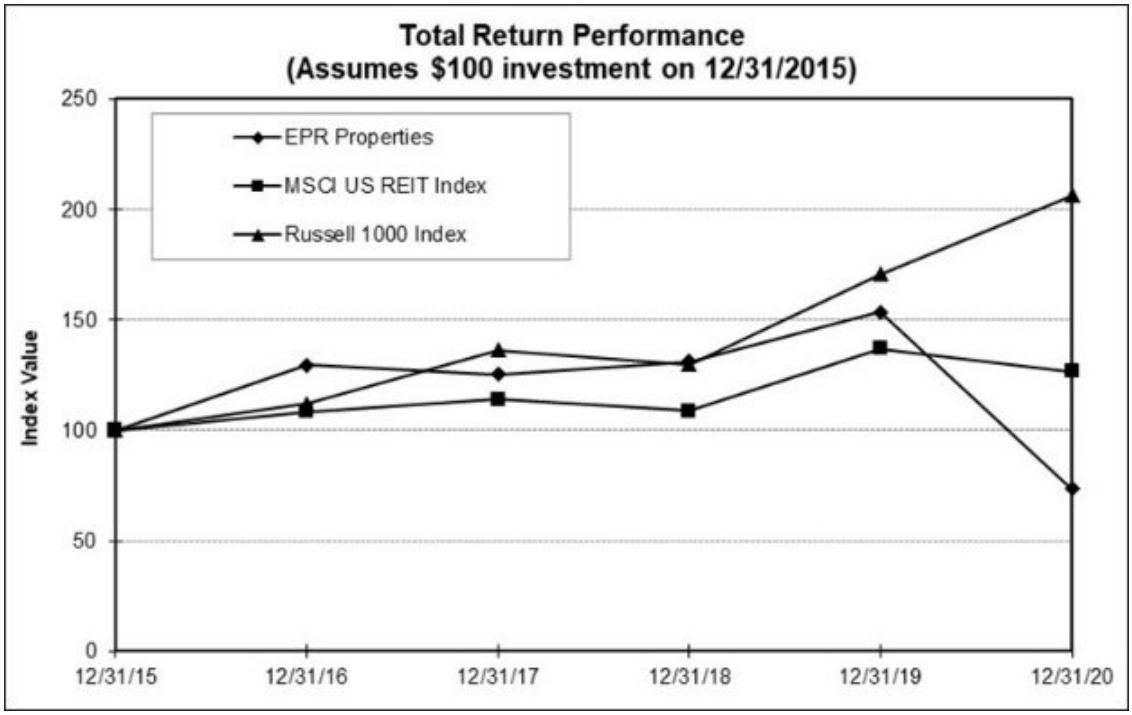
(1) On March 24, 2020, we announced that our Board of Trustees approved a share repurchase program pursuant to which we may repurchase up to $150 million of our common shares. The share repurchase program was set to expire on December 31, 2020; however, we suspended the program upon the effective date of the covenant modification agreements, June 29, 2020, as discussed below under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Under the share repurchase program, we could repurchase our common shares in the open market, through block trades, in privately negotiated transactions, pursuant to a trading plan separately adopted in the future, or by other means, in accordance with federal securities laws and other applicable laws. The actual timing, number and value of common shares repurchased under the share repurchase program was determined by management at its discretion and depended on a number of factors, including, but not limited to, the market price of our common shares, general market and economic conditions, our financial condition, and applicable legal requirements. We were not obligated to repurchase a minimum number of common shares under the share repurchase program. There can be no assurances as to our ability to reinstitute the share repurchase program in future periods or the timing thereof.

Dividends

As discussed below under "Management's Discussion and Analysis of Financial Condition and Results of Operations," on June 29, 2020 and November 3, 2020, we amended our Consolidated Credit Agreement, which governs our unsecured revolving credit facility and our unsecured term loan facility, and on June 29, 2020 and December 24, 2020, we also amended the Note Purchase Agreement which governs our private placement notes. The amendments modified certain provisions and waived our obligation to comply with certain covenants under these debt agreements in light of the continuing financial and operational impacts of the COVID-19 pandemic on us and our tenants and borrowers. The amendments also impose certain restrictions including our ability to pay common dividends during the Covenant Relief Period, subject to certain exceptions. Accordingly, in connection with these amendments, we temporarily suspended our monthly cash dividend to common shareholders after the common share dividend payable May 15, 2020 (except as may be necessary to maintain REIT status and to not owe income tax). There can be no assurances as to our ability to reinstitute cash dividend payments to common shareholders in future periods or the timing thereof.

Share Performance Graph

The following graph compares the cumulative return on our common shares during the five-year period ended December 31, 2020, to the cumulative return on the MSCI U.S. REIT Index and the Russell 1000 Index for the same period. The comparisons assume an initial investment of $100 and the reinvestment of all dividends during the comparison period. Performance during the comparison period is not necessarily indicative of future performance.



Total Return Analysis

	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
EPR Properties	$ 100.00	$ 129.65	$ 125.22	$ 131.16	$ 153.63	$ 73.48
MSCI U.S. REIT Index	$ 100.00	$ 108.60	$ 114.11	$ 108.89	$ 137.03	$ 126.65
Russell 1000 Index	$ 100.00	$ 112.05	$ 136.36	$ 129.83	$ 170.63	$ 206.40

Source: S&P Global Market Intelligence

The performance graph and related text are being furnished to and not filed with the SEC, and will not be deemed "soliciting material" or subject to Regulation 14A or 14C under the Exchange Act or to the liabilities of Section 18 of the Exchange Act, and will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent we specifically incorporate such information by reference into such a filing.

Item 6. Selected Financial Data

The following table sets forth selected consolidated financial and other information of the Company as of and for each of the years ended December 31, 2020, 2019, 2018, 2017, and 2016. The table should be read in conjunction with the Company's consolidated financial statements and notes thereto and Item 7 - "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this Annual Report on Form 10-K.

The operating data below reflects the reclassification of discontinued operations for public charter school investments disposed of during the year ended December 31, 2019. For additional detail, see Note 17 to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

Operating Statement Data					
(Dollars in thousands, except per share data)					
	Year Ended December 31,				
	2020	**2019**	**2018**	**2017**	**2016**
Total revenue	$ 414,661	$ 651,969	$ 639,921	$ 518,320	$ 451,038
Net (loss) income attributable to EPR Properties	(131,728)	202,243	266,983	262,968	224,982
Preferred dividend requirements	(24,136)	(24,136)	(24,142)	(24,293)	(23,806)
Preferred share redemption costs	—	—	—	(4,457)	—
Net (loss) income available to common shareholders of EPR Properties	(155,864)	178,107	242,841	234,218	201,176
Net (loss) income available to common shareholders per common share:					
Continuing operations	$ (2.05)	$ 1.70	$ 2.66	$ 2.76	$ 2.62
Discontinued operations	—	0.62	0.61	0.53	0.55
Basic	$ (2.05)	$ 2.32	$ 3.27	$ 3.29	$ 3.17
Continuing operations	$ (2.05)	$ 1.70	$ 2.66	$ 2.76	$ 2.62
Discontinued operations	—	0.62	0.61	0.53	0.55
Diluted	$ (2.05)	$ 2.32	$ 3.27	$ 3.29	$ 3.17
Shares used for computation (in thousands):					
Basic	75,994	76,746	74,292	71,191	63,381
Diluted	75,994	76,782	74,337	71,254	63,474
Cash dividends declared per common share	$ 1.515	$ 4.500	$ 4.320	$ 4.080	$ 3.840
Balance Sheet Data (at period end)					
(Dollars in thousands)					
Cash and cash equivalents	$ 1,025,577	$ 528,763	$ 5,872	$ 41,917	$ 19,335
Total assets	6,704,185	6,577,511	6,131,390	6,191,493	4,865,022
Debt	3,694,443	3,102,830	2,986,054	3,028,827	2,485,625
Total liabilities	4,073,600	3,571,706	3,266,367	3,264,168	2,679,121
Equity	2,630,585	3,005,805	2,865,023	2,927,325	2,185,901

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in this Annual Report on Form 10-K. The forward-looking statements included in this discussion and elsewhere in this Annual Report on Form 10-K involve risks and uncertainties, including anticipated financial performance, business prospects, industry trends, shareholder returns, performance of leases by tenants, performance on loans to customers and other matters, which reflect management's best judgment based on factors currently known. See "Cautionary Statement Concerning Forward-Looking Statements." Actual results and experience could differ materially from the anticipated results and other expectations expressed in our forward-looking statements as a result of a number of factors, including but not limited to those discussed in this Item and in Item 1A - "Risk Factors."

Overview

Business

Our principal business objective is to enhance shareholder value by achieving predictable and increasing Funds From Operations As Adjusted ("FFOAA") and dividends per share. Our strategy is to focus on long-term investments in the Experiential sector which benefit from our depth of knowledge and relationships, and which we believe offer sustained performance throughout most economic cycles. See Item 1 - "Business" for further discussion regarding our strategic rationale for our focus on Experiential properties.

Our investment portfolio includes ownership of and long-term mortgages on Experiential and Education properties. Substantially all of our owned single-tenant properties are leased pursuant to long-term, triple-net leases, under which the tenants typically pay all operating expenses of the property. Tenants at our owned multi-tenant properties are typically required to pay common area maintenance charges to reimburse us for their pro-rata portion of these costs. We also own certain experiential lodging assets structured using traditional REIT lodging structures as discussed in Item 1 - "Business."

It has been our strategy to structure leases and financings to ensure a positive spread between our cost of capital and the rentals or interest paid by our tenants. We have primarily acquired or developed new properties that are pre-leased to a single tenant or multi-tenant properties that have a high occupancy rate. We have also entered into certain joint ventures and we have provided mortgage note financing. We intend to continue entering into some or all of these types of arrangements in the foreseeable future.

Prior to the COVID-19 pandemic, our primary challenges had been locating suitable properties, negotiating favorable lease or financing terms (on new or existing properties), and managing our portfolio as we have continued to grow. We believe our management's knowledge and industry relationships have facilitated opportunities for us to acquire, finance and lease properties. The current economic situation created by the pandemic has impeded our growth in the near term while our focus has been addressing challenges brought on by the pandemic, including monitoring customer status and working with customers to help ensure long-term stability as well as assisting them in reopening plans. See more discussion on the impact of the pandemic on our business below. We expect to return to growth as our customers' businesses continue to recover and, in turn, our cashflows stabilize. Our business is subject to a number of risks and uncertainties, including those described in Item 1A - "Risk Factors" of this report.

As of December 31, 2020, our total assets were approximately $6.7 billion (after accumulated depreciation of approximately $1.1 billion) with properties located in 44 states and Ontario, Canada. Our total investments (a non-GAAP financial measure) were approximately $6.5 billion at December 31, 2020. See "Non-GAAP Financial Measures" for the calculation of total investments and reconciliation of total investments to "Total assets" in the consolidated balance sheet at December 31, 2020 and 2019. We group our investments into two reportable segments, Experiential and Education. As of December 31, 2020, our Experiential investments comprised $5.9 billion, or 91%, and our Education investments comprised $0.6 billion, or 9%, of our total investments.

As of December 31, 2020, our Experiential segment consisted of the following property types (owned or financed):

- 178 theatre properties;
- 55 eat & play properties (including seven theatres located in entertainment districts);
- 18 attraction properties;
- 13 ski properties;
- six experiential lodging properties;
- one gaming property;
- three cultural properties; and
- seven fitness & wellness properties.

As of December 31, 2020, our owned Experiential real estate portfolio consisted of approximately 19.3 million square feet, was 93.8% leased and included $57.6 million in property under development and $20.2 million in undeveloped land inventory.

As of December 31, 2020, our Education segment consisted of the following property types (owned or financed):

- 65 early childhood education center properties; and
- 10 private school properties.

As of December 31, 2020, our owned Education real estate portfolio consisted of approximately 1.4 million square feet, was 100% leased and included $3.0 million in undeveloped land inventory.

The combined owned portfolio consisted of 20.7 million square feet and was 94.2% leased.

COVID-19 Update

We are subject to risks and uncertainties as a result of the COVID-19 pandemic. The outbreak of the COVID-19 pandemic severely impacted global economic activity during 2020 and caused significant volatility and negative pressure in financial markets, which is expected to continue into 2021. The extent of the impact of the COVID-19 pandemic on our business is highly uncertain and difficult to predict, as information is rapidly evolving. As a result, the COVID-19 pandemic severely impacted experiential real estate properties, given that such properties involve congregate social activity and discretionary consumer spending. Substantially all of our non-theatre locations and many of our theatre locations have re-opened as of December 31, 2020. However, certain theatre locations remain closed due to local restrictions or operator decision to close as a result of the impact of the COVID-19 pandemic, specifically the decision by many major studios to delay the release of blockbuster movies in hopes that larger audiences will be available as additional markets open. The continuing impact of the COVID-19 pandemic on our business will depend on several factors, including, but not limited to, the scope, severity and duration of the pandemic, the actions taken to contain the outbreak or mitigate its impact, the development and distribution of vaccines and the efficacy of those vaccines, the public's confidence in the health and safety measures implemented by our tenants and borrowers, and the direct and indirect economic effects of the outbreak and containment measures, all of which are uncertain and cannot be predicted. During 2020, the COVID-19 pandemic negatively affected our business, and could continue to have material, adverse effects on our financial condition, results of operations and cash flows.

Our Consolidated Financial Statements reflect estimates and assumptions made by management that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and reported amounts of revenue and expenses during the reporting periods presented. We considered the impact of the COVID-19 pandemic on the assumptions and estimates used in determining our financial condition and results of operations for the year ended December 31, 2020. The following were adverse impacts to our financial statements and business during the year ended December 31, 2020:

- We wrote-off receivables from tenants and straight-line rent receivables totaling $65.1 million directly to rental revenue upon determination that the collectibility of these receivables or future lease payments from

these tenants were no longer probable. Additionally, we determined that future rental revenue related to these tenants, including American-Multi Cinema, Inc. ("AMC") and Regal Cinemas ("Regal"), a subsidiary of Cineworld Group, will be recognized on a cash basis. The straight-line rent receivable represented $38.0 million of this write-off and was comprised of $26.5 million of straight-line rent receivable and $11.5 million of sub-lessor ground lease straight-line rent receivable.

- We reduced rental revenue by $13.6 million due to rent abatements.
- We deferred approximately $76.0 million of amounts due from tenants and $3.4 million due from borrowers that were booked as receivables. Additionally, we have amounts due from tenants that were not booked as receivables as the full amounts were not deemed probable of collection as a result of the COVID-19 pandemic. The amounts not booked as receivables remain obligations of the tenants and will be recognized as revenue when received. The repayment terms for all of these deferments vary by tenant or borrower.
- We recognized $85.7 million in impairment charges during the year ended December 31, 2020, which was comprised of $70.7 million of impairments of real estate investments, and $15.0 million of impairments of operating lease right-of-use assets. We also recognized impairment charges on joint ventures of $3.2 million related to our equity investments in three theatre projects located in China.
- We increased our expected credit losses by $30.7 million from our implementation estimate of $2.2 million. This increase was primarily due to credit loss expense related to fully reserving the outstanding principal balance of $12.6 million and unfunded commitment to fund $12.9 million, totaling $25.5 million, related to notes receivable from one borrower, as a result of recent changes in the borrower's financial status due to the impact of the COVID-19 pandemic. The remaining increase was due to economic uncertainty and the rapidly changing environment surrounding the pandemic.
- We recognized a full valuation allowance of $18.0 million during third quarter 2020 on our net deferred tax assets related to our taxable REIT subsidiary ("TRS") and Canadian tax paying entity as a result of the uncertainty of realization caused by the impact of the COVID-19 pandemic. At December 31, 2020, we have a valuation allowance totaling $24.9 million on our net deferred tax assets.
- On March 20, 2020, we borrowed $750.0 million under our unsecured revolving credit facility as a precautionary measure to increase our cash position and preserve financial flexibility given the global uncertainty caused by the COVID-19 pandemic. On December 30, 2020, we paid down our revolving credit facility by $160.0 million, following the sale of six private schools and four early childhood education centers. Subsequent to year-end, we paid down an additional $500.0 million on our revolving credit facility.
- We amended our Consolidated Credit Agreement, which governs our unsecured revolving credit facility and our unsecured term loan facility, and our Note Purchase Agreement, which governs our private placement notes. The amendments modified certain provisions and waived our obligation to comply with certain covenants under these debt agreements during the Covenant Relief Period in light of the uncertainty related to impacts of the COVID-19 pandemic on us and our tenants and borrowers. We pay higher interest costs during the Covenant Relief Period. The amendments to the Consolidated Credit Agreement and Note Purchase Agreement also impose additional restrictions on us during the Covenant Relief Period, including limitations on making investments, incurring indebtedness, making capital expenditures, paying dividends and making other distributions, repurchasing our shares, voluntarily prepaying certain indebtedness, encumbering certain assets and maintaining a minimum liquidity amount, in each case subject to certain exceptions. See below and Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional details.
- In connection with the loan amendments discussed above, certain of our key subsidiaries guaranteed our obligations based on our unsecured debt ratings. If our unsecured debt rating is further downgraded by Moody's, we will be required to pledge the equity interest in certain of these subsidiary guarantors to secure our obligations under our unsecured credit facilities and private placement notes. See Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional details.

On March 24, 2020, our Board of Trustees (the "Board") announced approval of a $150 million share repurchase program in response to the extraordinary dislocation in our common share price. The share repurchase program was set to expire on December 31, 2020; however, the program was suspended upon the effective date of the loan amendments on June 29, 2020, discussed above. During the year ended December 31, 2020, we repurchased 4,066,716 common shares under the share repurchase program for approximately $106.0 million. The repurchases

were made under a Rule 10b5-1 trading plan. There can be no assurances as to our ability to reinstitute the share repurchase program in future periods or the timing thereof.

The monthly cash dividends to common shareholders were suspended following the common share dividend paid on May 15, 2020 to shareholders of record as of April 30, 2020. The suspension of the monthly cash dividend to common shareholders will continue through the Covenant Relief Period, except as may be necessary to maintain REIT status and to not owe income tax. There can be no assurances as to our ability to reinstitute cash dividend payments to common shareholders or the timing thereof.

Collections of rent and interest were impacted during the year by the COVID-19 pandemic and approximately 92% of our non-theatre and 58% of our theatre locations were open for business as of December 31, 2020. During the year ended December 31, 2020, tenants and borrowers paid approximately 46% of fourth quarter, 43% of third quarter and 29% of second quarter 2020 pre-COVID contractual cash revenue. Pre-COVID contractual cash revenue is an operational measure and represents aggregate cash payments for which we were entitled under existing contracts prior to the COVID-19 pandemic, excluding percentage rent (rents received over base amounts) and cash payments for subsequently disposed properties, net. The Company has reached resolution with customers representing approximately 95% of its pre-COVID contractual revenue. While deferments for this and future periods delay rent or mortgage payments, these deferments generally do not release customers from the obligation to pay the deferred amounts in the future. Deferred rent amounts are reflected in our financial statements as accounts receivable if collection is determined to be probable or will be recognized when received as variable lease payments if collection is determined to not be probable, while deferred mortgage payments are reflected as mortgage notes and related accrued interest receivable, less any allowance for credit loss. Certain agreements with tenants where remaining lease terms are extended, or other changes are made that do not qualify for the treatment in the Financial Accounting Standards Board (FASB) Staff Q&A on Topic 842 and Topic 840: Accounting for Lease Concessions Related to the Effects of the COVID-19 Pandemic, are treated as lease modifications. In these circumstances upon an executed lease modification, if the tenant is not being recognized on a cash basis, the contractual rent reflected in accounts receivable and the straight-line rent receivable will be amortized over the remaining term of the lease against rental revenue. In limited cases, tenants may be entitled to the abatement of rent during governmentally imposed prohibitions on business operations which is recognized in the period to which it relates, or we may provide rent concessions to tenants. In cases where we provide concessions to tenants to which they are not otherwise entitled, those amounts are recognized in the period in which the concession is granted unless the changes are accounted for as lease modifications.

In March 2020, our employees transitioned to a fully remote work force to protect the safety and well-being of our personnel. Our prior investments in technology, business continuity planning and cyber-security protocols have enabled us to continue working with limited operational impacts.

Operating Results

Our total revenue from continuing operations, net (loss) income available to common shareholders per diluted share and FFOAA per diluted share (a non-GAAP financial measure) are detailed below for the years ended December 31, 2020 and 2019 (in millions, except per share information):

	Year ended December 31,		
	2020	**2019**	**Change**
Total revenue from continuing operations	$ 414.7	$ 652.0	(36)%
Net (loss) income available to common shareholders per diluted share	(2.05)	2.32	(188)%
FFOAA per diluted share	1.43	5.44	(74)%

The major factors impacting our results for the year ended December 31, 2020, as compared to the year ended December 31, 2019 were as follows:

- The effects of the COVID-19 pandemic as described above;
- The effect of investment spending that occurred in 2020 and 2019;

- The effect of property dispositions and mortgage note payoffs that occurred in 2020 and 2019;
- The decrease in other income and other expenses primarily from the operations of the Kartrite Resort and Indoor Waterpark in Sullivan County, New York and the impacts of the COVID-19 pandemic on this property;
- The decrease in termination fees included in gain on sale related to the sale of Education properties;
- The decrease in general and administrative expense;
- The decrease in costs associated with loan refinancing or payoff;
- The decrease in transaction costs; and
- The decrease in common shares outstanding.

For further detail on items impacting our operating results, see section below titled "Results of Operations". FFOAA is a non-GAAP financial measure. For the definitions and further details on the calculations of FFOAA and certain other non-GAAP financial measures, see section below titled "Non-GAAP Financial Measures."

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States ("GAAP") requires management to make estimates and assumptions in certain circumstances that affect amounts reported in the accompanying consolidated financial statements and related notes. In preparing these financial statements, management has made its best estimates and assumptions that affect the reported assets and liabilities and the reported amounts of revenues and expenses during the reporting periods. The most significant assumptions and estimates relate to the valuation of real estate, accounting for real estate acquisitions, assessing the collectibility of receivables and the credit loss related to mortgage and other notes receivable. Application of these assumptions requires the exercise of judgment as to future uncertainties and, as a result, actual results could differ from these estimates.

Impairment of Real Estate Values
We are required to make subjective assessments as to whether there are impairments in the value of our real estate investments. These estimates of impairment may have a direct impact on our consolidated financial statements. We assess the carrying value of our real estate investments whenever events or changes in circumstances indicate that the carrying amount of a property may not be recoverable. Certain factors may indicate that impairments exist which include, but are not limited to, under-performance relative to projected future operating results, change in the time period we expect to hold the property, tenant difficulties and significant adverse industry or market economic trends. If an indicator of possible impairment exists, the property is evaluated for impairment by comparing the carrying amount of the property to the estimated future cash flows (undiscounted and without interest charges), including the residual value of the real estate. If an impairment is indicated, a loss will be recorded for the amount by which the carrying value of the asset exceeds its estimated fair value. Estimating future cash flows is highly subjective and such estimates could differ materially from actual results.

Real Estate Acquisitions
Upon acquisition of real estate properties, we evaluate the acquisition to determine if it is a business combination or an asset acquisition.

If the acquisition is determined to be an asset acquisition, we record the purchase price and other related costs incurred to the acquired tangible assets and identified intangible assets and liabilities on a relative fair value basis. Typically, relative fair values are based on recent independent appraisals or methods similar to those used by independent appraisers, as well as management judgment. In addition, acquisition-related costs incurred for asset acquisitions are capitalized.

If the acquisition is determined to be a business combination, we record the fair value of acquired tangible assets and identified intangible assets and liabilities as well as any non-controlling interest. Typically, fair values are based on recent independent appraisals or methods similar to those used by independent appraisers, as well as management judgment. In addition, acquisition-related costs incurred for business combinations are expensed as incurred. Costs

related to such transactions, as well as costs associated with terminated transactions, are included in the accompanying consolidated statements of (loss) income and comprehensive (loss) income as transaction costs.

Collectibility of Lease Receivables

Our accounts receivable balance is comprised primarily of rents and operating cost recoveries due from tenants as well as accrued rental rate increases to be received over the life of the existing leases. We regularly evaluate the collectibility of our receivables on a lease by lease basis. The evaluation primarily consists of reviewing past due account balances and considering such factors as the credit quality of our tenants, historical trends of the tenant, current economic conditions and changes in customer payment terms. We suspend revenue recognition when the collectibility of amounts due are no longer probable and record a direct write-off of the receivable to revenue. Prior to 2019, we reduced our accounts receivable by an allowance for doubtful accounts and recorded bad debt expense included in property operating expenses when loss was probable.

Collectibility of Mortgage and Notes Receivables

Our mortgage and notes receivables consist of loans originated by us and the related accrued and unpaid interest income. We regularly evaluate the collectibility of our receivables by reviewing past due balances and considering such factors as the credit quality of our borrowers, historical trends of the borrower, our historical loss experience, current portfolio, market and economic conditions and changes in borrower payment terms. We estimate our current expected credit losses on a loan-by-loan basis using a forward-looking commercial real estate forecasting tool. We record credit loss expense and reduce our mortgage note and note receivables balances by the allowance for credit losses on a quarterly basis in accordance with ASC 326. In the event we have a past due mortgage note or note receivable and we determine it is collateral dependent, we measure expected credit losses based on the fair value of the collateral. If foreclosure is deemed probable, and we expect to sell rather than operate the collateral, we adjust the fair value of the collateral for the estimated costs to sell. Prior to 2020, we evaluated the collectibility of our mortgage and notes receivables to determine whether the loan was impaired and if it was probable that we would be unable to collect all amounts due according to the contractual terms.

Recent Developments

Investment Spending

Our investment spending during the years ended December 31, 2020 and 2019 totaled $85.1 million and $794.7 million, respectively, and is detailed below (in thousands):

For the Year Ended December 31, 2020

Investment Type	Total Investment Spending	New Development	Re-development	Asset Acquisition	Mortgage Notes or Notes Receivable	Investment in Joint Ventures
Experiential:						
Theatres	$ 33,162	$ 5,760	$ 5,183	$ 22,219	$ —	$ —
Eat & Play	19,679	18,852	827	—	—	—
Attractions	669	—	669	—	—	—
Ski	2,088	—	—	—	2,088	—
Experiential Lodging	17,114	13,775	1,649	—	—	1,690
Cultural	6,293	—	159	—	6,134	—
Fitness & Wellness	6,049	—	—	—	6,049	—
Total Experiential	85,054	38,387	8,487	22,219	14,271	1,690
Education:						
Early Childhood Education Centers	3	—	—	—	3	—
Total Education	3	—	—	—	3	—
Total Investment Spending	$ 85,057	$ 38,387	$ 8,487	$ 22,219	$ 14,274	$ 1,690

For the Year Ended December 31, 2019

Investment Type	Total Investment Spending	New Development	Re-development	Asset Acquisition	Mortgage Notes or Notes Receivable	Investment in Joint Ventures
Experiential:						
Theatres	$ 459,393	$ 4,500	$ 28,429	$ 426,464	$ —	$ —
Eat & Play	76,739	51,209	6,901	1,429	17,200	—
Attractions	102	—	—	—	102	—
Ski	37,288	—	288	—	37,000	—
Experiential Lodging	125,170	53,130	935	—	70,000	1,105
Gaming	608	608	—	—	—	—
Cultural	30,661	198	—	23,963	6,500	—
Fitness & Wellness	5,950	—	—	—	5,950	—
Total Experiential	735,911	109,645	36,553	451,856	136,752	1,105
Education:						
Private Schools	18,798	2,300	1,474	5,871	9,153	—
Early Childhood Education Centers	4,914	4,914	—	—	—	—
Public Charter Schools	35,068	29,953	—	—	5,115	—
Total Education	58,780	37,167	1,474	5,871	14,268	—
Total Investment Spending	$ 794,691	$ 146,812	$ 38,027	$ 457,727	$ 151,020	$ 1,105

The above amounts include $9 thousand and $35 thousand in capitalized payroll, $1.2 million and $5.3 million in capitalized interest and $0.3 million and $0.4 million in capitalized other general and administrative direct project costs for the years ended December 31, 2020 and 2019, respectively. Excluded from the table above is $11.3 million and $15.2 million of maintenance capital expenditures and other spending for the years ended December 31, 2020 and 2019, respectively.

We limited our investment spending during the year ended December 31, 2020 to enhance our liquidity position in light of the negative impact of the COVID-19 pandemic. We will continue to limit our investment spending during the Covenant Relief Period under the amendments to the agreements governing our bank credit facilities and private placement notes as discussed above.

Dispositions

On December 29, 2020, pursuant to a tenant purchase option, we completed the sale of six private schools and four early childhood education centers for net proceeds of approximately $201.2 million and recognized a gain on sale of approximately $39.7 million. Additionally, during the year ended December 31, 2020, we completed the sale of three early education properties, four experiential properties and two land parcels for net proceeds totaling $26.6 million and recognized a combined gain on sale of $10.4 million.

AMC Restructuring

On July 31, 2020, we entered into a Forbearance Agreement (the "Forbearance Agreement"), a Master Lease Agreement (the "Master Lease") and seven amended lease agreements (the "Transitional Leases" and collectively with the Master Lease, the "Leases") with American Multi-Cinema, Inc. and certain affiliates ("AMC") relating to 53 properties leased by us to AMC (the "Leased Properties") on the date the agreement was executed. We entered into the Master Lease with AMC relating to 46 theatres ("Master Lease Properties") and amended the Transitional Leases relating to seven theatres ("Transitional Properties"), each of which was effective July 1, 2020. Subsequent to the effective date, we terminated the Transitional Leases during the second and third quarter of 2020.

We agreed to reduce total annual fixed rent on the 46 Master Lease Properties by approximately 18%, or $19.4 million to approximately $87.8 million (including approximately $6.8 million of ground rent and the repayment of deferral amounts for the months of April, May and June 2020 which we had agreed to defer and amortize as part of fixed rent over the first 14 years of the Master Lease term). Additionally, the Master Lease has fixed escalators of 7.5% every five years on fixed rent excluding the portion attributable to deferred rent.

Each lease for the seven Transitional Properties was amended by the parties. We agreed to reduce the aggregate annual fixed rent on the Transitional Properties by approximately $6.2 million to approximately $8.1 million (including approximately $1.2 million of ground rent and the repayment of deferral amounts for the months of April, May and June 2020 which we had agreed to defer and amortize as part of fixed rent over the remaining terms of the new leases). The total amount deferred under each Transitional Lease prior to us terminating these agreements is still due by AMC and is scheduled to be paid over what would have been the remaining terms of the related property leases.

Pursuant to the Leases and the Forbearance Agreement, during the period of July 1, 2020 through December 31, 2020, AMC agreed to pay percentage rent (15% of gross receipts) in lieu of fixed rent for the Leased Properties prior to any lease terminations. The difference between the percentage rent paid and fixed rent due under the Master Lease represents an additional deferred amount that, beginning in February 2021, will be added to fixed cash rent and amortized over the first 14 years of the Master Lease and beginning January 2021 will be rent due related to the Transitional Leases amortized over the prior lease terms. During the year ended December 31, 2020, we recognized $1.7 million in percentage rent from AMC which related to the period they were open beginning in late August. The payment expected for December will be recognized in the first quarter of 2021 when the payment is received due to recognizing AMC's revenue on a cash basis.

The Master Lease Properties have been divided into four tranches, with the initial term of each tranche expiring annually from June 30, 2034 to June 30, 2037. The Transitional Leases have expiration dates occurring between November 2026 and March 2029. Prior to December 31, 2020, we terminated all Transitional Leases with AMC.

We believe that the AMC restructuring significantly improves our long-term position with respect to AMC, while providing AMC with deferrals it needs during the pandemic and better performing theatres in the future. Specifically:

- The Master Lease was designed with the intention that the parties will respect the master lease characterization at all times, which we believe will enhance our position in the event of a reorganization proceeding regarding AMC;
- The lease terms on properties included in the Master Lease were increased by an average of nine years; and
- We have reduced our exposure to AMC through the termination of each of the seven Transitional Lease and plan to re-brand or sell these properties with one property sold in December of 2020.

Impairment Charges
As a result of the COVID-19 pandemic, we experienced vacancies at some of our properties and at others we negotiated lease modifications that included rent reductions. As part of this process, we reassessed the expected holding periods and expected future cash flows of such properties and determined that the estimated cash flows were not sufficient to recover the carrying values of nine properties. Accordingly, we recognized impairment charges of $85.7 million, which were comprised of $70.7 million of impairments of real estate investments at nine properties and $15.0 million of impairments of operating lease right-of-use assets at two of these properties. See Note 4 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional information related to these impairment charges.

During the year ended December 31, 2020, we recognized other-than-temporary impairment charges of $3.2 million on our equity investments in three theatre projects located in China. See Note 7 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional information related to these impairment charges.

Severance Expense
On December 31, 2020, our Senior Vice President - Asset Management, Michael L. Hirons, retired. His retirement was a "Qualifying Termination" under our Employee Severance and Retirement Vesting Plan. For the year ended December 31, 2020, severance expense totaled $2.9 million and included cash payments totaling $1.6 million, and accelerated vesting of nonvested shares and performance shares totaling $1.3 million.

Attraction Tenant Update
During the year ended December 31, 2020, we entered into an amended and restated loan and security agreement with one of our notes receivable borrowers in response to the impacts of the COVID-19 pandemic on the borrower. The restated note receivable consisted of the previous note balance of $6.5 million and provides the borrower with a term loan for up to $13.0 million and a $6.0 million revolving line of credit. The restated note receivable has a maturity date of June 30, 2032 and the line of credit matures on December 31, 2022. Interest is deferred through June 30, 2022, at which time monthly principal and interest payments will be due over 10 years and will be recognized as income on a cash basis. Although the borrower is not in default, nor has the borrower declared bankruptcy, we determined these modifications resulted in a troubled debt restructuring at December 31, 2020 due to the impacts of the COVID-19 pandemic on the borrower's financial condition. We recognized credit loss expense for the outstanding principal balance of $12.6 million and the $12.9 million unfunded commitment on the term loan and line of credit as of December 31, 2020.

Amended Consolidated Credit Agreement and Note Purchase Agreement
During the year ended December 31, 2020, we amended our Consolidated Credit Agreement, which governs our unsecured revolving credit facility and our unsecured term loan facility, and our Note Purchase Agreement, which governs our private placement notes. The amendments modified certain provisions and waived our obligation to comply with certain covenants under these debt agreements through December 31, 2020, or when the Company provides notice that it elects to terminate the Covenant Relief Period, both subject to certain conditions. See discussion below in Liquidity and Capital Resources and Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional information related to these amendments.

Results of Operations

Year ended December 31, 2020 compared to year ended December 31, 2019

Analysis of Revenue

The following table summarizes our total revenue (dollars in thousands):

	Year Ended December 31,		Change
	2020	2019	
Minimum rent (1)	$ 372,546	$ 544,279	$ (171,733)
Percentage rent (2)	8,554	14,962	(6,408)
Straight-line rent (3)	(24,550)	10,557	(35,107)
Tenant reimbursements (4)	15,111	22,864	(7,753)
Other rental revenue	515	360	155
Total Rental Revenue	$ 372,176	$ 593,022	$ (220,846)
Other income (5)	9,139	25,920	(16,781)
Mortgage and other financing income	33,346	33,027	319
Total revenue	$ 414,661	$ 651,969	$ (237,308)

(1) For the year ended December 31, 2020 compared to the year ended December 31, 2019, the decrease in minimum rent resulted primarily from the impact of the COVID-19 pandemic, with approximately $176.0 million related to tenants with rent recognized on a cash basis or as restructured, as well as for properties with deferred rent not recognized because collection was determined not probable or there were rent abatements. In addition, there was a decrease in rental revenue of $7.0 million from property dispositions not classified in discontinued operations. This was partially offset by an increase in minimum rent of $5.5 million related to property acquisitions and developments completed in 2020 and 2019 and $5.8 million in increases on existing properties. Minimum rent for the year ended December 31, 2020 includes $5.2 million in variable rent from tenants that paid a portion of minimum rent based on a percentage of gross revenue.

During the year ended December 31, 2020, we renewed 15 lease agreements on approximately 0.9 million square feet. These extension agreements (which exclude restructured agreements with AMC as discussed in "Recent Developments") were negotiated with our tenants in conjunction with rent deferrals as a result of the impact of the COVID-19 pandemic. The extension periods for these agreements will begin in future periods, between 2021 and 2031. Upon the commencement of the extension periods, we expect a weighted average increase of approximately 8% in rental rates. We paid no leasing commissions with respect to these lease renewals.

(2) The decrease in percentage rent (amounts above base rent) related primarily to lower percentage rent recognized during the year ended December 31, 2020 from five theatre properties, one ski property, five attraction properties, one eat and play tenant and one early education tenant. These decreases were partially offset by increases in percentage rent from one private school tenant.

(3) For the year ended December 31, 2020 compared to the year ended December 31, 2019, the decrease in straight-line rent resulted primarily from write-offs totaling $38.0 million during the year ended December 31, 2020, which was comprised of $26.5 million of straight-line accounts receivable and $11.5 million of sub-lessor ground lease straight-line accounts receivable, due to the COVID-19 pandemic. This was partially offset by an increase in straight-line rent related to property acquisitions and developments completed in 2020 and 2019.

(4) The decrease in tenant reimbursements during the year ended December 31, 2020 was primarily due to COVID-19 contractual abatements (which in certain cases included tenant reimbursements), tenant deferrals that were not recognized because collection was not probable and vacancies. Additionally, during the year ended December 31, 2020, we had $4.7 million less in the gross-up of tenant reimbursed expenses for property taxes at various properties as certain tenants at these properties are now paying these costs directly.

(5) The decrease in other income for the year ended December 31, 2020 related primarily to a decrease in operating income as a result of COVID-19 closures at the Kartrite Resort and a theatre property.

Analysis of Expenses and Other Line Items

The following table summarizes our expenses and other line items (dollars in thousands):

	Year Ended December 31,		Change
	2020	2019	
Property operating expense (1)	$ 58,587	$ 60,739	$ (2,152)
Other expense (2)	16,474	29,667	(13,193)
General and administrative expense (3)	42,596	46,371	(3,775)
Severance expense	2,868	2,364	504
Costs associated with loan refinancing or payoff (4)	1,632	38,269	(36,637)
Interest expense, net (5)	157,675	142,002	15,673
Transaction costs (6)	5,436	23,789	(18,353)
Credit loss expense (7)	30,695	—	30,695
Impairment charges (8)	85,657	2,206	83,451
Depreciation and amortization (9)	170,333	158,834	11,499
Equity in loss from joint ventures (10)	(4,552)	(381)	(4,171)
Impairment charges on joint ventures (11)	(3,247)	—	(3,247)
Gain on sale of real estate (12)	50,119	4,174	45,945
Income tax (expense) benefit (13)	(16,756)	3,035	(19,791)
Income from discontinued operations before other items (14)	—	37,241	(37,241)
Impairment on public charter school portfolio sale (15)	—	(21,433)	21,433
Gain on sale of real estate from discontinued operations (16)	—	31,879	(31,879)
Preferred dividend requirements	(24,136)	(24,136)	—

(1) Our property operating expenses arise from the operations of our entertainment districts and other specialty properties as well as operating ground lease expense and the gross-up of tenant reimbursed expenses. The decrease in property operating expenses resulted from bad debt expense booked in 2019, as well as a decrease in the gross-up of tenant reimbursed expenses for property taxes at various properties as certain tenants at these properties are now paying these costs directly. These decreases were partially offset by an increase in costs due to higher vacancies.

(2) The decrease in other expense for the year ended December 31, 2020 related to a decrease in operating expenses as a result of COVID-19 closures at the Kartrite Resort and a theatre property.

(3) The decrease in general and administrative expense for the year ended December 31, 2020 was primarily due to a decrease in payroll and benefits costs, as well as travel expenses, partially offset by increases in professional fees.

(4) Costs associated with loan refinancing or payoff for the year ended December 31, 2020 related to fees paid to third parties in connection with amendments to our Consolidated Credit Agreement and Note Purchase Agreement. Costs associated with loan refinancing or payoff for the year ended December 31, 2019 related to the tender and redemption of the 5.75% Senior Notes due 2022.

(5) The increase in our net interest expense for the year ended December 31, 2020 compared to the year ended December 31, 2019 resulted primarily from an increase in average borrowings as well as a decrease in interest cost capitalized on development projects. This was partially offset by a decrease in our weighted average interest rate on outstanding debt and an increase in interest income from short-term investments related to cash on hand.

(6) The decrease in transaction costs for the year ended December 31, 2020 compared to the year ended December 31, 2019 was primarily due to pre-opening costs related to the Kartrite Resort, which opened in May 2019, as well as less costs related to the transfer of our CLA properties to Crème.

(7) Credit loss expense for the year ended December 31, 2020 was recognized in conjunction with our implementation of the new current expected credit losses standard (Topic 326). In addition, credit loss expense for the year ended December 31, 2020 included $25.5 million of credit loss expense that was recognized to reserve the outstanding principal balance of notes receivable from one borrower and an unfunded commitment to fund an additional $12.9 million, as a result of to recent changes in the borrower's financial status due to the COVID-19 pandemic.

(8) Impairment charges recognized during the year ended December 31, 2020, related to nine properties with revised estimated undiscounted cash flows and shorter hold periods as a result of the COVID-19 pandemic. Impairment charges recognized during the year ended December 31, 2020 were comprised of $70.7 million of impairments of real estate investments and $15.0 million of impairments of operating lease right-of-use assets. Impairment charges recognized during the year ended December 31, 2019, related to one theatre property.

(9) The increase in depreciation and amortization expense resulted primarily from acquisitions and developments completed in 2019 and 2020 as well as the acceleration of amortization on an in-place lease intangible related to a vacant property. This increase was partially offset by decreases related to property dispositions that occurred during 2019 and 2020.

(10) The increase in equity in loss from joint ventures resulted primarily from losses recognized at our joint ventures projects located in St. Petersburg Beach, Florida, and our joint ventures in three theatre projects in China. These properties were negatively impacted due to COVID-19 closures.

(11) Impairment charges on joint ventures for the year ended December 31, 2020 related to other-than-temporary impairment charges on three theatre projects located in China. See Note 7 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information.

(12) The gain on sale of real estate for the year ended December 31, 2020 related to the exercise of a tenant purchase option on six private schools and four early childhood education centers as well as the sale of three early education center properties, four experiential properties and two land parcels. The gain on sale of real estate for the year ended December 31, 2019 related to the sale of one early childhood education center property, one attraction property and four land parcels.

(13) The increase in income tax expense for the year ended December 31, 2020 compared to income tax benefit for the year ended December 31, 2019 is primarily related to the recognition of a full valuation allowance on deferred tax assets for our Canadian operations and certain TRSs as a result of the economic uncertainty caused by the COVID-19 pandemic.

(14) Income from discontinued operations before other items for the year ended December 31, 2019 related to the operating results of all public charter school investments disposed in 2019. See Note 17 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information on discontinued operations.

(15) Impairment on public charter school portfolio sale for the year ended December 31, 2019 related to the sale of substantially all of our public charter school portfolio, consisting of 47 public charter school related assets. See Note 4 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for further information on these impairment charges.

(16) Gain on sale of real estate from discontinued operations for the year ended December 31, 2019 was due to the disposition of ten public charter schools pursuant to tenant purchase options and seven other public charter school properties sold during 2019.

Year ended December 31, 2019 compared to year ended December 31, 2018

Analysis of Revenue

The following table summarizes our total revenue (dollars in thousands):

	Year Ended December 31,		Change
	2019	2018	
Minimum rent (1)	$ 544,279	$ 478,087	$ 66,192
Percentage rent (2)	14,962	10,663	4,299
Straight-line rent (3)	10,557	4,703	5,854
Tenant reimbursements (4)	22,864	15,305	7,559
Other rental revenue	360	328	32
Total Rental Revenue	$ 593,022	$ 509,086	$ 83,936
Other income (5)	25,920	2,076	23,844
Mortgage and other financing income (6)	33,027	128,759	(95,732)
Total revenue	$ 651,969	$ 639,921	$ 12,048

(1) For the year ended December 31, 2019 compared to the year ended December 31, 2018, the increase in minimum rent resulted from $41.2 million of rental revenue related to property acquisitions and developments completed in 2019 and 2018, an increase of $3.5 million in rental revenue related to our 21 early childhood education center properties that were transferred from CLA to Crème and an increase of $0.2 million in rental revenue on existing properties. In addition, during the year ended December 31, 2019, we recognized $22.6 million in lease revenue on our existing operating ground leases in which we are sub-lessor, in connection with our adoption of Topic 842. These increases were partially offset by a decrease of $1.3 million from property dispositions not included in discontinued operations.

During the year ended December 31, 2019, we renewed 10 lease agreements on approximately 783 thousand square feet and funded or agreed to fund an average of $17.25 per square foot in tenant improvements. We experienced a decrease of approximately 6.3% in rental rates and paid no leasing commissions with respect to these lease renewals.

(2) The increase in percentage rent related primarily to higher percentage rent recognized during the year ended December 31, 2019 from one of our ski properties, our gaming property and several attraction and Education properties.

(3) The increase in straight-line rent related primarily to property acquisitions and developments completed in 2019 and 2018 as well as $0.9 million in straight-line revenue on our existing operating ground leases in which we are a sub-lessor, in connection with our adoption of Topic 842.

(4) The increase in tenant reimbursements related primarily to the gross-up of tenant reimbursed expenses of $6.9 million recognized during the year ended December 31, 2019 in accordance with Topic 842.

(5) The increase in other income for the year ended December 31, 2019 related primarily to the operating income from the Kartrite Resort, as well as the operating income from a theatre.

(6) The decrease in mortgage and other financing income was primarily due to prepayment fees received in connection with prepayments on two non-Education mortgage notes during the year ended December 31, 2018 totaling $71.3 million as well as note and direct financing lease payoffs in 2018 and 2019.

Analysis of Expenses and Other Line Items

The following table summarizes our expenses and other line items (dollars in thousands):

	Year Ended December 31,		Change
	2019	2018	
Property operating expense (1)	$ 60,739	$ 29,654	$ 31,085
Other expense (2)	29,667	443	29,224
General and administrative expense	46,371	48,889	(2,518)
Severance expense	2,364	5,938	(3,574)
Litigation settlement expense	—	2,090	(2,090)
Costs associated with loan refinancing or payoff (3)	38,269	31,958	6,311
Interest expense, net (4)	142,002	135,870	6,132
Transaction costs (5)	23,789	3,698	20,091
Impairment charges (6)	2,206	27,283	(25,077)
Depreciation and amortization (7)	158,834	138,395	20,439
Equity in loss from joint ventures	(381)	(22)	(359)
Gain on sale of real estate	4,174	3,037	1,137
Gain on sale of investment in direct financing leases (8)	—	5,514	(5,514)
Income tax benefit (expense) (9)	3,035	(2,285)	5,320
Income from discontinued operations before other items (10)	37,241	45,036	(7,795)
Impairment on public charter school portfolio sale (11)	(21,433)	—	(21,433)
Gain on sale of real estate from discontinued operations (12)	31,879	—	31,879
Preferred dividend requirements	(24,136)	(24,142)	6

(1) Our property operating expenses arise from the operations of our entertainment districts and other specialty properties as well as operating ground lease expense and the gross-up of tenant reimbursed expenses. The increase in property operating expenses resulted primarily from ground lease expense of $24.6 million from our existing operating ground leases as well as the gross-up of tenant reimbursed expenses of $6.9 million recognized during the year ended December 31, 2019, in accordance with Topic 842, adopted January 1, 2019.

(2) The increase in other expense for the year ended December 31, 2019 related to operating expenses for the Kartrite Resort, as well as operating expense for a theatre.

(3) Costs associated with loan refinancing or payoff for the year ended December 31, 2019 related to the tender and redemption of the 5.75% Senior Notes due 2022. Costs associated with loan refinancing or payoff for the year ended December 31, 2018 related to the redemption of the 7.75% Senior Notes due 2020.

(4) The increase in our net interest expense for the year ended December 31, 2019 compared to the year ended December 31, 2018 resulted primarily from an increase in average borrowings used to finance our real estate acquisitions and fund our mortgage notes receivable as well as a decrease in interest cost capitalized on development projects. This was partially offset by an increase in interest income recognized during the year ended December 31, 2019.

(5) The increase in transaction costs for the year ended December 31, 2019 compared to the year ended December 31, 2018 was primarily due to pre-opening costs related to the Kartrite Resort, which opened in May 2019, as well as costs related to the transfer of our CLA properties to Crème.

(6) Impairment charges recognized during the year ended December 31, 2019 related to one theatre property. Impairment charges recognized during the year ended December 31, 2018 related to two partially completed early childhood education centers and two land parcels with site improvements, as well as an impairment charge related to two guarantees of the payment of certain economic development revenue bonds secured by leasehold interest and improvements at two theatres in Louisiana. See Note 4 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for further information on these impairment charges.

(7) The increase in depreciation and amortization expense resulted primarily from acquisitions and developments completed in 2018 and 2019 and was partially offset by property dispositions that occurred during 2018 and 2019.

(8) Gain on sale of investment in direct financing leases for the year ended December 31, 2018 related to the sale of four public charter school properties leased to Imagine Schools, Inc. ("Imagine").

(9) The change in income tax benefit for the year ended December 31, 2019 compared to the income tax expense for the year ended December 31, 2018 is primarily related to lower deferred taxes due to the treatment of pre-opening costs and other expected tax losses for the Kartrite Resort, as well as certain expenses related to our Canadian trust.

(10) Income from discontinued operations before other items for the year ended December 31, 2019 and 2018 related to the operating results of all public charter school investments disposed in 2019. See Note 17 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information on discontinued operations.

(11) Impairment on public charter school portfolio sale for the year ended December 31, 2019 related to the sale of substantially all of our public charter school portfolio, consisting of 47 public charter school related assets, which occurred on November 22, 2019. See Note 4 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for further information on these impairment charges.

(12) Gain on sale of real estate from discontinued operations for the year ended December 31, 2019 was due to the disposition of ten public charter schools pursuant to tenant purchase options and seven other public charter school properties sold during 2019.

Liquidity and Capital Resources

Cash and cash equivalents were $1.0 billion at December 31, 2020. In addition, we had restricted cash of $2.4 million at December 31, 2020. Of the restricted cash at December 31, 2020, $1.3 million related to cash held for our tenants' off-season rent reserves and $1.1 million related to escrow deposits required for property management agreements or held for potential acquisitions and redevelopments.

Mortgage Debt, Senior Notes, Unsecured Revolving Credit Facility and Unsecured Term Loan Facility

As of December 31, 2020, we had total debt outstanding of $3.7 billion of which 99% was unsecured.

At December 31, 2020, we had outstanding $2.4 billion in aggregate principal amount of unsecured senior notes (excluding the private placement notes discussed below) ranging in interest rates from 3.75% to 5.25%. The notes contain various covenants, including: (i) a limitation on incurrence of any debt that would cause the ratio of our debt to adjusted total assets to exceed 60%; (ii) a limitation on incurrence of any secured debt that would cause the ratio of secured debt to adjusted total assets to exceed 40%; (iii) a limitation on incurrence of any debt that would cause our debt service coverage ratio to be less than 1.5 times; and (iv) the maintenance at all times of our total unencumbered assets such that they are not less than 150% of our outstanding unsecured debt.

In light of the continuing financial and operational impacts of the COVID-19 pandemic on us, our tenants and borrowers, on June 29, 2020 and November 3, 2020, we amended our Consolidated Credit Agreement, which governs our unsecured revolving credit facility and our unsecured term loan facility. The amendments modified certain provisions and waived our obligation to comply with certain covenants under this debt agreement through December 31, 2021. We can elect to terminate the Covenant Relief Period early, subject to certain conditions.

On June 29, 2020 and December 24, 2020, we further amended our Note Purchase Agreement, which governs our private placement notes. The amendments modified certain provisions and waived our obligation to comply with certain covenants under these debt agreements through October 1, 2021. We can elect to extend such period through January 1, 2022 and may elect to terminate the Covenant Relief Period early, subject to certain conditions. See Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional details.

At December 31, 2020, we had $590.0 million outstanding balance under our $1.0 billion unsecured revolving credit facility with interest at a floating rate of LIBOR plus 1.625% (with a LIBOR floor of 0.50%), which was 2.125%, with a facility fee of 0.375%. During the three months ended December 31, 2020, our unsecured debt rating was downgraded to BB+ by both Fitch and Standard & Poor's. If our unsecured debt rating is further downgraded by Moody's, the interest rate on the revolving credit facility would increase by 0.35% during the Covenant Relief Period. After the Covenant Relief Period and based on our current unsecured debt ratings, the interest rate will be LIBOR plus 1.20% (with a LIBOR floor of zero) and the facility fee will be 0.25%, however these rates are subject to change based on our unsecured debt ratings. Subsequent to December 31, 2020, due to stronger collections, disposition proceeds and significant liquidity, we used a portion of our cash on hand to reduce borrowing under our unsecured revolving credit facility by $500.0 million, resulting in a remaining balance of $90.0 million on our $1.0 billion facility.

At December 31, 2020, our unsecured term loan facility had a balance of $400.0 million with interest at a floating rate of LIBOR plus 2.00% (with a LIBOR floor of 0.50%), which was 2.50%. Similar to the unsecured revolving credit facility discussed above, if our unsecured debt rating is further downgraded by Moody's, the interest rate on the term loan facility would increase by 0.35% during the Covenant Relief Period. After the Covenant Relief Period and based on our current unsecured debt ratings, the interest rate will be LIBOR plus 1.35% (with a LIBOR floor of zero), however these rates are subject to change based on our unsecured debt ratings. As of December 31, 2020, all of this LIBOR-based debt was fixed with interest rate swaps from April 5, 2019 to February 7, 2022. During the Covenant Relief Period and based on our current unsecured debt ratings, the interest rate swaps are fixed at 4.40% for $350.0 million of borrowings and 4.60% for the remaining $50.0 million of borrowings, and after the Covenant Relief Period will be 3.40% for $350.0 million of borrowings and 3.60% for the remaining $50.0 million of borrowings, however these rates are subject to change based on the Company’s unsecured debt ratings.

At December 31, 2020, we had outstanding $340.0 million of senior unsecured notes that were issued in a private placement transaction. The private placement notes were issued in two tranches with $148.0 million due August 22, 2024, and $192.0 million due August 22, 2026. As noted above, we amended the Note Purchase Agreement, which governs our private placement notes, on June 29, 2020 and December 24, 2020 to modify certain provisions and obtain covenant waivers. At December 31, 2020, the interest rates for the private placement notes were 5.60% and 5.81% for the Series A notes due 2024 and the Series B notes due 2026, respectively. After the Covenant Relief Period, the interest rates for the private placement notes are scheduled to return to 4.35% and 4.56% for the Series A notes due 2024 and the Series B notes due 2026, respectively. Subsequent to December 31, 2020, we used a portion of our cash proceeds from property sales to reduce the principal of our private placement notes by $23.8 million in accordance with the above amendments to the Note Purchase Agreement.

Our unsecured credit facilities and the private placement notes contain financial covenants or restrictions that limit our levels of consolidated debt, secured debt, investment levels outside certain categories, stock repurchases and dividend distributions and require us to maintain a minimum consolidated tangible net worth and meet certain coverage levels for fixed charges and debt service. The amendments to these debt agreements imposed a new minimum liquidity financial covenant during the Covenant Relief Period, provided relief from compliance with certain other financial covenants during the Covenant Relief Period and permanently modified certain other financial covenants. The amendments also imposed additional restrictions on us during the Covenant Relief Period, including limitations on making investments, incurring indebtedness, making capital expenditures and paying dividends and making other distributions, repurchasing our shares, voluntarily prepaying certain indebtedness, encumbering certain assets and maintaining a minimum liquidity amount, in each case subject to certain exceptions. In addition, the amendments required us to cause certain of our key subsidiaries to guarantee our obligations based on our unsecured debt ratings, and we are required to pledge the equity interests of such subsidiary guarantors if certain subsequent events occur; however, both of these requirements end when the Covenant Relief Period is over. See Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional details regarding these amendments.

Additionally, these debt instruments contain cross-default provisions if we default under other indebtedness exceeding certain amounts. Those cross-default thresholds vary from $50.0 million to $75.0 million, depending upon

the debt instrument. We were in compliance with these financial and other covenants under our debt instruments at December 31, 2020.

Our principal investing activities are acquiring, developing and financing Experiential and Education properties. These investing activities have generally been financed with senior unsecured notes, as well as the proceeds from equity offerings. Our unsecured revolving credit facility is also used to finance the acquisition or development of properties, and to provide mortgage financing. We have and expect to continue to issue debt securities in public or private offerings. We have and may in the future assume mortgage debt in connection with property acquisitions or, after the expiration of the Covenant Relief Period, incur new mortgage debt on existing properties. We may also issue equity securities in connection with acquisitions. Continued growth of our real estate investments and mortgage financing portfolios will depend in part on our continued ability to access funds through additional borrowings and securities offerings and, to a lesser extent, our ability to assume debt in connection with property acquisitions. We may also fund investments with the proceeds from asset dispositions.

Capital Markets

During the year ended December 31, 2020, our Board of Trustees approved a share repurchase program to repurchase up to $150.0 million of our common shares. The share repurchase program was set to expire on December 31, 2020; however, we suspended the program on the effective date of the covenant modification agreements, June 29, 2020, as discussed above. During the year ended December 31, 2020, we repurchased 4,066,716 common shares under the share repurchase program for approximately $106.0 million. The repurchases were made under a Rule 10b5-1 trading plan.

During the year ended December 31, 2020, we issued an aggregate of 36,176 common shares under our DSP Plan for net proceeds of $1.1 million.

Liquidity Requirements

Short-term liquidity requirements consist primarily of normal recurring corporate operating expenses, debt service requirements, distributions to shareholders and, to a lesser extent, share repurchases. We have historically met these requirements primarily through cash provided by operating activities. The table below summarizes our cash flows (dollars in thousands):

	Year Ended December 31,	
	2020	2019
Net cash provided by operating activities	$ 65,273	$ 439,530
Net cash provided by investing activities	133,986	96,505
Net cash provided (used) by financing activities	297,169	(23,223)

We currently anticipate that our cash on hand, cash from operations and proceeds from asset dispositions will provide adequate liquidity to meet our financial commitments for the next 12 months, including to fund our operations, make interest and principal payments on our debt, allow distributions to our preferred shareholders, and allow distributions to our common shareholders to avoid corporate level federal income or excise tax in accordance with REIT Internal Revenue Code requirements. We may also use funds available under our unsecured revolving credit facility, subject to compliance with financial covenants.

As discussed above, we have agreed to rent and mortgage payment deferral arrangements with most of our customers as a result of the COVID-19 pandemic. Under these deferral arrangements, our customers are required to resume rent and mortgage payments at negotiated times, and begin repaying deferred amount under negotiated schedules, which will begin at various times in the future. In addition, the continuing impact of the COVID-19 pandemic may result in further extensions or adjustments for our customers, which we cannot predict at this time. In the near term, we believe we can fund our short-term liquidity requirements primarily with cash on hand, including funds borrowed under our unsecured revolving credit facility.

Liquidity requirements at December 31, 2020 consisted primarily of maturities of debt. Contractual obligations as of December 31, 2020 are as follows (in thousands):

	Year ended December 31,						
Contractual Obligations	**2021**	**2022**	**2023**	**2024**	**2025**	**Thereafter**	**Total**
Long Term Debt Obligations	$ —	$ 590,000	$ 675,000	$ 148,000	$ 300,000	$ 2,016,995	$ 3,729,995
Interest on Long Term Debt Obligations	157,078	131,911	117,895	106,927	92,653	175,670	782,134
Operating Lease Obligation - Corporate Office	884	967	967	967	967	724	5,476
Operating Ground Lease Obligations (1)	22,520	22,058	21,340	20,840	20,936	203,467	311,161
Total	$ 180,482	$ 744,936	$ 815,202	$ 276,734	$ 414,556	$ 2,396,856	$ 4,828,766

(1) Our tenants, who are generally sub-tenants under the ground leases, are responsible for paying the rent under these ground leases. As of December 31, 2020, rental revenue from several of our tenants, who are also sub-tenants under the ground leases, are being recognized on a cash basis. In most cases, the ground lease sub-tenants have continued to pay the rent under these ground leases. In addition, two of these properties are vacant. In the event the tenant fails to pay the ground lease rent or the property is vacant, we would be primarily responsible for the payment, assuming we do not sell or re-tenant the property. The above amounts exclude contingent rent due under leases where the ground lease payment, or a portion thereof, is based on the level of the tenant's sales.

Commitments

As of December 31, 2020, we had 17 development projects with commitments to fund an aggregate of approximately $118.3 million, of which approximately $46.9 million is expected to be funded in 2021. Development costs are advanced by us in periodic draws. If we determine that construction is not being completed in accordance with the terms of the development agreement, we can discontinue funding construction draws. We have agreed to lease the properties to the operators at pre-determined rates upon completion of construction.

We have certain commitments related to our mortgage notes and notes receivable investments that we may be required to fund in the future. We are generally obligated to fund these commitments at the request of the borrower or upon the occurrence of events outside of its direct control. As of December 31, 2020, we had three mortgage notes and one note receivable with commitments totaling approximately $31.8 million, of which approximately $21.7 million is expected to be funded in 2021. If commitments are funded in the future, interest will be charged at rates consistent with the existing investments.

In connection with construction of our development projects and related infrastructure, certain public agencies require posting of surety bonds to guarantee that our obligations are satisfied. These bonds expire upon the completion of the improvements or infrastructure. As of December 31, 2020, we had two surety bonds outstanding totaling $31.6 million.

Liquidity Analysis

As noted above, we had $590.0 million outstanding under our unsecured revolving credit facility at December 31, 2020. We borrowed $750.0 million on March 20, 2020 as a precautionary measure to increase our cash position and preserve financial flexibility in light of uncertainty in the global markets due to the COVID-19 pandemic. In addition, during 2020, we deferred our anticipated gaming venue investment and all other uncommitted investment spending. On December 30, 2020, we paid down our unsecured revolving credit facility by $160.0 million. In January 2021, due to stronger collections, disposition proceeds and significant liquidity, we used $500.0 million of our cash on hand to reduce the balance outstanding on our $1.0 billion unsecured revolving credit facility from

$590.0 million to $90.0 million. We believe our unrestricted cash position and borrowing capacity on our unsecured revolving credit facility will provide us with sufficient liquidity and aid us in this time of market disruption.

We have no scheduled debt payments due until 2022. We currently believe that we will be able to repay, extend, refinance or otherwise settle our debt maturities as the debt comes due and that we will be able to fund our remaining commitments, as necessary. However, there can be no assurance that additional financing or capital will be available, or that terms will be acceptable or advantageous to us, particularly in light of the current economic uncertainty caused by the COVID-19 pandemic.

Our primary use of cash after paying operating expenses, debt service, distributions to shareholders, funding share repurchases and funding existing commitments is in growing our investment portfolio through the acquisition, development and financing of additional properties. We expect to finance these investments with borrowings under our unsecured revolving credit facility, as well as debt and equity financing alternatives or proceeds from asset dispositions. The availability and terms of any such financing or sales will depend upon market and other conditions, which have been negatively impacted by the COVID-19 pandemic. If we borrow the maximum amount available under our unsecured revolving credit facility, there can be no assurance that we will be able to obtain additional or substitute investment financing. We may also assume mortgage debt in connection with property acquisitions.

Our investment spending and uses of cash during the Covenant Relief Period will be subject to limitations under the amendments to the agreements governing our Consolidated Credit Agreement and Note Purchase Agreement as discussed above. In addition, in certain circumstances, we will be required to apply 100% of the proceeds, net of certain costs, received during the Covenant Relief Period from certain sales and dispositions, debt issuances or equity issuances, in each case, subject to certain exceptions, to repay amounts outstanding under our Consolidated Credit Agreement and Note Purchase Agreement.

Capital Structure

We believe that our shareholders are best served by a conservative capital structure. Therefore, we seek to maintain a conservative debt level on our balance sheet as measured primarily by our net debt to adjusted EBITDA ratio (see "Non-GAAP Financial Measures" for definitions). We also seek to maintain conservative interest, fixed charge, debt service coverage and net debt to gross asset ratios.

Our net debt to adjusted EBITDAre ratio was not meaningful at December 31, 2020 given the temporary disruption caused by the COVID-19 pandemic and the associated accounting for tenant rent deferrals and other lease modifications. Our net debt to gross assets ratio was 40% as of December 31, 2020 (see "Non-GAAP Financial Measures" for calculation).

Non-GAAP Financial Measures

Funds From Operations (FFO), Funds From Operations As Adjusted (FFOAA) and Adjusted Funds from Operations (AFFO)

The National Association of Real Estate Investment Trusts (“NAREIT”) developed FFO as a relative non-GAAP financial measure of performance of an equity REIT in order to recognize that income-producing real estate historically has not depreciated on the basis determined under GAAP. Pursuant to the definition of FFO by the Board of Governors of NAREIT, we calculate FFO as net (loss) income available to common shareholders, computed in accordance with GAAP, excluding gains and losses from disposition of real estate and impairment losses on real estate, plus real estate related depreciation and amortization, and after adjustments for unconsolidated partnerships, joint ventures and other affiliates. Adjustments for unconsolidated partnerships, joint ventures and other affiliates are calculated to reflect FFO on the same basis. We have calculated FFO for all periods presented in accordance with this definition.

In addition to FFO, we present FFOAA and AFFO. FFOAA is presented by adding to FFO costs associated with loan refinancing or payoff, transaction costs, severance expense, preferred share redemption costs, impairment of

operating lease right-of-use assets, termination fees associated with tenants' exercises of public charter school buy-out options and credit loss expense and subtracting gain on insurance recovery and deferred income tax (benefit) expense. AFFO is presented by adding to FFOAA non-real estate depreciation and amortization, deferred financing fees amortization, share-based compensation expense to management and Trustees and amortization of above and below market leases, net and tenant allowances; and subtracting maintenance capital expenditures (including second generation tenant improvements and leasing commissions), straight-lined rental revenue (removing impact of straight-line ground sublease expense), and the non-cash portion of mortgage and other financing income.

FFO, FFOAA and AFFO are widely used measures of the operating performance of real estate companies and are provided here as a supplemental measure to GAAP net (loss) income available to common shareholders and earnings per share, and management provides FFO, FFOAA and AFFO herein because it believes this information is useful to investors in this regard. FFO, FFOAA and AFFO are non-GAAP financial measures. FFO, FFOAA and AFFO do not represent cash flows from operations as defined by GAAP and are not indicative that cash flows are adequate to fund all cash needs and are not to be considered alternatives to net income or any other GAAP measure as a measurement of the results of our operations or our cash flows or liquidity as defined by GAAP. It should also be noted that not all REITs calculate FFO, FFOAA and AFFO the same way so comparisons with other REITs may not be meaningful.

The following table summarizes our FFO, FFOAA and AFFO including per share amounts for FFO and FFOAA, for the years ended December 31, 2020, 2019 and 2018 and reconciles such measures to net (loss) income available to common shareholders, the most directly comparable GAAP measure (unaudited, in thousands, except per share information):

	Year ended December 31,		
	2020	2019	2018
FFO:			
Net (loss) income available to common shareholders of EPR Properties	$ (155,864)	$ 178,107	$ 242,841
Gain on sale of real estate	(50,119)	(36,053)	(3,037)
Gain on sale of investment in direct financing leases	—	—	(5,514)
Impairment of real estate investments, net (1)	70,648	23,639	27,283
Real estate depreciation and amortization	169,253	170,717	152,508
Allocated share of joint venture depreciation	1,491	2,213	226
Impairment charges on joint ventures	3,247	—	—
FFO available to common shareholders of EPR Properties	$ 38,656	$ 338,623	$ 414,307
FFO available to common shareholders of EPR Properties	$ 38,656	$ 338,623	$ 414,307
Add: Preferred dividends for Series C preferred shares	—	7,754	7,759
Add: Preferred dividends for Series E preferred shares	—	7,756	7,756
Diluted FFO available to common shareholders of EPR Properties	$ 38,656	$ 354,133	$ 429,822
FFOAA:			
FFO available to common shareholders of EPR Properties	$ 38,656	$ 338,623	$ 414,307
Costs associated with loan refinancing or payoff	1,632	38,450	31,958
Transaction costs	5,436	23,789	3,698
Severance expense	2,868	2,364	5,938
Litigation settlement expense	—	—	2,090
Termination fee included in gain on sale	—	24,075	1,864
Gain on insurance recovery (included in other income)	(809)	—	—
Impairment of operating lease right-of-use assets (1)	15,009	—	—
Credit loss expense	30,695	—	—
Deferred income tax expense (benefit)	15,246	(4,115)	573
FFOAA available to common shareholders of EPR Properties	$ 108,733	$ 423,186	$ 460,428

FFOAA available to common shareholders of EPR Properties	$ 108,733	$ 423,186	$ 460,428
Add: Preferred dividends for Series C preferred shares	—	7,754	7,759
Add: Preferred dividends for Series E preferred shares	—	7,756	7,756
Diluted FFOAA available to common shareholders of EPR Properties	$ 108,733	$ 438,696	$ 475,943
AFFO:			
FFOAA available to common shareholders of EPR Properties	$ 108,733	$ 423,186	$ 460,428
Non-real estate depreciation and amortization	1,080	1,045	922
Deferred financing fees amortization	6,606	6,192	5,797
Share-based compensation expense to management and trustees	13,819	13,180	15,111
Amortization of above/below-market leases, net and tenant allowances	(480)	(343)	(581)
Maintenance capital expenditures (2)	(11,377)	(5,453)	(2,101)
Straight-lined rental revenue	24,550	(13,552)	(10,229)
Straight-lined ground sublease expense	749	882	—
Non-cash portion of mortgage and other financing income	(250)	(2,411)	(3,043)
AFFO available to common shareholders of EPR Properties	$ 143,430	$ 422,726	$ 466,304
FFO per common share:			
Basic	$ 0.51	$ 4.41	$ 5.58
Diluted	0.51	4.39	5.51
FFOAA per common share:			
Basic	$ 1.43	$ 5.51	$ 6.20
Diluted	1.43	5.44	6.10
Shares used for computation (in thousands):			
Basic	75,994	76,746	74,292
Diluted	75,994	76,782	74,337
Weighted average shares outstanding-diluted EPS	75,994	76,782	74,337
Effect of dilutive Series C preferred shares	—	2,164	2,114
Effect of dilutive Series E preferred shares	—	1,631	1,607
Adjusted weighted average shares outstanding - diluted Series C and Series E	75,994	80,577	78,058
Other financial information:			
Dividends per common share	$ 1.515	$ 4.500	$ 4.320

Amounts above include the impact of discontinued operations, which are separately classified in the consolidated statements of (loss) income and comprehensive (loss) income included in this Annual Report on Form 10-K. See Note 17 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional information related to discontinued operations.

(1) Impairment charges recognized during the year ended December 31, 2020 totaled $85.7 million, which was comprised of $70.7 million of impairments of real estate investments and $15.0 million of impairments of operating lease right-of-use assets.
(2) Includes maintenance capital expenditures and certain second-generation tenant improvements and leasing commissions.

The effect of the conversion of our convertible preferred shares is calculated using the if-converted method and the conversion which results in the most dilution is included in the computation of per share amounts. The conversion of the 5.75% Series C cumulative convertible preferred shares and the 9.00% Series E cumulative convertible preferred shares would be dilutive to FFO and FFOAA per share for years ended December 31, 2019 and 2018. Therefore, the additional common shares that would result from the conversion and the corresponding add-back of the preferred dividends declared on those shares are included in the calculation of diluted FFO and FFOAA per share for these periods.

Net Debt

Net Debt represents debt (reported in accordance with GAAP) adjusted to exclude deferred financing costs, net and reduced for cash and cash equivalents. By excluding deferred financing costs, net and reducing debt for cash and cash equivalents on hand, the result provides an estimate of the contractual amount of borrowed capital to be repaid, net of cash available to repay it. We believe this calculation constitutes a beneficial supplemental non-GAAP financial disclosure to investors in understanding our financial condition. Our method of calculating Net Debt may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

Gross Assets

Gross Assets represents total assets (reported in accordance with GAAP) adjusted to exclude accumulated depreciation and reduced for cash and cash equivalents. By excluding accumulated depreciation and reducing cash and cash equivalents, the result provides an estimate of the investment made by us. We believe that investors commonly use versions of this calculation in a similar manner. Our method of calculating Gross Assets may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

Net Debt to Gross Assets

Net Debt to Gross Assets is a supplemental measure derived from non-GAAP financial measures that we use to evaluate capital structure and the magnitude of debt to gross assets. We believe that investors commonly use versions of this ratio in a similar manner. Our method of calculating Net Debt to Gross Assets may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs.

EBITDAre

NAREIT developed EBITDAre as a relative non-GAAP financial measure of REITs, independent of a company's capital structure, to provide a uniform basis to measure the enterprise value of a company. Pursuant to the definition of EBITDAre by the Board of Governors of NAREIT, we calculate EBITDAre as net (loss) income, computed in accordance with GAAP, excluding interest expense (net), income tax (benefit) expense, depreciation and amortization, gains and losses from disposition of real estate, impairment losses on real estate, costs associated with loan refinancing or payoff and adjustments for unconsolidated partnerships, joint ventures and other affiliates.

Management provides EBITDAre herein because it believes this information is useful to investors as a supplemental performance measure as it can help facilitate comparisons of operating performance between periods and with other REITs. Our method of calculating EBITDAre may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. EBITDAre is not a measure of performance under GAAP, does not represent cash generated from operations as defined by GAAP and is not indicative of cash available to fund all cash needs, including distributions. This measure should not be considered an alternative to net income or any other GAAP measure as a measurement of the results of our operations or cash flows or liquidity as defined by GAAP.

Adjusted EBITDAre

Management uses Adjusted EBITDAre in its analysis of the performance of the business and operations of the Company. Management believes Adjusted EBITDAre is useful to investors because it excludes various items that management believes are not indicative of operating performance, and that it is an informative measure to use in computing various financial ratios to evaluate the Company. We define Adjusted EBITDAre as EBITDAre (defined above) for the quarter excluding gain on insurance recovery, severance expense, credit loss expense, transaction costs, impairment losses on operating lease right-of-use assets and prepayment fees. For the three months ended December 31, 2020, Adjusted EBITDAre was further adjusted to add back prior period receivable write-offs related to certain theatre tenants placed on cash basis or receiving abatements during the quarter.

Our method of calculating Adjusted EBITDAre may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. Adjusted EBITDAre is not a measure of performance

under GAAP, does not represent cash generated from operations as defined by GAAP and is not indicative of cash available to fund all cash needs, including distributions. This measure should not be considered as an alternative to net income or any other GAAP measure as a measurement of the results of our operations or cash flows or liquidity as defined by GAAP.

Reconciliations of debt, total assets and net (loss) income available to common shareholders (all reported in accordance with GAAP) to Net Debt, Gross Assets, Net Debt to Gross Assets, EBITDAre and Adjusted EBITDAre (each of which is a non-GAAP financial measure) are included in the following tables (unaudited, in thousands):

	December 31,	
	2020	2019
Net Debt:		
Debt	$ 3,694,443	$ 3,102,830
Deferred financing costs, net	35,552	37,165
Cash and cash equivalents	(1,025,577)	(528,763)
Net Debt	$ 2,704,418	$ 2,611,232
Gross Assets:		
Total Assets	$ 6,704,185	$ 6,577,511
Accumulated depreciation	1,062,087	989,254
Cash and cash equivalents	(1,025,577)	(528,763)
Gross Assets	$ 6,740,695	$ 7,038,002
Net Debt to Gross Assets	40 %	37 %

	Three Months Ended December 31,	
	2020	2019
EBITDAre and Adjusted EBITDAre:		
Net (loss) income	$ (19,977)	$ 36,297
Interest expense, net	42,838	34,907
Income tax expense (benefit)	402	(530)
Depreciation and amortization	42,014	44,530
Gain on sale of real estate	(49,877)	(5,648)
Impairment of real estate investments, net	22,832	23,639
Costs associated with loan refinancing or payoff	812	43
Allocated share of joint venture depreciation	361	551
Allocated share of joint venture interest expense	872	735
EBITDAre (for the quarter)	$ 40,277	$ 134,524
Gain on insurance recovery (1)	(809)	—
Severance expense	2,868	423
Transaction costs	814	5,784
Credit loss expense	20,312	—
Accounts receivable write-offs from prior periods (2)	4,301	—
Straight-line receivable write-offs from prior periods (2)	870	—
Adjusted EBITDAre (for the quarter)	$ 68,633	$ 140,731

Amounts above include the impact of discontinued operations, which are separately classified in the consolidated statements of (loss) income and comprehensive (loss) income included in this Annual Report on Form 10-K.

(1) Included in other income in the consolidated statements of (loss) income and comprehensive (loss) income for the quarter. Other income includes the following:

	Three Months Ended December 31,	
	2020	2019
Income from settlement of foreign currency swap contracts	$ 110	$ 252
Gain on insurance recovery	809	—
Operating income from operated properties	45	7,996
Miscellaneous income	4	138
Other income	$ 968	$ 8,386

(2) Included in rental revenue from continuing operations in the consolidated statements of (loss) income and comprehensive (loss) income for the quarter. Rental revenue includes the following:

	Three Months Ended December 31,	
	2020	2019
Minimum rent	$ 79,342	$ 139,529
Accounts receivable write-offs from prior periods	(4,301)	—
Tenant reimbursements	4,831	5,790
Percentage rent	3,040	6,428
Straight-line rental revenue	1,768	2,926
Straight-line receivable write-offs from prior periods	(870)	—
Other rental revenue	201	92
Rental revenue	$ 84,011	$ 154,765

Total Investments

Total investments is a non-GAAP financial measure defined as the sum of the carrying values of real estate investments (before accumulated depreciation), land held for development, property under development, mortgage notes receivable (including related accrued interest receivable), investment in joint ventures, intangible assets, gross (before accumulated amortization and included in other assets) and notes receivable and related accrued interest receivable, net (included in other assets). Total investments is a useful measure for management and investors as it illustrates across which asset categories the Company's funds have been invested. Our method of calculating total investments may be different from methods used by other REITs and, accordingly, may not be comparable to such other REITs. A reconciliation of total investments to total assets (computed in accordance with GAAP) is included in the following table (unaudited, in thousands):

	December 31, 2020	December 31, 2019
Total Investments:		
Real estate investments, net of accumulated depreciation	$ 4,851,302	$ 5,197,308
Add back accumulated depreciation on real estate investments	1,062,087	989,254
Land held for development	23,225	28,080
Property under development	57,630	36,756
Mortgage notes and related accrued interest receivable	365,628	357,391
Investment in joint ventures	28,208	34,317
Intangible assets, gross (1)	57,962	57,385
Notes receivable and related accrued interest receivable, net (1)	7,300	14,026
Total investments	$ 6,453,342	$ 6,714,517
Total investments	$ 6,453,342	$ 6,714,517
Operating lease right-of-use assets	163,766	211,187
Cash and cash equivalents	1,025,577	528,763
Restricted cash	2,433	2,677
Accounts receivable	116,193	86,858
Less: accumulated depreciation on real estate investments	(1,062,087)	(989,254)
Less: accumulated amortization on intangible assets (1)	(16,330)	(12,693)
Prepaid expenses and other current assets (1)	21,291	35,456
Total assets	$ 6,704,185	$ 6,577,511

(1) Included in other assets in the accompanying consolidated balance sheet. Other assets include the following:

	December 31, 2020	December 31, 2019
Intangible assets, gross	$ 57,962	$ 57,385
Less: accumulated amortization on intangible assets	(16,330)	(12,693)
Notes receivable and related accrued interest receivable, net	7,300	14,026
Prepaid expenses and other current assets	21,291	35,456
Total other assets	$ 70,223	$ 94,174

Impact of Recently Issued Accounting Standards

See Note 2 to the Consolidated Financial Statements included in this Annual Report on Form 10-K for additional information on the impact of recently issued accounting standards on our business.

Inflation

Investments by EPR are financed with a combination of equity and debt. During inflationary periods, which are generally accompanied by rising interest rates, our ability to grow may be adversely affected because the yield on new investments may increase at a slower rate than new borrowing costs.

A substantial portion of our leases provide for base and participating rent features. In addition, certain of our mortgage notes receivable similarly provide for base and participating interest. To the extent inflation causes tenant or borrower revenues at our properties to increase, we would participate in those revenue increases through our right to receive variable rent and annual percentage rent and/or participating interest over the base amounts, as applicable.

Our leases and mortgage notes receivable also may provide for escalation in base rents or interest in the event of increases in the Consumer Price Index, with generally a limit of 2% per annum, or fixed periodic increases. During deflationary periods, the escalations in base rents or interest that are dependent on increases in the Consumer Price Index in our leases and mortgage notes receivable may be adversely affected.

Our leases are generally triple-net leases requiring the tenants to pay substantially all expenses associated with the operation of the properties, thereby minimizing our exposure to increases in costs and operating expenses resulting from inflation. A portion of our leases are non-triple-net leases. These non-triple net leases represent approximately 18% of our total real estate square footage. To the extent any of those leases contain fixed expense reimbursement provisions or limitations, we may be subject to increases in costs resulting from inflation that are not fully passed through to tenants.

Some of our investments have been structured using more traditional REIT lodging structures or are managed through a third-party manager. In the traditional REIT lodging structure, we hold qualified lodging facilities under the REIT and we separately hold the operations of the facilities in taxable REIT subsidiaries (TRSs) which are facilitated by management agreements with eligible independent contractors. Under this structure and when we manage properties through a third-party manager, we rely on the performance of our properties and the ability of the properties' managers to increase revenues to keep pace with inflation which may be limited by competitive pressures.

Additionally, our general and administrative costs may be subject to increases resulting from inflation.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks, primarily relating to potential losses due to changes in interest rates and foreign currency exchange rates. We seek to mitigate the effects of fluctuations in interest rates by matching the term of new investments with new long-term fixed rate borrowings whenever possible. As of December 31, 2020, we had a $1.0 billion unsecured revolving credit facility with $590.0 million outstanding. Subsequent to December 31, 2020, we paid down $500.0 million on our revolving credit facility. We also had a $400.0 million unsecured term loan facility and a $25.0 million bond that bear interest at a floating rate but have been fixed through interest rate swap agreements.

As of December 31, 2020, we had a 65% investment interest in two unconsolidated real estate joint ventures related to two experiential lodging properties located in St. Petersburg Beach, Florida. At December 31, 2020, the joint venture had a secured mortgage loan with an outstanding balance of $85.0 million. The mortgage loan bears interest at an annual rate equal to the greater of 6.00% or LIBOR plus 3.75%. The joint venture has an interest rate cap agreement to limit the variable portion of the interest rate (LIBOR) on this note to 3.0% from March 28, 2019 to April 1, 2023. In response to the COVID-19 pandemic, on May 28, 2020, the joint venture was granted a three-month interest deferral, which is required to be paid on the maturity date of the loan and is not considered a troubled debt restructuring.

We are subject to risks associated with debt financing, including the risk that existing indebtedness may not be refinanced or that the terms of such refinancing may not be as favorable as the terms of current indebtedness, particularly in light of the current economic uncertainty caused by the COVID-19 pandemic. The majority of our borrowings are subject to contractual agreements or mortgages which limit the amount of indebtedness we may incur. Accordingly, if we are unable to raise additional equity or borrow money due to these limitations, our ability to make additional real estate investments may be limited.

The following table presents the principal amounts, weighted average interest rates, and other terms required by year of expected maturity to evaluate the expected cash flows and sensitivity to interest rate changes as of December 31 (including the impact of the interest rate swap agreements described below):

Expected Maturities (dollars in millions)

	2021	2022	2023	2024	2025	Thereafter	Total	Estimated Fair Value
December 31, 2020:								
Fixed rate debt	$ —	$ —	$ 675.0	$ 148.0	$ 300.0	$ 2,017.0	$ 3,140.0	$ 3,114.8
Average interest rate	— %	— %	4.76 %	5.60 %	4.50 %	4.55 %	4.67 %	4.64 %
Variable rate debt	$ —	$ 590.0	$ —	$ —	$ —	$ —	$ 590.0	$ 590.0
Average interest rate (as of December 31, 2020)	— %	2.13 %	— %	— %	— %	— %	2.13 %	2.13 %

	2020	2021	2022	2023	2024	Thereafter	Total	Estimated Fair Value
December 31, 2019:								
Fixed rate debt	$ —	$ —	$ —	$ 675.0	$ 148.0	$ 2,317.0	$ 3,140.0	$ 3,295.5
Average interest rate	— %	— %	— %	4.02 %	4.35 %	4.44 %	4.34 %	3.45 %
Variable rate debt	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Average interest rate (as of December 31, 2019)	— %	— %	— %	— %	— %	— %	— %	— %

The fair value of our debt as of December 31, 2020 and 2019 is estimated by discounting the future cash flows of each instrument using current market rates including current market spreads.

We are exposed to foreign currency risk against our functional currency, the U.S. dollar, on our four Canadian properties and the rents received from tenants of the properties are payable in CAD. In order to hedge our net investment in our four Canadian properties, we entered into two fixed-to-fixed cross-currency swaps, with a fixed notional value of $200.0 million CAD. These investments became effective on July 1, 2018, mature on July 1, 2023 and are designated as net investment hedges of our Canadian net investments. The net effect of this hedge is to lock in an exchange rate of $1.32 CAD per U.S. dollar on $200.0 million CAD of our foreign net investments. The cross-currency swaps also have a monthly settlement feature locked in at an exchange rate of $1.32 CAD per USD on $4.5 million of CAD annual cash flows, the net effect of which is an excluded component from the effectiveness testing of this hedge.

During the year ended December 31, 2020, we entered into three USD-CAD cross-currency swaps that were effective July 1, 2020 with a total fixed original notional value of $100.0 million CAD and $76.6 million USD. The net effect of these swaps is to lock in an exchange rate of $1.31 CAD per USD on approximately $7.2 million annual CAD denominated cash flows through June 2022.

For foreign currency derivatives designated as net investment hedges, the change in the fair value of the derivatives are reported in accumulated other comprehensive income (AOCI) as part of the cumulative translation adjustment. Amounts are reclassified out of AOCI into earnings when the hedged net investment is either sold or substantially liquidated.

See Note 9 to the Consolidated Financial Statements in this Annual Report on Form 10-K for additional information on our derivative financial instruments and hedging activities.

Item 8. Financial Statements and Supplementary Data

EPR Properties

Contents

Report of Independent Registered Public Accounting Firm

To the Board of Trustees and Shareholders
EPR Properties:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying consolidated balance sheets of EPR Properties and subsidiaries (the Company) as of December 31, 2020 and 2019, the related consolidated statements of (loss) income and comprehensive (loss) income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2020, and the related notes and financial statement schedules II and III (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on the criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Adoption of New Accounting Pronouncements

As discussed in Note 2 to the consolidated financial statements, the Company has changed its method for accounting for expected credit losses as of January 1, 2020 due to the adoption of Accounting Standards Update (ASU) No. 2016-13, Measurement of Credit Losses on Financial Instruments (Topic 326).

As discussed in Note 15 to the consolidated financial statements, the Company has changed its method for accounting for its leases as of January 1, 2019 due to the adoption of Accounting Standards Codification Topic 842, *Leases.*

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Evaluation of indicators real estate investments may not be recoverable

As discussed in Notes 2 and 3 to the consolidated financial statements, the real estate investments, net balance as of December 31, 2020 was $4.9 billion. The Company reviews a real estate investment for impairment whenever events or changes in circumstances indicate that the carrying value of the real estate investment may not be recoverable.

We identified the evaluation of indicators real estate investments may not be recoverable as a critical audit matter. There is a high degree of subjective judgement in evaluating the events or changes in circumstances that may indicate the carrying value of real estate investments may not be recoverable. In particular, the judgments regarding the expected period the Company will hold the real estate investments and the impact of changes in market and tenant conditions on the determination of the recoverability of the real estate investments required a higher degree of auditor judgment.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to the Company's process to identify and evaluate events or changes in circumstances that may indicate the carrying amount of real estate investments may not be recoverable, including controls related to determining the period the Company will hold the real estate investments. We inquired of Company officials and inspected documents such as meeting minutes of the Board of Trustees to evaluate the likelihood that a real estate investment would be sold prior to the estimated holding period. We also performed independent evaluations, including examining current tenant information including status of accounts receivable and committee minutes related to lease negotiations for indications that the carrying value of the real estate investments may not be recoverable.

Impairment of real estate investments and right-of-use assets

As discussed in Notes 2, 3, 4 and 15 to the consolidated financial statements, the real estate investments, net balance and operating lease right-of-use assets balance as of December 31, 2020 was $4.9 billion and $163.8 million, respectively. The Company reviews a property for impairment whenever events or changes in circumstances indicate that the carrying value of the property may not be recoverable. The Company recognized impairment charges of $70.7 million on real estate investments and $15.0 million on the operating lease right-of-use assets, which are the amounts that the carrying value of the assets exceeded the estimated fair value.

We identified the assessment of the fair values of real estate investments and operating lease right-of-use assets based on recent independent appraisals used to determine the impairment charges as a critical audit matter. There is a high degree of subjective auditor judgment in evaluating the relevance of comparable land sales, market rents, capitalization rates, and discount rates used to determine the fair value of these assets.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the critical audit matter. This included controls related to the determination of comparable land sales, market rents, capitalization rates and discount rates. We involved valuation professionals with specialized skills and knowledge, who assisted in:

- Comparing the Company's estimated fair value of land to a range of independently developed estimates based on publicly available and comparable land sales.

- Comparing the Company's estimated assumptions of market rents, capitalization rates, and discount rates to a range of independently developed estimates based on publicly available industry data.

Collectability of lease receivables

As discussed in Notes 2 and 5 to the consolidated financial statements, the Company assesses the probability of collecting lease receivables on a lease-by-lease basis. The evaluation primarily consists of reviewing past due account balances and considering such factors as the credit quality of the Company's tenants, historical trends of the tenants, current economic conditions, and changes in customer payment terms. Whenever the results of that assessment, events, or changes in circumstances indicate that it is no longer probable that the Company will be able to collect substantially all lease receivables or future lease payments, the Company records a charge to rental revenue for the outstanding receivable balance and suspends revenue recognition. The Company recorded charges to rental revenue of $65.1 million during the year ended December 31, 2020.

We identified the evaluation of the probability of collection of substantially all lease receivables as a critical audit matter. The assessment required subjective auditor judgment to evaluate the financial strength of tenants and the expected operating performance of the leased property.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's determination of lease receivable collectability. This included controls related to the evaluation of the financial strength of tenants, and the expected operating performance of the leased property. To assess the financial strength of tenants and the expected operating performance of the leased property, for certain tenants we evaluated (1) the aging of outstanding accounts receivable, (2) recent payment history, (3) certain publicly available information about the tenants, and (4) property financial information regarding the tenant.

/s/ KPMG LLP

We have served as the Company's auditor since 2002.

Kansas City, Missouri
February 25, 2021

EPR PROPERTIES
Consolidated Balance Sheets
(Dollars in thousands except share data)

	December 31,	
	2020	2019
Assets		
Real estate investments, net of accumulated depreciation of $1,062,087 and $989,254 at December 31, 2020 and 2019, respectively	$ 4,851,302	$ 5,197,308
Land held for development	23,225	28,080
Property under development	57,630	36,756
Operating lease right-of-use assets	163,766	211,187
Mortgage notes and related accrued interest receivable	365,628	357,391
Investment in joint ventures	28,208	34,317
Cash and cash equivalents	1,025,577	528,763
Restricted cash	2,433	2,677
Accounts receivable	116,193	86,858
Other assets	70,223	94,174
Total assets	$ 6,704,185	$ 6,577,511
Liabilities and Equity		
Liabilities:		
Accounts payable and accrued liabilities	$ 105,379	$ 122,939
Operating lease liabilities	202,223	235,650
Common dividends payable	36	29,424
Preferred dividends payable	6,034	6,034
Unearned rents and interest	65,485	74,829
Debt	3,694,443	3,102,830
Total liabilities	4,073,600	3,571,706
Equity:		
Common Shares, $0.01 par value; 100,000,000 shares authorized; and 81,917,876 and 81,588,489 shares issued at December 31, 2020 and 2019, respectively	819	816
Preferred Shares, $0.01 par value; 25,000,000 shares authorized:		
5,394,050 Series C convertible shares issued at December 31, 2020 and 2019; liquidation preference of $134,851,250	54	54
3,447,381 Series E convertible shares issued at December 31, 2020 and 2019; liquidation preference of $86,184,525	34	34
6,000,000 Series G shares issued at December 31, 2020 and 2019; liquidation preference of $150,000,000	60	60
Additional paid-in-capital	3,857,632	3,834,858
Treasury shares at cost: 7,315,087 and 3,125,569 common shares at December 31, 2020 and 2019, respectively	(261,238)	(147,435)
Accumulated other comprehensive income	216	7,275
Distributions in excess of net income	(966,992)	(689,857)
Total equity	$ 2,630,585	$ 3,005,805
Total liabilities and equity	$ 6,704,185	$ 6,577,511

See accompanying notes to consolidated financial statements.

EPR PROPERTIES
Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income
(Dollars in thousands except per share data)

	Year Ended December 31,		
	2020	2019	2018
Rental revenue	$ 372,176	$ 593,022	$ 509,086
Other income	9,139	25,920	2,076
Mortgage and other financing income	33,346	33,027	128,759
Total revenue	414,661	651,969	639,921
Property operating expense	58,587	60,739	29,654
Other expense	16,474	29,667	443
General and administrative expense	42,596	46,371	48,889
Severance expense	2,868	2,364	5,938
Litigation settlement expense	—	—	2,090
Costs associated with loan refinancing or payoff	1,632	38,269	31,958
Interest expense, net	157,675	142,002	135,870
Transaction costs	5,436	23,789	3,698
Credit loss expense	30,695	—	—
Impairment charges	85,657	2,206	27,283
Depreciation and amortization	170,333	158,834	138,395
(Loss) income before equity in loss from joint ventures, other items and discontinued operations	(157,292)	147,728	215,703
Equity in loss from joint ventures	(4,552)	(381)	(22)
Impairment charges on joint ventures	(3,247)	—	—
Gain on sale of real estate	50,119	4,174	3,037
Gain on sale of investment in a direct financing lease	—	—	5,514
(Loss) income before income taxes	(114,972)	151,521	224,232
Income tax (expense) benefit	(16,756)	3,035	(2,285)
(Loss) income from continuing operations	$ (131,728)	$ 154,556	$ 221,947
Discontinued operations:			
Income from discontinued operations before other items	—	37,241	45,036
Impairment on public charter school portfolio sale	—	(21,433)	—
Gain on sale of real estate from discontinued operations	—	31,879	—
Income from discontinued operations	—	47,687	45,036
Net (loss) income	(131,728)	202,243	266,983
Preferred dividend requirements	(24,136)	(24,136)	(24,142)
Net (loss) income available to common shareholders of EPR Properties	$ (155,864)	$ 178,107	$ 242,841
Net (loss) income available to common shareholders of EPR Properties per share:			
Continuing operations	$ (2.05)	$ 1.70	$ 2.66
Discontinued operations	—	0.62	0.61
Basic	$ (2.05)	$ 2.32	$ 3.27
Continuing operations	$ (2.05)	$ 1.70	$ 2.66
Discontinued operations	—	0.62	0.61
Diluted	$ (2.05)	$ 2.32	$ 3.27
Shares used for computation (in thousands):			
Basic	75,994	76,746	74,292
Diluted	75,994	76,782	74,337
Other comprehensive (loss) income:			
Net (loss) income	$ (131,728)	$ 202,243	$ 266,983
Foreign currency translation adjustment	3,494	9,253	(16,177)
Change in unrealized (loss) gain on derivatives	(10,553)	(14,063)	15,779
Comprehensive (loss) income attributable to EPR Properties	$ (138,787)	$ 197,433	$ 266,585

See accompanying notes to consolidated financial statements.

EPR PROPERTIES
Consolidated Statements of Changes in Equity
Years Ended December 31, 2020, 2019 and 2018
(Dollars in thousands)

	EPR Properties Shareholders' Equity								
	Common Stock		Preferred Stock		Additional paid-in capital	Treasury shares	Accumulated other comprehensive income (loss)	Distributions in excess of net income (loss)	Total
	Shares	Par	Shares	Par					
Balance at December 31, 2017	76,858,632	$ 769	14,848,165	$ 148	$ 3,478,986	$ (121,591)	$ 12,483	$ (443,470)	$ 2,927,325
Restricted share units issued to Trustees	23,571	—	—	—	—	—	—	—	—
Issuance of nonvested shares, net of cancellations	295,202	3	—	—	4,588	(617)	—	—	3,974
Purchase of common shares for vesting	—	—	—	—	—	(7,156)	—	—	(7,156)
Share-based compensation expense	—	—	—	—	15,111	—	—	—	15,111
Share-based compensation included in severance expense	—	—	—	—	3,218	—	—	—	3,218
Foreign currency translation adjustment	—	—	—	—	—	—	(16,177)	—	(16,177)
Change in unrealized gain on derivatives	—	—	—	—	—	—	15,779	—	15,779
Net income	—	—	—	—	—	—	—	266,983	266,983
Issuances of common shares	20,553	—	—	—	1,286	—	—	—	1,286
Conversion of Series E Convertible Preferred shares to common shares	800	—	(1,734)	—	—	—	—	—	—
Conversion of Series C Convertible Preferred shares to common shares	1,964	—	(5,000)	—	—	—	—	—	—
Stock option exercises, net	25,721	—	—	—	1,305	(1,364)	—	—	(59)
Dividends to common shareholders ($4.32 per share)	—	—	—	—	—	—	—	(321,119)	(321,119)
Dividends to Series C preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(7,760)	(7,760)
Dividends to Series E preferred shareholders ($2.25 per share)	—	—	—	—	—	—	—	(7,757)	(7,757)
Dividends to Series G preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(8,625)	(8,625)
Balance at December 31, 2018	77,226,443	$ 772	14,841,431	$ 148	$ 3,504,494	$ (130,728)	$ 12,085	$ (521,748)	$ 2,865,023
Restricted share units issued to Trustees	27,392	—	—	—	—	—	—	—	—
Issuance of nonvested shares, net of cancellations	208,755	2	—	—	4,926	(498)	—	—	4,430
Purchase of common shares for vesting	—	—	—	—	—	(9,691)	—	—	(9,691)
Share-based compensation expense	—	—	—	—	13,180	—	—	—	13,180
Share-based compensation included in severance expense	—	—	—	—	580	—	—	—	580
Foreign currency translation adjustment	—	—	—	—	—	—	9,253	—	9,253
Change in unrealized loss on derivatives	—	—	—	—	—	—	(14,063)	—	(14,063)
Net income	—	—	—	—	—	—	—	202,243	202,243
Issuances of common shares	4,007,113	41	—	—	305,893	—	—	—	305,934
Stock option exercises, net	118,786	1	—	—	5,785	(6,518)	—	—	(732)
Dividends to common shareholders ($4.50 per share)	—	—	—	—	—	—	—	(346,216)	(346,216)
Dividends to Series C preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(7,756)	(7,756)
Dividends to Series E preferred shareholders ($2.25 per share)	—	—	—	—	—	—	—	(7,756)	(7,756)
Dividends to Series G preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(8,624)	(8,624)
Balance at December 31, 2019	81,588,489	$ 816	14,841,431	$ 148	$ 3,834,858	$ (147,435)	$ 7,275	$ (689,857)	$ 3,005,805

Continued on next page.

EPR PROPERTIES
Consolidated Statements of Changes in Equity
Years Ended December 31, 2020, 2019 and 2018
(Dollars in thousands) (continued)

	EPR Properties Shareholders' Equity								
	Common Stock		Preferred Stock		Additional paid-in capital	Treasury shares	Accumulated other comprehensive income (loss)	Distributions in excess of net income (loss)	Total
	Shares	Par	Shares	Par					
Continued from previous page.									
Balance at December 31, 2019	81,588,489	$ 816	14,841,431	$ 148	$ 3,834,858	$ (147,435)	$ 7,275	$ (689,857)	$ 3,005,805
Credit loss expense for implementation of Current Expected Credit Loss standard	—	—	—	—	—	—	—	(2,163)	(2,163)
Restricted share units issued to Trustees	74,767	1	—	—	—	—	—	—	1
Issuance of nonvested shares and performance shares, net of cancellations	217,034	2	—	—	6,505	(359)	—	—	6,148
Purchase of common shares for vesting	—	—	—	—	—	(7,387)	—	—	(7,387)
Share-based compensation expense	—	—	—	—	13,819	—	—	—	13,819
Share-based compensation included in severance expense	—	—	—	—	1,258	—	—	—	1,258
Foreign currency translation adjustment	—	—	—	—	—	—	3,494	—	3,494
Change in unrealized loss on derivatives	—	—	—	—	—	—	(10,553)	—	(10,553)
Net loss	—	—	—	—	—	—	—	(131,728)	(131,728)
Issuances of common shares	36,176	—	—	—	1,129	—	—	—	1,129
Repurchase of common shares	—	—	—	—	—	(105,994)	—	—	(105,994)
Stock option exercises, net	1,410	—	—	—	63	(63)	—	—	—
Dividend equivalents accrued on performance shares	—	—	—	—	—	—	—	(50)	(50)
Dividends to common shareholders ($1.515 per share)	—	—	—	—	—	—	—	(119,058)	(119,058)
Dividends to Series C preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(7,756)	(7,756)
Dividends to Series E preferred shareholders ($2.25 per share)	—	—	—	—	—	—	—	(7,756)	(7,756)
Dividends to Series G preferred shareholders ($1.4375 per share)	—	—	—	—	—	—	—	(8,624)	(8,624)
Balance at December 31, 2020	81,917,876	$ 819	14,841,431	$ 148	$ 3,857,632	$ (261,238)	$ 216	$ (966,992)	$ 2,630,585

See accompanying notes to consolidated financial statements.

EPR PROPERTIES
Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year Ended December 31,		
	2020	2019	2018
Operating activities:			
Net (loss) income	$ (131,728)	$ 202,243	$ 266,983
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Impairment charges	85,657	23,639	27,283
Impairment charges on joint ventures	3,247	—	—
Gain on sale of real estate	(50,119)	(36,053)	(3,037)
Gain on insurance recovery	(809)	—	—
Deferred income tax expense (benefit), net	15,246	(4,115)	573
Credit loss expense	30,695	—	—
Gain on sale of investment in a direct financing lease	—	—	(5,514)
Costs associated with loan refinancing or payoff	1,632	38,450	31,958
Equity in loss from joint ventures	4,552	381	22
Distributions from joint ventures	—	112	567
Depreciation and amortization	170,333	171,763	153,430
Amortization of deferred financing costs	6,606	6,192	5,797
Amortization of above/below market leases and tenant allowances, net	(480)	(343)	(581)
Share-based compensation expense to management and Trustees	13,819	13,180	15,111
Share-based compensation expense included in severance expense	1,258	580	3,218
Change in assets and liabilities:			
Operating lease assets and liabilities	344	1,194	—
Mortgage notes accrued interest receivable	(7,576)	(381)	(517)
Accounts receivable	(47,383)	(1,385)	(22,300)
Direct financing lease receivable	—	(186)	(563)
Other assets	(2,698)	(1,301)	(1,055)
Accounts payable and accrued liabilities	(16,128)	27,540	4,979
Unearned rents and interest	(11,195)	(1,980)	7,974
Net cash provided by operating activities	65,273	439,530	484,328
Investing activities:			
Acquisition of and investments in real estate and other assets	(38,714)	(500,629)	(187,460)
Proceeds from sale of real estate	227,742	216,020	22,134
Proceeds from sale of public charter school portfolio	—	449,555	—
Investment in unconsolidated joint ventures	(1,690)	(325)	(29,473)
Proceeds from settlement of derivative	—	—	30,796
Investment in mortgage notes receivable	(8,141)	(142,456)	(36,105)
Proceeds from mortgage note receivable paydown	481	217,459	335,168
Investment in promissory notes receivable	(6,134)	(12,271)	(7,863)
Proceeds from promissory note receivable paydown	103	3,738	7,500
Proceeds from insurance recovery	809	—	—
Proceeds from sale of investment in direct financing leases, net	—	—	43,447
Additions to properties under development	(40,470)	(134,586)	(274,956)
Net cash provided (used) by investing activities	133,986	96,505	(96,812)
Financing activities:			
Proceeds from long-term debt facilities and senior unsecured notes	750,000	962,000	908,000
Principal payments on debt	(160,000)	(866,735)	(949,684)
Deferred financing fees paid	(6,330)	(9,386)	(8,642)
Costs associated with loan refinancing or payoff (cash portion)	(1,632)	(36,918)	(28,650)
Net proceeds from issuance of common shares	972	305,556	956
Impact of stock option exercises, net	—	(732)	(62)
Purchase of common shares for treasury for vesting	(7,387)	(9,691)	(7,156)
Purchase of common shares under share repurchase program	(105,994)	—	—
Dividends paid to shareholders	(172,460)	(367,317)	(342,315)
Net cash provided (used) by financing activities	297,169	(23,223)	(427,553)
Effect of exchange rate changes on cash	142	121	(442)
Net change in cash and cash equivalents and restricted cash	496,570	512,933	(40,479)
Cash and cash equivalents and restricted cash at beginning of the year	531,440	18,507	58,986
Cash and cash equivalents and restricted cash at end of the year	$ 1,028,010	$ 531,440	$ 18,507

Supplemental information continued on next page.

EPR PROPERTIES
Consolidated Statements of Cash Flows
(Dollars in thousands)

Continued from previous page.

	Year Ended December 31,		
	2020	2019	2018
Reconciliation of cash and cash equivalents and restricted cash:			
Cash and cash equivalents at beginning of the year	$ 528,763	$ 5,872	$ 41,917
Restricted cash at beginning of the year	2,677	12,635	17,069
Cash and cash equivalents and restricted cash at beginning of the year	$ 531,440	$ 18,507	$ 58,986
Cash and cash equivalents at end of the year	$ 1,025,577	$ 528,763	$ 5,872
Restricted cash at end of the year	2,433	2,677	12,635
Cash and cash equivalents and restricted cash at end of the year	$ 1,028,010	$ 531,440	$ 18,507
Supplemental schedule of non-cash activity:			
Transfer of property under development to real estate investments	$ 20,657	$ 354,568	$ 228,572
Issuance of nonvested shares and restricted share units at fair value, including nonvested shares issued for payment of bonuses	$ 20,062	$ 17,590	$ 18,252
Credit loss expense related to adoption of ASC Topic 326	$ 2,163	$ —	$ —
Conversion or reclassification of mortgage notes receivable to real estate investments	$ —	$ —	$ 155,185
Mortgage note received for sale of real estate investments	$ —	$ 27,423	$ —
Amounts related to adoption of ASC Topic 842:			
Operating lease right-of-use assets	$ —	$ 229,620	$ —
Operating lease liabilities	$ —	$ 253,486	$ —
Sub-lessor straight-line receivable	$ —	$ 24,454	$ —
Acquisition of real estate in exchange for assumption of debt at fair value	$ —	$ 14,000	$ —
Assumption of debt	$ —	$ 18,585	$ —
Supplemental disclosure of cash flow information:			
Cash paid during the year for interest	$ 152,393	$ 143,530	$ 145,559
Cash paid during the year for income taxes	$ 1,507	$ 1,842	$ 1,363
Interest cost capitalized	$ 1,233	$ 5,326	$ 9,903
Change in accrued capital expenditures	$ (12,376)	$ (35,155)	$ 32,993

See accompanying notes to consolidated financial statements.

1. Organization

Description of Business
EPR Properties (the Company) was formed on August 22, 1997 as a Maryland real estate investment trust (REIT), and an initial public offering of the Company's common shares of beneficial interest (common shares) was completed on November 18, 1997. Since that time, the Company has been a leading Experiential net lease REIT specializing in select enduring experiential properties. The Company's underwriting is centered on key industry and property cash flow criteria, as well as the credit metrics of the Company's tenants and customers. The Company's properties are located in the United States and Canada.

2. Summary of Significant Accounting Policies

Principles of Consolidation
The consolidated financial statements include the accounts of EPR Properties and its subsidiaries, all of which are wholly owned.

Risks and Uncertainties
On March 11, 2020, the World Health Organization declared a novel strain of coronavirus (COVID-19) a pandemic, and on March 13, 2020, the United States declared a national emergency with respect to COVID-19. The Company is subject to risks and uncertainties as a result of the COVID-19 pandemic. The extent of the impact of the COVID-19 pandemic on the Company's business is highly uncertain and difficult to predict, as information is rapidly evolving. The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The global impact of the outbreak has been rapidly evolving and many jurisdictions within the United States and abroad reacted by instituting quarantines, mandating business and school closures and restricting travel. As a result, the COVID-19 pandemic has severely impacted experiential real estate properties, given that such properties involve congregate social activity and discretionary consumer spending. Substantially all the Company's non-theatre locations and many of the Company's theatre locations have re-opened as of December 31, 2020. However, certain theatre locations remain closed due to local restrictions or operator decision to close as a result of the impact of the COVID-19 pandemic, specifically the decision by many movie studios to delay the release of blockbuster movies in hopes that larger audiences will be available as additional markets open. The severity of the impact of the COVID-19 pandemic on the Company's business will depend on a number of factors, including, but not limited to, the scope, severity and duration of the pandemic, the actions taken to contain the outbreak or mitigate its impact, the development and distribution of vaccines and the efficacy of those vaccines, the public's confidence in the health and safety measures implemented by the Company's tenants and borrowers, and the direct and indirect economic effects of the outbreak and containment measures, all of which are uncertain and cannot be predicted. During 2020, the COVID-19 pandemic negatively affected the Company's business, and could continue to have material, adverse effects on the Company's financial condition, results of operations and cash flows.

The Company's consolidated financial statements reflect estimates and assumptions made by management that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenue and expenses during the reporting periods presented. The Company considered the impact of the COVID-19 pandemic on the assumptions and estimates used in determining the Company's financial condition and results of operations for the year ended December 31, 2020. The following were adverse impacts to its financial statements and business during the year ended December 31, 2020:

- The Company wrote-off receivables from tenants and straight-line rent receivables totaling $65.1 million directly to rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income upon determination that the collectibility of these receivables or future lease payments from these tenants were no longer probable. Additionally, the Company determined that future rental revenue related to these tenants, including American-Multi Cinema, Inc. (AMC) and Regal Cinemas (Regal), a subsidiary of Cineworld Group, will be recognized on a cash basis. The straight line rent receivable

represented $38.0 million of this write-off and was comprised of $26.5 million of straight-line rent receivable and $11.5 million of sub-lessor ground lease straight-line rent receivable.

- The Company reduced rental revenue by $13.6 million due to rent abatements.
- The Company deferred approximately $76.0 million of amounts due from tenants and $3.4 million due from borrowers that were booked as receivables. Additionally, the Company has amounts due from tenants that were not booked as receivables as the full amounts were not deemed probable of collection as a result of the COVID-19 pandemic. The amounts not booked as receivables remain obligations of the tenants and will be recognized as revenue when received. The repayment terms for all of these deferments vary by tenant or borrower.
- The Company recognized $85.7 million in impairment charges during the year ended December 31, 2020, which was comprised of $70.7 million of impairments of real estate investments, and $15.0 million of impairments of operating lease right-of-use assets. The Company also recognized impairment charges on joint ventures of $3.2 million related to its equity investments in three theatre projects located in China.
- The Company increased its expected credit losses by $30.7 million from its implementation estimate of $2.2 million. This increase was primarily due to credit loss expense related to fully reserving the outstanding principal balance of $12.6 million and unfunded commitment to fund $12.9 million, totaling $25.5 million, related to notes receivable from one borrower, as a result of recent changes in the borrower's financial status due to the impact of the COVID-19 pandemic. The remaining increase was due to economic uncertainty and the rapidly changing environment surrounding the pandemic.
- The Company recognized a full valuation allowance of $18.0 million during the third quarter 2020 on the Company's net deferred tax assets related to the Company's taxable REIT subsidiary (TRS) and Canadian tax paying entity as a result of the uncertainty of realization caused by the impact of the COVID-19 pandemic. At December 31, 2020, the Company had a valuation allowance totaling $24.9 million on its net deferred tax assets.
- On March 20, 2020, the Company borrowed $750.0 million under its unsecured revolving credit facility as a precautionary measure to increase the Company's cash position and preserve financial flexibility given the global uncertainty caused by the COVID-19 pandemic. On December 30, 2020, the Company paid down its revolving credit facility by $160.0 million, following the sale of six private schools and four early childhood education centers. Subsequent to year-end, the Company paid down an additional $500.0 million on its revolving credit facility.
- The Company amended the agreement which governs its unsecured revolving credit facility and its unsecured term loan facility (Consolidated Credit Agreement) and the agreement which governs its private placement notes (Note Purchase Agreement). The amendments modified certain provisions and waived the Company's obligation to comply with certain covenants under these debt agreements during the Covenant Relief Period in light of the uncertainty related to impacts of the COVID-19 pandemic on the Company and its tenants and borrowers. The Company pays higher interest costs during the Covenant Relief Period. The amendments to the Consolidated Credit Agreement and Note Purchase Agreement also impose additional restrictions on the Company during the Covenant Relief Period, including limitations on making investments, incurring indebtedness, making capital expenditures, paying dividends or making other distributions, repurchasing the Company's shares, voluntarily prepaying certain indebtedness, encumbering certain assets and maintaining a minimum liquidity amount, in each case subject to certain exceptions. See Note 8 for additional details. The term "Covenant Relief Period," as used in these notes to consolidated financial statements, generally means the period of time beginning on June 29, 2020 and ending on (i) December 31, 2021, in the case of the Company's Consolidated Credit Agreement, or (ii) October 1, 2021 (subject to extension to January 1, 2022 at the Company's election, subject to certain conditions), in the case of the Company's Note Purchase Agreement governing its private placement notes. The Company has the right under certain circumstances to terminate the Covenant Relief Period earlier.
- In connection with the loan amendments discussed above, certain of the Company's key subsidiaries guaranteed the Company's obligations based on the Company's unsecured debt ratings. If the Company's unsecured debt rating is further downgraded by Moody's, it will be required to pledge the equity interest in certain subsidiary guarantors to secure its obligations under its unsecured credit facilities and private placement notes. See Note 8 for additional details.

On June 29, 2020, the effective date of the loan amendments discussed above, the Company suspended its share repurchase plan. Prior to the effective date, during the year ended December 31, 2020, the Company repurchased 4,066,716 common shares under the share repurchase program for approximately $106.0 million. The repurchases were made under a Rule 10b5-1 trading plan.

The monthly cash dividends to common shareholders were suspended following the common share dividend paid on May 15, 2020 to shareholders of record as of April 30, 2020. The suspension of the monthly cash dividend to common shareholders will continue through the Covenant Relief Period, except as may be necessary to maintain REIT status and to not owe income tax.

On July 31, 2020, the Company entered into a Forbearance Agreement (the Forbearance Agreement), a Master Lease Agreement (the Master Lease) and seven amended lease agreements (the Transitional Leases and collectively with the Master Lease, the Leases) with AMC, its affiliate tenants of the Company (AMC and such affiliates, collectively, AMC Tenant), and AMC Entertainment Holdings, Inc. (Guarantor), relating to all 53 properties leased to AMC Tenant (the Leased Properties) on the date the agreement was executed. These agreements restructured the then-existing lease terms for the Leased Properties in light of the continuing impact of the COVID-19 pandemic on AMC Tenant's operations. Effective July 1, 2020, the Leased Properties are leased to AMC Tenant pursuant to the following leases:

- Master Lease relating to 46 Leased Properties (the Master Lease Properties); and
- Seven Transitional Leases relating to seven Leased Properties (the Transitional Properties). These leases were subsequently terminated by the Company during 2020.

In addition, AMC Tenant and the Company entered into the following related agreements:

- Security Agreement granting to the Company a security interest subordinated to AMC's secured credit agreements and indentures in all of AMC Tenant’s property located at the Leased Properties to secure AMC Tenant’s obligations to the Company under the Forbearance Agreement and the Leases;
- Guaranty providing a guaranty by Guarantor of AMC Tenant’s obligations to the Company under the Forbearance Agreement and the Leases; and
- Capital Improvements Agreement providing a financial mechanism for the Company to provide AMC Tenant with up to $35 million of funds to complete improvements to the Master Lease Properties in exchange for increased annual fixed rent.

The prior leases for the 46 Master Lease Properties were replaced with a single Master Lease. The Company agreed to reduce total annual fixed rent on the 46 Master Lease Properties by approximately $19.4 million to approximately $87.8 million (including approximately $6.8 million of ground rent and the repayment of deferral amounts for the months of April, May and June 2020 which the Company had agreed to defer and amortize as part of fixed rent over the first 14 years of the Master Lease term).

The Master Lease Properties have been divided into four tranches, with the initial term of each tranche expiring on a different date: June 30, 2034, June 30, 2035, June 30, 2036 and June 30, 2037. The AMC Tenant may exercise up to three 5-year extensions for each tranche. If AMC Tenant elects not to exercise an extension option with respect to a tranche, fixed rent will be reduced by the fair market rental value of Master Lease Properties included in such tranche at that time, determined in accordance with the Master Lease. Upon the expiration of the initial term of each tranche or expiration of any extension option of each tranche and the election by AMC Tenant to further extend the term of such tranche, AMC Tenant may elect to remove up to two Master Lease Properties included in the tranche, which will result in a reduction in the annual fixed rent equal to the fair market rental value of such removed Master Lease Properties at that time, determined in accordance with the Master Lease. AMC Tenant may not remove more than 10 Master Lease Properties in total and not more than three Master Lease Properties per tranche during the entirety of the Master Lease term.

Pursuant to the Leases and the Forbearance Agreement, commencing on July 1, 2020 and continuing through December 31, 2020, in lieu of monthly fixed rent AMC Tenant agreed to pay percentage rent of 15% of total gross receipts during such month, not to exceed the deferred monthly fixed rent for the Leased Properties. The difference between the scheduled monthly fixed rent and the percentage rent actually paid to the Company for the Master Lease became additional deferred rent that, beginning in February 2021, will be added to fixed cash rent and amortized over the remaining portion of the first 14 years of the term of the Master Lease and beginning January 2021 will be rent due related to the Transitional Leases amortized over the prior lease terms. Accordingly, the new annual contractual rent under the Master Lease will increase from $87.8 million to $90.7 million by February 2021 (including approximately $4.9 million of ground rent).

The Leases are triple-net leases requiring AMC Tenant to be responsible at all times for taxes, assessments, maintenance and operating costs, common area charges, association fees, ground rent, insurance premiums, utility charges and similar pass-through charges. Fixed rent of the Master Lease (excluding the portion attributable to deferred rent) will increase by 7.5% every five years during the term and any extensions.

Each lease for the seven Transitional Properties was amended by the parties. The Company agreed to reduce the aggregate annual fixed rent on the Transitional Properties by approximately $6.2 million to approximately $8.1 million (including approximately $1.2 million of ground rent and the repayment of deferral amounts for the months of April, May and June 2020 which the Company had agreed to defer and amortize as part of fixed rent over the remaining terms of the new leases).

The Company had the right to terminate each Transitional Lease by giving the AMC Tenant 90 days' prior notice of termination. Upon termination of a Transitional Lease by the Company, AMC Tenant agreed to (1) cooperate with the Company in transitioning the applicable Transitional Property to a new operator to ensure seamless transfer of management and re-branding, and (2) transfer certain property, including fixtures, furnishings and equipment, located or used at the applicable Transitional Property in exchange for a credit to the unpaid deferred amount due under the Transitional Lease. Prior to December 31, 2020, the Company terminated all Transitional Leases with AMC. The total amount deferred under each Transitional Lease prior to the Company terminating these agreements is still due by AMC and is scheduled to be paid over what would have been the remaining terms of the related property leases.

In March 2020, the Company's employees transitioned to a fully remote work force to protect the safety and well-being of the Company's personnel. The Company's prior investments in technology, business continuity planning and cyber-security protocols have enabled the Company to continue working with limited operational impacts.

Variable Interest Entities

The Company consolidates certain entities when it is deemed to be the primary beneficiary in a variable interest entity (VIE) in which it has a controlling financial interest in accordance with the consolidation guidance of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). The equity method of accounting is applied to entities in which the Company is not the primary beneficiary as defined in the FASB ASC Topic on Consolidation (Topic 810), but can exercise significant influence over the entity with respect to its operations and major decisions.

The Company’s variable interest in VIEs currently are in the form of equity ownership and loans provided by the Company to a VIE or other partner. The Company examines specific criteria and uses its judgment when determining if the Company is the primary beneficiary of a VIE. The primary beneficiary generally is defined as the party with the controlling financial interest. Consideration of various factors include, but are not limited to, the Company’s ability to direct the activities that most significantly impact the entity’s economic performance and its obligation to absorb losses from or right to receive benefits of the VIE that could potentially be significant to the VIE. As of December 31, 2020 and 2019, the Company does not have any investments in consolidated VIEs.

Use of Estimates
Management of the Company has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP). Actual results could differ from those estimates.

Real Estate Investments
Real estate investments are carried at initial recorded value less accumulated depreciation. Costs incurred for the acquisition and development of the properties are capitalized. In addition, the Company capitalizes certain costs that relate to property under development including interest and a portion of internal legal personnel costs. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which generally are estimated to be 30 years to 40 years for buildings, three years to 25 years for furniture, fixtures and equipment and 10 years to 20 years for site improvements. Tenant improvements, including allowances, are depreciated over the shorter of the lease term or the estimated useful life and leasehold interests are depreciated over the useful life of the underlying ground lease.

Management reviews the Company's real estate investments, including operating lease right-of-use assets, for impairment whenever events or changes in circumstances indicate that the carrying value of a property may not be recoverable, which is based on an estimate of undiscounted future cash flows expected to result from its use and eventual disposition. If impairment exists due to the inability to recover the carrying value of the property, an impairment loss is recorded to the extent that the carrying value of the property exceeds its estimated fair value.

The Company evaluates the held-for-sale classification of its real estate as of the end of each quarter. Assets that are classified as held for sale are recorded at the lower of their carrying amount or fair value less costs to sell. Assets are generally classified as held for sale once management has initiated an active program to market them for sale and it is probable the assets will be sold within one year. On occasion, the Company will receive unsolicited offers from third parties to buy individual Company properties. Under these circumstances, the Company will classify the properties as held for sale when a sales contract is executed with no contingencies and the prospective buyer has funds at risk to ensure performance.

Real Estate Acquisitions
Upon acquisition of real estate properties, the Company evaluates the acquisition to determine if it is a business combination or an asset acquisition. If the acquisition is determined to be an asset acquisition, the Company records the purchase price and other related costs incurred to the acquired tangible assets and identified intangible assets and liabilities on a relative fair value basis. In addition, costs incurred for asset acquisitions including transaction costs, are capitalized.

If the acquisition is determined to be a business combination, the Company records the fair value of acquired tangible assets and identified intangible assets and liabilities as well as any noncontrolling interest. Acquisition-related costs in connection with business combinations are expensed as incurred and included in transaction costs in the accompanying consolidated statements of (loss) income and comprehensive (loss) income.

In addition to acquisition-related costs in connection with business combinations, transaction costs include costs associated with terminated transactions, pre-opening costs and certain leasing and tenant transition costs. Transaction costs expensed totaled $5.4 million, $23.8 million and $3.7 million for the years ended December 31, 2020, 2019 and 2018, respectively.

For real estate acquisitions (asset acquisitions or business combinations), the fair value (or relative fair value in an asset acquisition) of the tangible assets is determined by valuing the property using recent independent appraisals or methods similar to those used by independent appraisers. Land is valued using the sales comparison approach which uses available market data from recent comparable land sales as an input to estimate the fair value. Site improvements and tenant improvements are valued using the cost approach which uses replacement cost data obtained from industry recognized guides less depreciation as an input to estimate the fair value. The building is valued either using the cost approach described above or a combination of the cost and the income approach. The

income approach uses market leasing assumptions to estimate the fair value of the property as if vacant. The cost and income approaches are reconciled to arrive at an estimated building fair value.

Intangibles
The fair value of acquired in-place leases also includes management's estimate, on a lease-by-lease basis, of the present value of the following amounts: (i) the value associated with avoiding the cost of originating the acquired in-place leases (i.e. the market cost to execute the leases, including leasing commissions, legal and other related costs); (ii) the value associated with lost revenue related to tenant reimbursable operating costs estimated to be incurred during the assumed re-leasing period, (i.e. real estate taxes, insurance and other operating expenses); (iii) the value associated with lost rental revenue from existing leases during the assumed re-leasing period; and (iv) the value associated with avoided tenant improvement costs or other inducements to secure a tenant lease. These values are amortized over the lease term of the respective leases.

In determining the fair value of acquired above and below-market leases, the Company considers many factors. On a lease-by-lease basis, management considers the present value of the difference between the contractual amounts to be paid pursuant to the leases and management's estimate of fair market lease rates. For above-market leases and below-market leases, management considers such differences over the lease terms. The capitalized above-market lease values are amortized as a reduction of rental income over the lease terms of the respective leases. The capitalized below-market lease values are amortized as an increase to rental income over the lease terms of the respective leases. The lease term includes the minimum base term plus any extension options that are reasonably certain to be exercised. Management considers several factors in determining the discount rate used in the present value calculations, including the credit risks associated with the respective tenants.

If debt is assumed in the acquisition, the determination of whether it is above or below-market is based upon a comparison of similar financing terms for similar real estate investments at the time of the acquisition.

In determining the fair value of tradenames, the Company historically uses the relief from royalty method, which estimates the fair value of hypothetical royalty income that could be generated if the intangible asset was licensed from an independent third-party.

In determining the fair value of a contract intangible, the Company considers the present value of the difference between the estimated "with" and "without" scenarios. The "with" scenario presents the contract in place and the "without" scenario incorporates the potential profits that may be lost over the period without the contract in place. The capitalized contract value is amortized over the estimated useful life of the underlying asset.

The excess of the cost of an acquired business (in a business combination) over the net of the amounts assigned to assets acquired (including identified intangible assets) and liabilities assumed is recorded as goodwill. Goodwill has an indeterminate life and is not amortized, but is tested for impairment on an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired.

Management of the Company reviews the carrying value of intangible assets for impairment on an annual basis.

Intangible assets and liabilities (included in Other assets and Accounts payable and accrued liabilities in the accompanying consolidated balance sheets) consist of the following at December 31 (in thousands):

	2020	2019
Assets:		
In-place leases, net of accumulated amortization of $13.9 million and $10.8 million, respectively	$ 21,684	$ 24,528
Above-market lease, net of accumulated amortization of $1.2 million and $1.1 million, respectively	354	71
Tradenames, net of accumulated amortization of $317 thousand and $184 thousand, respectively (1)	8,847	8,980
Contract value, net of accumulated amortization of $914 thousand and $548 thousand, respectively	10,054	10,420
Goodwill	693	693
Total intangible assets, net	$ 41,632	$ 44,692
Liabilities:		
Below-market lease, net of accumulated amortization of $1.5 million and $1.1 million, respectively	$ 8,397	$ 8,934

(1) At December 31, 2020 and 2019, $5.4 million in tradenames had indefinite lives and were not amortized.

Aggregate lease intangible amortization included in expense was $5.6 million, $3.7 million and $2.9 million for the years ended December 31, 2020, 2019 and 2018, respectively. The net amount amortized as an increase to rental revenue for capitalized above and below-market lease intangibles was $0.5 million, $0.4 million and $0.6 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Future amortization of in-place leases, net, above-market lease, net, tradenames, net, contract value, net and below-market lease, net at December 31, 2020 is as follows (in thousands):

	In place leases	Tradenames (1)	Contract Value	Above-market lease	Below-market lease
Year:					
2021	$ 3,283	$ 133	$ 365	$ 51	$ (456)
2022	2,658	133	365	46	(437)
2023	2,654	133	365	46	(415)
2024	2,095	133	365	46	(396)
2025	2,085	133	365	46	(387)
Thereafter	8,909	2,827	8,229	119	(6,306)
Total	$ 21,684	$ 3,492	$ 10,054	$ 354	$ (8,397)
Weighted average amortization period (years)	11.2	27.2	27.5	7.5	30.1

(1) Excludes $5.4 million in tradenames with indefinite lives.

Deferred Financing Costs
Deferred financing costs are amortized over the terms of the related debt obligations or mortgage note receivable as applicable. Deferred financing costs of $35.6 million and $37.2 million as of December 31, 2020 and 2019, respectively, are shown as a reduction of debt. The deferred financing costs of $4.8 million and $3.5 million as of December 31, 2020 and 2019, respectively, related to the unsecured revolving credit facility are included in other assets.

Reportable Segments
The Company has two reportable operating segments: Experiential and Education. The Experiential segment includes the following property types: theatres, eat & play (including seven theatres located in entertainment districts), attractions, ski, experiential lodging, gaming, cultural and fitness & wellness. The Education segment

includes the following property types: early childhood education centers and private schools. See Note 19 for financial information related to these reportable segments.

Rental Revenue

The Company leases real estate to its tenants primarily under leases that are predominately classified as operating leases. The Company's leases generally provide for rent escalations throughout the lease terms. Rents that are fixed are recognized on a straight-line basis over the lease term. Base rent escalations that include a variable component are recognized upon the occurrence of the specified event as defined in the Company's lease agreements. Many of the Company's leasing arrangements include options to extend the lease, which are not included in the minimum lease terms unless it is reasonably certain to be exercised. Straight-line rental revenue is subject to an evaluation for collectibility, and the Company records a direct write-off against rental revenue if collectibility of these future rents is not probable. For the year ended December 31, 2020, the Company recognized straight-line write-offs totaling $38.0 million, which were comprised of $26.5 million of straight-line accounts receivable and $11.5 million of sub-lessor ground lease straight-line accounts receivable. Straight-line rental revenue, net of write-offs, was a reduction to total rental revenue of $24.5 million for the year ended December 31, 2020. For the year ended December 31, 2019, the Company recognized straight-line write-offs of $1.4 million (of which $1.2 million has been classified within discontinued operations). There were no straight-line write-offs recognized during the year ended December 31, 2018. For the years ended December 31, 2019 and 2018, the Company recognized straight-line rental revenue, net of write-offs of $13.6 million (of which $3.0 million has been classified within discontinued operations) and $10.2 million (of which $5.5 million has been classified within discontinued operations), respectively.

Substantially all the Company's customers' operations were temporarily closed for a portion of the year ended December 31, 2020, as a result of the COVID-19 pandemic. Many of the Company's non-theatre locations have re-opened. However, certain of the Company's theatre locations remain closed due to local restrictions or operator decision to close as a result of the impact of the COVID-19 pandemic, specifically the decision by many movie studios to delay the release of films. In response, the Company has agreed to defer rent for a substantial portion of its customers. On April 10, 2020, the FASB issued a Staff Q&A on Topic 842 and Topic 840: Accounting for Lease Concessions Related to the Effects of the COVID-19 Pandemic. In reliance upon the FASB Staff Q&A, the Company has not treated qualifying deferrals or rent concessions during the period effected by the COVID-19 pandemic as lease modifications. While deferments for this and future periods delay rent payments, these deferments generally do not release customers from the obligation to pay the deferred amounts in the future. Deferred rent amounts are reflected in the Company's financial statements as accounts receivable if collection is determined to be probable or recognized when received as variable lease payments if collection is determined to not be probable. Certain agreements with tenants where remaining lease terms are extended, or other changes are made that do not qualify for the treatment in the FASB Staff Q&A, are treated as lease modifications. In these circumstances, upon an executed lease modification, if the tenant is not being recognized on a cash basis, the contractual rent reflected in accounts receivable and straight-line rent receivable will be amortized over the remaining term of the lease against rental revenue. In limited cases, customers may be entitled to the abatement of rent during governmentally imposed prohibitions on business operations which is recognized in the period to which it relates, or the Company may provide rent concessions to tenants. In cases where the Company provides concessions to tenants to which they are not otherwise entitled, those amounts will be recognized in the period in which the concession is granted unless the changes are accounted for as lease modifications.

Most of the Company’s lease contracts are triple-net leases, which require the tenants to make payments directly to third parties for lessor costs (such as property taxes and insurance) associated with the properties. In accordance with Topic 842, the Company does not include these payments made by the lessees to third parties in rental revenue or property operating expenses. In certain situations, the Company pays these lessor costs directly to third-parties and the tenants reimburse the Company. In accordance with Topic 842, these payments are presented on a gross basis in rental revenue and property operating expense. During the year ended December 31, 2020 and 2019, the Company recognized $2.2 million and $6.9 million, respectively, related to the gross-up of these reimbursed expenses which are included in rental revenue and property operating expenses.

Certain of the Company's leases, particularly at its entertainment districts, require the tenants to make payments to the Company for property related expenses such as common area maintenance. The Company has elected to

combine these non-lease components with the lease components in rental revenue. For the years ended December 31, 2020, 2019 and 2018, the non-lease components included in rental revenue totaled $12.9 million, $16.0 million and $15.3 million, respectively.

In addition, most of the Company's tenants are subject to additional rents (above base rents) if gross revenues of the properties exceed certain thresholds defined in the lease agreements (percentage rents). Percentage rents are recognized at the time when specific triggering events occur as provided by the lease agreement. Rental revenue included percentage rents of $8.6 million, $15.0 million and $10.7 million for the years ended December 31, 2020, 2019 and 2018, respectively. Furthermore, due to the impact of the COVID-19 pandemic, certain of the Company's tenants paid a portion of base rent in 2020 based on a percentage of gross revenue. This variable rent totaled $5.2 million for the year ended December 31, 2020.

The Company regularly evaluates the collectibility of its receivables on a lease by lease basis. The evaluation primarily consists of reviewing past due account balances and considering such factors as the credit quality of the Company's tenants, historical trends of the tenant, current economic conditions and changes in customer payment terms. When the collectibility of lease receivables or future lease payments are no longer probable, the Company records a direct write-off of the receivable to rental revenue and recognizes future rental revenue on a cash basis.

Property Sales
Sales of real estate properties are recognized when a contract exists and the purchaser has obtained control of the property. Gains on sales of properties are recognized in full in a partial sale of nonfinancial assets, to the extent control is not retained. Any noncontrolling interest retained by the seller would, accordingly, be measured at fair value.

The Company evaluates each sale or disposal transaction to determine if it meets the criteria to qualify as discontinued operations. A discontinued operation is a component of an entity or group of components that have been disposed of or are classified as held for sale and represent a strategic shift that has or will have a major effect on the Company's operations and financial results. If the sale or disposal transaction does not meet the criteria, the operations and related gain or loss on sale is included in income from continuing operations. Certain reclassifications have been made to prior period amounts to conform to the current period presentation for assets that qualify for presentation as discontinued operations. See Note 17 for further details.

Mortgage Notes and Other Notes Receivable
Mortgage notes and other notes receivable, including related accrued interest receivable, consist of loans originated by the Company and the related accrued and unpaid interest income as of the balance sheet date. Mortgage notes and other notes receivable are initially recorded at the amount advanced to the borrower less allowance for credit loss. Interest income is recognized using the effective interest method based on the stated interest rate over the estimated life of the note. Premiums and discounts are amortized or accreted into income over the estimated life of the note using the effective interest method.

The Company adopted Accounting Standards Update (ASU) No. 2016-13, *Measurement of Credit Losses on Financial Instruments (Topic 326)* effective January 1, 2020, which requires allowance for credit losses to be recorded to reflect that all mortgage notes and notes receivable have some inherent risk of loss regardless of credit quality, collateral, or other mitigating factors. The Company adopted the standard on the effective date and used the effective date as the date of initial application. Accordingly, comparative periods have not been recast, and required disclosures will not be provided for dates and periods prior to January 1, 2020. On the effective date, the Company recognized credit loss expense through retained earnings and the corresponding allowance for credit losses of approximately $2.2 million, which was comprised of $2.1 million related to mortgage notes receivable and $0.1 million related to notes receivable (which are presented within other assets in the accompanying consolidated balance sheet). While Topic 326 does not require any particular method for determining the reserves, it does specify that it should be based on relevant information about past events, including historical loss experience, current portfolio and market conditions, as well as reasonable and supportable forecasts for the term of each mortgage note or note receivable. The Company uses a forward-looking commercial real estate forecasting tool to estimate its current expected credit losses (CECL) for each of its mortgage notes and notes receivable on a loan-by-loan basis.

The CECL allowance required by Topic 326 is a valuation account that is deducted from the related mortgage note or note receivable.

Certain of the Company's mortgage notes and notes receivable include commitments to fund incremental amounts to its borrowers. These future funding commitments are also subject to the CECL model. The allowance related to future funding is recorded as a liability and is included in Accounts payable and accrued liabilities in the accompanying consolidated balance sheet.

As permitted under Topic 326, the Company made an accounting policy election to not measure an allowance for credit losses for accrued interest receivables related to its mortgage notes and notes receivable. Accordingly, if accrued interest receivable is deemed to be uncollectible, the Company will record any necessary write-offs as a reversal of interest income. During the year ended December 31, 2020, the Company wrote off approximately $0.3 million of accrued interest income against interest income related to one note receivable. As of December 31, 2020, the Company believes that all outstanding accrued interest is collectible.

In the event the Company has a past due mortgage note or note receivable and the Company determines it is collateral dependent, the Company measures expected credit losses based on the fair value of the collateral. The Company evaluates the collectability of both interest and principal for each of its mortgage notes and notes receivable on a quarterly basis to determine if foreclosure is probable. As of December 31, 2020, the Company does not have any mortgage notes or notes receivable with past due principal balances.

Mortgage and Other Financing Income
Certain of the Company's borrowers are subject to additional interest based on certain thresholds defined in the mortgage agreements (participating interest). Participating interest income is recognized at the time when specific triggering events occur as provided by the mortgage agreement. Mortgage and other financing income included participating interest income of $0.6 million for the year ended December 31, 2019. No participating interest income was recognized for the years ended December 31, 2020 and 2018. In addition, for the years ended December 31, 2019 and 2018, mortgage and other financing income included $2.7 million (of which $1.8 million has been classified in discontinued operations) and $74.7 million, respectively, in prepayment fees related to mortgage notes that were paid fully in advance of their maturity date. No prepayment fees were recognized for the year ended December 31, 2020.

Income Taxes
The Company qualifies as a REIT under the Internal Revenue Code (the Code). A REIT that distributes at least 90% of its taxable income to its shareholders each year and which meets certain other conditions is not taxed on that portion of its taxable income which is distributed to its shareholders. The Company intends to continue to qualify as a REIT and distribute substantially all of its taxable income to its shareholders.

The Company is subject to income tax in certain instances in both the US and in certain foreign jurisdictions, as more fully described herein. The Company's income tax expense includes deferred income tax expense or benefit, which represents the change in net deferred tax assets and liabilities. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities as measured by the enacted tax rates that will be in effect when these differences reverse. The Company evaluates the realizability of its deferred income tax assets and assesses the need for a valuation allowance for each jurisdiction for which it is subject to income tax. The realization of the deferred tax assets depends upon all positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit the use of existing deferred tax assets.

The Company owns certain real estate assets which are subject to income tax in Canada. At December 31, 2020, the net deferred tax assets related to the Company's Canadian operations totaled $17.0 million resulting from the temporary differences between income for financial reporting purposes and taxable income relating primarily to depreciation, capital improvements and straight-line rents. Due to the impacts of the COVID-19 pandemic, it is more likely than not the Company will not generate sufficient taxable income to realize the net deferred tax assets related to the Company's Canadian operations as of December 31, 2020 totaling $17.0 million.

The Company has certain taxable REIT subsidiaries (TRSs), as permitted under the Code, through which it conducts certain business activities and are subject to federal and state income taxes on their net taxable income. The Company uses two such TRS entities exclusively to hold the operational aspect of the traditional REIT lodging structure for three Experiential lodging properties that are facilitated by management agreements with eligible independent contractors. The real estate for these investments are held by the REIT either directly or through an investment in a joint venture and leased to the respective operations entity under a triple-net lease. Management has determined the real estate meets the requirements to be classified as qualified lodging facilities as required in a traditional REIT lodging structure.

At December 31, 2020, the net deferred tax assets related to the Company's TRSs totaled $7.9 million resulting from the temporary differences between income for financial reporting purposes and taxable income relate primarily to net operating loss carryovers and pre-opening cost amortization. Due to the impacts of the COVID-19 pandemic, it is more likely than not the Company will not generate sufficient taxable income to realize the net deferred tax assets related to the Company's TRSs as of December 31, 2020 totaling $7.9 million.

As of December 31, 2020 and 2019, respectively, the Canadian operations and the Company's TRSs had deferred tax assets included in other assets in the accompanying consolidated balance sheet totaling approximately $28.5 million and $19.3 million and deferred tax liabilities included in accounts payable and accrued liabilities in the accompanying consolidated balance sheet totaling approximately $3.6 million and $3.9 million. At December 31, 2020, the Company had a valuation allowance offsetting the net deferred tax assets included in the accompanying consolidated balance sheet totaling $24.9 million. The Company's consolidated deferred tax position is summarized as follows (in thousands):

	2020	2019
Fixed assets	$ 18,077	$ 14,462
Net operating losses	6,546	1,656
Start-up costs	2,495	2,768
Other	1,392	367
Total deferred tax assets	$ 28,510	$ 19,253
Capital improvements	$ (2,888)	$ (2,765)
Straight-line receivable	(706)	(1,097)
Other	(9)	(1)
Total deferred tax liabilities	$ (3,603)	$ (3,863)
Valuation allowance	(24,907)	—
Net deferred tax asset	$ —	$ 15,390

Additionally, during the years ended December 31, 2020, 2019 and 2018, the Company recognized current income and withholding tax expense of $1.5 million, $1.1 million and $1.7 million, respectively, primarily related to certain state income taxes and foreign withholding tax. The table below details the current and deferred income tax benefit (expense) for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Current TRS income tax	$ 7	$ 376	$ (221)
Current state income tax expense	(503)	(405)	(422)
Current foreign income tax	3	—	—
Current foreign withholding tax	(1,018)	(1,051)	(1,069)
Deferred TRS income tax (expense) benefit	(4,448)	3,719	319
Deferred foreign withholding tax	—	—	—
Deferred income tax (expense) benefit	(10,797)	396	(892)
Income tax benefit (expense)	$ (16,756)	$ 3,035	$ (2,285)

The Company's effective tax rate for the years ended December 31, 2020, 2019 and 2018 was 13.5%, 1.5% and 0.8%, respectively. The differences between the income tax expense calculated at the statutory U.S. federal income tax rates and the actual income tax expense recorded for continuing operations is mostly attributable to the dividends paid deduction available for REITs.

Furthermore, the Company qualified as a REIT and distributed the necessary amount of taxable income such that no current U.S. federal income taxes were due for the years ended December 31, 2020, 2019 and 2018. Accordingly, no provision for current U.S. federal income taxes was recorded for any of those years. If the Company fails to qualify as a REIT in any taxable year, without the benefit of certain provisions, it will be subject to federal and state income taxes at regular corporate rates (including any applicable alternative minimum tax for years prior to January 1, 2019) and may not be able to qualify as a REIT for four subsequent taxable years. Even if the Company qualifies for taxation as a REIT, the Company is subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed taxable income. Tax years 2017 through 2019 remain generally open to examination for U.S. federal income tax and state tax purposes and from 2015 through 2019 for Canadian income tax purposes.

The Company’s policy is to recognize interest and penalties as general and administrative expense. The Company did not recognize any interest and penalties in 2020, 2019 or 2018. The Company did not have any accrued interest and penalties at December 31, 2020, 2019 and 2018. Additionally, the Company did not have any unrecorded tax benefits as of December 31, 2020, 2019 and 2018.

Concentrations of Risk
Topgolf USA (Topgolf), Cinemark, AMC and Regal represented a significant portion of the Company's total revenue for the years ended December 31, 2020, 2019 and 2018. The Company began recognizing revenue on a cash basis for AMC at the end of the first quarter of 2020 and for Regal at the end of the third quarter of 2020 and cash payments have been reduced due to the impact of the COVID-19 pandemic. The following is a summary of the Company's total revenue (including revenue from discontinued operations) from Topgolf, Cinemark, AMC and Regal (dollars in thousands):

	Year ended December 31,					
	2020		2019		2018	
	Total Revenue	% of Company's Total Revenue	Total Revenue	% of Company's Total Revenue	Total Revenue	% of Company's Total Revenue
Topgolf	$ 80,714	19.5 %	$ 78,962	11.2 %	$ 64,459	9.2 %
Cinemark	42,065	10.1 %	38,927	5.5 %	37,303	5.3 %
AMC	29,964	7.2 %	123,792	17.6 %	115,805	16.5 %
Regal	13,056	3.1 %	75,784	10.8 %	57,614	8.2 %

Cash Equivalents
Cash equivalents include bank demand deposits.

Restricted Cash
Restricted cash represents cash held for tenants' off-season rent reserves and escrow deposits required in connection with property management agreements or held for potential acquisitions and redevelopments.

Share-Based Compensation
Share-based compensation to employees of the Company is granted pursuant to the Company's Annual Incentive Program and Long-Term Incentive Plan and share-based compensation to non-employee Trustees of the Company is granted pursuant to the Company's Trustee compensation program.

Share based compensation expense consists of share option expense and amortization of nonvested share grants issued to employees, and amortization of share units issued to non-employee Trustees for payment of their annual retainers. Share based compensation is included in general and administrative expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income.

Share Options
Share options are granted to employees pursuant to the Long-Term Incentive Plan. The fair value of share options granted is estimated at the date of grant using the Black-Scholes option pricing model. Share options granted to employees vest over a period of four years and share option expense for these options is recognized on a straight-line basis over the vesting period. Expense recognized related to share options and included in general and administrative expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $12 thousand, $10 thousand and $0.3 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Nonvested Shares Issued to Employees
The Company grants nonvested shares to employees pursuant to both the Annual Incentive Program and the Long-Term Incentive Plan. The Company amortizes the expense related to the nonvested shares awarded to employees under the Long-Term Incentive Plan and the premium awarded under the nonvested share alternative of the Annual Incentive Program on a straight-line basis over the future vesting period (three years to four years). Expense recognized related to nonvested shares and included in general and administrative expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $10.6 million, $11.3 million and $13.5 million for the years ended December 31, 2020, 2019 and 2018, respectively. Expense related to nonvested shares and included in severance expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $1.0 million, $0.6 million and $3.2 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Nonvested Performance Shares Issued to Employees
During the year ended December 31, 2020, the Compensation and Human Capital Committee of the Company's Board of Trustees (Board) approved the 2020 Long Term Incentive Plan (the 2020 LTIP) as a sub-plan under the Company's 2016 Equity Incentive Plan. Under the 2020 LTIP, the Company awards performance shares and restricted shares to the Company's executive officers. The performance shares contain both a market condition and a performance condition. The Company amortizes the expense related to the performance shares over the future vesting period of three years. Expense recognized related to performance shares and included in general and administrative expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $1.0 million for the year ended December 31, 2020. Expense related to nonvested performance shares and included in severance expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $261 thousand for the year ended December 31, 2020.

Restricted Share Units Issued to Non-Employee Trustees
The Company issues restricted share units to non-employee Trustees for payment of their annual retainers under the Company's Trustee compensation program. The fair value of the share units granted was based on the share price at the date of grant. The share units vest upon the earlier of the day preceding the next annual meeting of shareholders or a change of control. The settlement date for the shares is selected by the non-employee Trustee, and ranges from one year from the grant date to upon termination of service. This expense is amortized by the Company on a straight-line basis over the year of service by the non-employee Trustees. Total expense recognized related to shares issued to non-employee Trustees and included in general and administrative expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income was $2.2 million, $1.9 million and $1.3 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Foreign Currency Translation
The Company accounts for the operations of its Canadian properties in Canadian dollars. The assets and liabilities related to the Company’s Canadian properties and mortgage note are translated into U.S. dollars using the spot rates at the respective balance sheet dates; revenues and expenses are translated at average exchange rates. Resulting translation adjustments are recorded as a separate component of comprehensive income.

Derivative Instruments
The Company uses derivative instruments to reduce exposure to fluctuations in foreign currency exchange rates and variable interest rates.

The Company records all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as foreign currency risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. For its net investment hedges that hedge the foreign currency exposure of its Canadian investments, the Company has elected to assess hedge effectiveness using a method based on changes in spot exchange rates and record the changes in the fair value amounts excluded from the assessment of effectiveness into earnings on a systematic and rational basis. The Company may enter into derivative contracts that are intended to economically hedge certain of its risk, even though hedge accounting does not apply or the Company elects not to apply hedge accounting. If hedge accounting is not applied, realized and unrealized gains or losses are reported in earnings.

The Company's policy is to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

Impact of Recently Issued Accounting Standards
In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848)*. The ASU contains practical expedients for reference rate reform related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. During the year ended December 31, 2020, the Company elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. Application of these expedients preserves the presentation of derivatives consistent with past presentation. The Company continues to evaluate the impact of the guidance and may apply other elections as applicable as additional changes in the market occur. The Company intends to amend agreements referencing the LIBOR-index to a replacement index and will apply the optional expedients offered in Topic 848.

3. Real Estate Investments

The following table summarizes the carrying amounts of real estate investments as of December 31, 2020 and 2019 (in thousands):

	2020	2019
Buildings and improvements	$ 4,526,342	$ 4,747,101
Furniture, fixtures & equipment	118,334	123,239
Land	1,242,663	1,290,181
Leasehold interests	26,050	26,041
	5,913,389	6,186,562
Accumulated depreciation	(1,062,087)	(989,254)
Total	$ 4,851,302	$ 5,197,308

Depreciation expense on real estate investments from continuing operations was $162.6 million, $153.2 million and $133.7 million for the years ended December 31, 2020, 2019 and 2018, respectively.

Acquisitions and Development
During the year ended December 31, 2020, the Company completed the acquisition of real estate investments and lease related intangibles, as further discussed in Note 2, for Experiential properties totaling $22.1 million, that consisted of two theatre properties.

Additionally, during the year ended December 31, 2020, the Company had investment spending on build-to-suit development and redevelopment for Experiential properties totaling $46.9 million.

During the year ended December 31, 2019, the Company completed the acquisition of real estate investments and lease related intangibles, for Experiential properties totaling $451.9 million, that consisted of 26 theatre properties for approximately $426.5 million, one eat & play property for $1.4 million and two cultural properties for $24.0 million. The Company completed the acquisition of real estate investments and lease related intangibles for Education properties totaling $5.9 million that consisted of the acquisition of two early childhood education centers.

Additionally, during the year ended December 31, 2019, the Company had investment spending on build-to-suit development and redevelopment for Experiential properties totaling $146.2 million and Education properties totaling $38.6 million.

During the year ended December 31, 2019, the Company completed the construction of the Kartrite Resort and Indoor Waterpark in Sullivan County, New York. The indoor waterpark resort is being operated under a traditional REIT lodging structure and facilitated by a management agreement with an eligible independent contractor. The related operating revenue and expense are included in other income and other expense in the accompanying consolidated statements of (loss) income and comprehensive (loss) income for the year ended December 31, 2019. Additionally, during the year ended December 31, 2018, the Company completed the construction of the Resorts World Catskills common infrastructure. In June 2016, the Sullivan County Infrastructure Local Development Corporation issued $110.0 million of Series 2016 Revenue Bonds which funded a substantial portion of such construction costs. For the years ended December 31, 2018, 2017 and 2016, the Company received total reimbursements of $74.2 million of construction costs. During the year ended December 31, 2019, the Company received an additional reimbursement of $11.5 million.

Dispositions
On December 29, 2020, pursuant to a tenant purchase option, the Company completed the sale of six private schools and four early childhood education centers for net proceeds of approximately $201.2 million and recognized a gain on sale of approximately $39.7 million. Additionally, during the year ended December 31, 2020, the Company completed the sale of three early education properties, four experiential properties and two land parcels for net proceeds totaling $26.6 million and recognized a combined gain on sale of $10.4 million.

During the year ended December 31, 2019, the Company completed the sale of all of its public charter school portfolio through the following transactions:

- On November 22, 2019, the Company sold 47 public charter school related assets, classified as real estate investments, mortgage notes receivable and investment in direct financing leases, for net proceeds of approximately $449.6 million. The Company recognized an impairment on this public charter school portfolio sale of $21.4 million that included the write-off of non-cash straight-line rent and effective interest receivables totaling $24.8 million. See Note 4 for additional information related to the impairment.
- The Company sold ten public charter schools pursuant to tenant purchase options for net proceeds totaling $138.5 million and recognized a combined gain on sale of $30.0 million.
- The Company sold seven public charter schools (not as result of exercise of tenant purchase options) for net proceeds totaling $44.4 million and recognized a combined gain on sale of $1.9 million.
- See Note 6 for details on repayments of mortgage notes receivable secured by public charter school properties during 2019.

Due to the Company's disposition of its remaining public charter school portfolio in 2019, the operating results of all public charter schools sold during 2019 have been classified within discontinued operations in the accompanying consolidated statements of (loss) income and comprehensive (loss) income for all periods presented. See Note 17 for further details on discontinued operations.

Additionally, during the year ended December 31, 2019, the Company sold one attraction property, one early childhood education center property and four land parcels for net proceeds totaling $21.9 million and sold one

attraction property and received an $11.0 million cash payment and provided seller mortgage financing of $27.4 million. The Company recognized a combined gain on these sales of $4.2 million. See Note 6 for additional information on the seller mortgage note receivable.

4. Impairment Charges

The Company reviews its properties for changes in circumstances that indicate that the carrying value of a property may not be recoverable based on an estimate of undiscounted future cash flows. As a result of the COVID-19 pandemic, the Company experienced vacancies at some of its properties and at others the Company has negotiated lease modifications that included rent reductions. As part of this process, the Company reassessed the expected holding periods and expected future cash flows of such properties, and determined that the estimated cash flows were not sufficient to recover the carrying values of nine properties. Two of these nine properties have operating ground lease arrangements with right-of-use assets. During the year ended December 31, 2020, the Company determined the estimated fair value of the real estate investments and right-of-use assets of these properties using independent appraisals and various purchase offers. The Company reduced the carrying value of the real estate investments, net to $39.5 million and the operating lease right-of-use assets to $13.0 million. The Company recognized impairment charges of $70.7 million on the real estate investments and $15.0 million on the right-of-use assets, which are the amounts that the carrying value of the assets exceeded the estimated fair value.

During the year ended December 31, 2020, the Company also recognized $3.2 million in other-than-temporary impairments related to its equity investments in joint ventures in three theatre projects located in China. See Note 7 for further details on these impairments.

On November 22, 2019, the Company completed the sale of substantially all of its public charter school portfolio, consisting of 47 public charter school related assets, for net proceeds of approximately $449.6 million. Prior to the sale, the Company revised its estimated undiscounted cash flows associated with this portfolio, considering a shorter expected hold period and determined that the estimated cash flows were not sufficient to recover the carrying value of this portfolio. The Company estimated the fair value of this portfolio by taking into account the purchase price in the executed sale agreement. The Company recognized an impairment on public charter school portfolio sale of $21.4 million that included the write-off of non-cash straight-line rent and effective interest receivables totaling $24.8 million. This impairment and the operating results of all of the public charter schools sold in 2019 have been classified within discontinued operations in the accompanying consolidated statements of (loss) income and comprehensive (loss) income. See Note 17 for further details on discontinued operations.

During the year ended December 31, 2019, the Company entered into an agreement to sell a theatre property for approximately $6.2 million. As a result, the Company revised its estimated undiscounted cash flow associated with this property, considering a shorter expected hold period and determined that the estimated cash flow was not sufficient to recover the carrying value of this property. The Company estimated the fair value of this property by taking into account the purchase price in the executed sale agreement. The Company recorded an impairment charge of approximately $2.2 million, which is the amount that the carrying value of the asset exceeds the estimated fair value.

During the year ended December 31, 2018, the Company entered into an agreement with Children's Learning Adventure USA (CLA) in which CLA relinquished control of four of the Company's properties that were still under development as the Company no longer intended to develop these properties for CLA. As a result, the Company revised its estimated undiscounted cash flows for these four properties, considering shorter expected holding periods, and determined that those estimated cash flows were not sufficient to recover the carrying values of these four properties. During the year ended December 31, 2018, the Company determined the estimated fair value of these properties using Level 3 inputs, including independent appraisals of these properties, and reduced the carrying value of these assets to $9.8 million, recording an impairment charge of $16.5 million. The charge was primarily related to the cost of improvements specific to the development of CLA's prototype.

During the year ended December 31, 2018, the Company recognized a $10.7 million impairment charge related to the Company's guarantees of the payment of two economic development revenue bonds secured by leasehold

interests and improvements at two theatres in Louisiana. In accordance with Topic 460, *Guarantees*, the Company recorded an asset and liability at the inception of the guarantees at fair value, which represented the Company's obligation to stand ready to perform under the terms of the guarantees. During the year ended December 31, 2018, the Company determined that a portion of its asset was no longer recoverable and recorded an impairment charge of $7.8 million.

A contingent future obligation is recognized in accordance with the provisions of Topic 450, *Accounting for Contingencies*. In the case of the Company's guarantees, the contingent future obligation is the future payment of the bonds by the Company. At the inception of the guarantees, the Company determined that its future payment of the bonds was not probable, therefore no contingent future obligation was recorded. For the year ended December 31, 2018, the Company determined that its future payment on a portion of the bond obligations was probable due to inadequate performance of the theatre properties and failure of the debtor under the bonds to perform. Accordingly, for the year ended December 31, 2018, the Company recorded an incremental contingent liability of $2.9 million, which in addition to the $7.8 million discussed above, resulted in a total impairment charge recognized relating to the guarantees of $10.7 million.

5. Accounts Receivable

The following table summarizes the carrying amounts of accounts receivable as of December 31, 2020 and 2019 (in thousands):

	2020	2019
Receivable from tenants	$ 81,120	$ 11,373
Receivable from non-tenants	505	2,103
Straight-line rent receivable	34,568	73,382
Total	$ 116,193	$ 86,858

During the year ended December 31, 2020, the Company wrote-off receivables from tenants totaling $27.1 million and straight-line rent receivables totaling $38.0 million directly to rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income upon determination that the collectibility of these receivables or future lease payments from these tenants was no longer probable. Additionally, the Company determined that future rental revenue related to these tenants will be recognized on a cash basis. The $38.0 million in write-offs of straight-line rent receivables were comprised of $26.5 million of straight-line rent receivable and $11.5 million of sub-lessor ground lease straight-line rent receivable.

As of December 31, 2020, receivable from tenants includes fixed rent payments of approximately $76.0 million that were deferred due to the COVID-19 pandemic and determined to be collectible. Additionally, the Company has amounts due from tenants that were not booked as receivables as the full amounts were not deemed probable of collection as a result of the COVID-19 pandemic. While deferments for this and future periods delay rent payments, these deferments do not release tenants from the obligation to pay the deferred amounts in the future. The repayment terms for these deferments vary by tenant and agreements.

6. Investment in Mortgage Notes and Notes Receivable

Effective January 1, 2020, the Company adopted Topic 326, which requires the Company to estimate and record credit losses for each of its mortgage notes and note receivable. The Company measures expected credit losses on its mortgage notes and notes receivable on an individual basis over the related contractual term as its financial instruments do not have similar risk characteristics. The Company has not experienced historical losses on its mortgage note portfolio; therefore, the Company uses a forward-looking commercial real estate loss forecasting tool to estimate its expected credit losses. The loss forecasting tool is comprised of a probability of default model and a loss given default model that utilizes the Company's loan specific inputs as well as selected forward-looking macroeconomic variables and mean loss rates. Based on certain inputs, such as origination year, balance, interest rate as well as collateral value and borrower operating income, the model produces life of loan expected losses on a

loan-by-loan basis. As of December 31, 2020, the Company did not anticipate any prepayments therefore the contractual term of its mortgage notes was used for the calculation of the expected credit losses. The Company updates the model inputs at each reporting period to reflect, if applicable, any newly originated loans, changes to loan specific information on existing loans and current macroeconomic conditions.

During the year ended December 31, 2020, the Company increased its expected credit losses by $30.7 million from its implementation estimate of $2.2 million. This increase was primarily due to credit loss expense related to notes receivable from one borrower as described below as well as adjustments to current macroeconomic conditions resulting from the economic uncertainty and the rapidly changing environment surrounding the COVID-19 pandemic.

In response to the COVID-19 pandemic, the Company deferred interest payments for seven borrowers. The deferrals require the borrower to pay the deferred interest in future periods. The Company assessed the deferrals and determined that the modifications did not result in troubled debt restructurings at December 31, 2020.

Investment in mortgage notes, including related accrued interest receivable, at December 31, 2020 and 2019 consists of the following (in thousands):

Description	Year of Origination	Interest Rate	Maturity Date	Periodic Payment Terms	Outstanding principal amount of mortgage	Carrying amount as of December 31, 2020	Carrying amount as of December 31, 2019 (1)	Unfunded commitments December 31, 2020
Attraction property Powells Point, North Carolina	2019	7.75 %	6/30/2025	Interest only	$ 28,007	$ 27,045	$ 27,423	$ —
Fitness & wellness property Omaha, Nebraska	2017	7.85 %	1/3/2027	Interest only	10,905	11,225	10,977	—
Fitness & wellness property Merriam, Kansas	2019	7.55 %	7/31/2029	Interest only	9,095	9,355	5,985	248
Ski property Girdwood, Alaska	2019	8.24 %	12/31/2029	Interest only	40,869	40,680	37,000	16,131
Fitness & wellness property Omaha, Nebraska	2016	7.85 %	6/30/2030	Interest only	8,410	8,630	5,803	2,508
Experiential lodging property Nashville, Tennessee	2019	7.01 %	9/30/2031	Interest only	71,223	67,235	70,396	—
Eat & play property Austin, Texas	2012	11.31 %	6/1/2033	Principal & Interest-fully amortizing	11,361	11,929	11,582	—
Ski property West Dover and Wilmington, Vermont	2007	11.78 %	12/1/2034	Interest only	51,050	51,031	51,050	—
Four ski properties Ohio and Pennsylvania	2007	10.91 %	12/1/2034	Interest only	37,562	37,413	37,562	—
Ski property Chesterland, Ohio	2012	11.38 %	12/1/2034	Interest only	4,550	4,396	4,550	—
Ski property Hunter, New York	2016	8.57 %	1/5/2036	Interest only	21,000	21,000	21,000	—
Eat & play property Midvale, Utah	2015	10.25 %	5/31/2036	Interest only	17,505	18,289	17,505	—
Eat & play property West Chester, Ohio	2015	9.75 %	8/1/2036	Interest only	18,068	18,830	18,068	—
Private school property Mableton, Georgia	2017	9.02 %	4/30/2037	Interest only	5,088	5,278	5,048	—
Fitness & wellness property Fort Collins, Colorado	2018	7.85 %	1/31/2038	Interest only	10,292	10,408	10,360	—
Early childhood education center Lake Mary, Florida	2019	7.87 %	5/9/2039	Interest only	4,200	4,348	4,258	—
Eat & play property Eugene, Oregon	2019	8.13 %	6/17/2039	Interest only	14,700	14,799	14,800	—
Early childhood education center Lithia, Florida	2017	8.25 %	10/31/2039	Interest only	3,959	3,737	4,024	—
					$ 367,844	$ 365,628	$ 357,391	$ 18,887

(1) Balances as of December 31, 2019 are prior to the adoption of ASC Topic 326.

Investment in notes receivable, including related accrued interest receivable, was $7.3 million and $14.0 million at December 31, 2020 and 2019, respectively, and is included in Other assets in the accompanying consolidated balance sheets.

During the year ended December 31, 2020, the Company entered into an amended and restated loan and security agreement with one of its notes receivable borrowers in response to the impacts of the COVID-19 pandemic on the borrower. The restated note receivable consists of the previous note balance of $6.5 million and provides the borrower with a term loan for up to $13.0 million and a $6.0 million revolving line of credit. The restated note receivable has a maturity date of June 30, 2032 and the line of credit matures on December 31, 2022. Interest is deferred through June 30, 2022, at which time monthly principal and interest payments will be due over 10 years. Although the borrower is not in default, nor has the borrower declared bankruptcy, the Company determined these modifications resulted in a troubled debt restructuring (TDR) at December 31, 2020 due to the impacts of the

COVID-19 pandemic on the borrower's financial condition. These note receivables are considered collateral dependent and expected credit losses are based on the fair value of the underlying collateral at the reporting date. The notes are secured by the working capital and non-real estate assets of the borrower. The Company assessed the fair value of the collateral as of December 31, 2020 and recognized credit loss expense for the year ended December 31, 2020 consisting of the outstanding principal balance of $12.6 million and the $12.9 million unfunded commitment on the term loan and line of credit as of December 31, 2020. Income for this borrower will be recognized on a cash basis.

At December 31, 2020, the Company's investment in this note receivable was a variable interest and the underlying entity is a VIE. The Company is not the primary beneficiary of this VIE, as the Company does not individually have the power to direct the activities that are most significant to the entity and accordingly, this investment is not consolidated. The Company's maximum exposure to loss associated with this VIE is limited to the Company's outstanding note receivable of $12.6 million and the unfunded commitment of $12.9 million, both of which were fully reserved in the allowance for credit losses at December 31, 2020.

The following summarizes the activity within the allowance for credit losses related to mortgage notes, unfunded commitments and notes receivable for the year ended December 31, 2020 (in thousands):

	Mortgage notes receivable	Unfunded commitments - mortgage notes	Notes receivable	Unfunded commitments - notes receivable	Total
Allowance for credit losses at January 1, 2020	$ 2,000	$ 114	$ 49	$ —	$ 2,163
Credit loss expense	5,000	24	12,805	12,866	30,695
Charge-offs	—	—	—	—	—
Recoveries	—	—	—	—	—
Allowance for credit losses	$ 7,000	$ 138	$ 12,854	$ 12,866	$ 32,858

7. Unconsolidated Real Estate Joint Ventures

As of December 31, 2020 and 2019, the Company had a 65% investment interest in two unconsolidated real estate joint ventures related to two experiential lodging properties located in St. Petersburg Beach, Florida. The Company's partner, Gencom Acquisition, LLC and its affiliates, own the remaining 35% interest in the joint ventures. There are two separate joint ventures, one that holds the investment in the real estate of the experiential lodging properties and the other that holds lodging operations, which are facilitated by a management agreement with an eligible independent contractor. The Company's investment in the operating entity is held in a taxable REIT subsidiary (TRS). The Company accounts for its investment in these joint ventures under the equity method of accounting. As of December 31, 2020 and 2019, the Company had invested $27.4 million and $29.7 million, respectively, in these joint ventures.

The joint venture that holds the real property has a secured mortgage loan of $85.0 million at December 31, 2020, that is due April 1, 2022. The note can be extended for two additional one year periods upon the satisfaction of certain conditions. Additionally, the Company has guaranteed the completion of the renovations in the amount of approximately $32.7 million, with $23.9 million remaining to fund at December 31, 2020. The mortgage loan bears interest at an annual rate equal to the greater of 6.00% or LIBOR plus 3.75%. Interest is payable monthly beginning on May 1, 2019 until the stated maturity date of April 1, 2022, which can be extended to April 1, 2023. The joint venture has an interest rate cap agreement to limit the variable portion of the interest rate (LIBOR) on this note to 3.0% from March 28, 2019 to April 1, 2023. In response to the COVID-19 pandemic, on May 28, 2020, the joint venture was granted a three-month interest deferral, which is required to be paid on the maturity date of the loan and is not considered a troubled debt restructuring.

The Company recognized losses of $4.0 million and $140 thousand and income of $52 thousand during the years ended December 31, 2020, 2019 and 2018, respectively, and received no distributions during the years ended December 31, 2020, 2019 and 2018 related to the equity investment in these joint ventures.

As of December 31, 2020 and 2019, the Company's investments in these joint ventures were considered to be variable interests and the underlying entities are VIEs. The Company is not the primary beneficiary of the VIEs as the Company does not individually have the power to direct the activities that are most significant to the joint ventures and accordingly these investments are not consolidated. The Company's maximum exposure to loss at December 31, 2020, is its investment in the joint ventures of $27.4 million as well as the Company's guarantee of the estimated costs to complete renovations of approximately $23.9 million.

In addition, as of December 31, 2020 and 2019, the Company had invested $0.8 million and $4.6 million, respectively, in unconsolidated joint ventures for three theatre projects located in China. During the year ended December 31, 2020, the Company recognized $3.2 million in other-than-temporary impairment charges on these equity investments. The Company determined the estimated fair value of these investments based primarily on discounted cash flow projections. The Company recognized losses of $559 thousand, $241 thousand and $74 thousand, during the years ended December 31, 2020, 2019 and 2018, respectively, and received distributions of $112 thousand and $567 thousand, from its investment in these joint ventures for the years ended December 31, 2019 and 2018, respectively. No distributions were received during the year ended December 31, 2020.

8. Debt

Debt at December 31, 2020 and 2019 consists of the following (in thousands):

	2020	2019
Unsecured revolving variable rate credit facility, LIBOR + 1.625% at December 31, 2020, due February 27, 2022 (1)	$ 590,000	$ —
Unsecured term loan payable, LIBOR + 2.00% at December 31, 2020 with $350,000 fixed at 4.40% and $50,000 fixed at 4.60%, due February 27, 2023 (1)	400,000	400,000
Senior unsecured notes payable, 5.25%, due July 15, 2023 (2)	275,000	275,000
Senior unsecured notes payable, 5.60% at December 31, 2020, due August 22, 2024 (3)	148,000	148,000
Senior unsecured notes payable, 4.50%, due April 1, 2025 (2)	300,000	300,000
Senior unsecured notes payable, 5.81% at December 31, 2020, due August 22, 2026 (3)	192,000	192,000
Senior unsecured notes payable, 4.75%, due December 15, 2026 (2)	450,000	450,000
Senior unsecured notes payable, 4.50%, due June 1, 2027 (2)	450,000	450,000
Senior unsecured notes payable, 4.95%, due April 15, 2028 (2)	400,000	400,000
Senior unsecured notes payable, 3.75%, due August 15, 2029 (2)	500,000	500,000
Bonds payable, variable rate, fixed at 1.39% through September 30, 2024, due August 1, 2047	24,995	24,995
Less: deferred financing costs, net	(35,552)	(37,165)
Total	$ 3,694,443	$ 3,102,830

(1) At December 31, 2020, the Company had $590.0 million outstanding under its $1.0 billion unsecured revolving credit facility with interest at a floating rate of LIBOR plus 1.625% (with a LIBOR floor of 0.50%), which was 2.125% with a facility fee of 0.375%. Interest is payable monthly. Subsequent to December 31, 2020, the Company paid down $500.0 million on this credit facility.

The Company's unsecured term loan facility had a balance of $400.0 million with interest at a floating rate of LIBOR plus 2.00% (with a LIBOR floor of 0.50%), which was 2.5% on December 31, 2020. Interest is payable monthly. In addition, there is a $1.0 billion accordion feature on the combined unsecured revolving credit and term loan facility (the combined facility) that increases the maximum borrowing amount available under the combined facility, subject to lender approval, from $1.4 billion to $2.4 billion. If the Company exercises all or any portion of the accordion feature, the resulting increase in the combined facility may have a shorter or longer maturity date and different pricing terms. The combined facility contains financial covenants or restrictions that limit the Company's levels of consolidated debt, secured debt, investment levels outside certain categories and dividend distributions, and require the Company to maintain a minimum consolidated tangible net worth and meet certain coverage levels for

fixed charges and debt services. As discussed further below, certain of these covenants were modified or waived during 2020.

In light of the continuing financial and operational impacts of the COVID-19 pandemic on the Company and its tenants and borrowers, on June 29, 2020 and November 3, 2020, the Company amended its Consolidated Credit Agreement, which governs its unsecured revolving credit facility and its unsecured term loan facility. As described below, the amendments modified certain provisions and waived the Company's obligation to comply with certain covenants under this debt agreement through December 31, 2021. The Company can elect to terminate the Covenant Relief Period early, subject to certain conditions.

As described below, the loans subject to the modifications bear interest at higher rates during the Covenant Relief Period and will return to the original pre-waiver levels at the end of such period, subject to certain conditions. The rates during and after the Covenant Relief Period continue to be subject to change based on unsecured debt ratings, as defined in the agreement. The amendments also imposed the additional restrictions on the Company discussed below during the Covenant Relief Period. In addition, during the Covenant Relief Period, the amendments require the Company to cause certain of its key subsidiaries to guarantee the Company's obligations based on its unsecured debt ratings, and the Company will be required to pledge the equity interests of certain of those subsidiary guarantors upon the occurrence of certain events, however both of these requirements end when the Covenant Relief Period is over.

During the Covenant Relief Period, the initial interest rates for the revolving credit facility and term loan facility were set at LIBOR plus 1.375% and LIBOR plus 1.75%, respectively, (with a LIBOR floor of 0.50%) and the facility fee on the revolving credit facility was increased to 0.375%. On August 20, 2020, as a result of a downgrade of the Company's unsecured debt rating by Moody's to Baa3, the spreads on the revolving credit and term loan facilities each increased by 0.25%. During the fourth quarter of 2020, the Company's unsecured debt rating was downgraded to BB+ by both Fitch and Standard & Poor's. As a result of these downgrades, certain of the Company's key subsidiaries guarantee the Company's obligations under its bank credit facilities, private placement notes and other outstanding senior unsecured notes in accordance with existing agreements with the holders of such indebtedness. See Note 20 for the Company's supplemental guarantor financial information. If the Company's unsecured debt rating is further downgraded by Moody's, the interest rates on the revolving credit and term loan facilities would both increase by 0.35% during the Covenant Relief Period. After the Covenant Relief Period, the interest rates for the revolving credit and term loan facilities, based on the Company's current unsecured debt ratings, are scheduled to return to LIBOR plus 1.20% and LIBOR plus 1.35%, respectively, (with a LIBOR floor of zero) and the facility fee will be 0.25%, however these rates are subject to change based on the Company's unsecured debt ratings.

The amendments to the Company's revolving credit and term loan facilities permanently modified certain financial covenants and provided relief from compliance with certain financial covenants during the Covenant Relief Period, as follows: (i) a new minimum liquidity financial covenant of $500.0 million during the Covenant Relief Period was added; (ii) compliance with the total-debt-to-total-asset-value, the maximum-unsecured-debt-to-unencumbered-asset-value, the minimum unsecured interest coverage ratio and the minimum fixed charge ratio financial covenants was suspended for the period beginning June 29, 2020 and ending on the earlier to occur of December 31, 2021 or the earlier termination of the Covenant Relief Period; (iii) permanent amendments to the unsecured-debt-to-unencumbered-asset-value financial covenant were made to allow short-term indebtedness to be offset by unrestricted cash in the calculation and to allow unrestricted cash not otherwise offset against short-term indebtedness to be counted as an unencumbered asset; and (iv) permanent amendments to financial covenants were made to allow accrued deferred payments to be included as recurring property revenue in these calculations. The amendments also imposed additional restrictions on the Company and its subsidiaries during the Covenant Relief Period, including limitations on certain investments, incurrences of indebtedness, capital expenditures and payment of dividends or other distributions and stock repurchases, in each case subject to certain exceptions.

In connection with the amendments, $0.1 million of fees paid to third parties were expensed and included in costs associated with loan refinancing in the accompanying consolidated statements of (loss) income and comprehensive (loss) income for the year ended December 31, 2020. In addition, the Company paid $5.1 million in fees to existing lenders that were capitalized in deferred financing costs and amortized as part of the effective yield. These fees consisted of $3.6 million related to the unsecured revolving credit facility and included in other assets and $1.5 million related to the term loan and shown as a reduction of debt.

As described under (3) below, on June 29, 2020 and December 24, 2020, the Company also amended its Note Purchase Agreement which governs its private placement notes. Under the most favored nations clause included in the Consolidated Credit Agreement, the additional or more restrictive covenants included in the private placement amendments are incorporated into the Consolidated Credit Agreement.

(2) These notes contain various covenants, including: (i) a limitation on incurrence of any debt that would cause the ratio of the Company’s debt to adjusted total assets to exceed 60%; (ii) a limitation on incurrence of any secured debt that would cause the ratio of the Company’s secured debt to adjusted total assets to exceed 40%; (iii) a limitation on incurrence of any debt that would cause the Company’s debt service coverage ratio to be less than 1.5 times; and (iv) the maintenance at all times of the Company's total unencumbered assets such that they are not less than 150% of the Company’s outstanding unsecured debt.

(3) In light of the continuing financial and operational impacts of the COVID-19 pandemic on the Company and its tenants and borrowers, on June 29, 2020 and December 24, 2020, the Company amended its Note Purchase Agreement, which governs its private placement notes. The amendments modified certain provisions and waived the Company's obligation to comply with certain covenants under these debt agreements through October 1, 2021. The Company can elect to extend such period through January 1, 2022 and may elect to terminate the Covenant Relief Period early, subject to certain conditions. These notes: (i) contain certain financial and other covenants that generally conform to the combined credit facility described above; (ii) provide investors thereunder certain additional guaranty and lien rights, in the event that certain events occur; (iii) contain certain "most favored lender" provisions; and (iv) impose restrictions on debt that can be incurred by certain subsidiaries of the Company. As discussed further below, certain of these covenants were modified or waived during 2020.

The amendments provided for an immediate 0.65% waiver premium to be paid on the private placement notes during the Covenant Relief Period. In addition, during the fourth quarter of 2020, as a result of downgrades of the Company's unsecured debt rating to BB+ by both Fitch and Standard and Poor's, the spreads on the private placement notes each increased by an additional 0.60%. As a result, the interest rates for the private placement notes were increased to 5.60% and 5.81% for the Series A notes due 2024 and the Series B notes due 2026, respectively. After the Covenant Relief Period, the interest rates for the private placement notes are scheduled to return to 4.35% and 4.56% for the Series A notes due 2024 and the Series B notes due 2026, respectively.

If the Company elects to extend the Covenant Relief Period until January 1, 2022, the Company must, or must cause certain of its subsidiaries to, grant mortgages on certain unencumbered properties to a collateral agent, on behalf of the holders of the private placement notes and the lenders under the Company's Consolidated Credit Agreement. If the Company provides such mortgages, they must remain in effect until the later of two consecutive fiscal quarters of demonstrated covenant compliance or June 30, 2022, however the additional 0.60% interest rate premium as a result of the downgrades in the Company's unsecured debt rating is removed while mortgages are outstanding. If the Company elects to extend the Covenant Relief Period until January 1, 2022 as described above, the Covenant Relief Period will automatically end on October 29, 2021 if the Company fails to provide such mortgages.

The amendments provide relief from compliance with the following financial covenants during the Covenant Relief Period: the total-debt-to-total-asset-value covenant; the maximum-unsecured-debt-to-unencumbered-asset-value covenant; the minimum unsecured interest coverage ratio; and the minimum fixed charge ratio. The amended Note Purchase Agreement modifies the maximum secured debt to total asset value covenant as follows: (i) neither the Company nor any of its subsidiaries may incur any secured debt during the period beginning on December 24, 2020 and ending on the last day of the Covenant Relief Period, subject to certain exceptions; and (ii) after the Covenant

Relief Period the ratio of secured debt to total asset value is reduced from 0.35 to 1.00 to 0.25 to 1.00 until the Company can demonstrate covenant compliance for at least two fiscal quarters.

The amendments impose certain restrictions on the Company during the Covenant Relief Period, including limitations on certain investments, incurrences of indebtedness, capital expenditures, payment of dividends or other distributions and stock repurchases, and maintenance of a minimum liquidity amount of $500.0 million, in each case subject to certain exceptions. The amendments include the following restrictions: (i) the limitation on investments and guarantees of certain indebtedness from October 1, 2020 to the end of the Covenant Relief Period was set at $175.0 million; and (ii) the limitation on capital expenditures from October 1, 2020 to the end of the Covenant Relief Period was set at $175.0 million. In addition, the amount of proceeds from assets sales that are exempt from the requirement to apply such proceeds to the prepayment of outstanding indebtedness under the Company's existing bank credit agreement and the private placement notes is $150.0 million, subject to certain exceptions relating to the sale of specified assets. In addition, the Company is prohibited from voluntarily prepaying its existing public senior notes during the Covenant Relief Period or its term loan debt under its bank facility during the Covenant Relief Period.

In connection with the amendments, $1.5 million of fees paid to third parties were expensed and included in costs associated with loan refinancing in the accompanying consolidated statements of (loss) income and comprehensive (loss) income for the year ended December 31, 2020. In addition, the Company paid $0.9 million in fees to existing lenders that were capitalized in deferred financing costs and amortized as part of the effective yield and shown as a reduction of debt.

Subsequent to year-end, the Company paid down principal of approximately $23.8 million on its private placement notes resulting from the sale of assets in accordance with the amendments.

Certain of the Company’s debt agreements contain customary restrictive covenants related to financial and operating performance as well as certain cross-default provisions. The Company was in compliance with all financial covenants under the Company's debt instruments at December 31, 2020.

Principal payments due on long-term debt obligations subsequent to December 31, 2020 (without consideration of any extensions) are as follows (in thousands):

	Amount
Year:	
2021	$ —
2022	590,000
2023	675,000
2024	148,000
2025	300,000
Thereafter	2,016,995
Less: deferred financing costs, net	(35,552)
Total	$ 3,694,443

The Company capitalizes a portion of interest costs as a component of property under development. The following is a summary of interest expense, net from continuing operations for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Interest on loans	$ 152,058	$ 140,697	$ 137,570
Amortization of deferred financing costs	6,606	6,192	5,797
Credit facility and letter of credit fees	3,064	2,265	2,411
Interest cost capitalized	(1,233)	(4,975)	(9,541)
Interest income	(2,820)	(2,177)	(367)
Interest expense, net	$ 157,675	$ 142,002	$ 135,870

9. Derivative Instruments

All derivatives are recognized at fair value in the consolidated balance sheets within the line items "Other assets" and "Accounts payable and accrued liabilities" as applicable. The Company has elected not to offset its derivative position for purposes of balance sheet presentation and disclosure. The Company had derivative assets of $1.1 million at December 31, 2019 and had no derivative assets at December 31, 2020. The Company had derivative liabilities of $14.0 million and $4.5 million at December 31, 2020 and 2019, respectively. The Company has not posted or received collateral with its derivative counterparties as of December 31, 2020 and 2019. See Note 10 for disclosures relating to the fair value of the derivative instruments.

Risk Management Objective of Using Derivatives
The Company is exposed to certain risk arising from both its business operations and economic conditions including the effect of changes in foreign currency exchange rates on foreign currency transactions and interest rates on its LIBOR based borrowings. The Company manages this risk by following established risk management policies and procedures including the use of derivatives. The Company's objective in using derivatives is to add stability to reported earnings and to manage its exposure to foreign exchange and interest rate movements or other identified risks. To accomplish this objective, the Company primarily uses interest rate swaps, cross-currency swaps and foreign currency forwards.

Cash Flow Hedges of Interest Rate Risk
The Company uses interest rate swaps as its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt or payment of variable-rate amounts from a counterparty which results in the Company recording net interest expense that is fixed over the life of the agreements without exchange of the underlying notional amount.

As of December 31, 2020, the Company had four interest rate swap agreements designated as cash flow hedges of interest rate risk related to its variable rate unsecured term loan facility totaling $400.0 million. Additionally, at December 31, 2020, the Company had an interest rate swap agreement designated as a cash flow hedge of interest rate risk related to its variable rate secured bonds totaling $25.0 million. Interest rate swap agreements outstanding at December 31, 2020 are summarized below:

Fixed rate		Notional Amount (in millions)	Index	Maturity
4.3950%	(1)	$ 116.7	USD LIBOR	February 7, 2022
4.4075%	(1)	116.7	USD LIBOR	February 7, 2022
4.4080%	(1)	116.6	USD LIBOR	February 7, 2022
4.5950%	(1)	50.0	USD LIBOR	February 7, 2022
Total		$ 400.0		
1.3925%		25.0	USD LIBOR	September 30, 2024
Total		$ 25.0		

(1) As discussed in Note 8, on June 29, 2020 and November 3, 2020, the Company amended its Consolidated Credit Agreement. The above fixed rates increased by 0.90% during the Covenant Relief Period, and as a result of the Company's unsecured debt ratings being downgraded and a LIBOR floor of 0.50% being established. The rates are scheduled to return to previous levels as defined in the agreement at the end of this period, subject to the Company's unsecured debt ratings.

The change in the fair value of interest rate derivatives designated and that qualify as cash flow hedges is recorded in accumulated other comprehensive income (AOCI) and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings within the same income statement line item as the earnings effect of the hedged transaction.

Amounts reported in AOCI related to derivatives will be reclassified to interest expense as interest payments are made on the Company's variable-rate debt. As of December 31, 2020, the Company estimates that during the twelve months ending December 31, 2020, $8.2 million will be reclassified from AOCI to interest expense.

Cash Flow Hedges of Foreign Exchange Risk

The Company is exposed to foreign currency exchange risk against its functional currency, USD, on CAD denominated cash flow from its four Canadian properties. The Company uses cross-currency swaps to mitigate its exposure to fluctuations in the USD-CAD exchange rate on cash inflows associated with these properties which should hedge a significant portion of the Company's expected CAD denominated cash flows.

During the year ended December 31, 2020, the Company entered into USD-CAD cross-currency swaps that were effective July 1, 2020 with a fixed original notional value of $100.0 million CAD and $76.6 million USD. The net effect of this swap is to lock in an exchange rate of $1.31 CAD per USD on approximately $7.2 million annual CAD denominated cash flows through June 2022.

The change in the fair value of foreign currency derivatives designated and that qualify as cash flow hedges of foreign exchange risk is recorded in AOCI and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings within the same income statement line item as the earnings effect of the hedged transaction. As of December 31, 2020, the Company estimates that during the twelve months ending December 31, 2020, $0.2 million of losses will be reclassified from AOCI to other expense.

Net Investment Hedges

The Company is exposed to fluctuations in the USD-CAD exchange rate on its net investments in Canada. As such, the Company uses either currency forward agreements or cross-currency swaps to manage its exposure to changes in foreign exchange rates on certain of its foreign net investments. As of December 31, 2020, the Company had the following cross-currency swaps designated as net investment hedges:

Fixed rate	Notional Amount (in millions, CAD)	Maturity
$1.32 CAD per USD	$ 100.0	July 1, 2023
$1.32 CAD per USD	100.0	July 1, 2023
Total	$ 200.0	

The cross-currency swaps also have a monthly settlement feature locked in at an exchange rate of $1.32 CAD per USD on $4.5 million of CAD annual cash flows, the net effect of which is an excluded component from the effectiveness testing of this hedge.

For qualifying foreign currency derivatives designated as net investment hedges, the change in the fair value of the derivatives are reported in AOCI as part of the cumulative translation adjustment. Amounts are reclassified out of AOCI into earnings when the hedged net investment is either sold or substantially liquidated. Gains and losses on the derivative representing hedge components excluded from the assessment of effectiveness are recognized over the life of the hedge on a systematic and rational basis, as documented at hedge inception in accordance with the Company's accounting policy election. The earnings recognition of excluded components are presented in other income.

Below is a summary of the effect of derivative instruments on the consolidated statements of changes in equity and income for the years ended December 31, 2020, 2019 and 2018:

Effect of Derivative Instruments on the Consolidated Statements of Changes in Equity and Comprehensive (Loss) Income for the Years Ended December 31, 2020, 2019 and 2018
(Dollars in thousands)

	Year Ended December 31,		
Description	2020	2019	2018
Cash Flow Hedges			
Interest Rate Swaps			
Amount of (Loss) Gain Recognized in AOCI on Derivative	$ (11,612)	$ (7,476)	$ 3,172
Amount of (Expense) Income Reclassified from AOCI into Earnings (1)	(6,159)	1,138	1,324
Cross Currency Swaps			
Amount of Gain (Loss) Recognized in AOCI on Derivative	5	(450)	1,689
Amount of Income Reclassified from AOCI into Earnings (2)	441	545	1,426
Net Investment Hedges			
Cross Currency Swaps			
Amount of (Loss) Gain Recognized in AOCI on Derivative	(4,664)	(4,454)	5,108
Amount of Income Recognized in Earnings (2) (3)	599	556	271
Currency Forward Agreements			
Amount of Gain Recognized in AOCI on Derivative	—	—	8,560
Total			
Amount of (Loss) Gain Recognized in AOCI on Derivative	$ (16,271)	$ (12,380)	$ 18,529
Amount of (Expense) Income Reclassified from AOCI into Earnings	(5,718)	1,683	2,750
Amount of Income Recognized in Earnings	599	556	271
Interest expense, net in accompanying consolidated statements of (loss) income and comprehensive (loss) income	$ 157,675	$ 142,002	$ 135,870
Other income in accompanying consolidated statements of (loss) income and comprehensive (loss) income	$ 9,139	$ 25,920	$ 2,076

(1) Included in “Interest expense, net” in accompanying consolidated statements of (loss) income and comprehensive (loss) income.
(2) Included in "Other income" in the accompanying consolidated statements of (loss) income and comprehensive (loss) income.
(3) Amounts represent derivative gains excluded from the effectiveness testing.

Credit-risk-related Contingent Features
The Company has agreements with each of its interest rate derivative counterparties that contain a provision where if the Company defaults on any of its obligations for borrowed money or credit in an amount exceeding $50.0 million and such default is not waived or cured within a specified period of time, including default where repayment of the indebtedness has not been accelerated by the lender, then the Company could also be declared in default on its interest rate derivative obligations.

As of December 31, 2020, the fair value of the Company's derivatives in a liability position related to these agreements was $14.0 million. If the Company breached any of the contractual provisions of these derivative contracts, it would be required to settle its obligations under the agreements at their termination value of $14.8 million. As of December 31, 2020, the Company had not posted any collateral related to these agreements and was not in breach of any provisions in these agreements.

10. Fair Value Disclosures

The Company has certain financial instruments that are required to be measured under the FASB's Fair Value Measurement guidance. The Company currently does not have any non-financial assets and non-financial liabilities that are required to be measured at fair value on a recurring basis.

As a basis for considering market participant assumptions in fair value measurements, the FASB's Fair Value Measurement guidance establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). Level 1 inputs use quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Derivative Financial Instruments
The Company uses interest rate swaps, foreign currency forwards and cross currency swaps to manage its interest rate and foreign currency risk. The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, foreign exchange rates, and implied volatilities. The fair value of interest rate swaps is determined using the market standard methodology of netting the discounted future fixed cash receipts and the discounted expected variable cash payments. The variable cash payments are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees. In conjunction with the FASB's fair value measurement guidance, the Company made an accounting policy election to measure the credit risk of its derivative financial instruments that are subject to master netting agreements on a net basis by counterparty portfolio.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives also use Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by itself and its counterparties. As of December 31, 2020, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives and therefore, has classified its derivatives as Level 2 within the fair value reporting hierarchy.

The table below presents the Company's financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2020 and 2019, aggregated by the level in the fair value hierarchy within which those measurements are classified and by derivative type.

Assets and Liabilities Measured at Fair Value on a Recurring Basis at December 31, 2020 and 2019
(Dollars in thousands)

Description	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at end of period
2020:				
Cross Currency Swaps**	$ —	$ (4,271)	$ —	$ (4,271)
Interest Rate Swap Agreements**	$ —	$ (9,723)	$ —	$ (9,723)
2019:				
Cross Currency Swaps*	$ —	$ 828	$ —	$ 828
Interest Rate Swap Agreements*	$ —	$ 225	$ —	$ 225
Interest Rate Swap Agreements**	$ —	$ (4,495)	$ —	$ (4,495)

*Included in "Other assets" in the accompanying consolidated balance sheet.
** Included in "Accounts payable and accrued liabilities" in the accompanying consolidated balance sheets.

Non-recurring fair value measurements
The table below presents the Company's assets measured at fair value on a non-recurring basis during the year ended December 31, 2020 and 2019, aggregated by the level in the fair value hierarchy within which those measurements fall.

Assets Measured at Fair Value on a Non-Recurring Basis During the Year Ended December 31, 2020 and 2019
(Dollars in thousands)

Description	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at measurement date
2020:				
Real estate investments, net	$ —	$ 29,684	$ 9,860	$ 39,544
Operating lease right-of-use assets	—	—	12,953	12,953
Investment in joint ventures	—	—	771	771
Other assets (1)	—	—	—	—
2019:				
Real estate investments, net	$ —	$ 6,160	$ —	$ 6,160

(1) Includes collateral dependent notes receivable, which are presented within other assets in the accompanying consolidated balance sheet.

As discussed further in Note 4, during the year ended December 31, 2020, the Company recorded impairment charges of $85.7 million, of which $70.7 million related to real estate investments, net and $15.0 million related to operating lease right-of-use assets. Management estimated the fair value of these investments taking into account various factors including purchase offers, independent appraisals, shortened hold periods and current market conditions. The Company determined, based on the inputs, that its valuation of six of its properties with purchase offers were classified as Level 2 of the fair value hierarchy and were measured at fair value. Three properties, two of which included operating lease right-of-use assets, were measured at fair value using independent appraisals which used discounted cash flow models. The significant inputs and assumptions used in the real estate appraisals included market rents which ranged from $9 per square foot to $28 per square foot, discount rates which ranged from 9.0% to 12.3% and a terminal capitalization rate of 8.75% for the property not under ground lease. Significant inputs and assumptions used in the right-of-use asset appraisals included market rates which ranged from $10 per square foot to

$16 per square foot and discount rates which ranged from 8.0% to 8.5%. These measurements were classified within Level 3 of the fair value hierarchy as many of the assumptions were not observable.

Additionally, as discussed further in Note 7, during the year ended December 31, 2020, the Company recorded impairment charges of $3.2 million related to its investment in joint ventures. Management estimated the fair value of these investments, taking into account various factors including implied asset value changes based on discounted cash flow projections and current market conditions. The Company determined, based on the inputs, that its valuation of investment in joint ventures was classified within Level 3 of the fair value hierarchy as many of the assumptions are not observable.

As discussed further in Note 6, during the year ended December 31, 2020, the Company recorded expected credit loss expense totaling $25.5 million related to notes receivable from one borrower to fully reserve the outstanding principal balance of $12.6 million and unfunded commitment to fund $12.9 million, as a result of recent changes in the borrower's financial status due to the impact of the COVID-19 pandemic. Management valued the loan based on the fair value of the underlying collateral which was based on review of the financial statements of the borrower, and was classified within Level 2 of the fair value hierarchy.

As discussed further in Note 4, during the year ended December 31, 2019, the Company recorded an impairment charge of $2.2 million related to real estate investments, net. Management estimated the fair value of this property taking into account various factors including various purchase offers, pending purchase agreements, the shortened holding period and current market conditions. The Company determined, based on the inputs, that its valuation of real estate investments, net was classified within Level 2 of the fair value hierarchy.

Fair Value of Financial Instruments
The following methods and assumptions were used by the Company to estimate the fair value of each class of financial instruments at December 31, 2020 and 2019:

Mortgage notes receivable and related accrued interest receivable:
The fair value of the Company’s mortgage notes and related accrued interest receivable is estimated by discounting the future cash flows of each instrument using current market rates. At December 31, 2020, the Company had a carrying value of $365.6 million in fixed rate mortgage notes receivable outstanding, including related accrued interest, with a weighted average interest rate of approximately 9.03%. The fixed rate mortgage notes bear interest at rates of 7.01% to 11.78%. Discounting the future cash flows for fixed rate mortgage notes receivable using rates of 7.50% to 10.00%, management estimates the fair value of the fixed rate mortgage notes receivable to be $394.0 million with an estimated weighted average market rate of 8.11% at December 31, 2020.

At December 31, 2019, the Company had a carrying value of $357.4 million in fixed rate mortgage notes receivable outstanding, including related accrued interest, with a weighted average interest rate of approximately 8.98%. The fixed rate mortgage notes bear interest at rates of 6.99% to 11.61%. Discounting the future cash flows for fixed rate mortgage notes receivable using rates of 6.99% to 9.25%, management estimates the fair value of the fixed rate mortgage notes receivable to be $395.6 million with an estimated weighted average market rate of 7.76% at December 31, 2019.

Derivative instruments:
Derivative instruments are carried at their fair value.

Debt instruments:
The fair value of the Company's debt as of December 31, 2020 and 2019 is estimated by discounting the future cash flows of each instrument using current market rates. At December 31, 2020, the Company had a carrying value of $1.0 billion in variable rate debt outstanding with an average weighted interest rate of approximately 2.23%. The carrying value of the variable rate debt outstanding approximates the fair value at December 31, 2020.

At December 31, 2019, the Company had a carrying value of $425.0 million in variable rate debt outstanding with an average weighted interest rate of approximately 2.75%. The carrying value of the variable rate debt outstanding approximates the fair value at December 31, 2019.

At December 31, 2020 and 2019, $425.0 million, of the Company's variable rate debt, discussed above, had been effectively converted to a fixed rate by interest rate swap agreements. See Note 9 for additional information related to the Company's interest rate swap agreements.

At December 31, 2020, the Company had a carrying value of $2.72 billion in fixed rate long-term debt outstanding with an average weighted interest rate of approximately 4.70%. Discounting the future cash flows for fixed rate debt using December 31, 2020 market rates of 4.09% to 5.81%, management estimates the fair value of the fixed rate debt to be approximately $2.69 billion with an estimated weighted average market rate of 4.70% at December 31, 2020.

At December 31, 2019, the Company had a carrying value of $2.72 billion in fixed rate long-term debt outstanding with an average weighted interest rate of approximately 4.54%. Discounting the future cash flows for fixed rate debt using December 31, 2019 market rates of 2.87% to 4.56%, management estimates the fair value of the fixed rate debt to be approximately $2.87 billion with an estimated weighted average market rate of 3.51% at December 31, 2019.

11. Common and Preferred Shares

On June 3, 2019, the Company filed a shelf registration statement with the SEC, which is effective for a term of three years. The securities covered by this registration statement include common shares, preferred shares, debt securities, depositary shares, warrants, and units. The Company may periodically offer one of more of these securities in amounts, prices and on terms to be announced when and if these securities are offered. The specifics of any future offerings along with the use of proceeds of any securities offered, will be described in detail in a prospectus supplement, or other offering materials, at the time of any offering.

Additionally, on June 3, 2019, the Company filed a shelf registration statement with the SEC, which is effective for a term of three years, for its Dividend Reinvestment and Direct Share Purchase Plan (DSP Plan) which permits the issuance of up to 15,000,000 common shares.

Common Shares

The Company's Board declared cash dividends totaling $1.515 and $4.500 per common share for the years ended December 31, 2020 and 2019, respectively. The monthly cash dividend to common shareholders was suspended following the common share dividend paid on May 15, 2020 to shareholders of record as of April 30, 2020.

Of the total distributions calculated for tax purposes, the amounts characterized as ordinary income, return of capital and long-term capital gain for cash distributions paid per common share for the years ended December 31, 2020 and 2019 are as follows:

	Cash Distributions Per Share	
	2020	2019
Taxable ordinary income (1)	$ 0.8888	$ 2.7411
Return of capital	0.5634	1.3966
Long-term capital gain (2)	0.4378	0.3473
Totals	$ 1.8900	$ 4.4850

(1) Amounts qualify in their entirety as 199A distributions.
(2) Of the long-term capital gain, $0.1439 and $0.3473 were unrecaptured section 1250 gains for the years ended December 31, 2020 and 2019, respectively.

During the year ended December 31, 2020, the Company issued an aggregate of 36,176 common shares under its DSP Plan for net proceeds of $1.1 million.

During the year ended December 31, 2020, the Company's Board approved a share repurchase program pursuant to which the Company may repurchase up to $150.0 million of the Company's common shares. The share repurchase program was scheduled to expire on December 31, 2020; however, the Company suspended the program on the effective date of the covenant modification agreements, June 29, 2020, as discussed in Note 8. During the year ended December 31, 2020, the Company repurchased 4,066,716 common shares under the share repurchase program for approximately $106.0 million. The repurchases were made under a Rule 10b5-1 trading plan.

Series C Convertible Preferred Shares
The Company has outstanding 5.4 million 5.75% Series C cumulative convertible preferred shares (Series C preferred shares). The Company will pay cumulative dividends on the Series C preferred shares from the date of original issuance in the amount of $1.4375 per share each year, which is equivalent to 5.75% of the $25 liquidation preference per share. Dividends on the Series C preferred shares are payable quarterly in arrears. The Company does not have the right to redeem the Series C preferred shares except in limited circumstances to preserve the Company's REIT status. The Series C preferred shares have no stated maturity and will not be subject to any sinking fund or mandatory redemption. As of December 31, 2020, the Series C preferred shares are convertible, at the holder's option, into the Company's common shares at a conversion rate of 0.4137 common shares per Series C preferred share, which is equivalent to a conversion price of $60.43 per common share. This conversion ratio may increase over time upon certain specified triggering events including if the Company's common dividends per share exceeds a quarterly threshold of $0.6875.

Upon the occurrence of certain fundamental changes, the Company will under certain circumstances increase the conversion rate by a number of additional common shares or, in lieu thereof, may in certain circumstances elect to adjust the conversion rate upon the Series C preferred shares becoming convertible into shares of the public acquiring or surviving company.

The Company may, at its option, cause the Series C preferred shares to be automatically converted into that number of common shares that are issuable at the then prevailing conversion rate. The Company may exercise its conversion right only if, at certain times, the closing price of the Company's common shares equals or exceeds 135% of the then prevailing conversion price of the Series C preferred shares.

Owners of the Series C preferred shares generally have no voting rights, except under certain dividend defaults. Upon conversion, the Company may choose to deliver the conversion value to the owners in cash, common shares, or a combination of cash and common shares.

The Company's Board declared cash dividends totaling $1.4375 per Series C preferred share for each of the years ended December 31, 2020 and 2019. There were non-cash distributions associated with conversion adjustments of $0.2131 and $0.6822 per Series C preferred share for the years ended December 31, 2020 and 2019, respectively. The conversion adjustment provision entitles the shareholders of the Series C preferred shares, upon certain quarterly common share dividend thresholds being met, to receive additional common shares of the Company upon a conversion of the preferred shares into common shares. The increase in common shares to be received upon a conversion is a deemed distribution for federal income tax purposes.

For tax purposes, the amounts characterized as ordinary income, return of capital and long-term capital gain for cash distributions paid and non-cash deemed distributions per Series C preferred share for the years ended December 31, 2020 and 2019 are as follows:

	Cash Distributions per Share	
	2020	2019
Taxable ordinary income (1)	$ 0.9631	$ 1.2758
Return of capital	—	—
Long-term capital gain (2)	0.4744	0.1617
Totals	$ 1.4375	$ 1.4375

(1) Amounts qualify in their entirety as 199A distributions.
(2) Of the long-term capital gain, $0.1559 and $0.1617 were unrecaptured section 1250 gains for the years ended December 31, 2020 and 2019, respectively.

	Non-cash Distributions per Share	
	2020	2019
Taxable ordinary income (3)	$ 0.0958	$ 0.1050
Return of capital	0.0701	0.5639
Long-term capital gain (4)	0.0472	0.0133
Totals	$ 0.2131	$ 0.6822

(3) Amounts qualify in their entirety as 199A distributions.
(4) Of the long-term capital gain, $0.0155 and $0.0133 were unrecaptured section 1250 gains for the years ended December 31, 2020 and 2019, respectively.

Series E Convertible Preferred Shares
The Company has outstanding 3.4 million 9.00% Series E cumulative convertible preferred shares (Series E preferred shares). The Company will pay cumulative dividends on the Series E preferred shares from the date of original issuance in the amount of $2.25 per share each year, which is equivalent to 9.00% of the $25 liquidation preference per share. Dividends on the Series E preferred shares are payable quarterly in arrears. The Company does not have the right to redeem the Series E preferred shares except in limited circumstances to preserve the Company's REIT status. The Series E preferred shares have no stated maturity and will not be subject to any sinking fund or mandatory redemption. As of December 31, 2020, the Series E preferred shares are convertible, at the holder's option, into the Company's common shares at a conversion rate of 0.4826 common shares per Series E preferred share, which is equivalent to a conversion price of $51.80 per common share. This conversion ratio may increase over time upon certain specified triggering events including if the Company's common dividends per share exceeds a quarterly threshold of $0.84.

Upon the occurrence of certain fundamental changes, the Company will under certain circumstances increase the conversion rate by a number of additional common shares or, in lieu thereof, may in certain circumstances elect to adjust the conversion rate upon the Series E preferred shares becoming convertible into shares of the public acquiring or surviving company.

The Company may, at its option, cause the Series E preferred shares to be automatically converted into that number of common shares that are issuable at the then prevailing conversion rate. The Company may exercise its conversion right only if, at certain times, the closing price of the Company's common shares equals or exceeds 150% of the then prevailing conversion price of the Series E preferred shares.

Owners of the Series E preferred shares generally have no voting rights, except under certain dividend defaults. Upon conversion, the Company may choose to deliver the conversion value to the owners in cash, common shares, or a combination of cash and common shares.

The Company's Board declared cash dividends totaling $2.25 per Series E preferred share for each of the years ended December 31, 2020 and 2019. There were non-cash distributions associated with conversion adjustments of $0.1695 and $0.6024 per Series E preferred share for the years ended December 31, 2020 and 2019, respectively. The conversion adjustment provision entitles the shareholders of the Series E preferred shares, upon certain quarterly common share dividend thresholds being met, to receive additional common shares of the Company upon a conversion of the preferred shares into common shares. The increase in common shares to be received upon a conversion is a deemed distribution for federal income tax purposes.

For tax purposes, the amounts characterized as ordinary income, return of capital and long-term capital gain for cash distributions paid and non-cash deemed distributions per Series E preferred share for the years ended December 31, 2020 and 2019 are as follows:

	Cash Distributions per Share	
	2020	2019
Taxable ordinary income (1)	$ 1.5075	$ 1.9970
Return of capital	—	—
Long-term capital gain (2)	0.7425	0.2530
Totals	$ 2.2500	$ 2.2500

(1) Amounts qualify in their entirety as 199A distributions.
(2) Of the long-term capital gain, $0.2441 and $0.2530 were unrecaptured section 1250 gains for the years ended December 31, 2020 and 2019, respectively.

	Non-cash Distributions per Share	
	2020	2019
Taxable ordinary income (3)	$ 0.0176	$ —
Return of capital	0.1432	0.6024
Long-term capital gain (4)	0.0087	—
Totals	$ 0.1695	$ 0.6024

(3) Amounts qualify in their entirety as 199A distributions.
(4) Of the long-term capital gain, $0.0610 was unrecaptured section 1250 gains for the year ended December 31, 2020. There were no unrecaptured section 1250 gains for the year ended December 31, 2019.

Series G Preferred Shares
The Company has outstanding 6.0 million 5.75% Series G cumulative redeemable preferred shares (Series G preferred shares). The Company will pay cumulative dividends on the Series G preferred shares from the date of original issuance in the amount of $1.4375 per share each year, which is equivalent to 5.75% of the $25.00 liquidation preference per share. Dividends on the Series G preferred shares are payable quarterly in arrears. The Company may not redeem the Series G preferred shares before November 30, 2022, except in limited circumstances to preserve the Company's REIT status. On or after November 30, 2022, the Company may, at its option, redeem the Series G preferred shares in whole at any time or in part from time to time by paying $25.00 per share, plus any accrued and unpaid dividends up to, but not including the date of redemption. The Series G preferred shares have no stated maturity and will not be subject to any sinking fund or mandatory redemption. The Series G preferred shares are not convertible into any of the Company's securities, except under certain circumstances in connection with a change of control. Owners of the Series G preferred shares generally have no voting rights except under certain dividend defaults.

The Company's Board declared cash dividends totaling $1.4375 per Series G preferred share for each of the years ended December 31, 2020 and 2019. For tax purposes, the amounts characterized as ordinary income, return of capital and long-term capital gain for cash distributions paid per Series G preferred share for the years ended December 31, 2020 and 2019 are as follows:

	Cash Distributions per Share	
	2020	2019
Taxable ordinary income (1)	$ 0.9631	$ 1.2758
Return of capital	—	—
Long-term capital gain (2)	0.4744	0.1617
Totals	$ 1.4375	$ 1.4375

(1) Amounts qualify in their entirety as 199A distributions.
(2) Of the long-term capital gain, $0.1559 and $0.1617 were unrecaptured section 1250 gains for the years ended December 31, 2020 and 2019, respectively.

12. Earnings Per Share

The following table summarizes the Company's computation of basic and diluted earnings per share (EPS) for the years ended December 31, 2020, 2019 and 2018 (amounts in thousands except per share information):

	Year Ended December 31, 2020		
	Income (numerator)	Shares (denominator)	Per Share Amount
Basic EPS:			
Net loss	$ (131,728)		
Less: preferred dividend requirements	(24,136)		
Net loss available to common shareholders	$ (155,864)	75,994	$ (2.05)
Diluted EPS:			
Net loss available to common shareholders	$ (155,864)	75,994	
Effect of dilutive securities:			
Share options	—	—	
Net loss available to common shareholders	$ (155,864)	75,994	$ (2.05)

	Year Ended December 31, 2019		
	Income (numerator)	Shares (denominator)	Per Share Amount
Basic EPS:			
Income from continuing operations	$ 154,556		
Less: preferred dividend requirements	(24,136)		
Income from continuing operations available to common shareholders	$ 130,420	76,746	$ 1.70
Income from discontinued operations available to common shareholders	$ 47,687	76,746	$ 0.62
Net income available to common shareholders	$ 178,107	76,746	$ 2.32
Diluted EPS:			
Income from continuing operations available to common shareholders	$ 130,420	76,746	
Effect of dilutive securities:			
Share options	—	36	
Income from continuing operations available to common shareholders	$ 130,420	76,782	$ 1.70
Income from discontinued operations available to common shareholders	$ 47,687	76,782	$ 0.62
Net income available to common shareholders	$ 178,107	76,782	$ 2.32

	Year Ended December 31, 2018		
	Income (numerator)	Shares (denominator)	Per Share Amount
Basic EPS:			
Income from continuing operations	$ 221,947		
Less: preferred dividend requirements and redemption costs	(24,142)		
Income from continuing operations available to common shareholders	$ 197,805	74,292	$ 2.66
Income from discontinued operations available to common shareholders	$ 45,036	74,292	$ 0.61
Net income available to common shareholders	$ 242,841	74,292	$ 3.27
Diluted EPS:			
Income from continuing operations available to common shareholders	$ 197,805	74,292	
Effect of dilutive securities:			
Share options	—	45	
Income from continuing operations available to common shareholders	$ 197,805	74,337	$ 2.66
Income from discontinued operations available to common shareholders	$ 45,036	74,337	$ 0.61
Net income available to common shareholders	$ 242,841	74,337	$ 3.27

The additional 2.2 million common shares for both December 31, 2020 and 2019 and 2.1 million common shares for December 31, 2018 that would result from the conversion of the Company's 5.75% Series C cumulative convertible preferred shares and the additional 1.7 million common shares for December 31, 2020 and 1.6 million common shares for both December 31, 2019 and 2018 that would result from the conversion of the Company's 9.0% Series E

cumulative convertible preferred shares and the corresponding add-back of the preferred dividends declared on those shares are not included in the calculation of diluted earnings per share because the effect is anti-dilutive.

The dilutive effect of potential common shares from the exercise of share options is included in diluted earnings per share for the years ended December 31, 2019 and 2018. The dilutive effect of potential common shares from the exercise of share options is excluded from diluted earnings per share for the year ended December 31, 2020 because the effect is anti-dilutive due to the net loss available to common shareholders. Options to purchase 117 thousand, 4 thousand and 26 thousand of common shares were outstanding at the end of 2020, 2019 and 2018, respectively, at per share prices ranging from $44.62 to $76.63 for 2020, $73.84 to $76.63 for 2019 and per share prices ranging from $61.79 to $76.63 for 2018, but were not included in the computation of diluted earnings per share because they were anti-dilutive.

The dilutive effect of the potential common shares from the performance shares is included in diluted earnings per share upon the satisfaction of certain performance and market conditions. These conditions are evaluated at each reporting period and if the conditions have been satisfied during the reporting period, the number of contingently issuable shares are included in the computation of diluted earnings per share. During the year ended December 31, 2020, the Company determined the performance and market conditions were not met, therefore, none of the 56 thousand contingently issuable performance shares were included in the computation of diluted earnings per share.

13. Severance Expense

On December 31, 2020, the Company's Senior Vice President - Asset Management, Michael L. Hirons, retired from the Company. Mr. Hirons' retirement was a "Qualifying Termination" under the Company's Employee Severance and Retirement Vesting Plan. For the year ended December 31, 2020, severance expense totaled $2.9 million and included cash payments totaling $1.6 million, and accelerated vesting of nonvested shares and performance shares totaling $1.3 million.

During the year ended December 31, 2019, the Company recorded severance expense related to various employees totaling $2.4 million. For the year ended December 31, 2019, severance expense included cash payments totaling $1.8 million, and accelerated vesting of nonvested shares totaling $0.6 million.

On April 5, 2018, the Company and Mr. Earnest, its then Senior Vice President and Chief Investment Officer, entered into an Amended and Restated Employment Agreement, effective March 31, 2018, to reflect the changes in connection with Mr. Earnest's transition to Executive Advisor of the Company. As the Company determined that such services were no longer needed, on December 27, 2018, the Company gave notice that the agreement was going to be terminated pursuant to the provisions of the Amended and Restated Employment Agreement. As a result, during the year ended December 31, 2018, the Company recorded severance expense related to Mr. Earnest, as well as another employee terminated under a similar such agreement, totaling $5.9 million. For the year ended December 31, 2018, severance expense includes cash payments totaling $2.6 million, accelerated vesting of nonvested shares totaling $3.2 million and $0.1 million of related taxes and other expenses.

14. Equity Incentive Plan

All grants of common shares and options to purchase common shares were issued under the Company's 2007 Equity Incentive Plan prior to May 12, 2016 and under the 2016 Equity Incentive Plan on and after May 12, 2016. Under the 2016 Equity Incentive Plan, an aggregate of 1,950,000 common shares, options to purchase common shares and restricted share units, subject to adjustment in the event of certain capital events, may be granted. During the year ended December 31, 2020, the Compensation and Human Capital Committee of the Board approved the 2020 Long Term Incentive Plan (2020 LTIP) as a sub-plan under the Company's 2016 Equity Incentive Plan. Under the 2020 LTIP, the Company awards performance shares and restricted shares to the Company's executive officers. At December 31, 2020, there were 746,828 shares available for grant under the 2016 Equity Incentive Plan.

Share Options

Share options have exercise prices equal to the fair market value of a common share at the date of grant. The options may be granted for any reasonable term, not to exceed 10 years. The Company generally issues new common shares upon option exercise. A summary of the Company's share option activity and related information is as follows:

	Number of shares	Option price per share			Weighted avg. exercise price
Outstanding at December 31, 2017	257,606	$ 19.02	—	$ 76.63	$ 51.81
Exercised	(25,721)	45.20	—	61.79	50.68
Granted	3,835	56.94	—	56.94	56.94
Forfeited/Expired	(845)	51.64	—	61.79	61.12
Outstanding at December 31, 2018	234,875	$ 19.02	—	$ 76.63	$ 51.98
Exercised	(118,786)	19.02	—	61.79	48.71
Granted	1,941	73.84	—	73.84	73.84
Outstanding at December 31, 2019	118,030	$ 44.62	—	$ 76.63	$ 55.63
Exercised	(1,410)	44.98	—	44.98	44.98
Granted	2,890	69.19	—	69.19	69.19
Forfeited/Expired	(2,820)	44.98	—	44.98	44.98
Outstanding at December 31, 2020	116,690	$ 44.62	—	$ 76.63	$ 56.36

The weighted average fair value of options granted was $3.73, $4.64 and $3.03 during 2020, 2019 and 2018, respectively. The intrinsic value of stock options exercised was $22 thousand, $2.8 million, and $0.4 million during the years ended December 31, 2020, 2019 and 2018, respectively. Additionally, the Company repurchased 1,043 shares in conjunction with the stock options exercised during the year ended December 31, 2020 with a total value of $63 thousand.

The following table summarizes outstanding and exercisable options at December 31, 2020:

	Options outstanding				Options exercisable			
Exercise price range	Options outstanding	Weighted avg. life remaining	Weighted avg. exercise price	Aggregate intrinsic value (in thousands)	Options outstanding	Weighted avg. life remaining	Weighted avg. exercise price	Aggregate intrinsic value (in thousands)
44.62 - 49.99	27,215	1.3			27,215	1.3		
50.00 - 59.99	31,710	3.5			29,793	3.3		
60.00 - 69.99	53,609	5.5			50,719	4.1		
70.00 - 76.63	4,156	7.1			2,148	6.6		
	116,690	4.0	$ 56.36	$ —	109,875	3.3	$ 55.67	$ —

Nonvested Shares

A summary of the Company's nonvested share activity and related information is as follows:

	Number of shares	Weighted avg. grant date fair value	Weighted avg. life remaining
Outstanding at December 31, 2019	509,338	$ 67.88	
Granted	211,549	69.09	
Vested	(269,716)	67.84	
Forfeited	(5,769)	67.95	
Outstanding at December 31, 2020	445,402	$ 68.47	0.82

The holders of nonvested shares have voting rights and receive dividends from the date of grant. The fair value of the nonvested shares that vested was $17.4 million, $22.7 million, and $16.0 million for the years ended December 31, 2020, 2019 and 2018, respectively. At December 31, 2020, unamortized share-based compensation expense related to nonvested shares was $11.8 million and will be recognized in future periods as follows (in thousands):

	Amount
Year:	
2021	$ 6,783
2022	3,811
2023	1,248
Total	$ 11,842

Nonvested Performance Shares

A summary of the Company's nonvested performance share activity and related information is as follows:

	Number of Performance Shares
Outstanding at December 31, 2019	—
Granted	61,615
Vested	(5,277)
Forfeited	—
Outstanding at December 31, 2020	56,338

The number of common shares issuable upon settlement of the performance shares granted during the year ended December 31, 2020 will be based upon the Company's achievement level relative to the following performance measures at December 31, 2022: 50% based upon the Company's Total Shareholder Return (TSR) relative to the TSRs of the Company's peer group companies, 25% based upon the Company's TSR relative to the TSRs of companies in the MSCI US REIT Index and 25% based upon the Company's Average Annual Growth in AFFO per share over the three-year performance period. The Company's achievement level relative to the performance measures is assigned a specific payout percentage which is multiplied by a target number of performance shares.

The performance shares based on relative TSR performance have market conditions and are valued using a Monte Carlo simulation model on the grant date, which resulted in a grant date fair value of approximately $3.0 million. The estimated fair value is amortized to expense over the three-year vesting period, which ends on December 31, 2022. The following assumptions were used in the Monte Carlo simulation for computing the grant date fair value of the performance shares with a market condition: risk-free interest rate of 1.4%, volatility factors in the expected market price of the Company's common shares of 18% and an expected life of three years. At December 31, 2020, unamortized share-based compensation expense related to nonvested performance shares was $1.8 million.

The performance shares based on growth in AFFO have a performance condition. The probability of achieving the performance condition is assessed at each reporting period. If it is deemed probable that the performance condition will be met, compensation cost will be recognized based on the closing price per share of the Company's common shares on the date of the grant multiplied by the number of awards expected to be earned. If it is deemed that it is not probable that the performance condition will be met, the Company will discontinue the recognition of compensation cost and any compensation cost previously recorded will be reversed. At December 31, 2020, achievement of the performance condition for the performance shares granted during the year ended December 31, 2020 was deemed not probable.

The performance shares accrue dividend equivalents which are paid only if common shares are issued upon settlement of the performance shares. During the year ended December 31, 2020, the Company accrued dividend equivalents expected to be paid on earned awards of $50 thousand. In connection with the retirement of the Company's Senior Vice President - Asset Management, Michael L. Hirons, $14 thousand in dividend equivalents were paid resulting in $36 thousand of accrued dividend equivalents expected to be paid on earned awards at December 31, 2020.

Restricted Share Units

A summary of the Company's restricted share unit activity and related information is as follows:

	Number of Shares	Weighted Average Grant Date Fair Value	Weighted Average Life Remaining
Outstanding at December 31, 2019	26,236	$ 77.54	
Granted	74,767	31.57	
Vested	(26,236)	77.54	
Outstanding at December 31, 2020	74,767	$ 31.57	0.42

The holders of restricted share units receive dividend equivalents from the date of grant. At December 31, 2020, unamortized share-based compensation expense related to restricted share units was $983 thousand which will be recognized in 2021.

15. Operating Leases

The Company's real estate investments are leased under operating leases with remaining terms ranging from one year to 29 years. The Company adopted Topic 842 on January 1, 2019 and elected to not reassess its prior conclusions about lease classification. Accordingly, these arrangements continue to be classified as operating leases.

The following table summarizes the future minimum rentals on the Company's lessor and sub-lessor arrangements at December 31, 2020 and 2019 (in thousands):

	December 31, 2020				December 31, 2019		
	Operating leases Amount (1) (2)	Sub-lessor operating ground leases Amount (1) (2)	Total		Operating leases Amount (2)	Sub-lessor operating ground leases Amount (2)	Total
Year:				Year:			
2021	$ 461,473	$ 20,440	$ 481,913	2020	$ 525,809	$ 23,468	$ 549,277
2022	477,454	20,743	498,197	2021	518,590	23,863	542,453
2023	474,504	20,022	494,526	2022	504,119	23,291	527,410
2024	471,149	19,521	490,670	2023	474,889	22,609	497,498
2025	464,850	19,636	484,486	2024	453,043	22,196	475,239
Thereafter	3,939,241	182,206	4,121,447	Thereafter	3,707,326	226,150	3,933,476
Total	$ 6,288,671	$ 282,568	$ 6,571,239	Total	$ 6,183,776	$ 341,577	$ 6,525,353

(1) Amounts presented above are based on contractual obligations and exclude the impact of COVID-19 deferred rent payments. As of December 31, 2020, receivables from tenants included fixed rent payments of approximately $76.0 million that were deferred due to the COVID-19 pandemic and determined to be collectible. The Company is currently scheduled to collect approximately $24.3 million in 2021, $31.6 million in 2022, $19.0 million in 2023 and $1.1 million in 2024.
(2) Included in rental revenue.

In addition to its lessor arrangements on its real estate investments, as of December 31, 2020 and 2019, the Company was lessee in 53 and 58 operating ground leases, respectively, as well as lessee in an operating lease of its executive office. The Company's tenants, who are generally sub-tenants under these ground leases, are responsible for paying the rent under these ground leases. As of December 31, 2020, rental revenue from several of the Company's tenants, who are also sub-tenants under the ground leases, is being recognized on a cash basis. In most cases, the ground lease sub-tenants have continued to pay the rent under these ground leases. In addition, two of these properties are vacant. In the event the tenant fails to pay the ground lease rent or if the property is vacant, the Company is primarily responsible for the payment, assuming the Company does not sell or re-tenant the property. As of December 31, 2020, the ground lease arrangements have remaining terms ranging from one year to 46 years. Most of these leases include one or more options to renew. The Company assesses these options using a threshold of reasonably certain, which also includes an assessment of the term of the Company's tenants' leases. For leases where renewal is reasonably certain, those option periods are included within the lease term and also the measurement of

the operating lease right-of-use asset and liability. The ground lease arrangements do not contain any residual value guarantees or any material restrictions. As of December 31, 2020, the Company does not have any leases that have not commenced but that create significant rights and obligations.

The Company determines whether an arrangement is or includes a lease at contract inception. Operating lease right-of-use assets and liabilities are recognized at commencement date and initially measured based on the present value of lease payments over the defined lease term. As the Company's leases do not provide an implicit rate, the Company used its incremental borrowing rate in determining the present value of lease payments. The incremental borrowing rate was adjusted for collateral based on the information available at adoption or the commencement date. Inputs to the calculation of the Company's incremental borrowing rate include its senior notes and their option adjusted credit spreads over comparable U.S. Treasury rates, adjusted to a collateralized basis by estimating the credit spread improvement that would result from an upgrade of one ratings classification.

The following table summarizes the future minimum lease payments under the ground lease obligations and the office lease at December 31, 2020 and 2019, excluding contingent rent due under leases where the ground lease payment, or a portion thereof, is based on the level of the tenant's sales (in thousands):

	December 31, 2020			December 31, 2019		
	Ground Leases (1)	Office lease (2)			Ground Leases (1)	Office lease (2)
Year:			Year:			
2021	$ 22,520	$ 884	2020		$ 24,085	$ 856
2022	22,058	967	2021		24,529	884
2023	21,340	967	2022		23,961	967
2024	20,840	967	2023		23,283	967
2025	20,936	967	2024		22,871	967
Thereafter	203,467	724	Thereafter		243,411	1,691
Total lease payments	$ 311,161	$ 5,476			$ 362,140	$ 6,332
Less: imputed interest	113,730	684			131,901	921
Present value of lease liabilities	$ 197,431	$ 4,792			$ 230,239	$ 5,411

(1) Included in property operating expense.
(2) Included in general and administrative expense.

The following table summarizes the carrying amounts of the operating lease right-of-use assets and liabilities as of December 31, 2020 (in thousands):

		As of December 31,	
	Classification	December 31, 2020	December 31, 2019
Assets:			
Operating ground lease assets	Operating lease right-of-use assets	$ 159,245	$ 205,997
Office lease asset	Operating lease right-of-use assets	4,521	5,190
Total operating lease right-of-use assets		$ 163,766	$ 211,187
Sub-lessor straight-line rent receivable	Accounts receivable	12,433	24,569
Total leased assets		$ 176,199	$ 235,756
Liabilities:			
Operating ground lease liabilities	Operating lease liabilities	$ 197,431	$ 230,239
Office lease liability	Operating lease liabilities	4,792	5,411
Total lease liabilities		$ 202,223	$ 235,650

The following table summarizes rental revenue, including sublease arrangements and lease costs, including impairment charges on operating lease right-of-use assets for the years ended December 31, 2020 and 2019 (in thousands):

		Year ended December 31,	
	Classification	2020	2019
Rental revenue			
Operating leases (1)	Rental revenue	$ 361,393	$ 569,530
Sublease income - operating ground leases (2)	Rental revenue	$ 10,783	$ 23,492
Lease costs			
Operating ground lease cost	Property operating expense	$ 24,386	$ 24,656
Operating office lease cost	General and administrative expense	$ 905	$ 909
Operating lease right-of-use asset impairment charges (3)	Impairment charges	$ 15,009	$ —

(1) During the year ended December 31, 2020, the Company wrote-off straight-line rent receivables totaling $26.5 million, to straight-line rental revenue classified in rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income. Additionally, during the year ended December 31, 2020, the Company wrote-off lease receivables from tenants totaling $25.7 million, to minimum rent, tenant reimbursements and percentage rent classified in rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income related to tenants being recognized on a cash basis.

(2) During the year ended December 31, 2020, the Company wrote-off sub-lessor ground lease straight-line rent receivables totaling $11.5 million, to straight-line rental revenue classified in rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income. Additionally, during the year ended December 31, 2020, the Company wrote-off sub-lessor ground lease receivables from tenants totaling $1.4 million to minimum rent classified in rental revenue in the accompanying consolidated statements of (loss) income and comprehensive (loss) income related to tenants being recognized on a cash basis.

(3) During the year ended December 31, 2020, the Company recognized impairment charges of $15.0 million related to the operating lease right-of-use assets at two of its properties. See Note 4 for the details on these impairments.

The following table summarizes the weighted-average remaining lease term and the weighted-average discount rate as of December 31, 2020:

	As of December 31,	
	2020	2019
Weighted-average remaining lease term in years		
Operating ground leases	15.8	16.0
Operating office lease	5.8	6.8
Weighted-average discount rate		
Operating ground leases	4.97 %	4.96 %
Operating office lease	4.62 %	4.62 %

16. Quarterly Financial Information (unaudited)

Summarized quarterly financial data for the years ended December 31, 2020 and 2019 are as follows (in thousands, except per share data):

	March 31	June 30	September 30	December 31
2020:				
Total revenue	$ 151,012	$ 106,360	$ 63,877	$ 93,412
Net income (loss)	37,118	(62,965)	(85,904)	(19,977)
Net income (loss) available to common shareholders of EPR Properties	31,084	(68,999)	(91,938)	(26,011)
Basic net income (loss) per common share	0.40	(0.90)	(1.23)	(0.35)
Diluted net income (loss) per common share	0.40	(0.90)	(1.23)	(0.35)

	March 31	June 30	September 30	December 31
2019:				
Total revenue	$ 150,527	$ 161,740	$ 169,356	$ 170,346
Net income	65,349	66,594	34,003	36,297
Net income available to common shareholders of EPR Properties	59,315	60,560	27,969	30,263
Basic net income per common share	0.79	0.80	0.36	0.39
Diluted net income per common share	0.79	0.79	0.36	0.39

During the year ended December 31, 2019, the Company completed the sale of its public charter school portfolio. Accordingly, the historical financial results of public charter school investments disposed of by the Company in 2019 are reflected in the Company's consolidated statements of (loss) income and comprehensive (loss) income as discontinued operations for all periods presented. See Note 17 for further details on discontinued operations.

17. Discontinued Operations

During the year ended December 31, 2019, the Company completed the sale of its public charter school portfolio with the largest disposition occurring on November 22, 2019 consisting of 47 public charter school related assets, for net proceeds of approximately $449.6 million. See Note 3 for additional information related to the sale and Note 4 for additional information related to the impairment recognized related to this sale. The Company determined the dispositions of the remaining public charter school portfolio in 2019 represented a strategic shift that had a major effect on the Company's operations and financial results. Therefore, all public charter school investments disposed of by the Company during the year ended December 31, 2019 qualified as discontinued operations. Accordingly, the historical financial results of these public charter school investments are reflected in the Company's consolidated financial statements as discontinued operations for all periods presented.

The operating results relating to discontinued operations are as follows (in thousands):

	Year Ended December 31,	
	2019	2018
Rental revenue	$ 36,289	$ 47,277
Mortgage and other financing income	14,284	13,533
Total revenue	50,573	60,810
Property operating expense	573	1,102
Costs associated with loan refinancing or payoff	181	—
Interest expense, net	(351)	(363)
Depreciation and amortization	12,929	15,035
Income from discontinued operations before other items	37,241	45,036
Impairment on public charter school portfolio sale	(21,433)	—
Gain on sale of real estate	31,879	—
Income from discontinued operations	$ 47,687	$ 45,036

The cash flow information relating to discontinued operations are as follows (in thousands):

	Year Ended December 31,	
	2019	2018
Depreciation and amortization	$ 12,929	$ 15,035
Acquisition of and investments in real estate and other assets	(6,968)	(5,956)
Proceeds from sale of real estate	182,934	—
Proceeds from sale of public charter school portfolio	449,555	—
Investment in mortgage notes receivable	(5,115)	(17,933)
Proceeds from mortgage notes receivable paydowns	28,662	3,355
Additions to properties under development	(22,981)	(31,036)
Non-cash activity:		
Transfer of property under development to real estate investments	$ 28,099	$ 24,900
Conversion or reclassification of mortgage notes receivable to real estate investments	—	12,013
Interest cost capitalized	351	363

18. Other Commitments and Contingencies

As of December 31, 2020, the Company had 17 development projects with commitments to fund an aggregate of approximately $118.3 million. Development costs are advanced by the Company in periodic draws. If the Company determines that construction is not being completed in accordance with the terms of the development agreement, it can discontinue funding construction draws. The Company has agreed to lease the properties to the operators at pre-determined rates upon completion of construction.

The Company has certain commitments related to its mortgage notes and notes receivable investments that it may be required to fund in the future. The Company is generally obligated to fund these commitments at the request of the borrower or upon the occurrence of events outside of its direct control. As of December 31, 2020, the Company had three mortgage notes and one note receivable with commitments totaling approximately $31.8 million. If commitments are funded in the future, interest will be charged at rates consistent with the existing investments.

In connection with construction of its development projects and related infrastructure, certain public agencies require posting of surety bonds to guarantee that the Company's obligations are satisfied. These bonds expire upon the completion of the improvements or infrastructure. As of December 31, 2020, the Company had two surety bonds outstanding totaling $31.6 million.

19. Segment Information

The Company groups its investments into two reportable segments: Experiential and Education. Due to the Company's change to two reportable segments during the year ended December 31, 2019, certain reclassifications have been made to the 2018 presentation to conform to the current presentation.

The financial information summarized below is presented by reportable segment (in thousands):

Balance Sheet Data:

	As of December 31, 2020			
	Experiential	Education	Corporate/Unallocated	Consolidated
Total Assets	$ 5,133,486	$ 529,755	$ 1,040,944	$ 6,704,185
	As of December 31, 2019			
	Experiential	Education	Corporate/Unallocated	Consolidated
Total Assets	$ 5,307,295	$ 730,165	$ 540,051	$ 6,577,511

Operating Data:

	For the Year Ended December 31, 2020			
	Experiential	Education	Corporate/Unallocated	Consolidated
Rental revenue	$ 311,130	$ 61,046	$ —	$ 372,176
Other income	8,085	13	1,041	9,139
Mortgage and other financing income	32,017	1,329	—	33,346
Total revenue	351,232	62,388	1,041	414,661
Property operating expense	55,500	2,283	804	58,587
Other expense	16,513	—	(39)	16,474
Total investment expenses	72,013	2,283	765	75,061
Net operating income - before unallocated items	279,219	60,105	276	339,600
Reconciliation to Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income:				
General and administrative expense				(42,596)
Severance expense				(2,868)
Costs associated with loan refinancing or payoff				(1,632)
Interest expense, net				(157,675)
Transaction costs				(5,436)
Credit loss expense				(30,695)
Impairment charges				(85,657)
Depreciation and amortization				(170,333)
Equity in loss from joint ventures				(4,552)
Impairment charges on joint ventures				(3,247)
Gain on sale of real estate				50,119
Income tax expense				(16,756)
Net loss				(131,728)
Preferred dividend requirements				(24,136)
Net loss available to common shareholders of EPR Properties				$ (155,864)

	For the Year Ended December 31, 2019			
	Experiential	Education	Corporate/Unallocated	Consolidated
Rental revenue	$ 525,085	$ 67,937	$ —	$ 593,022
Other income	24,818	—	1,102	25,920
Mortgage and other financing income	31,594	1,433	—	33,027
Total revenue	581,497	69,370	1,102	651,969
Property operating expense	56,369	3,481	889	60,739
Other expense	29,222	—	445	29,667
Total investment expenses	85,591	3,481	1,334	90,406
Net operating income - before unallocated items	495,906	65,889	(232)	561,563
Reconciliation to Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income:				
General and administrative expense				(46,371)
Severance expense				(2,364)
Costs associated with loan refinancing or payoff				(38,269)
Interest expense, net				(142,002)
Transaction costs				(23,789)
Impairment charges				(2,206)
Depreciation and amortization				(158,834)
Equity in loss from joint ventures				(381)
Gain on sale of real estate				4,174
Income tax benefit				3,035
Discontinued operations:				
Income from discontinued operations before other items				37,241
Impairment on public charter school portfolio sale				(21,433)
Gain on sale of real estate from discontinued operations				31,879
Net income				202,243
Preferred dividend requirements				(24,136)
Net income available to common shareholders of EPR Properties				$ 178,107

	For the Year Ended December 31, 2018			
	Experiential	Education	Corporate/Unallocated	Consolidated
Rental revenue	$ 453,721	$ 55,365	$ —	$ 509,086
Other income	332	—	1,744	2,076
Mortgage and other financing income	117,171	11,588	—	128,759
Total revenue	571,224	66,953	1,744	639,921
Property operating expense	26,168	2,831	655	29,654
Other expense	—	—	443	443
Total investment expenses	26,168	2,831	1,098	30,097
Net operating income - before unallocated items	545,056	64,122	646	609,824
Reconciliation to Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income:				
General and administrative expense				(48,889)
Severance expense				(5,938)
Litigation settlement expense				(2,090)
Costs associated with loan refinancing or payoff				(31,958)
Interest expense, net				(135,870)
Transaction costs				(3,698)
Impairment charges				(27,283)
Depreciation and amortization				(138,395)
Equity in loss from joint ventures				(22)
Gain on sale of real estate				3,037
Gain on sale of investment in a direct financing lease				5,514
Income tax expense				(2,285)
Discontinued operations:				
Income from discontinued operations before other items				45,036
Net income				266,983
Preferred dividend requirements				(24,142)
Net income available to common shareholders of EPR Properties				$ 242,841

20. Supplemental Guarantor Financial Information

As of December 31, 2020, the Company had outstanding $2.4 billion in aggregate principal amount of unsecured senior notes (excluding the Company's private placement notes), which were registered under the Securities Act of 1933, as amended (the Registered Notes). All of the Registered Notes were issued by the Company and are guaranteed on a joint and several basis by all of the Company's domestic subsidiaries that guarantee the Company's indebtedness under its combined unsecured revolving credit facility and term loan facility and private placement notes (the Guarantor Subsidiaries). See Note 8 for additional information regarding the terms of the Registered Notes. The Company owns, directly or indirectly, 100% of the Guarantor Subsidiaries. The guarantees are senior unsecured obligations of each Guarantor Subsidiary, have equal rank with all existing and future senior debt of each such Guarantor Subsidiary, and are senior to all subordinated debt of such Guarantor Subsidiary. The guarantees are effectively subordinated to any secured debt of each such Guarantor Subsidiary to the extent of the assets securing such debt. Each guarantee is limited so that it does not constitute a fraudulent conveyance under applicable law, which may reduce the Guarantor Subsidiaries' obligations under the guarantees. The guarantees are subject to customary release provisions, including a release upon a sale or other disposition of all the capital stock or all or substantially all of the assets of a Guarantor Subsidiary, the designation of a Guarantor Subsidiary as an unrestricted subsidiary in accordance with the applicable indenture governing the Registered Notes or the release of a Guarantor Subsidiary's guarantee under the Company's combined unsecured revolving credit facility and term loan facility (or replacement thereof), private placement notes and the other then outstanding Registered Notes.

The following tables present summarized financial information for the Company and Guarantor Subsidiaries on a combined basis after transactions and balances within the combined entities have been eliminated and excludes investments in and equity earnings in the Company's subsidiaries that do not guarantee the Registered Notes (the Non-Guarantor Subsidiaries).

Summarized Financial Information:

Summarized Balance Sheet
As of December 31, 2020
(Dollars in thousands)

Real estate investments, net of accumulated depreciation of $979,269	$	4,666,835
Total assets		6,488,007
Total liabilities		4,038,101

Excluded from total assets in the table above is $173.7 million of intercompany notes receivable due to the Company and the Guarantor Subsidiaries from the Non-Guarantor Subsidiaries as of December 31, 2020.

Summarized Statement of Loss
Year Ended December 31, 2020
(Dollars in thousands)

Total revenue	$	382,799
Loss from continuing operations		(93,257)
Net loss		(93,257)
Net loss available to common shareholders of EPR Properties		(117,393)

Excluded from total revenue in the table above is $2.9 million in intercompany fee income and $9.3 million in intercompany interest income due to the Company and the Guarantor Subsidiaries from the Non-Guarantor Subsidiaries for the year ended December 31, 2020.

EPR Properties

Schedule II - Valuation and Qualifying Accounts

December 31, 2020

(Dollars in thousands)

Description	Balance at December 31, 2019	Additions During 2020	Deductions During 2020	Balance at December 31, 2020
Reserve for Doubtful Accounts	$ 407	$ —	$ (344)	$ 63
Allowance for Credit Losses	—	32,858	—	32,858

See accompanying report of independent registered public accounting firm.

EPR Properties

Schedule II - Valuation and Qualifying Accounts

December 31, 2019

(Dollars in thousands)

Description	Balance at December 31, 2018	Additions During 2019	Deductions During 2019	Balance at December 31, 2019
Reserve for Doubtful Accounts	$ 2,899	$ 633	$ (3,125)	$ 407
Allowance for Credit Losses	—	—	—	—

See accompanying report of independent registered public accounting firm.

EPR Properties

Schedule II - Valuation and Qualifying Accounts

December 31, 2018

(Dollars in thousands)

Description	Balance at December 31, 2017	Additions During 2018	Deductions During 2018	Balance at December 31, 2018
Reserve for Doubtful Accounts	$ 7,485	$ 2,851	$ (7,437)	$ 2,899
Allowance for Credit Losses	—	—	—	—

See accompanying report of independent registered public accounting firm.

EPR Properties
Schedule III - Real Estate and Accumulated Depreciation
December 31, 2020
(Dollars in thousands)

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Theatres										
Omaha, NE	$ —	$ 5,215	$ 16,700	$ (17,967)	$ 1,705	$ 2,243	$ 3,948	$ —	11/97	40 years
Sugar Land, TX	—	—	19,100	4,152	—	23,252	23,252	(11,301)	11/97	40 years
San Antonio, TX	—	3,006	13,662	8,455	3,006	22,117	25,123	(9,905)	11/97	40 years
Columbus, OH	—	—	12,685	573	—	13,258	13,258	(7,144)	11/97	40 years
San Diego, CA	—	—	16,028	—	—	16,028	16,028	(9,016)	11/97	40 years
Ontario, CA	—	5,521	19,449	7,130	5,521	26,579	32,100	(12,033)	11/97	40 years
Houston, TX	—	6,023	20,037	—	6,023	20,037	26,060	(11,271)	11/97	40 years
Creve Coeur, MO	—	4,985	12,601	(10,818)	1,736	5,033	6,769	—	11/97	33 years
Leawood, KS	—	3,714	12,086	4,110	3,714	16,196	19,910	(7,602)	11/97	40 years
Dallas, TX	—	3,060	15,281	(7,890)	1,765	8,686	10,451	—	11/97	40 years
Houston, TX	—	4,304	21,496	76	4,304	21,572	25,876	(12,359)	02/98	40 years
South Barrington, IL	—	6,577	27,723	4,618	6,577	32,341	38,918	(16,755)	03/98	40 years
Mesquite, TX	—	2,912	20,288	4,885	2,912	25,173	28,085	(12,838)	04/98	40 years
Hampton, VA	—	3,822	24,678	4,510	3,822	29,188	33,010	(14,855)	06/98	40 years
Pompano Beach, FL	—	6,771	9,899	10,984	6,771	20,883	27,654	(13,689)	08/98	24 years
Raleigh, NC	—	2,919	5,559	3,492	2,919	9,051	11,970	(3,956)	08/98	40 years
Davie, FL	—	2,000	13,000	11,512	2,000	24,512	26,512	(12,167)	11/98	40 years
Aliso Viejo, CA	—	8,000	14,000	—	8,000	14,000	22,000	(7,700)	12/98	40 years
Boise, ID	—	—	16,003	400	—	16,403	16,403	(8,806)	12/98	40 years
Cary, NC	—	3,352	11,653	3,091	3,352	14,744	18,096	(6,690)	12/99	40 years
Tampa, FL	—	6,000	12,809	1,452	6,000	14,261	20,261	(8,204)	06/99	40 years
Metairie, LA	—	—	11,740	3,049	—	14,789	14,789	(5,877)	03/02	40 years
Harahan, LA	—	5,264	14,820	—	5,264	14,820	20,084	(6,978)	03/02	40 years
Hammond, LA	—	2,404	6,780	1,607	1,839	8,952	10,791	(3,369)	03/02	40 years
Houma, LA	—	2,404	6,780	—	2,404	6,780	9,184	(3,192)	03/02	40 years
Harvey, LA	—	4,378	12,330	3,735	4,266	16,177	20,443	(6,246)	03/02	40 years
Greenville, SC	—	1,660	7,570	473	1,660	8,043	9,703	(3,610)	06/02	40 years
Sterling Heights, MI	—	5,975	17,956	3,400	5,975	21,356	27,331	(11,705)	06/02	40 years
Olathe, KS	—	4,000	15,935	2,558	3,042	19,451	22,493	(9,133)	06/02	40 years
Livonia, MI	—	4,500	17,525	—	4,500	17,525	22,025	(8,069)	08/02	40 years
Alexandria, VA	—	—	22,035	—	—	22,035	22,035	(10,053)	10/02	40 years
Little Rock, AR	—	3,858	7,990	—	3,858	7,990	11,848	(3,612)	12/02	40 years
Macon, GA	—	1,982	5,056	—	1,982	5,056	7,038	(2,244)	03/03	40 years
Southfield, MI	—	8,000	20,518	4,092	5,794	26,816	32,610	(26,817)	05/03	15 years
Lawrence, KS	—	1,500	3,526	2,017	1,500	5,543	7,043	(1,871)	06/03	40 years
Columbia, SC	—	1,000	10,534	339	1,000	10,873	11,873	(3,776)	11/03	40 years
Hialeah, FL	—	7,985	—	—	7,985	—	7,985	—	12/03	n/a
Phoenix, AZ	—	4,276	15,934	3,518	4,276	19,452	23,728	(7,170)	03/04	40 years
Hamilton, NJ	—	4,869	18,143	93	4,869	18,236	23,105	(7,597)	03/04	40 years
Mesa, AZ	—	4,446	16,565	3,263	4,446	19,828	24,274	(7,441)	03/04	40 years
Peoria, IL	—	2,948	11,177	—	2,948	11,177	14,125	(4,587)	07/04	40 years
Lafayette, LA	—	—	10,318	—	—	10,318	10,318	(4,251)	07/04	40 years
Hurst, TX	—	5,000	11,729	1,015	5,000	12,744	17,744	(5,138)	11/04	40 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Melbourne, FL	—	3,817	8,830	320	3,817	9,150	12,967	(3,660)	12/04	40 years
D'Iberville, MS	—	2,001	8,043	3,612	808	12,848	13,656	(4,418)	12/04	40 years
Wilmington, NC	—	1,650	7,047	3,033	1,650	10,080	11,730	(3,172)	02/05	40 years
Chattanooga, TN	—	2,799	11,467	—	2,799	11,467	14,266	(4,539)	03/05	40 years
Conroe, TX	—	1,836	8,230	2,304	1,836	10,534	12,370	(3,314)	06/05	40 years
Indianapolis, IN	—	1,481	4,565	2,375	1,481	6,940	8,421	(2,109)	06/05	40 years
Hattiesburg, MS	—	1,978	7,733	4,720	1,978	12,453	14,431	(4,107)	09/05	40 years
Arroyo Grande, CA	—	2,641	3,810	—	2,641	3,810	6,451	(1,437)	12/05	40 years
Auburn, CA	—	2,178	6,185	(65)	2,113	6,185	8,298	(2,332)	12/05	40 years
Fresno, CA	—	7,600	11,613	2,894	7,600	14,507	22,107	(6,113)	12/05	40 years
Modesto, CA	—	2,542	3,910	1,889	2,542	5,799	8,341	(1,726)	12/05	40 years
Columbia, MD	—	—	12,204	—	—	12,204	12,204	(4,500)	03/06	40 years
Garland, TX	—	8,028	14,825	—	8,028	14,825	22,853	(5,467)	03/06	40 years
Garner, NC	—	1,305	6,899	—	1,305	6,899	8,204	(2,530)	04/06	40 years
Winston Salem, NC	—	—	12,153	4,188	—	16,341	16,341	(5,393)	07/06	40 years
Huntsville, AL	—	3,508	14,802	—	3,508	14,802	18,310	(5,304)	08/06	40 years
Kalamazoo, MI	—	5,125	12,216	(15,931)	370	1,040	1,410	—	11/06	17 years
Pensacola, FL	—	5,316	15,099	—	5,316	15,099	20,415	(5,285)	12/06	40 years
Slidell, LA	10,635	—	11,499	—	—	11,499	11,499	(4,025)	12/06	40 years
Panama City Beach, FL	—	6,486	11,156	2,704	6,486	13,860	20,346	(3,918)	05/07	40 years
Kalispell, MT	—	2,505	7,323	—	2,505	7,323	9,828	(2,441)	08/07	40 years
Greensboro, NC	—	—	12,606	914	—	13,520	13,520	(6,270)	11/07	40 years
Glendora, CA	—	—	10,588	—	—	10,588	10,588	(3,220)	10/08	40 years
Ypsilanti, MI	—	4,716	227	2,817	4,716	3,044	7,760	(345)	12/09	40 years
Manchester, CT	—	3,628	11,474	2,315	3,628	13,789	17,417	(3,299)	12/09	40 years
Centreville, VA	—	3,628	1,769	—	3,628	1,769	5,397	(486)	12/09	40 years
Davenport, IA	—	3,599	6,068	2,265	3,564	8,368	11,932	(1,897)	12/09	40 years
Fairfax, VA	—	2,630	11,791	2,000	2,630	13,791	16,421	(3,441)	12/09	40 years
Flint, MI	—	1,270	1,723	—	1,270	1,723	2,993	(474)	12/09	40 years
Hazlet, NJ	—	3,719	4,716	—	3,719	4,716	8,435	(1,297)	12/09	40 years
Huber Heights, OH	—	970	3,891	—	970	3,891	4,861	(1,070)	12/09	40 years
North Haven, CT	—	5,442	1,061	2,000	3,458	5,045	8,503	(1,565)	12/09	40 years
Okolona, KY	—	5,379	3,311	2,000	5,379	5,311	10,690	(1,034)	12/09	40 years
Voorhees, NJ	—	1,723	9,614	—	1,723	9,614	11,337	(2,644)	12/09	40 years
Louisville, KY	—	4,979	6,567	(1,046)	3,933	6,567	10,500	(1,806)	12/09	40 years
Beaver Creek, OH	—	1,578	6,630	1,700	1,578	8,330	9,908	(1,941)	12/09	40 years
West Springfield, MA	—	2,540	3,755	2,650	2,540	6,405	8,945	(1,197)	12/09	40 years
Cincinnati, OH	—	1,361	1,741	—	635	2,467	3,102	(586)	12/09	40 years
Pasadena, TX	—	2,951	10,684	1,759	2,951	12,443	15,394	(2,922)	06/10	40 years
Plano, TX	—	1,052	1,968	—	1,052	1,968	3,020	(517)	06/10	40 years
McKinney, TX	—	1,917	3,319	—	1,917	3,319	5,236	(871)	06/10	40 years
Mishawaka, IN	—	2,399	5,454	1,383	2,399	6,837	9,236	(1,621)	06/10	40 years
Grand Prairie, TX	—	1,873	3,245	2,104	1,873	5,349	7,222	(1,187)	06/10	40 years
Redding, CA	—	2,044	4,500	1,177	2,044	5,677	7,721	(1,256)	06/10	40 years
Pueblo, CO	—	2,238	5,162	1,265	2,238	6,427	8,665	(1,438)	06/10	40 years
Beaumont, TX	—	1,065	11,669	1,644	1,065	13,313	14,378	(3,230)	06/10	40 years
Pflugerville, TX	—	4,356	11,533	2,056	4,356	13,589	17,945	(3,227)	06/10	40 years
Houston, TX	—	4,109	9,739	2,617	4,109	12,356	16,465	(2,683)	06/10	40 years
El Paso, TX	—	4,598	13,207	2,296	4,598	15,503	20,101	(3,652)	06/10	40 years
Colorado Springs, CO	—	4,134	11,220	1,427	2,938	13,843	16,781	(3,218)	06/10	40 years
Hooksett, NH	—	2,639	11,605	1,254	2,639	12,859	15,498	(2,925)	03/11	40 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Saco, ME	—	1,508	3,826	1,124	1,508	4,950	6,458	(1,005)	03/11	40 years
Merrimack, NH	—	3,160	5,642	—	3,160	5,642	8,802	(1,387)	03/11	40 years
Westbrook, ME	—	2,273	7,119	—	2,273	7,119	9,392	(1,750)	03/11	40 years
Twin Falls, ID	—	—	4,783	—	—	4,783	4,783	(1,026)	04/11	40 years
Dallas, TX	—	—	12,146	(11,086)	—	1,060	1,060	(24)	03/12	30 years
Albuquerque, NM	—	—	13,733	—	—	13,733	13,733	(2,432)	06/12	40 years
Southern Pines, NC	—	1,709	4,747	3,705	1,709	8,452	10,161	(1,126)	06/12	40 years
Austin, TX	—	2,608	6,373	—	2,608	6,373	8,981	(1,182)	09/12	40 years
Champaign, IL	—	—	9,381	125	—	9,506	9,506	(1,683)	09/12	40 years
Gainesville, VA	—	—	10,846	—	—	10,846	10,846	(1,921)	02/13	40 years
Lafayette, LA	14,360	—	12,728	—	—	12,728	12,728	(2,307)	08/13	40 years
New Iberia, LA	—	—	1,630	—	—	1,630	1,630	(296)	08/13	40 years
Tuscaloosa, AL	—	—	11,287	—	1,815	9,472	11,287	(1,717)	09/13	40 years
Tampa, FL	—	1,700	23,483	3,648	1,579	27,252	28,831	(6,358)	10/13	40 years
Warrenville, IL	—	14,000	17,318	(5,417)	8,270	17,631	25,901	(4,095)	10/13	40 years
San Francisco, CA	—	2,077	12,914	—	2,077	12,914	14,991	(1,614)	08/13	40 years
Opelika, AL	—	1,314	8,951	—	1,314	8,951	10,265	(1,455)	11/12	40 years
Bedford, IN	—	349	1,594	—	349	1,594	1,943	(305)	04/14	40 years
Seymour, IN	—	1,028	2,291	—	1,028	2,291	3,319	(411)	04/14	40 years
Wilder, KY	—	983	11,233	2,004	983	13,237	14,220	(2,185)	04/14	40 years
Bowling Green, KY	—	1,241	10,222	—	1,241	10,222	11,463	(1,814)	04/14	40 years
New Albany, IN	—	2,461	14,807	—	2,461	14,807	17,268	(2,575)	04/14	40 years
Clarksville, TN	—	3,764	16,769	4,706	3,764	21,475	25,239	(3,265)	04/14	40 years
Williamsport, PA	—	2,243	6,684	—	2,243	6,684	8,927	(1,225)	04/14	40 years
Noblesville, IN	—	886	7,453	2,019	886	9,472	10,358	(1,505)	04/14	40 years
Moline, IL	—	1,963	10,183	—	1,963	10,183	12,146	(1,793)	04/14	40 years
O'Fallon, MO	—	1,046	7,342	—	1,046	7,342	8,388	(1,285)	04/14	40 years
McDonough, GA	—	2,235	16,842	—	2,235	16,842	19,077	(2,955)	04/14	40 years
Sterling Heights, MI	—	10,849	—	(404)	10,257	188	10,445	(74)	12/14	15 years
Virginia Beach, VA	—	2,544	6,478	—	2,544	6,478	9,022	(945)	02/15	40 years
Yulee, FL	—	1,036	6,934	—	1,036	6,934	7,970	(1,011)	02/15	40 years
Jacksonville, FL	—	5,080	22,064	—	5,080	22,064	27,144	(4,919)	05/15	25 years
Denham Springs, LA	—	—	5,093	4,162	—	9,255	9,255	(1,016)	05/15	40 years
Crystal Lake, IL	—	2,980	13,521	568	2,980	14,089	17,069	(3,129)	07/15	25 years
Laredo, TX	—	1,353	7,886	—	1,353	7,886	9,239	(986)	12/15	40 years
Corpus, Christi, TX	—	1,286	8,252	—	1,286	8,252	9,538	(808)	12/15	40 years
Kennewick, WA	—	2,484	4,901	—	2,484	4,901	7,385	(991)	06/16	25 years
Franklin, TN	—	10,158	17,549	9,018	10,158	26,567	36,725	(4,662)	06/16	25 years
Mobile, AL	—	2,116	16,657	—	2,116	16,657	18,773	(3,186)	06/16	25 years
El Paso, TX	—	2,957	10,961	3,905	2,957	14,866	17,823	(2,536)	06/16	25 years
Edinburg, TX	—	1,982	16,964	5,680	1,982	22,644	24,626	(3,919)	06/16	25 years
Hendersonville, TN	—	2,784	8,034	4,160	2,784	12,194	14,978	(1,565)	07/16	30 years
Houston, TX	—	965	10,002	—	965	10,002	10,967	(1,000)	10/16	40 years
Detroit, MI	—	4,299	13,810	—	4,299	13,810	18,109	(1,918)	11/16	30 years
Fort Worth, TX	—	—	11,385	—	—	11,385	11,385	(735)	02/17	40 years
Fort Wayne, IN	—	1,926	11,054	—	1,926	11,054	12,980	(1,597)	05/17	27 years
Wichita, KS	—	267	7,535	—	267	7,535	7,802	(1,174)	05/17	23 years
Wichita, KS	—	3,132	23,270	—	3,132	23,270	26,402	(3,798)	05/17	23 years
Richmond, TX	—	7,251	36,534	(27)	7,251	36,507	43,758	(3,402)	08/17	40 years
Tomball, TX	—	3,416	26,918	—	3,416	26,918	30,334	(2,445)	08/17	40 years
Cleveland, OH	—	2,671	17,526	—	2,671	17,526	20,197	(2,622)	08/17	25 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Little Rock, AR	—	1,789	10,780	—	1,789	10,780	12,569	(900)	01/18	40 years
Conway, AR	—	1,316	5,553	—	1,316	5,553	6,869	(573)	03/18	30 years
Lynbrook, NY	—	1,753	28,400	—	1,753	28,400	30,153	(1,816)	06/18	40 years
Long Island, NY	—	—	12,479	267	—	12,746	12,746	(1,144)	12/18	25 years
Brandywine, MD	—	5,251	10,520	—	5,251	10,520	15,771	(636)	03/19	34 years
Cincinnati, OH	—	2,831	11,430	—	2,831	11,430	14,261	(657)	03/19	35 years
Louisville, KY	—	3,726	27,312	—	3,726	27,312	31,038	(1,319)	03/19	40 years
Riverview, FL	—	2,339	15,901	—	2,339	15,901	18,240	(843)	03/19	37 years
Savoy, IL	—	1,938	10,554	184	1,938	10,738	12,676	(888)	06/19	25 years
Dublin, CA	—	15,662	25,496	—	15,662	25,496	41,158	(1,576)	06/19	30 years
Ontario, CA	—	8,019	15,708	—	8,019	15,708	23,727	(1,156)	06/19	24 years
Columbia, SC	—	7,009	17,318	—	7,009	17,318	24,327	(764)	06/19	40 years
Columbia, MD	—	12,642	14,152	—	12,642	14,152	26,794	(822)	06/19	34 years
Charlotte, NC	—	4,257	15,121	—	4,257	15,121	19,378	(784)	06/19	35 years
Foothill Ranch, CA	—	7,653	14,090	—	7,653	14,090	21,743	(1,074)	06/19	29 years
Wilsonville, OR	—	2,742	1,301	—	2,742	1,301	4,043	(233)	06/19	23 years
Raleigh, NC	—	5,376	12,516	—	5,376	12,516	17,892	(811)	06/19	30 years
Gastonia, NC	—	4,039	9,199	—	4,039	9,199	13,238	(607)	06/19	30 years
Abingdon, MD	—	4,613	6,171	—	4,613	6,171	10,784	(599)	06/19	24 years
Midland, TX	—	2,495	12,965	—	2,495	12,965	15,460	(697)	06/19	35 years
Port Richey, FL	—	1,564	7,103	—	1,564	7,103	8,667	(599)	06/19	26 years
Hillsboro, OR	—	3,392	5,697	—	3,392	5,697	9,089	(607)	06/19	23 years
Woodway, TX	—	2,376	7,309	—	2,376	7,309	9,685	(648)	06/19	24 years
San Jacinto, CA	—	1,960	5,073	—	1,960	5,073	7,033	(461)	06/19	23 years
Albany, OR	—	2,049	3,920	—	2,049	3,920	5,969	(293)	06/19	30 years
Lake City, FL	—	1,257	4,756	—	1,257	4,756	6,013	(364)	06/19	27 years
Anderson, SC	—	1,554	3,948	—	1,554	3,948	5,502	(362)	06/19	24 years
New Hartford, NY	—	946	11,985	—	946	11,985	12,931	(542)	10/19	31 years
Columbus, OH	—	5,211	14,179	571	5,211	14,750	19,961	(680)	10/19	38 years
Kenner, LA	—	5,299	14,000	—	5,299	14,000	19,299	(1,279)	10/19	34 years
Marana, AZ	—	2,384	5,438	—	2,384	5,438	7,822	(309)	12/19	28 years
Bluffton, SC	—	1,912	3,053	110	1,912	3,163	5,075	(155)	03/20	25 years
Cherry Hill, NJ	—	5,038	9,206	—	5,038	9,206	14,244	(554)	03/20	25 years
Eat & Play										
Westminster, CO	—	6,205	12,600	21,139	4,998	34,946	39,944	(20,119)	12/01	40 years
Westminster, CO	—	5,850	17,314	4,257	5,850	21,571	27,421	(8,751)	06/99	40 years
Houston, TX	—	3,653	1,365	(1,531)	3,408	79	3,487	(24)	05/00	40 years
New Rochelle, NY	—	6,100	97,696	11,796	6,100	109,492	115,592	(47,894)	10/03	40 years
Kanata, ON	—	10,044	36,630	33,206	9,896	69,984	79,880	(27,311)	03/04	40 years
Mississagua, ON	—	9,221	17,593	23,765	11,947	38,632	50,579	(13,286)	03/04	40 years
Oakville, ON	—	10,044	23,646	10,576	9,896	34,370	44,266	(14,113)	03/04	40 years
Whitby, ON	—	10,202	21,960	29,075	12,913	48,324	61,237	(18,262)	03/04	40 years
Burbank, CA	—	16,584	35,016	12,618	16,584	47,634	64,218	(16,659)	03/05	40 years
Northbrook, IL	—	—	7,025	586	—	7,611	7,611	(1,730)	07/11	40 years
Allen, TX	—	—	10,007	1,151	—	11,158	11,158	(3,329)	02/12	29 years
Dallas, TX	—	—	10,007	1,771	—	11,778	11,778	(3,378)	02/12	30 years
Oakbrook, IL	—	—	8,068	536	—	8,604	8,604	(1,731)	03/12	40 years
Jacksonville, FL	—	4,510	5,061	4,748	4,510	9,809	14,319	(3,136)	02/12	30 years
Indianapolis, IN	—	4,298	6,320	(4,754)	1,813	4,051	5,864	(716)	02/12	40 years
Houston, TX	—	—	12,403	394	—	12,797	12,797	(2,700)	09/12	40 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Colony, TX	—	4,004	13,665	(240)	4,004	13,425	17,429	(2,349)	12/12	40 years
Alpharetta, GA	—	5,608	16,616	—	5,608	16,616	22,224	(2,700)	05/13	40 years
Scottsdale, AZ	—	—	16,942	—	—	16,942	16,942	(2,753)	06/13	40 years
Spring, TX	—	4,928	14,522	—	4,928	14,522	19,450	(2,420)	07/13	40 years
Warrenville, IL	—	—	6,469	9,625	2,906	13,188	16,094	(3,417)	10/13	40 years
San Antonio, TX	—	—	15,976	79	—	16,055	16,055	(2,334)	12/13	40 years
Tampa, FL	—	—	15,726	(67)	—	15,659	15,659	(2,453)	02/14	40 years
Gilbert, AZ	—	4,735	16,130	(267)	4,735	15,863	20,598	(2,379)	02/14	40 years
Overland Park, KS	—	5,519	17,330	—	5,519	17,330	22,849	(2,376)	05/14	40 years
Centennial, CO	—	3,013	19,106	403	3,013	19,509	22,522	(2,596)	06/14	40 years
Atlanta, GA	—	8,143	17,289	—	8,143	17,289	25,432	(2,341)	06/14	40 years
Ashburn VA	—	—	16,873	101	—	16,974	16,974	(2,253)	06/14	40 years
Naperville, IL	—	8,824	20,279	(665)	8,824	19,614	28,438	(2,615)	08/14	40 years
Oklahoma City, OK	—	3,086	16,421	(252)	3,086	16,169	19,255	(2,223)	09/14	40 years
Webster, TX	—	5,631	17,732	927	5,338	18,952	24,290	(2,428)	11/14	40 years
Virginia Beach, VA	—	6,948	18,715	(304)	6,348	19,011	25,359	(2,373)	12/14	40 years
Edison, NJ	—	—	22,792	1,489	—	24,281	24,281	(2,418)	04/15	40 years
Jacksonville, FL	—	6,732	21,823	(1,201)	6,732	20,622	27,354	(2,177)	09/15	40 years
Roseville, CA	—	6,868	23,959	(1,928)	6,868	22,031	28,899	(2,367)	10/15	30 years
Portland, OR	—	—	23,466	(541)	—	22,925	22,925	(2,520)	11/15	40 years
Orlando, FL	—	8,586	22,493	1,120	8,586	23,613	32,199	(2,030)	01/16	40 years
Marietta, GA	—	3,116	11,872	—	3,116	11,872	14,988	(2,008)	02/16	35 years
Charlotte, NC	—	4,676	21,422	(867)	4,676	20,555	25,231	(1,936)	04/16	40 years
Orlando, FL	—	9,382	16,225	58	9,382	16,283	25,665	(1,323)	05/16	40 years
Stapleton, CO	—	1,062	6,329	—	1,062	6,329	7,391	(602)	05/16	40 years
Fort Worth, TX	—	4,674	17,537	—	4,674	17,537	22,211	(1,608)	08/16	40 years
Nashville, TN	—	—	26,685	136	—	26,821	26,821	(2,295)	12/16	40 years
Dallas, TX	—	3,318	7,835	4	3,318	7,839	11,157	(809)	12/16	40 years
San Antonio, TX	—	6,502	15,338	(628)	6,502	14,710	21,212	(893)	08/17	40 years
Cleveland, OH	—	2,389	3,546	374	2,389	3,920	6,309	(658)	08/17	25 years
Huntsville, AL	—	53	17,595	(1,938)	53	15,657	15,710	(1,479)	08/17	40 years
El Paso, TX	—	2,688	17,373	—	2,688	17,373	20,061	(1,655)	02/18	40 years
Pittsburgh, PA	—	7,897	21,812	(1,039)	7,897	20,773	28,670	(1,379)	07/18	40 years
Philadelphia, PA	—	5,484	25,211	97	5,484	25,308	30,792	(1,465)	12/18	40 years
Auburn Hills, MI	—	4,219	27,704	(2,881)	4,219	24,823	29,042	(1,371)	12/18	40 years
Greenville, SC	—	6,272	18,240	—	6,272	18,240	24,512	(1,096)	06/18	40 years
Thornton, CO	—	5,419	23,635	—	5,419	23,635	29,054	(910)	09/18	40 years
Eugene, OR	—	1,321	—	—	1,321	—	1,321	—	06/19	n/a
Katy, TX	—	5,210	16,247	293	3,492	18,258	21,750	(367)	06/19	40 years
Ski										
Bellfontaine, OH	—	5,108	5,994	8,327	5,251	14,178	19,429	(4,900)	11/05	40 years
Tannersville, PA	—	34,940	34,629	4,377	34,940	39,006	73,946	(17,215)	09/13	40 years
McHenry, MD	—	8,394	15,910	3,207	9,708	17,803	27,511	(7,103)	12/12	40 years
Wintergreen, VA	—	5,739	16,126	1,927	5,739	18,053	23,792	(5,186)	02/15	40 years
Northstar, CA	—	48,178	88,532	—	48,178	88,532	136,710	(19,778)	04/17	40 years
Northstar, CA	—	7,827	18,112	—	7,827	18,112	25,939	(1,938)	04/17	40 years
Attractions										
Denver, CO	—	753	6,218	—	753	6,218	6,971	(812)	02/17	30 years
Fort Worth, TX	—	824	7,066	—	824	7,066	7,890	(883)	03/17	30 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
Corfu, NY	—	5,112	43,637	2,500	5,112	46,137	51,249	(8,183)	04/17	30 years
Oklahoma City, OK	—	7,976	17,624	—	7,976	17,624	25,600	(2,747)	04/17	30 years
Hot Springs, AR	—	3,351	4,967	—	3,351	4,967	8,318	(761)	04/17	30 years
Riviera Beach, FL	—	17,450	29,713	—	17,450	29,713	47,163	(4,626)	04/17	30 years
Oklahoma City, OK	—	1,423	18,097	—	1,423	18,097	19,520	(2,911)	04/17	30 years
Springs, TX	—	18,776	31,402	—	18,776	31,402	50,178	(5,017)	04/17	30 years
Glendale, AZ	—	—	20,514	2,969	—	23,483	23,483	(3,930)	04/17	30 years
Kapolei, HI	—	—	8,351	1,542	—	9,893	9,893	(1,516)	04/17	30 years
Federal Way, WA	—	—	13,949	(12,149)	—	1,800	1,800	(99)	04/17	12 years
Colony, TX	—	—	7,617	(567)	—	7,050	7,050	(1,770)	04/17	30 years
Garland, TX	—	—	5,601	389	—	5,990	5,990	(1,296)	04/17	30 years
Santa Monica, CA	—	—	13,874	15,717	—	29,591	29,591	(5,058)	04/17	30 years
Concord, CA	—	—	9,808	5,787	—	15,595	15,595	(2,498)	04/17	30 years
Tampa, FL	—	—	8,665	2,493	2,493	8,665	11,158	(963)	08/17	30 years
Fort Lauderdale, FL	—	—	10,816	—	—	10,816	10,816	(1,142)	10/17	30 years
Experiential Lodging										
Tannersville, PA	—	—	120,354	1,615	—	121,969	121,969	(16,462)	05/15	40 years
Pagosa Springs, CO	—	9,791	15,635	—	9,791	15,635	25,426	(1,903)	06/18	30 years
Kiamesha Lake, NY	—	34,897	228,462	(5,430)	34,897	223,032	257,929	(18,777)	07/10	30 years
Gaming										
Kiamesha Lake, NY	—	155,658	—	19,524	156,785	18,397	175,182	(933)	07/10	n/a
Cultural										
St. Louis, MO	—	5,481	41,951	—	5,481	41,951	47,432	(2,976)	12/18	40 years
Branson, MO	—	1,847	7,599	—	1,847	7,599	9,446	(362)	05/19	40 years
Pigeon Forge, TN	—	4,849	9,668	—	4,849	9,668	14,517	(466)	05/19	40 years
Fitness & Wellness										
Olathe, KS	—	2,417	16,878	—	2,417	16,878	19,295	(2,110)	03/17	30 years
Roseville, CA	—	1,807	6,082	—	1,807	6,082	7,889	(762)	09/17	30 years
Fort Collins, CO	—	2,043	5,769	—	2,043	5,769	7,812	(646)	01/18	30 years
Early Childhood Education Centers										
Lake Pleasant, AZ	—	986	3,524	902	986	4,426	5,412	(973)	03/13	30 years
Goodyear, AZ	—	1,308	7,275	222	1,308	7,497	8,805	(1,869)	06/13	30 years
Oklahoma City, OK	—	1,149	9,839	979	1,149	10,818	11,967	(2,284)	08/13	40 years
Coppell, TX	—	1,547	10,168	635	1,547	10,803	12,350	(2,422)	09/13	30 years
Las Vegas, NV	—	944	9,191	373	944	9,564	10,508	(2,250)	09/13	30 years
Las Vegas, NV	—	985	6,721	466	985	7,187	8,172	(1,717)	09/13	30 years
Mesa, AZ	—	762	6,987	1,501	762	8,488	9,250	(2,033)	01/14	30 years
Gilbert, AZ	—	1,295	9,192	316	1,295	9,508	10,803	(2,052)	03/14	30 years
Cedar Park, TX	—	1,520	10,500	418	1,278	11,160	12,438	(2,189)	07/14	30 years
Thornton, CO	—	1,384	10,542	339	1,370	10,895	12,265	(2,041)	07/14	30 years
Chicago, IL	—	1,294	4,375	19	1,294	4,394	5,688	(611)	07/14	30 years
Centennial, CO	—	1,249	10,771	707	1,249	11,478	12,727	(2,249)	08/14	30 years
McKinney, TX	—	1,812	12,419	1,841	1,812	14,260	16,072	(2,956)	11/14	30 years
Ashburn, VA	—	2,289	14,748	—	2,289	14,748	17,037	(2,592)	06/15	30 years

		Initial cost			Gross Amount at December 31, 2020					
Location	Debt	Land	Buildings, Equipment, Leasehold Interests & Improvements	Additions (Dispositions) (Impairments) Subsequent to acquisition	Land	Buildings, Equipment, Leasehold Interests & Improvements	Total	Accumulated depreciation	Date acquired	Depreciation life
West Chester, OH	—	1,807	12,913	455	1,807	13,368	15,175	(2,087)	07/15	30 years
Ellisville, MO	—	2,465	15,063	—	2,465	15,063	17,528	(2,060)	07/15	30 years
Chanhassen, MN	—	2,603	15,613	523	2,603	16,136	18,739	(2,360)	08/15	30 years
Maple Grove, MN	—	3,743	14,927	561	3,743	15,488	19,231	(2,976)	08/15	30 years
Carmel, IN	—	1,567	12,854	366	1,561	13,226	14,787	(2,153)	09/15	30 years
Fishers, IN	—	1,226	13,144	832	1,226	13,976	15,202	(1,714)	12/15	30 years
Westerville, OH	—	2,988	14,339	362	2,988	14,701	17,689	(2,134)	04/16	30 years
Las Vegas, NV	—	1,476	14,422	(1,287)	1,476	13,135	14,611	(1,998)	06/16	30 years
Louisville, KY	—	377	1,526	—	377	1,526	1,903	(225)	08/16	30 years
Louisville, KY	—	216	1,006	—	216	1,006	1,222	(148)	08/16	30 years
Cheshire, CT	—	420	3,650	—	420	3,650	4,070	(477)	11/16	30 years
Edina, MN	—	1,235	5,493	(323)	1,235	5,170	6,405	(597)	11/16	30 years
Eagan, MN	—	783	4,833	(286)	783	4,547	5,330	(609)	11/16	30 years
Louisville, KY	—	481	2,050	—	481	2,050	2,531	(279)	12/16	30 years
Bala Cynwyd, PA	—	1,785	3,759	—	1,785	3,759	5,544	(512)	12/16	30 years
Schaumburg, IL	—	642	4,962	—	642	4,962	5,604	(492)	12/16	30 years
Kennesaw, GA	—	690	844	—	690	844	1,534	(113)	01/17	30 years
Charlotte, NC	—	1,200	2,557	—	1,200	2,557	3,757	(233)	01/17	35 years
Charlotte, NC	—	2,501	2,079	—	2,501	2,079	4,580	(190)	01/17	35 years
Richardson, TX	—	474	2,046	—	474	2,046	2,520	(195)	01/17	35 years
Frisco, TX	—	999	3,064	—	999	3,064	4,063	(286)	01/17	35 years
Allen, TX	—	910	3,719	—	910	3,719	4,629	(355)	01/17	35 years
Southlake, TX	—	920	2,766	—	920	2,766	3,686	(263)	01/17	35 years
Lewis Center, OH	—	410	4,285	—	410	4,285	4,695	(379)	01/17	35 years
Dublin, OH	—	581	4,223	—	581	4,223	4,804	(372)	01/17	35 years
Plano, TX	—	400	2,647	—	400	2,647	3,047	(258)	01/17	35 years
Carrollton, TX	—	329	1,389	—	329	1,389	1,718	(139)	01/17	35 years
Davenport, FL	—	3,000	5,877	—	3,000	5,877	8,877	(538)	01/17	35 years
Tallahassee, FL	—	952	3,205	—	952	3,205	4,157	(312)	01/17	35 years
Sunrise, FL	—	1,400	1,856	—	1,400	1,856	3,256	(175)	01/17	35 years
Chaska, MN	—	328	6,140	—	328	6,140	6,468	(539)	01/17	35 years
Loretto, MN	—	286	3,511	—	286	3,511	3,797	(319)	01/17	35 years
Minneapolis, MN	—	920	3,700	—	920	3,700	4,620	(326)	01/17	35 years
Wayzata, MN	—	810	1,962	—	810	1,962	2,772	(181)	01/17	35 years
Plymouth, MN	—	1,563	4,905	—	1,563	4,905	6,468	(452)	01/17	35 years
Maple Grove, MN	—	951	3,291	—	951	3,291	4,242	(298)	01/17	35 years
Chula Vista, CA	—	210	2,186	—	210	2,186	2,396	(216)	01/17	35 years
Lincolnshire, IL	—	1,006	4,799	—	1,006	4,799	5,805	(522)	02/17	30 years
New Berlin, WI	—	368	1,704	—	368	1,704	2,072	(222)	02/17	30 years
Oak Creek, WI	—	283	1,690	—	283	1,690	1,973	(221)	02/17	30 years
Minnetonka, MN	—	911	4,833	659	931	5,472	6,403	(689)	03/17	30 years
Berlin, CT	—	494	2,958	—	494	2,958	3,452	(353)	06/17	30 years
Portland, OR	—	2,604	585	—	2,604	585	3,189	(58)	01/18	35 years
Orlando, FL	—	955	4,273	—	955	4,273	5,228	(374)	02/18	35 years
McKinney, TX	—	1,233	4,447	—	1,233	4,447	5,680	(221)	02/18	30 years
Fort Mill, SC	—	629	3,957	—	629	3,957	4,586	(280)	09/18	35 years
Indian Land, SC	—	907	3,784	—	907	3,784	4,691	(285)	09/18	35 years

		Initial cost			Gross Amount at December 31, 2020					
Location	**Debt**	**Land**	**Buildings, Equipment, Leasehold Interests & Improvements**	**Additions (Dispositions) (Impairments) Subsequent to acquisition**	**Land**	**Buildings, Equipment, Leasehold Interests & Improvements**	**Total**	**Accumulated depreciation**	**Date acquired**	**Depreciation life**
Sicklerville, NJ	—	694	1,876	—	694	1,876	2,570	(135)	06/19	30 years
Pennington, NJ	—	1,018	2,284	—	1,018	2,284	3,302	(229)	08/19	24 years
Private Schools										
Chicago, IL	—	3,057	46,784	—	3,057	46,784	49,841	(6,433)	02/14	40 years
Cumming, GA	—	500	6,892	—	500	6,892	7,392	(685)	01/17	35 years
Cumming, GA	—	325	4,898	—	325	4,898	5,223	(501)	01/17	35 years
Henderson, NV	—	1,400	6,914	—	1,400	6,914	8,314	(670)	01/17	35 years
Atlanta, GA	—	2,001	5,989	—	2,001	5,989	7,990	(525)	01/17	35 years
Pearland, TX	—	2,360	9,292	—	2,360	9,292	11,652	(864)	01/17	35 years
Pearland, TX	—	372	2,568	—	372	2,568	2,940	(235)	01/17	35 years
Palm Harbor, FL	—	1,490	1,400	—	1,490	1,400	2,890	(136)	01/17	35 years
Mason, OH	—	975	11,243	—	975	11,243	12,218	(985)	01/17	35 years
Property under development	—	57,630	—	—	57,630	—	57,630	—	n/a	n/a
Land held for development	—	23,225	—	—	23,225	—	23,225	—	n/a	n/a
Senior unsecured notes payable and term loan	3,705,000	—	—	—	—	—	—	—	n/a	n/a
Less: deferred financing costs, net	(35,552)	—	—	—	—	—	—	—		
Total	$ 3,694,443	$ 1,344,707	$ 4,295,921	$ 353,615	$ 1,323,518	$ 4,670,726	$ 5,994,244	$ (1,062,087)		

EPR Properties
Schedule III - Real Estate and Accumulated Depreciation (continued)
Reconciliation
(Dollars in thousands)
December 31, 2020

Real Estate Investments:		
Reconciliation:		
Balance at beginning of the year	$	6,251,398
Acquisition and development of real estate investments during the year		74,710
Disposition of real estate investments during the year		(193,258)
Impairment of real estate investments during the year		(138,606)
Balance at close of year	$	5,994,244
Accumulated Depreciation:		
Reconciliation:		
Balance at beginning of the year	$	989,254
Depreciation during the year		164,256
Disposition of real estate investments during the year		(23,465)
Impairment of real estate investments during the year		(67,958)
Balance at close of year	$	1,062,087

See accompanying report of independent registered public accounting firm.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Evaluation of disclosures controls and procedures

As of December 31, 2020, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based upon and as of the date of that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Limitations on the effectiveness of controls

Our disclosure controls were designed to provide reasonable assurance that the controls and procedures would meet their objectives. Our management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable assurance of achieving the designed control objectives and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusions of two or more people, or by management override of the control. Because of the inherent limitations in a cost-effective, maturing control system, misstatements due to error or fraud may occur and not be detected.

Change in internal controls

Effective January 1, 2020, we adopted ASC 326, *Financial Instruments - Credit Losses*. Except for the enhancements to the Company's internal control over financial reporting in relation to our adoption of this standard, there have not been any changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of the fiscal year to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the framework in *Internal Control–Integrated Framework (2013)*, our management concluded that our internal control over financial reporting was effective as of December 31, 2020. KPMG LLP, the independent registered public accounting firm that audited the consolidated financial statements included in this Annual Report on Form 10-K, has issued a report on the effectiveness of our internal control over financial reporting**,** which is included in Item 8.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements, errors or fraud. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of or compliance with the policies or procedures may deteriorate.

Item 9B. Other Information

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The Company's definitive Proxy Statement for its Annual Meeting of Shareholders to be held on May 28, 2021 (the "Proxy Statement"), contains under the captions "Election of Trustees", "Company Governance", and "Executive Officers" the information required by Item 10 of this Annual Report on Form 10-K, which information is incorporated herein by this reference.

We have adopted a Code of Business Conduct and Ethics that applies to our Chief Executive Officer, Chief Financial Officer, and all other officers, employees and trustees. The Code of Business Conduct and Ethics may be viewed on our website at www.eprkc.com. Changes to and waivers granted with respect to the Code of Business Conduct and Ethics required to be disclosed pursuant to applicable rules and regulations will be posted on our website.

Item 11. Executive Compensation

The Proxy Statement contains under the captions "Election of Trustees", "Executive Compensation", and "Compensation Committee Report", the information required by Item 11 of this Annual Report on Form 10-K, which information is incorporated herein by this reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The Proxy Statement contains under the captions "Share Ownership" and "Equity Compensation Plan Information" the information required by Item 12 of this Annual Report on Form 10-K, which information is incorporated herein by this reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The Proxy Statement contains under the captions "Transactions Between the Company and Trustees, Officers or their Affiliates," "Election of Trustees" and "Additional Information Concerning the Board of Trustees" the information required by Item 13 of this Annual Report on Form 10-K, which information is incorporated herein by this reference.

Item 14. Principal Accounting Fees and Services

The Proxy Statement contains under the caption "Ratification of Appointment of Independent Registered Public Accounting Firm" the information required by Item 14 of this Annual Report on Form 10-K, which information is incorporated herein by this reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(1) *Financial Statements: See Part II, Item 8 hereof*

Report of Independent Registered Public Accounting Firm
Consolidated Balance Sheets as of December 31, 2020 and 2019
Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income for the years ended December 31, 2020, 2019 and 2018
Consolidated Statements of Changes in Equity for the years ended December 31, 2020, 2019 and 2018
Consolidated Statements of Cash Flows for the years ended December 31, 2020, 2019 and 2018
Notes to Consolidated Financial Statements

(2) *Financial Statement Schedules*: *See Part II, Item 8 hereof*

Schedule II – Valuation and Qualifying Accounts
Schedule III – Real Estate and Accumulated Depreciation

(3) *Exhibits*

The Company has incorporated by reference certain exhibits as specified below pursuant to Rule 12b-32 under the Exchange Act.

Exhibit No.	Description
3.1	Composite of Amended and Restated Declaration of Trust of the Company (inclusive of all amendments through June 1, 2020), which is attached as Exhibit 3.1 to the Company's Form 10-Q (Commission File No. 001-13561) filed on August 6, 2020, is hereby incorporated by reference as Exhibit 3.1
3.2	Articles Supplementary designating the powers, preferences and rights of the 5.750% Series C Cumulative Convertible Preferred Shares, which is attached as Exhibit 3.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on December 21, 2006, is hereby incorporated by reference as Exhibit 3.2
3.3	Articles Supplementary designating powers, preferences and rights of the 9.000% Series E Cumulative Convertible Preferred Shares, which is attached as Exhibit 3.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on April 2, 2008, is hereby incorporated by reference as Exhibit 3.3
3.4	Articles Supplementary designating the powers, preferences and rights of the 5.750% Series G Cumulative Redeemable Preferred Shares, which is attached as Exhibit 3.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on November 30, 2017, is hereby incorporated by reference as Exhibit 3.4
3.5	Amended and Restated Bylaws of the Company (inclusive of all amendments through May 30, 2019), which is attached as Exhibit 3.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 30, 2019, is hereby incorporated by reference as Exhibit 3.5
4.1	Form of share certificate for common shares of beneficial interest of the Company, which is attached as Exhibit 4.3 to the Company's Registration Statement on Form S-3ASR (Registration No. 333-35281), filed on June 3, 2013, is hereby incorporated by reference as Exhibit 4.1
4.2	Form of 5.750% Series C Cumulative Convertible Preferred Shares Certificate, which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on December 21, 2006, is hereby incorporated by reference as Exhibit 4.2
4.3	Form of 9.000% Series E Cumulative Convertible Preferred Shares, which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on April 2, 2008, is hereby incorporated by reference as Exhibit 4.3
4.4	Form of 5.750% Series G Cumulative Redeemable Preferred Shares Certificate, which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on November 30, 2017, is hereby incorporated by reference as Exhibit 4.4
4.5	Indenture, dated June 18, 2013, by and among the Company, certain of its subsidiaries, and U.S. Bank National Association, as trustee (including the form of 5.250% Senior Notes due 2023 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on June 18, 2013, is hereby incorporated by reference as Exhibit 4.5
4.6	Indenture, dated March 16, 2015, by and among the Company, certain of its subsidiaries, and UMB Bank, n.a., as trustee (including the form of 4.500% Senior Notes due 2025 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on March 16, 2015, is hereby incorporated by reference as Exhibit 4.6
4.7	Indenture, dated December 14, 2016, by and among the Company, certain of its subsidiaries, and UMB Bank, n.a., as trustee (including the form of 4.750% Senior Notes due 2026 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on December 14, 2016, is hereby incorporated by reference as Exhibit 4.7
4.8	Indenture, dated May 23, 2017, by and among the Company, certain of its subsidiaries, and UMB Bank, n.a., as trustee (including the form of 4.500% Senior Notes due 2027 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 23, 2017, is hereby incorporated by reference as Exhibit 4.8
4.9	Indenture, dated April 16, 2018, by and between the Company and UMB Bank, n.a., as trustee (including the form of 4.950% Senior Notes due 2028 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on April 16, 2018, is hereby incorporated by reference as Exhibit 4.9

4.1	Indenture, dated August 15, 2019, between the Company and UMB Bank, n.a., as trustee (including the form of 3.750% Senior Note due 2029 included as Exhibit A thereto), which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on August 15, 2019, is hereby incorporated by reference as Exhibit 4.10
4.11.1	Note Purchase Agreement, dated August 1, 2016, by and among the Company and the purchasers named therein, which is attached as Exhibit 4.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on August 3, 2016, is hereby incorporated by reference as Exhibit 4.11.1
4.11.2	First Amendment to Note Purchase Agreement, dated September 27, 2017, by and among the Company and the purchasers named therein, which is attached as Exhibit 10.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on September 27, 2017, is hereby incorporated as Exhibit 4.11.2
4.11.3	Second Amendment to Note Purchase Agreement, dated June 29, 2020, by and among the Company and the purchasers named therein, which is attached as Exhibit 10.2 to the Company's Form 10-Q (Commission File No. 001-13561) filed on August 6, 2020, is hereby incorporated by reference as Exhibit 4.11.3
4.11.4	Third Amendment to Note Purchase Agreement, dated December 24, 2020, by and among the Company and the purchasers named therein is attached hereto as Exhibit 4.11.4
4.12	Description of Securities Registered under Section 12 of the Exchange Act is attached hereto as Exhibit 4.12
10.1.1	Second Amended, Restated and Consolidated Credit Agreement, dated September 27, 2017, by and among the Company, as borrower, KeyBank National Association, as administrative agent, and the other agents and lenders party thereto, which is attached as Exhibit 10.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on September 27, 2017, is hereby incorporated by reference as Exhibit 10.1.1
10.1.2	Amendment No. 1 to Second Amended, Restated and Consolidated Credit Agreement, dated as of June 29, 2020, by and among the Company, as borrower, KeyBank National Association, as administrative agent, and the other agents and lenders party thereto, which is attached as Exhibit 10.1 to the Company's Form 10-Q (Commission File No. 001-13561) filed on August 6, 2020, is hereby incorporated by reference as Exhibit 10.1.2
10.1.3	Amendment No. 2 to the Second Amended, Restated and Consolidated Credit Agreement, dated as of November 3, 2020, by and among the Company, as borrower, KeyBank National Association, as administrative agent, and the other agents and lenders party thereto is attached hereto as Exhibit 10.1.3
10.2*	Form of Indemnification Agreement entered into between the Company and each of its trustees and officers, which is attached as Exhibit 10.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 14, 2007, is hereby incorporated by reference as Exhibit 10.2
10.3*	Deferred Compensation Plan for Non-Employee Trustees, which is attached as Exhibit 10.10 to Amendment No. 2, filed on November 5, 1997, to the Company's Registration Statement on Form S-11 (Registration No. 333-35281), is hereby incorporated by reference as Exhibit 10.3
10.4*	2007 Equity Incentive Plan, as amended, which is attached as Exhibit 10.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 15, 2013, is hereby incorporated by reference as Exhibit 10.4
10.5*	Form of 2007 Equity Incentive Plan Nonqualified Share Option Agreement for Employee Trustees, which is attached as Exhibit 10.2 to the Company's Registration Statement on Form S-8 (Registration No. 333-142831) filed on May 11, 2007, is hereby incorporated by reference as Exhibit 10.5
10.6*	Form of 2007 Equity Incentive Plan Nonqualified Share Option Agreement for Non-Employee Trustees, which is attached as Exhibit 10.3 to the Company's Registration Statement on Form S-8 (Registration No. 333-142831) filed on May 11, 2007, is hereby incorporated by reference as Exhibit 10.6
10.7*	Form of 2007 Equity Incentive Plan Restricted Shares Agreement for Employees, which is attached as Exhibit 10.4 to the Company's Registration Statement on Form S-8 (Registration No. 333-142831) filed on May 11, 2007, is hereby incorporated by reference as Exhibit 10.7
10.8*	Form of 2007 Equity Incentive Plan Restricted Shares Agreement for Non-Employee Trustees, which is attached as Exhibit 10.3 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 20, 2009, is hereby incorporated by reference as Exhibit 10.8

10.9*	EPR Properties 2016 Equity Incentive Plan, which is attached as Exhibit 10.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 12, 2016, is hereby incorporated by reference as Exhibit 10.9
10.10*	Form of 2016 Equity Incentive Plan Incentive and Nonqualified Share Option Award Agreement for Employees, which is attached as Exhibit 10.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 12, 2016, is hereby incorporated by reference as Exhibit 10.10
10.11*	Form of 2016 Equity Incentive Plan Restricted Shares Award Agreement for Employees, which is attached as Exhibit 10.3 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 12, 2016, is hereby incorporated by reference as Exhibit 10.11
10.12*	Form of 2016 Equity Incentive Plan Restricted Share Unit Award Agreement for Non-Employee Trustees, which is attached as Exhibit 10.4 to the Company's Form 8-K (Commission File No. 001-13561) filed on May 12, 2016, is hereby incorporated by reference as Exhibit 10.12
10.13*	Annual Performance-Based Incentive Plan, which is attached as Exhibit 10.1 to the Company's 8-K (Commission File No. 001-13561) filed on June 2, 2017, is hereby incorporated by reference as Exhibit 10.13
10.14*	EPR Properties Employee Severance Plan (as amended June 1, 2018), which is attached as Exhibit 10.1 to the Company's Form 10-Q (Commission File No. 001-13561) filed on July 31, 2018, is hereby incorporated by reference as Exhibit 10.14
10.15*	EPR Properties Employee Severance and Retirement Vesting Plan (effective July 31, 2020), which is attached as Exhibit 10.15 to the Company's Form 10-K (Commission File No. 001-13561) filed on February 25, 2020, is hereby incorporated by reference as Exhibit 10.15
10.16*	2020 Long Term Incentive Plan, which is attached as Exhibit 10.1 to the Company's Form 8-K (Commission File No. 001-13561) filed on February 26, 2020 is hereby incorporated by reference as Exhibit 10.16
10.17*	Form of Performance Shares Awards Agreement under the 2020 Long Term Incentive Plan, which is attached as Exhibit 10.2 to the Company's Form 8-K (Commission File No. 001-13561) filed on February 26, 2020, is hereby incorporated by reference as Exhibit 10.17
10.18*	Form of Restricted Shares Award Agreement under the 2020 Long Term Incentive Plan, which is attached as Exhibit 10.3 to the Company's Form 8-K (Commission File No. 001-13561) filed on February 26, 2020, is hereby incorporated by reference as Exhibit 10.18
10.19*	Release Agreement, dated as of December 31, 2020, by and between the Company and Michael L. Hirons is attached hereto as Exhibit 10.19
21	The list of the Company's Subsidiaries is attached hereto as Exhibit 21
22	The list of issuers and guarantor subsidiaries is attached hereto as Exhibit 22
23	Consent of KPMG LLP is attached hereto as Exhibit 23
31.1	Certification of Gregory K. Silvers pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 is attached hereto as Exhibit 31.1
31.2	Certification of Mark A. Peterson pursuant to Rule 13a-14(a) or 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 is attached hereto as Exhibit 31.2
32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, is attached hereto as Exhibit 32.1
32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, is attached hereto as Exhibit 32.2
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase

104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Management contracts or compensatory plans

PLEASE NOTE: Pursuant to the rules and regulations of the Securities and Exchange Commission, we have filed or incorporated by reference the agreements referenced above as exhibits to this Annual Report on Form 10-K. The agreements have been filed to provide investors with information regarding their respective terms. The agreements are not intended to provide any other factual information about the Company or its business or operations. In particular, the assertions embodied in any representations, warranties and covenants contained in the agreements may be subject to qualifications with respect to knowledge and materiality different from those applicable to investors and may be qualified by information in confidential disclosure schedules not included with the exhibits. These disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements. Moreover, certain representations, warranties and covenants in the agreements may have been used for the purpose of allocating risk between the parties, rather than establishing matters as facts. In addition, information concerning the subject matter of the representations, warranties and covenants may have changed after the date of the respective agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants in the agreements as characterizations of the actual state of facts about the Company or its business or operations on the date hereof.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

EPR Properties

Dated: February 25, 2021

By /s/ Gregory K. Silvers

Gregory K. Silvers, President and Chief Executive Officer (Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature and Title	Date
/s/ Robert J. Druten Robert J. Druten, Chairman of the Board	February 25, 2021
/s/ Gregory K. Silvers Gregory K. Silvers, President, Chief Executive Officer (Principal Executive Officer) and Trustee	February 25, 2021
/s/ Mark A. Peterson Mark A. Peterson, Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	February 25, 2021
/s/ Tonya L. Mater Tonya L. Mater, Senior Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 25, 2021
/s/ Thomas M. Bloch Thomas M. Bloch, Trustee	February 25, 2021
/s/ Barrett Brady Barrett Brady, Trustee	February 25, 2021
/s/ Peter C. Brown Peter C. Brown, Trustee	February 25, 2021
/s/ James B. Connor James B. Connor, Trustee	February 25, 2021
/s/ Jack A. Newman, Jr. Jack A. Newman, Jr., Trustee	February 25, 2021
/s/ Virginia E. Shanks Virginia E. Shanks, Trustee	February 25, 2021
/s/ Robin P. Sterneck Robin P. Sterneck, Trustee	February 25, 2021

Exhibit 4.12

DESCRIPTION OF SECURITIES REGISTERED UNDER SECTION 12 OF THE EXCHANGE ACT

The following is a brief description of shares of beneficial interest ("shares") of EPR Properties, Inc. (the "Company," "we," "us," or "our"). The brief description is based upon our Amended and Restated Declaration of Trust, including the articles supplementary for each series of preferred shares (as amended, our "Declaration of Trust"), our Amended and Restated Bylaws (as amended, our "Bylaws"), and provisions of applicable Maryland law. This summary does not purport to be complete and is subject to, and qualified in its entirety by, the full text of our Declaration of Trust and Bylaws, each of which is incorporated by reference as an exhibit to our Annual Report on Form 10-K.

GENERAL

Our Declaration of Trust authorizes us to issue up to 100,000,000 common shares, par value $0.01 per share, and 25,000,000 preferred shares, par value $0.01 per share, 6,000,000 of which are designated as 5.75% Series C Cumulative Convertible Preferred Shares ("Series C Preferred Shares"), 3,450,000 of which are designated as 9.00% Series E Cumulative Convertible Preferred Shares ("Series E Preferred Shares"), and 6,000,000 of which are designated as 5.75% Series G Cumulative Redeemable Preferred Shares ("Series G Preferred Shares"). Our Declaration of Trust authorizes our Board of Trustees to determine, at any time and from time to time, the number of authorized shares of beneficial interest, as described below.

COMMON SHARES

All of our common shares are entitled to the following, subject to the preferential rights of any other class or series of shares which may be issued and to the provisions of our Declaration of Trust regarding the restriction of the ownership of shares:

- to receive distributions on our shares if, as and when authorized by our Board of Trustees and declared by us out of assets legally available for distribution; and
- upon our liquidation, dissolution, or winding up, to receive all remaining assets available for distribution to common shareholders after satisfaction of our liabilities and the preferential rights of any preferred shares.

At any meeting of shareholders, the presence in person or by proxy of shareholders entitled to cast a majority of all the votes entitled to be cast at such meeting will constitute a quorum. Subject to the provisions of our Declaration of Trust on registration or transfer, each outstanding common share entitles the holder to one vote on all matters submitted to a vote of shareholders, including the election of Trustees. Holders of our common shares do not have cumulative voting rights in the election of Trustees. A nominee for Trustee will be elected to the Board of Trustees if, at a meeting of shareholders duly called and at which a quorum is present, a majority of the votes cast are in favor of such nominee’s election; provided, however, that, if the number of nominees for Trustee exceeds the number of Trustees to be elected, Trustees will be elected by a plurality of all votes cast at a meeting of shareholders duly called and at which a quorum is present. A majority of the votes cast at a meeting of shareholders duly called and at which a quorum is present will be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required under our Bylaws or by statute or by our Declaration of Trust.

Holders of our common shares have no preference, conversion, exchange, sinking fund, redemption or, except to the extent expressly required by the law pertaining to Maryland real estate investment trusts, appraisal rights. Shareholders have no preemptive rights to subscribe for any of our securities.

PREFERRED SHARES

General

Our Declaration of Trust authorizes our Board of Trustees to determine the preferences, conversion or other rights, voting powers, restrictions, limitations as to distributions, qualifications and terms and conditions of redemption of our authorized and unissued preferred shares. These may include:

- the distinctive designation of each series and the number of shares that will constitute the series;
- the voting rights, if any, of shares of the series;
- the distribution rate on the shares of the series, any restriction, limitation or condition upon the payment of the distribution, whether distributions will be cumulative, and the dates on which distributions accumulate and are payable;
- the prices at which, and the terms and conditions on which, the shares of the series may be redeemed, if the shares are redeemable;
- the purchase or sinking fund provisions, if any, for the purchase or redemption of shares of the series;
- any preferential amount payable upon shares of the series upon our liquidation or the distribution of our assets;
- if the shares are convertible, the price or rates of conversion at which, and the terms and conditions on which, the shares of the series may be converted into other securities; and
- whether the series can be exchanged, at our option, into debt securities, and the terms and conditions of any permitted exchange.

Series C Preferred Shares

Rank

The Series C Preferred Shares rank senior to our common shares and on a parity with our Series E Preferred Shares, Series G Preferred Shares, and other parity securities we may issue in the future with respect to the payment of distributions and amounts on liquidation, dissolution and winding up.

Distributions

Our Series C Preferred Shares provide for quarterly payments of cumulative distributions at the rate of 5.75% per annum of the $25 per share liquidation preference of the Series C Preferred Shares,

or a fixed rate of $1.4375 per share each year. Distributions not declared or paid in any quarter continue to accumulate.

Liquidation Preference

On liquidation of the Company, holders of the Series C Preferred Shares are entitled to a liquidation preference of $25 per share plus all accumulated, accrued and unpaid distributions before any amount is payable to the holders of our common shares.

Redemption

The Series C Preferred Shares are not redeemable.

Voting Rights

Holders of Series C Preferred Shares generally have no voting rights, except that if distributions on the Series C Preferred Shares have not been paid for six or more quarterly periods (whether or not consecutive), holders of the Series C Preferred Shares (together with shares having like voting rights) are entitled to elect two additional trustees to the Board of Trustees to serve until all unpaid distributions have been paid or declared and set aside for payment. In addition, certain material and adverse changes to the terms of the Series C Preferred Shares cannot be made without the affirmative vote of at least two-thirds of the outstanding Series C Preferred Shares and the holders of all other shares on parity with the Series C Preferred Shares and having like voting rights.

Conversion Rights

Holders of Series C Preferred Shares may, at their option, convert the Series C Preferred Shares into our common shares subject to certain conditions at the then applicable conversion rate. The conversion rate is subject to adjustment upon the occurrence of specified events. We may, at our option, convert some or all of the Series C Preferred Shares into common shares at the then applicable conversion rate in certain circumstances based on the market price of our common shares. Upon any conversion of Series C Preferred Shares, we will have the option to deliver either (1) a number of common shares based upon the applicable conversion rate, or (2) an amount of cash and common shares as specified in the articles supplementary for such shares. In addition, upon a fundamental change, when the actual applicable price of our common shares, as determined in accordance with the articles supplementary, is less than $59.45 per share, the holders of Series C Preferred Shares may require us to convert some or all of their Series C Preferred Shares at a conversion rate equal to the liquidation preference of the Series C Preferred Shares being converted plus accrued and unpaid distributions divided by 98% of the market price of our common shares. We will have the right to repurchase for cash some or all of the Series C Preferred Shares that would otherwise be required to be converted.

Series E Preferred Shares

Rank

The Series E Preferred Shares rank senior to our common shares and on a parity with our Series C Preferred Shares, Series G Preferred Shares, and other parity securities we may issue in the future with respect to the payment of distributions and amounts on liquidation, dissolution and winding up.

Distributions

Our Series E Preferred Shares provide for quarterly payments of cumulative distributions at the rate of 9.00% per annum of the $25 per share liquidation preference of the Series E Preferred Shares, or a fixed rate of $2.25 per share each year. Distributions not declared or paid in any quarter continue to accumulate.

Liquidation Preference

On liquidation of the Company, holders of the Series E Preferred Shares are entitled to a liquidation preference of $25 per share plus all accumulated, accrued and unpaid distributions before any amount is payable to the holders of our common shares.

Redemption

The Series E Preferred Shares are not redeemable.

Voting Rights

Holders of Series E Preferred Shares generally have no voting rights, except that if distributions on the Series E Preferred Shares have not been paid for six or more quarterly periods (whether or not consecutive), holders of the Series E Preferred Shares (together with shares having like voting rights) are entitled to elect two additional trustees to the Board of Trustees to serve until all unpaid distributions have been paid or declared and set aside for payment. In addition, certain material and adverse changes to the terms of the Series E Preferred Shares cannot be made without the affirmative vote of at least two-thirds of the outstanding Series E Preferred Shares and the holders of all other shares on parity with the Series E Preferred Shares and having like voting rights.

Conversion Rights

Holders of Series E Preferred Shares may, at their option, convert the Series E Preferred Shares into our common shares subject to certain conditions at the then applicable conversion rate. The conversion rate is subject to adjustment upon the occurrence of specified events. We may, at our option, convert some or all of the Series E Preferred Shares into common shares at the then applicable conversion rate in certain circumstances based on the market price of our common shares. Upon any conversion of Series E Preferred Shares, we will have the option to deliver either (1) a number of common shares based upon the applicable conversion rate, or (2) an amount of cash and common shares as specified in the articles supplementary for such shares. In addition, upon a fundamental change, when the actual applicable price of our common shares, as determined in accordance with the articles supplementary, is less than $48.18 per share, the holders of Series E Preferred Shares may require us to convert some or all of their Series E Preferred Shares at a conversion rate equal to the liquidation preference of the Series E Preferred Shares being converted plus accrued and unpaid distributions divided by 98% of the market price of our common shares. We will have the right to repurchase for cash some or all of the Series E Preferred Shares that would otherwise be required to be converted.

Series G Preferred Shares

Rank

The Series G Preferred Shares rank senior to our common shares and on parity with our Series C Preferred Shares and Series E Preferred Shares, and other parity securities we may issue in the future with respect to the payment of distributions and amounts on liquidation, dissolution and winding up.

Distributions

Our Series G Preferred Shares provide for quarterly payments of cumulative distributions at the rate of 5.75% per annum of the $25 per share liquidation preference of the Series G Preferred Shares, or a fixed rate of $1.4375 per share each year. Distributions not declared or paid in any quarter continue to accumulate.

Liquidation Preference

On liquidation of the Company, holders of the Series G Preferred Shares are entitled to a liquidation preference of $25 per share plus all accumulated, accrued and unpaid distributions before any amount is payable to the holders of our common shares.

Redemption

The Series G Preferred Shares are not redeemable prior to November 30, 2022, except in limited circumstances relating to the preservation of our status as a real estate investment trust. On or after that date, we may at our own option redeem the Series G Preferred Shares in whole or in part by paying the $25 per share liquidation preference plus all accumulated, accrued and unpaid distributions.

Voting Rights

Holders of Series G Preferred Shares generally have no voting rights, except that if distributions on the Series G Preferred Shares have not been paid for six or more quarterly periods (whether or not consecutive), holders of the Series G Preferred Shares (together with other shares having like voting rights) are entitled to elect two additional trustees to the Board of Trustees to serve until all unpaid distributions have been paid or declared and set aside for payment. In addition, certain material and adverse changes to the terms of the Series G Preferred Shares cannot be made without the affirmative vote of at least two-thirds of the outstanding Series G Preferred Shares and the holders of all other shares on a parity with the Series G Preferred Shares and having like voting rights.

Conversion Rights

The Series G Preferred Shares are not convertible into any other of our securities, except under certain circumstances in connection with a change of control.

ANTI-TAKEOVER EFFECTS OF PROVISIONS OF OUR DECLARATION OF TRUST, BYLAWS AND MARYLAND LAW

The following is a brief description of the provisions in our Declaration of Trust, Bylaws and Maryland Law that could have an effect of delaying, deferring, or preventing a change in control of the Company.

Number of Trustees; Vacancies; Removal

Our Declaration of Trust and Bylaws provide that only our Board of Trustees will establish the number of Trustees, provided however that the term of office of a Trustee will not be affected by any decrease in the number of Trustees. Any vacancy on the Board of Trustees may be filled only by a majority of the remaining Trustees, even if the remaining trustees do not constitute a quorum, or by the sole Trustee. Any Trustee elected to fill a vacancy will hold office until the next annual meeting of shareholders and until a successor is elected and qualified.

Our Declaration of Trust provides that, subject to any right of holders of one or more classes of preferred shares to elect or remove one or more Trustees, a Trustee may be removed for cause by the affirmative vote of the holders of at least two-thirds of our common shares entitled to be cast in the election of trustees. This provision precludes shareholders from removing our incumbent Trustees unless cause, as defined in the Declaration of Trust, exists, and they can obtain a substantial affirmative vote of shares.

Authorized Shares; Undesignated Preferred Shares

Without any action by our shareholders, we may increase or decrease the aggregate number of shares or the number of shares of any class we have authority to issue at any time. Our Board of Trustees may cause us to issue our authorized shares and to reclassify any unissued shares into our classes or series. This ability of our Board of Trustees provides us with flexibility in structuring possible future financings and acquisitions and in meeting other business needs which might arise. Our Board of Trustees may also authorize us to issue a new class or series that could, depending upon the terms of the class or series, delay, defer, or prevent a change of control of the Company.

Advance Notice for Shareholder Proposals and Nominations

Our Bylaws provide that nominations of persons for election to our Board of Trustees and business to be transacted at shareholder meetings may be properly brought pursuant to our notice of the meeting, by our Board of Trustees or by a shareholder who (i) is a shareholder of record at the time of giving the advance notice and at the time of the meeting, (ii) is entitled to vote at the meeting and (iii) has complied with the advance notice provisions set forth in our Bylaws.

Under our Bylaws, a shareholder's notice of nominations for Trustee or business to be transacted at an annual meeting of shareholders must be delivered to our secretary at our principal office not later than the close of business on the 60th day and not earlier than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting. In the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary date of the preceding year's annual meeting, a shareholder's notice must be delivered to us not earlier than the close of business on the 90th day prior to such annual meeting and not later than the later of: (i) the 60th day prior to such annual meeting or (ii) the 10th day following the day on which we first make a public announcement of the date of such meeting. The public announcement of a postponement or of an adjournment of such annual meeting to a later date or time will not commence a new time period for the giving of a shareholder's notice. If the number of Trustees to be elected to our Board of Trustees is increased and we make no public announcement of such action at least 70 days prior to the first anniversary of the preceding year's annual meeting, a shareholder's notice also will be considered timely, but only with respect to nominees for any new positions created by such increase, if the notice is

delivered to our secretary at our principal office not later than the close of business on the 10th day immediately following the day on which such public announcement is made.

For special meetings of shareholders, our Bylaws require a shareholder who is nominating a person for election to our Board of Trustees at a special meeting at which Trustees are to be elected to give notice of such nomination to our secretary at our principal office not earlier than the close of business on the 90th day prior to such special meeting and not later than the close of business on the later of: (1) the 60th day prior to such special meeting or (2) the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Trustees to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting to a later date or time will not commence a new time period for the giving of a shareholder's notice as described above.

No Cumulative Voting

Holders of our common shares do not have cumulative voting rights in the election of Trustees. The absence of cumulative voting may make it more difficult for shareholders owning less than a majority of our common shares to elect any Trustees to our Board.

Restrictions on Ownership and Transfer of Shares

Our Declaration of Trust restricts the number of shares which may be owned by shareholders. Generally, for us to qualify as a real estate investment trust under the Internal Revenue Code of 1986, as amended (the "Code"), not more than 50% in value of our outstanding shares may be owned, directly or indirectly, by five or fewer individuals (defined in the Code to include certain entities and constructive ownership among specified family members) at any time during the last half of a taxable year. The shares also must be beneficially owned by 100 or more persons during at least 335 days of a taxable year or during a proportionate part of a shorter taxable year. In order to maintain our qualification as a REIT, our Declaration of Trust contains restrictions on the acquisition of shares intended to ensure compliance with these requirements.

Our Declaration of Trust generally provides that any person (not just individuals) holding more than 9.8% in number of shares or value, of the outstanding shares of any class or series of our common shares or preferred shares (the "Ownership Limit") may be subject to forfeiture of the shares (including common shares and preferred shares) owned in excess of the Ownership Limit. We refer to the shares in excess of the Ownership Limit as "Excess Shares." The Excess Shares may be transferred to a trust for the benefit of one or more charitable beneficiaries. The trustee of that trust would have the right to vote the voting Excess Shares, and distributions on the Excess Shares would be payable to the trustee for the benefit of the charitable beneficiaries.

Holders of Excess Shares would be entitled to compensation for their Excess Shares, but that compensation may be less than the price they paid for the Excess Shares. Persons who hold Excess Shares or who intend to acquire Excess Shares must provide written notice to us.

Our Ownership Limit may also act to deter an unfriendly takeover of the Company.

In addition, our Declaration of Trust allows the Company to redeem its Securities where the person owning or controlling such Securities is determined to be unsuitable to own or control such Securities due to failure to comply with all applicable laws, statutes and ordinances pursuant to which any gaming authority possesses regulatory, permit and licensing authority over the conduct of gaming

activities. Our Declaration of Trust defines the term "Securities" to mean the Company's common shares, preferred shares and/or capital stock, member's interests or membership interests, partnership interests or other equity securities of entities affiliated with the Company. The foregoing provision may also act to deter an unfriendly takeover of the Company.

Business Combination Statute

The Maryland General Corporation Law (the "MGCL") contains a provision which regulates business combinations with interested shareholders. This provision applies to Maryland real estate investment trusts like us. Under the MGCL, business combinations such as mergers, consolidations, share exchanges and the like between a Maryland real estate investment trust and an interested shareholder or an affiliate of an interested shareholder are prohibited for five years after the most recent date on which the shareholder becomes an interested shareholder. Under the MGCL, the following persons are deemed to be interested shareholders:

- any person who beneficially owns 10% or more of the voting power of the trust's shares; or
- an affiliate or associate of the trust who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then outstanding voting shares of the trust.

After the five-year prohibition period has ended, a business combination between a trust and an interested shareholder must be recommended by the board of trustees of the trust and must receive the following shareholder approvals:

- the affirmative vote of at least 80% of the votes entitled to be cast; and
- the affirmative vote of at least two-thirds of the votes entitled to be cast by holders of shares other than shares held by the interested shareholder with whom or with whose affiliate or associate the business combination is to be effected or held by an affiliate or associate of the interested shareholder.

The shareholder approvals discussed above are not required if the trust's shareholders receive the minimum price set forth in the MGCL for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its shares.

The foregoing provisions of the MGCL do not apply, however, to business combinations that are approved or exempted by the board of trustees of the trust prior to the time that the interested shareholder becomes an interested shareholder. A person is not an interested shareholder under the MGCL if the board of trustees approved in advance the transaction by which the person otherwise would have become an interested shareholder. The board of trustees may provide that its approval is subject to compliance with any terms and conditions determined by the board of trustees.

Control Share Acquisition Statute

The MGCL contains a provision which regulates control share acquisitions. This provision also applies to Maryland real estate investment trusts. The MGCL provides that control shares of a Maryland real estate investment trust acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares owned by the

acquiror, by officers or by trustees who are employees of the trust are excluded from shares entitled to vote on the matter. Control shares are voting shares which, if aggregated with all other shares owned by the acquiror, or in respect of which the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing trustees within one of the following ranges of voting power:

- One-tenth or more but less than one-third;
- One-third or more but less than a majority; or
- A majority or more of all voting power.

Control shares do not include shares which the acquiring person is entitled to vote as a result of having previously obtained shareholder approval. A control share acquisition means the acquisition of control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the board of trustees to call a special meeting of shareholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, the trust may itself present the question at any shareholders meeting.

If voting rights are not approved at the meeting or if the acquiring person does not deliver an acquiring person statement as required by the MGCL, then the trust may redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. The right of the trust to redeem control shares is subject to conditions and limitations. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquiror or of any meeting of shareholders at which the voting rights of the shares are considered and not approved. If voting rights for control shares are approved at a shareholders meeting and the acquiror becomes entitled to vote a majority of the shares entitled to vote, all other shareholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition.

The control share acquisition statute of the MGCL does not apply to the following:

- shares acquired in a merger, consolidation or share exchange if the trust is a party to the transaction; or
- acquisitions approved or exempted by a provision in the declaration of trust or bylaws of the trust adopted before the acquisition of shares.

Maryland Unsolicited Takeovers Act

Subtitle 8 of Title 3 of the MGCL, known as the "Maryland Unsolicited Takeovers Act," permits a Maryland corporation (or real estate investment trust) with a class of equity securities registered under the Exchange Act and at least three independent directors (or trustees) to elect to be subject, by provision in its charter or bylaws or a resolution of its board of directors (or board of trustees) and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions of the MGCL which provide, respectively, that:

- the entity's board of directors (or board of trustees) will be divided into three classes;
- the affirmative vote of two-thirds of all of the votes entitled to be cast by shareholders generally in the election of directors (or trustees) is required to remove a director (or trustee);
- the number of directors (or trustees) may be fixed only by vote of the directors (or trustees);
- a vacancy on the board of directors (or board of trustees) may be filled only by the remaining directors (or trustees) and that directors (or trustees) elected to fill a vacancy will serve for the remainder of the full term of the class of directors (or trustees) in which the vacancy occurred; and
- the request of shareholders entitled to cast at least a majority of all of the votes entitled to be cast at the meeting is required for shareholders to require the calling of a special meeting of shareholders.

The Maryland Unsolicited Takeovers Act does not limit the power of a corporation (or real estate investment trust) to confer on the holders of any class or series of preferred stock the right to elect one or more directors (or trustees). The Maryland Unsolicited Takeovers Act also permits the charter or a board resolution to prohibit the corporation (or real estate investment trust) from electing to be subject to any or all of the provisions of Subtitle 8, which we have not done. We currently have more than three independent Trustees and have a class of equity securities registered under the Exchange Act, and therefore our Board of Trustees may elect to provide for any of the foregoing provisions without shareholder approval. As of the date hereof, our Board of Trustees has not made any such election. However, through provisions of our Declaration of Trust and Bylaws unrelated to the Maryland Unsolicited Takeovers Act, we already provide for certain of the foregoing provisions of the Maryland Unsolicited Takeovers Act.

LISTING

Our common shares are traded on the New York Stock Exchange under the symbol "EPR." Our Series C Preferred Shares, Series E Preferred Shares and Series G Preferred Shares are traded on the New York Stock Exchange under the symbols "EPR PrC," "EPR PrE" and "EPR PrG," respectively.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for our shares is Computershare Trust Company, N.A.

Exhibit 4.11.4

Execution Copy

EPR Properties

Third Amendment
Dated as of December 24, 2020

to

Note Purchase Agreement
Dated as of August 1, 2016

Re: 4.35% Series A Guaranteed Senior Notes due August 22, 2024
4.56% Series B Guaranteed Senior Notes due August 22, 2026

Third Amendment to Note Purchase Agreement

This Third Amendment dated as of December 24, 2020 (this "*Amendment*") to that certain Note Purchase Agreement dated as of August 1, 2016 is between EPR Properties, a Maryland real estate investment trust (the "*Company*"), and each holder of Notes (as hereinafter defined) party hereto (collectively, the "*Noteholders*").

Recitals:

A. The Company has heretofore entered into that certain Note Purchase Agreement dated as of August 1, 2016 (as amended by the First Amendment dated as of September 27, 2017 and the Second Amendment dated as of June 29, 2020, the "*Original Note Purchase Agreement*") with each of the Purchasers listed in the Purchaser Schedule thereto pursuant to which the Company issued and has outstanding $340,000,000 aggregate principal amount of its Guaranteed Senior Notes, consisting of (a) $148,000,000 aggregate principal amount of its 4.35% Series A Guaranteed Senior Notes due August 22, 2024 and (b) $192,000,000 aggregate principal amount of its 4.56% Series B Guaranteed Senior Notes due August 22, 2026 (collectively, the "*Notes*").

B. The Company and the Noteholders now desire to amend the Original Note Purchase Agreement in the respects, but only in the respects, hereinafter set forth.

C. Capitalized terms used herein shall have the respective meanings ascribed thereto in the Original Note Purchase Agreement unless herein defined or the context shall otherwise require.

D. All requirements of law have been fully complied with and all other acts and things necessary to make this Amendment a valid, legal and binding instrument according to its terms for the purposes herein expressed have been done or performed.

Now, therefore, upon the full and complete satisfaction of the conditions precedent to the effectiveness of this Amendment set forth in Section 4.1 hereof, and in consideration of good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Company and the Noteholders do hereby agree as follows:

SECTION 1. Amendments.

1.1. Sections 9.11 and 9.12 of the Original Note Purchase Agreement shall be and hereby are restated in their entirety to read as follows:

Section 9.11. Springing Equity Pledge and Mortgages.

(a) If, during the continuation of the Covenant Relief Period, a Pledge Trigger Event occurs, then, in addition to the Company's obligations under Section 9.9(a) within five Business Days of the occurrence of such Pledge Trigger Event, the Company will provide to the holders of the Notes a proposed schedule of Unencumbered Properties with respect to which an equity interest pledge shall be granted to the Collateral Agent, on behalf of the holders of the Notes and the administrative agent and the lenders under the Bank Credit Agreement, to secure the Company's obligations hereunder and under the Notes, which Unencumbered Properties will be representative (on a pro rata value basis) of the various asset classes owned by the Company and its Subsidiaries, with the aggregate Unencumbered Asset Value of such Unencumbered Properties to be at least equal to the Required Value. The proposed schedule shall be acceptable to the Required Lenders (as defined in the Bank Credit Agreement). If on the date of occurrence of the

Pledge Trigger Event the aggregate outstanding principal amount of the Notes equals or exceeds the Outstanding Amount of all Loans and unreimbursed LC Disbursements (each as defined in the Bank Credit Agreement on the Second Amendment Effective Date), the proposed schedule of Unencumbered Properties shall also be acceptable to the Required Holders in their reasonable discretion; *provided* that the Required Holders shall be deemed to have accepted such schedule if they do not reasonably object thereto within five Business Days after receipt of the schedule from the Company that has been approved by the Required Lenders (as defined in the Bank Credit Agreement). If the Required Holders, in their discretion, reasonably object to such schedule pursuant to the immediately preceding sentence, the Required Holders shall have the right to revise the schedule of Unencumbered Properties to reflect, in the reasonable determination of the Required Holders, a fair representation (on a pro rata value basis) of the various asset classes owned by the Company and its Subsidiaries, with the aggregate Unencumbered Asset Value of such revised schedule of Unencumbered Properties to be as close as practicable to (but not less than) the Required Value. Upon approval (or revision) by the Required Lenders (as defined in the Bank Credit Agreement) (and, if applicable, upon approval or deemed approval (or revision) by the Required Holders) of such list of Unencumbered Properties (such final list, the "**Pledged Properties**"), the Company shall cause each owner of Equity Interests of the Unencumbered Property Owner Subsidiaries that own such Pledged Properties to (1) execute and deliver to the Collateral Agent, within 10 Business Days after the approval (or revision) of the Pledged Properties schedule, a pledge agreement (the "**Pledge Agreement**") substantially in the form attached to the Second Amendment as Exhibit PA (or a joinder to the Pledge Agreement if already in effect pursuant to this Section 9.11(a)) and appropriate certificates and powers and/or Uniform Commercial Code financing statements, pledging all Equity Interests of each such Unencumbered Property Owner Subsidiary with respect to the Pledged Properties, in form and substance satisfactory to the Required Holders, and (2) the organizational documents, certificates of good standing, resolutions and, if requested by the Required Holders, a legal opinion regarding the Company and such Subsidiaries, all in form and substance reasonably satisfactory to the Required Holders. Any such pledge shall also require, as determined by the Required Holders, delivery of an intercreditor agreement (the **"Intercreditor Agreement"**) substantially in the form attached to the Second Amendment as Exhibit IA.

(b) If the Company elects to have the Covenant Relief Period end after October 1, 2021, then (1) the Company shall provide written notice thereof to the holders of the Notes not later than September 30, 2021 together with a proposed schedule of Unencumbered Properties with respect to which Mortgages shall be granted to the Collateral Agent, on behalf of the holders of the Notes and the administrative agent and the lenders under the Bank Credit Agreement, to secure the Company's obligations hereunder and under the Notes, which Unencumbered Properties will be representative (on a pro rata value basis) of the various asset classes owned by the Company and its Subsidiaries, with the aggregate Unencumbered Asset Value of such Unencumbered Properties to be at least equal to the Required Value, which schedule shall be acceptable to the Required Lenders (as defined in the Bank Credit Agreement) and the Required Holders (such final list, the "**Mortgaged Properties**"); *provided* that (i) the Required Holders shall be deemed to have accepted such schedule if they do not reasonably object thereto within five Business Days after receipt of the schedule from the Company that has been approved by the Required Lenders (as defined in the Bank Credit Agreement) and (ii) if the Required Holders, in their discretion, reasonably object to such schedule, the Required Holders shall have the right to revise the schedule of Unencumbered Properties to reflect, in the reasonable determination of the Required Holders, a fair representation (on a pro rata value basis) of the various asset classes owned by the Company and its Subsidiaries, with the aggregate Unencumbered Asset Value of such revised schedule of Unencumbered Properties to be as close as practicable to (but not less than) the Required Value and (2) the Company shall, and shall cause its applicable Subsidiaries

to, not later than October 29, 2021, (i) execute and deliver to the Collateral Agent Mortgages on such approved Unencumbered Properties to the Collateral Agent, (ii) cause evidence of the recording of such Mortgages to be delivered to the holders of the Notes, (iii) cause the Intercreditor Agreement, if not then in effect, to be executed and delivered and (iv) deliver such other certifications, instruments and other documents, including title policies and/or legal opinions, as the Required Holders may reasonably request.

(c) After the pledge of the Pledged Properties and/or the execution and delivery of the Mortgages, as applicable, if (1) the Required Value increases as a result of an increase in the sum of (i) the amount of Outstanding Amounts due under the Credit Agreement and (ii) the principal amount of the Notes, the above process shall be repeated as of the date of any such increase, or (2) there is an increase or decrease in the aggregate Unencumbered Asset Value of the Pledged Properties or the Mortgaged Properties, as applicable, as a result of a Lease Modification (as hereinafter defined), the above processes in clause (b) and/or (c), as applicable, shall be repeated as of the date of delivery of the financial statements next required to be delivered pursuant to Section 7.1(a) or Section 7.1(b) after the date of such Lease Modification, in each case with respect to the pledge of equity interests and/or the granting of Mortgages, as applicable, in respect of additional Unencumbered Properties such that the aggregate Unencumbered Asset Value of all of the Pledged Properties and/or the Mortgaged Properties, as applicable, shall be as close as practicable to (but not less than) the Required Value. For the purposes of this Section 9.11, the Unencumbered Asset Value of each Pledged Property or Mortgaged Property shall mean (I) for any Pledged Property or Mortgaged Property (other than any AMC Pledged Property) owned by the Company and its Subsidiaries on March 31, 2020, the Unencumbered Asset Value of such Pledged Property or Mortgaged Property as of such date, (II) for an AMC Pledged Property owned by the Company and its Subsidiaries on March 31, 2020, 80% of the Unencumbered Asset Value of such AMC Pledged Property as of such date (except as otherwise provided in clause (IV) below), (III) for any Pledged Property or Mortgaged Property (including any AMC Pledged Property) owned by the Company and its Subsidiaries and acquired after March 31, 2020, the cost of such Pledged Property or Mortgaged Property determined in accordance with GAAP and (IV) for any Pledged Property or Mortgaged Property (including any AMC Pledged Property) that has undergone a lease modification after March 31, 2020 where the rent has been permanently adjusted (a **"Lease Modification"**), the Unencumbered Asset Value of such Pledged Property or Mortgaged Property determined after giving effect to the new rent charged (for purposes of this clause (IV), a termination of a lease or the vacating by the tenant of a Pledged Property or Mortgaged Property shall be deemed to be a permanent adjustment of the rent to $0 until such time as such Pledged Property or Mortgaged Property is re-leased, at which time such Pledged Property or Mortgaged Property shall have an Unencumbered Asset Value based upon the new lease). For the avoidance of doubt, a COVID-19 related deferral of rent or similar payments shall not constitute a Lease Modification.

(d) So long as no Default or Event of Default shall then exist, and simultaneously with the direction of each other creditor that is a party to the Intercreditor Agreement, (1) at such time as the Covenant Relief Period shall have expired or been terminated in accordance with the terms of this Agreement, the holders of the Notes shall direct the Collateral Agent, at the Company's expense, to release the Liens pledged pursuant to the Pledge Agreement, and (2) promptly following the later to occur of (i) the last day of the first fiscal quarter for which the Company has caused to be delivered a certificate of a Senior Financial Officer of the Company pursuant to Section 7.2 demonstrating that the Company was in compliance with the requirements of Section 10.6 and each Additional or More Restrictive Covenant for such fiscal quarter and the immediately preceding fiscal quarter (assuming the Covenant Relief Period was not in effect at the end of either such fiscal quarter) or (ii) June 30, 2022, the holders of the Notes shall direct the

Collateral Agent, at the Company's expense, to release the Liens pledged pursuant to the Mortgages.

Section 9.12. Excess Leverage Fee. The Company agrees that, in addition to interest accruing on the Notes, the Company will pay to each holder of a Note a fee on the outstanding principal amount of each Note held by such holder, computed on the same basis and payable at the same time as such interest, at a rate per annum equal to (collectively, the "**Excess Leverage Fee**"):

(a) 0.65% from and after the Second Amendment Effective Date until the last day of the Covenant Relief Period; and

(b) in addition to the fee then payable pursuant to the foregoing clause (a), 0.60% at all times during the Covenant Relief Period when the Company fails to maintain an Investment Grade Rating from any two of the Rating Agencies until the date on which the Company has fully complied with Section 9.11(b)(2).

The accrued and unpaid Excess Leverage Fee on any principal amount being paid or prepaid shall be paid concurrently with such principal in accordance with Section 14.2. Any overdue payment of an Excess Leverage Fee shall accrue interest at a rate per annum from time to time equal to the Default Rate applicable to the applicable Note, payable in arrears at the same time accrued interest is paid on such Note (or, at the option of the registered holder thereof, on demand). For the avoidance of doubt, each Excess Leverage Fee shall be deemed to constitute a fee for all purposes.

1.2. Section 9.13(d) of the Original Note Purchase Agreement shall be and hereby is restated in its entirety to read as follows:

(d) *Prepayment*. Prepayment of the Notes to be prepaid pursuant to this Section 9.13 shall be at 100% of the principal amount of such Notes *plus*, if on the date of the relevant Prepayment Transaction the Company fails to maintain an Investment Grade Rating from any two of the Rating Agencies, the Make-Whole Amount (calculated as if Section 8.6 included references to prepayments under this Section 9.13) determined for the date of prepayment with respect to such principal amount (without giving effect to any Excess Leverage Fee); *provided* that no Make-Whole Amount shall be payable on the first $50,000,000 of Called Principal of the Notes that is prepaid with Net Cash Proceeds from any sale by the Company or any Subsidiary of any of the BASIS/Spring Educational Properties after the Third Amendment Effective Date. The prepayment shall be made on the Proposed Prepayment Date.

1.3. Section 10.1 of the Original Note Purchase Agreement shall be and hereby is amended by deleting the parenthetical phrase "(other than the Company or another Subsidiary)" and replacing it with "(other than (a) if the Covenant Relief Period is not in effect, the Company or another Subsidiary, or (b) if the Covenant Relief Period is in effect, the Company or a Subsidiary Guarantor)".

1.4. Section 10.6(c) of the Original Note Purchase Agreement shall be and hereby is restated in its entirety to read as follows:

(c) *Maximum Secured Debt to Total Asset Value*. The Company will not permit the ratio of (1) Secured Indebtedness of the Company and its Subsidiaries to (2) Total Asset Value, in each case calculated on a Consolidated basis, to exceed 0.35 to 1.00; *provided* that during the period commencing on the date immediately succeeding the last day of the Covenant Relief

Period and ending on the date on which the Company shall have delivered to each holder of the Notes a certificate of a Senior Financial Officer of the Company pursuant to Section 7.2 demonstrating that the Company was in compliance with the requirements of Section 10.6 and each Additional or More Restrictive Covenant for the fiscal quarter to which such certificate relates and the immediately preceding fiscal quarter (assuming the Covenant Relief Period was not in effect at the end of either such fiscal quarter), the Company will not permit such ratio to exceed 0.25 to 1.00. For purposes of this Section 10.6(c), Secured Indebtedness shall not include Indebtedness secured by a Lien pursuant to a Mortgage or the Pledge Agreement.

1.5. Section 10.6(f) of the Original Note Purchase Agreement shall be and hereby is amended by deleting the reference therein to "$250,000,000" and replacing it with "$500,000,000".

1.6. The last paragraph of Section 10.6 of the Original Note Purchase Agreement shall be and hereby is restated in its entirety to read as follows:

Notwithstanding the foregoing, during the Covenant Relief Period, the Company shall have *no obligation to satisfy the covenants set forth in clause (a) (*Unencumbered Asset Value), clause (b) (*Total Debt to Total Asset Value*), clause (d) (*Minimum Fixed Charge Coverage Ratio*) or clause (e) (*Minimum Unsecured Interest Coverage Ratio*) above; *provided* that the Company shall continue to deliver to the holders of the Notes duly completed Officer's Certificates pursuant to Section 7.2(a), for informational purposes only, as and when required under Section 7.2(a) certifying as to the Company's calculations of each of the financial covenants set forth in this Section 10.6, notwithstanding that the covenants referenced above in this sentence are not required to be satisfied during the Covenant Relief Period. For the avoidance of doubt, immediately following the expiration of the Covenant Relief Period, each financial covenant contained in this Section 10.6 and those incorporated pursuant to Section 9.10 shall be in full force and effect, in each case, without giving effect to the terms of this paragraph.

1.7. Section 10.9 shall be and hereby is amended by (a) redesignating clause (i) thereof as clause "(k)", (b) deleting the word "and" at the end of clause (h) thereof and (c) restating clauses (a), (c) and (h) thereof, and adding a new clauses (i) and (j) thereto in proper sequence, in each case as set forth below:

(a) (1) the Company will not, and will not permit any Subsidiary to, (i) make any Investments pursuant to clause (f)(13) or (16) below, (ii) make any Investments described under clause (f)(14) below in any new Subsidiary to facilitate any Investment under clause (f)(13) or (16) below, and (2) the Company will not incur any Indebtedness under Section 9.3(b) of the Bank Credit Agreement as in effect on the Second Amendment Effective Date which constitutes a guaranty (other than a "bad boy" guaranty permitted under clause (d) of such Section 9.3(b)) incurred in connection with any Indebtedness of a Subsidiary, except for any such Investments and/or Indebtedness under the foregoing clauses (1) and (2), respectively, which (A) in the aggregate, do not exceed (x) $75,000,000 during the period commencing on the Second Amendment Effective Date and ending on December 31, 2020, and (y) without limiting the foregoing clause (x), $175,000,000 during the period commencing on October 1, 2020 and ending on December 31, 2021, or (B) constitute non cash acquisitions made in exchange for forgiveness of deferred rent or payments under EPR Senior Property Loans;

(c) the Company will not, and will not permit any Subsidiary to, make any capital expenditures except for: (1) discretionary capital expenditures which do not exceed (i) $125,000,000 in the aggregate during the period commencing on the Second Amendment Effective Date and ending on December 31, 2020 and (ii) without limiting the foregoing clause

(i), $175,000,000 during the period commencing on October 1, 2020 and ending on December 31, 2021, and (2) capital expenditures incurred in connection with any emergency repairs posing an imminent threat to life safety or property damage;

(h) the Company will not, and will not permit any Subsidiary to, (1) voluntarily prepay any outstanding Term Loan (as defined in the Bank Credit Agreement on the Second Amendment Effective Date), (2) permanently reduce the Revolving Credit Commitments (as defined in the Bank Credit Agreement on the Second Amendment Effective Date), whether directly or indirectly through the addition of a borrowing base or similar limitation, or (3) voluntarily repay or redeem any outstanding Bond before the stated maturity thereof;

(i) the Company will not, and will not permit any Subsidiary to, incur Secured Indebtedness during the period commencing on the Third Amendment Effective Date and ending on the last day of the Covenant Relief Period other than (1) Indebtedness incurred in the ordinary course of business to purchase Real Estate, which Indebtedness is secured solely by a mortgage, deed of trust or similar instrument, including any related fixture financing statement, on such Real Estate, and (2) Indebtedness secured by a Lien pursuant to a Mortgage or the Pledge Agreement;

(j) the Company will not permit any Subsidiary Guarantor organized under the laws of Canada or any province thereof to guarantee any obligations in respect of the Bonds; and

1.8. Section 11 of the Original Note Purchase Agreement shall be and is hereby amended by (a) adding “Section 10.2,” immediately before the reference to “Section 10.4” in clause (c) thereof, (b) inserting the words “or, so long as the Covenant Relief Period is in effect, such lesser amount as is the then lowest threshold amount for similar defaults under any Material Credit Facility” after each reference to “$75,000,000” in clause (f) thereof and (c) inserting “or any Mortgage” after the reference to “Pledge Agreement” in clause (m) thereof.

1.9. The definition of “Permitted Liens” set forth in Schedule A of the Original Note Purchase Agreement shall be and is hereby amended by adding the phrase “or any Mortgage” after the reference to “Pledge Agreement“ in clause (j) thereof.

1.10. Schedule A of the Original Note Purchase Agreement shall be and is hereby further amended by adding, or amending and restating, the following definitions, and inserting them in the proper alphabetical order:

“AMC Pledged Property” means any Pledged Property or Mortgaged Property leased or operated by AMC Entertainment Holdings, Inc. or any of its Subsidiaries.

“BASIS/Spring Educational Properties" means the assets that may be purchased pursuant to the Purchase Option and Sale Agreement dated as of November 30, 2010 by and among Education Capital Solutions, LLC and Early Childhood Education, LLC and Spring Education Group, Inc., as amended.

“Bonds” means the Company’s (a) 5.25% Senior Notes due 2023 issued pursuant to that certain Indenture with U.S. Bank National Association dated as June 18, 2013, (b) 4.50% Senior Notes due 2025 issued pursuant to that certain Indenture with UMB Bank, n.a. dated as of March 16, 2015, (c) 4.75% Senior Notes due 2026 issued pursuant to that certain Indenture with UMB Bank, n.a. dated as of December 14, 2016, (d) 4.50% Senior Notes due 2027 issued pursuant to that certain Indenture with UMB Bank, n.a. dated as of May 23, 2017, (e) 4.950% Senior Notes due 2028 issued pursuant to that certain Indenture with UMB Bank, n.a. dated as of April 16,

2018, (f) 3.750% Senior Notes due 2029 issued pursuant to that certain Indenture with UMB Bank, n.a. dated as of August 15, 2019 and (g) other senior notes issued on or after the Third Amendment Effective Date pursuant to any Indenture that contains terms that are substantially similar to the terms governing the senior notes described in the foregoing clauses (a) through (f), and in each case shall include the Indenture related thereto.

"Covenant Relief Period" means the period beginning on the Second Amendment Effective Date and ending on the earlier of (a) October 1, 2021 or, if the Company elects to extend such period pursuant to Section 9.11(b)(1), January 1, 2022, and (b) *provided* no Default or Event of Default shall exist, the date on which the Company delivers a written notice to the holders of the Notes electing to terminate the Covenant Relief Period, together with an Officer's Certificate evidencing, to the reasonable satisfaction of the Required Holders, that the Company would have been in compliance with the financial covenants contained in Section 10.6 and those incorporated pursuant to Section 9.10 at the end of the most recently completed fiscal quarter, even if the Covenant Relief Period had not been in effect for such fiscal quarter; provided that the Covenant Relief Period shall end automatically and without further action by the Company or any holder of a Note on October 29, 2021 if the Company has failed to comply with Section 9.11(b)(2) on or prior to such date.

"Lease Modification" is defined in Section 9.11(c).

"Mortgage" means a mortgage, deed of trust, deed to secure debt or similar security instrument reasonably acceptable to the Required Holders made by the Company or a Subsidiary owning an interest in an Unencumbered Property granting a Lien on such interest in such Unencumbered Property to the Collateral Agent on behalf of the holders of the Notes and the administrative agent and the lenders under the Bank Credit Agreement.

"Mortgaged Properties" is defined in Section 9.11(b).

"Net Cash Proceeds" means the aggregate cash or Cash Equivalents proceeds received by the Company or any Subsidiary from (a) any sale or other disposition (including by way of a merger, reorganization, consolidation or other business combination or any transaction or series of transactions that may have a similar effect) of any asset, excluding the first $150,000,000 of such proceeds to the extent such proceeds have been reinvested in assets used or useful in the business of the Company and its Subsidiaries (which excluded proceeds, for the avoidance of doubt, shall not include proceeds from the sale of BASIS/Spring Educational Properties to the extent applied in accordance with Section 9.13), (b) the issuance of any Indebtedness, or (c) Equity Issuances (other than to the extent derived from Company's dividend reinvestment programs), in each instance net of (1) direct costs incurred in connection therewith (including legal, accounting and investment banking fees, and sales commissions), (2) taxes paid or payable as a result thereof and (3) in the case of any disposition, the amount necessary to retire any Indebtedness secured by a Permitted Lien on the related asset; it being understood that "Net Cash Proceeds" shall include, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received by the Company or any Subsidiary in or related to any disposition, issuance of Indebtedness or Equity Issuance.

"Third Amendment Effective Date" means December 24, 2020.

1.11. Clause (c) of Exhibit ERE of the Original Note Purchase Agreement shall be and is hereby restated in its entirety to read as follow:

(c) None of the Company or any Subsidiary is the mortgagor under any mortgage, deed of trust, or similar instrument encumbering (1) the Unencumbered Property or (2) the Equity Interests in the Subsidiary which, directly or indirectly, owns, leases or has a mortgage interest in such Unencumbered Property or the Equity Interests in any Person which owns any Equity Interests in such Subsidiary other than pursuant to a Mortgage or the Pledge Agreement.

SECTION 2. Representations and Warranties of the Company.

2.1. To induce the Noteholders to execute and deliver this Amendment (which representations shall survive the execution and delivery of this Amendment), the Company represents and warrants to the Noteholders that:

(a) this Amendment has been duly authorized by all necessary corporate or other action on the part of the Company and has been duly executed and delivered by the Company, and this Amendment and the Original Note Purchase Agreement, as amended by this Amendment, constitute the legal, valid and binding obligations, contracts and agreements of the Company, enforceable against the Company in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally;

(b) the execution and delivery of this Amendment by the Company and the performance by the Company thereof and of the Original Note Purchase Agreement, as amended by this Amendment, will not (1) contravene, result in any breach of, or constitute a default under, or result in the creation of any Lien in respect of any property of the Company or any Subsidiary under, any indenture, mortgage, deed of trust, loan, purchase or credit agreement, lease, corporate charter, organizational document, shareholders agreement or any other agreement or instrument to which the Company or any Subsidiary is bound or by which the Company or any Subsidiary or any of their respective properties may be bound or affected, (2) conflict with or result in a breach of any of the terms, conditions or provisions of any order, judgment, decree or ruling of any court, arbitrator or Governmental Authority applicable to the Company or any Subsidiary or (3) violate any provision of any statute or other rule or regulation of any Governmental Authority applicable to the Company or any Subsidiary;

(c) no consent, approval or authorization of, or registration, filing or declaration with, any Governmental Authority is required in connection with the execution and delivery of this Amendment by the Company or the performance thereof or of the Original Note Purchase Agreement, as amended by this Amendment, by the Company except for the authorizations, approvals, actions, notices and filings which have been duly obtained, taken, given or made and are in full force and effect and except for any Current Report on Form 8-K or similar informational filings which must be made with any Governmental Authority after the execution and delivery of this Amendment and with respect to which the failure to make such filings would not affect the validity of this Amendment;

(d) all obligations of the Company under the Original Note Purchase Agreement, as amended by this Amendment, shall rank at least *pari passu* in right of payment with all other present and future unsecured Indebtedness of the Company;

(e) On the date of this Amendment, after giving effect to this Amendment, all the representations and warranties contained in Section 5 of the Original Note Purchase Agreement are true and correct in all material respects with the same force and effect as if made by the Company on and as of the date hereof date (except (1) to the extent such representations and

warranties expressly refer to an earlier date, in which case they were true and correct in all material respects as of such earlier date (except as otherwise provided in clauses (2), (3) and (4) below), (2) that Schedules 5.4 and 5.10 to the Original Note Purchase Agreement are as set forth as Schedules 2 and 3, respectively, to this Amendment, (3) that Schedule 5.15 to the Original Note Purchase Agreement is as set forth as Schedule 4 to this Amendment (and as if the reference in Section 5.15(a) of the Original Note Purchase Agreement to "June 30, 2016" was instead to September 30, 2020") and (4) the impact of the COVID-19 outbreak as described in the Company's quarterly report on Form 10-Q filed with the SEC on May 11, 2020 shall be disregarded for purposes of its representations and warranties in the last two sentences of Section 5.3 of the Original Note Purchase Agreement;

(f) as of the date hereof and after giving effect to this Amendment, no Default or Event of Default has occurred which is continuing and no waiver of Default or Event of Default is in effect, except for the Default arising on the date of this Amendment from the failure of the Company to cause the Unencumbered Properties listed on Schedule 3 to this Amendment owned by EPR iHoldings, LLC and Cinescape Property, LLC to be owned by a Subsidiary Guarantor, which Default shall be deemed to be cured upon full satisfaction by the Company of the covenant set forth in Section 3 hereof; and

(g) the Company is solvent.

SECTION 3. Additional Covenant Regarding Subsidiary Mergers.

The Company covenants that it will, not later than 10 Business Days following the date of this Amendment, (a) cause EPR iHoldings, LLC to be merged with and into 30 West Pershing LLC and (b) Cinescape Property, LLC to be merged with and into EPT DownREIT II, Inc., it being understood and agreed that the failure of the Company to comply with this Section 3 shall constitute an immediate Event of Default.

SECTION 4. Conditions to Effectiveness of this Amendment.

4.1. Upon satisfaction of each and every one of the following conditions, this Amendment shall become effective as of the date first written above:

(a) executed counterparts of this Amendment, duly executed by the Company, the Subsidiary Guarantors and the Required Holders, shall have been delivered to each holder of Notes or its special counsel;

(b) the representations and warranties of the Company set forth in Section 2 hereof are true and correct on and with respect to the date hereof and each holder of Notes or its special counsel shall have received an Officer's Certificate to such effect;

(c) each holder of the Notes or its special counsel shall have received an Officer's Certificate identifying each Additional or More Restrictive Covenant that will be in effect on the date of this Amendment, including therein a verbatim statement of each such Additional or More Restrictive Covenant, together with any definitions incorporated therein;

(d) each holder of the Notes or its special counsel shall have received an opinion of legal counsel to the Company, in form and content satisfactory to the Required Holders to the effect that: (1) the Company is validly existing and in good standing in its state of formation and has all requisite entity power and authority to enter into this Amendment and perform its obligations hereunder and under the Original Note Purchase Agreement, as amended hereby; (2) this Amendment and the Original Note Purchase Agreement, as amended hereby, have been duly

authorized, executed and delivered by the Company; (3) the transactions described in this Amendment and in the and Original Note Purchase Agreement, as amended hereby, will not constitute a default or breach under the terms of any material agreement or instrument listed by Company as an exhibit to its annual report on Form 10-K filed with the SEC for the fiscal quarter ended December 31, 2019 or as an exhibit to its quarterly report on Form 10-Q filed with the SEC for the fiscal quarter ended September 30, 2020; (4) this Amendment and the Original Note Purchase Agreement, as amended hereby, constitute the legal, valid and binding obligations, contracts and agreements of the Company, enforceable against the Company in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally, and (5) such other matters, incident to the transactions contemplated hereby, as the Required Holders or special counsel to the holders of the Notes may reasonably request;

(e) each holder of the Notes shall have received, by payment in immediately available funds to the account of such holder set forth in the Purchaser Schedule, the amount set forth opposite such holder's name in Schedule 1 attached hereto; and

(f) the Company shall have paid the fees and expenses of Schiff Hardin LLP, special counsel to the Noteholders, in connection with the negotiation, preparation, approval, execution and delivery of this Amendment.

SECTION 5. Miscellaneous.

5.1. This Amendment shall be construed in connection with and as part of the Original Note Purchase Agreement, and except as modified and expressly amended by this Amendment, all terms, conditions and covenants contained in the Original Note Purchase Agreement and the Notes are hereby ratified and shall be and remain in full force and effect.

5.2. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Amendment may refer to the Original Note Purchase Agreement without making specific reference to this Amendment but nevertheless all such references shall include this Amendment unless the context otherwise requires.

5.3. The descriptive headings of the various Sections or parts of this Amendment are for convenience only and shall not affect the meaning or construction of any of the provisions hereof.

5.4. By their execution and delivery hereof, the undersigned Subsidiary Guarantors hereby acknowledge and agree to this Amendment, reaffirm the Subsidiary Guaranty Agreement given in favor of each Noteholder and their respective successors and assigns.

5.5. This Amendment shall he governed by and construed in accordance with the laws of the State of New York.

5.6. This Amendment may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one agreement. Delivery of an executed counterpart of this Amendment by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart of this Amendment.

[Remainder of page intentionally left blank.]

EPR Properties

By : /s/ Mark A. Peterson
Mark A. Peterson, Executive Vice President

Accepted and Agreed to:

(1) 30 WEST PERSHING, LLC
(2) ADELAAR DEVELOPER, LLC
(3) CLP NORTHSTAR, LLC
(4) EARLY CHILDHOOD EDUCATION, LLC
(5) ECE I, LLC
(6) ECE II, LLC
(7) EDUCATION CAPITAL SOLUTIONS, LLC
(8) EPR BREWS, LLC
(9) EPR EXPERIENCE, LLC
(10) EPR FITNESS, LLC
(11) EPR HIALEAH, INC.
(12) EPR KARTING, LLC
(13) EPR LODGING, LLC
(14) EPR PARKS, LLC
(15) EPR RESORTS, LLC
(16) EPR SPRINGS, LLC
(17) EPR TUSCALOOSA, LLC
(18) EPT 909, INC.
(19) EPT ALISO VIEJO, INC.
(20) EPT ARROYO, INC.
(21) EPT AUBURN, INC.
(22) EPT BILOXI, INC.
(23) EPT BOISE, INC.
(24) EPT CHATTANOOGA, INC.
(25) EPT COLUMBIANA, INC.
(26) EPT CONCORD II, LLC
(27) EPT DALLAS, LLC
(28) EPT DAVIE, INC.
(29) EPT DEER VALLEY, INC.
(30) EPT DOWNREIT II, INC.
(31) EPT FIREWHEEL, INC.
(32) EPT FIRST COLONY, INC.
(33) EPT FRESNO, INC.
(34) EPT GULF POINTE, INC.
(35) EPT HAMILTON, INC.
(36) EPT HATTIESBURG, INC.
(37) EPT HUNTSVILLE, INC.
(38) EPT HURST, INC.
(39) EPT INDIANAPOLIS, INC.
(40) EPT KALAMAZOO, INC.
(41) EPT KENNER, LLC
(42) EPT LAFAYETTE, INC.
(43) EPT LAWRENCE, INC.
(44) EPT LEAWOOD, INC.
(45) EPT LITTLE ROCK, INC.
(46) EPT MACON, INC.
(47) EPT MAD RIVER, INC.
(48) EPT MANCHESTER, INC.

(49) EPT MELBOURNE, INC.
(50) EPT MESA, INC.
(51) EPT MESQUITE, INC.
(52) EPT MODESTO, INC.
(53) EPT MOUNT SNOW, INC.
(54) EPT NEW ENGLAND, LLC
(55) EPT NINETEEN, INC.
(56) EPT PENSACOLA, INC.
(57) EPT POMPANO, INC.
(58) EPT RALEIGH THEATRES, INC.
(59) EPT SKI PROPERTIES, INC.
(60) EPT SOUTH BARRINGTON, INC.
(61) EPT TWIN FALLS, LLC
(62) EPT VIRGINIA BEACH, INC.
(63) EPT WILMINGTON, INC.
(64) FLIK, INC.
(65) MEGAPLEX FOUR, INC.
(66) MEGAPLEX NINE, INC.
(67) WESTCOL CENTER, LLC

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(68) BURBANK VILLAGE, L.P.

By: Burbank Village, Inc., its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(69) CANTERA 30 THEATRE, L.P.

By: Cantera 30, Inc., its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(70) EPR CONCORD II, L.P.

By: EPR TRS HOLDINGS, Inc., its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(71) EPR NORTH US LP

By: EPR North US GP Trust, its general partner

By: /s/ Gregory K. Silvers
Gregory K. Silvers, Trustee

(72) NEW ROC ASSOCIATES, L.P.

By: EPT New Roc GP, Inc., its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(73) TAMPA VETERANS 24, L.P.

By: Tampa Veterans 24, Inc., its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Vice President

(74) EPR NORTH PROPERTIES L.P.

By: EPR NORTH GP ULC, its general partner

By: /s/ Mark A. Peterson
Mark A. Peterson, Chief Financial Officer

(75) KANATA ENTERTAINMENT HOLDINGS INC. (AS NOMINEE FOR EPR NORTH PROPERTIES LP)
(76) MISSISSAUGA ENTERTAINMENT HOLDINGS INC. (AS NOMINEE FOR EPR NORTH PROPERTIES LP)
(77) OAKVILLE ENTERTAINMENT HOLDINGS INC. (AS NOMINEE FOR EPR NORTH PROPERTIES LP)
(78) WHITBY ENTERTAINMENT HOLDINGS INC. (AS NOMINEE FOR EPR NORTH PROPERTIES LP)

By: /s/ Mark A. Peterson
Mark A. Peterson, Chief Financial Officer

Accepted and Agreed to:

The Prudential Insurance Company of America

By: /s/ Julia Buthman_____
Vice President

The Gibraltar Life Insurance Co., Ltd.

By: Prudential Investment Management Japan
Co., Ltd., as Investment Manager

By: PGIM, Inc., as Sub-Adviser

By: /s/ Julia Buthman_
Vice President

Pruco Life Insurance Company

By: /s/ Julia Buthman
Assistant Vice President

Prudential Retirement Insurance and Annuity Company

By: PGIM, Inc. (as Investment Manager)

By: /s/ Julia Buthman
Vice President

Ensign Peak Advisors, Inc.
Clifton Park Capital Management, LLC

By: /s/ Matthew D. Dall
Name: Matthew D. Dall
Title: Head of Credit Research

United Services Automobile Association

By: BlackRock Financial Management, Inc., as investment manager

By: /s/ R. Marshall Merriman
Name: R. Marshall Merriman
Title: Managing Director

The Guardian Life Insurance Company of America

By: /s/ Brian Keating
Name: Brian Keating
Title: Senior Managing Director

The Ohio National Life Insurance Company

/s/ Brenda Kalb
Name: Brenda Kalb
Title: Vice President

Ohio National Life Assurance Corporation

/s/ Brenda Kalb_____
Name: Brenda Kalb
Title: Vice President

Fidelity & Guaranty Life Insurance Company
pursuant to powers of attorney now and hereafter granted to
BLACKSTONE ISG-I ADVISORS L.L.C.

By: Blackstone ISG-I Advisors L.L.C.

By: GSO Capital Advisors II LLC, as Sub-Advisers

By: /s/ Sean Cort
Name: Sean Cort
Title: Authorized Signatory

American Equity Investment Life Insurance Company

By: /s/ Sasha Kamper
Name: Sasha Kamper
Title: Authorized Signatory

American Family Life Insurance Company

By: /s/ David L. Voge
Name: David L. Voge
Title: Fixed Income Portfolio Manager

[Transferee of Americo Financial Life & Annuity Insurance Company]

By: _____
Name:
Title:

Missouri Employers Mutual Insurance Company

By: Conning, Inc., as Investment Manager

By: /s/ Samuel Otchere
Name: Samuel Otchere
Title: Director

Investors Heritage Life Insurance Company

By: Conning, Inc., as Investment Manager

By: /s/ Samuel Otchere
Name: Samuel Otchere
Title: Director

5 Star Life Insurance Company

By: Conning, Inc., as Investment Manager

By: /s/ Samuel Otchere
Name: Samuel Otchere
Title: Director

USAble Life

By: Conning, Inc., as Investment Manager

By: /s/ Samuel Otchere
Name: Samuel Otchere
Title: Director

Fee Schedule

Noteholder	Fee
TOTAL	$510,000

Subsidiaries of the Company and
Ownership of Subsidiary Stock

Real Properties

Existing Indebtedness of the Company and its Subsidiaries

Exhibit 10.19

RELEASE AGREEMENT

This RELEASE AGREEMENT ("Agreement") is by and between EPR Properties, a Maryland real estate investment trust (the "Company") and Michael L. Hirons ("Hirons"), and is entered into as of December 31, 2020.

WHEREAS, Hirons is employed by the Company in the position of Senior Vice President – Asset Management;

WHEREAS, the Company has the right to terminate Hirons's employment without cause subject to the provisions of the EPR Properties Employee Severance and Retirement Vesting Plan ("Severance Plan"); and

WHEREAS, the Company and Hirons desire to compromise and settle any and all claims which might arise out of or in any manner be related to Hirons's employment with the Company up to and including the date of this Agreement, in consideration for certain benefits to which Hirons would not otherwise be entitled.

NOW, THEREFORE, in consideration of the mutual promises and agreements set forth herein, the parties agree as follows:

Consideration

1. Hirons acknowledges that in exchange for his commitments set forth in this Agreement:

a. The Company has agreed to continue Hirons's employment with the Company until December 31, 2020 (the "Termination Date"). Until the Termination Date, such employment will continue and the Company will compensate Hirons for his services through the Termination Date, at the same level of wages and benefits he earned as of the date hereof.

2. Hirons acknowledges that in exchange for the commitments set forth in this Agreement, the Company will:

a. pay to Hirons the gross amount of $1,267,200.00 which is equivalent to 24 (twenty-four) times Hirons' CIC Monthly Base Compensation (as defined in the Severance Plan);

b. pay one-half of the cost of selected health care plan for 18 (eighteen) monthly premiums to continue health care coverage under the Company's medical, dental and vision plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or as the Act is more popularly known, "COBRA," at the same level of coverage he had on the Termination Date. The payment of the amount provided in this Section 2(b) shall (1) only be provided to the extent Hirons has elected to receive COBRA continuation coverage, (2) be considered a subsidy to Hirons' COBRA payment obligations, and (3) run concurrently with the Company's obligation to provide COBRA continuation coverage;

c. pay to Hirons unused vacation of 19 days in the amount of $25,723;

d. pay to Hirons the gross amount of $281,600.00, which is equivalent to the pro-rated annual incentive bonus that Hirons would have received under the Company's annual incentive program for 2020 with the achievement of "at target" performance level, less deductions required by law; and

e. make available to Hirons at the Company's cost, pursuant to a third party service, outplacement services for a period of twelve (12) months.

The amounts set forth in Sections 2(a), 2(c) and 2(d) will be paid in a lump sum promptly after, and not on or before, the Termination Date. For greater clarity, this payment will not be made during 2020.

All unvested restricted common shares of the Company held by Hirons will become vested upon the close of business on the Termination Date and will be reflected on Hirons's 2020 Form W-2 Wage and Tax Statement. Pursuant to the Performance Shares Award Agreement regarding the 2020 Long-Term Incentive Plan, between the Company and Hirons, effective on the Termination Date all Payout Percentages are deemed to be achieved at the target and will be settled at 100%, resulting in the issuance to Hirons of 5,485 common shares of the Company.

Hirons understands and acknowledges that he is entitled to the consideration referenced above only as a result of his execution of this Agreement and not otherwise.

All Compensation Received

3. Hirons acknowledges and agrees that upon receipt of the consideration set forth in Sections 1 and 2 of this Agreement he will have received any and all wages or other compensation to which he is entitled because of his work performed for the Company or otherwise due from the Company, including but not limited to any rights Hirons may have under the Severance Plan.

4. Hirons understands and acknowledges that all employee benefits paid to him or on his behalf shall cease effective the Termination Date, or on such later date as specified in the applicable plan, and the parties specifically understand and agree that this Agreement does not affect and shall not diminish Hirons's rights to: (a) elect continued coverage for medical, dental and/or vision insurance pursuant to COBRA, (b) vested 401(k) benefits, (c) vested restricted common shares, and (d) any shares of EPR stock that Hirons owns. All vested 401(k) benefits and vested restricted common shares will continue to be governed by their respective applicable plans and agreements.

Release of All Claims

5. Hirons releases the Company and all of its parents, subsidiaries, joint venturers, affiliates, assigns and successors, and all of its past, present and future owners/shareholders, officers, directors, agents, employees, trustees, representatives, insurers and attorneys (referred to in this document as the "Released Parties") from any and all claims, damages, lawsuits, injuries, liabilities and causes of action that he may have, whether known to him or not. Notwithstanding this Section 5, nothing in this Agreement is intended to release any claims that cannot be released as a matter of law.

Release of All Employment Law Claims

6. Hirons understands and agrees that he is releasing the Released Parties from any and all claims, damages, lawsuits, injuries, liabilities and causes of action that he may have under any express or

implied contract, or any city ordinance or state, federal or common law meant to protect workers in their employment relationships including, without limitation, claims under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Missouri Human Rights Act, the Americans with Disabilities Act, the Equal Pay Act, 42 U.S.C. §§ 1981, 1983 and 1985, 18 U.S.C. § 1514A, the Family and Medical Leave Act, the Employee Retirement Income Security Act, the Fair Labor Standards Act, the Missouri Service Letter statute, the Labor Management Relations Act, and under which he may have rights and claims, whether known to him or not, arising, directly or indirectly out of Hirons's employment by the Company, and/or the modification of the terms and/or termination of his employment with the Company. Notwithstanding this Section 6, nothing in this Agreement is intended to release any claims that cannot be released as a matter of law.

Release of Any Age Discrimination Claims

7. Hirons understands and agrees that he is releasing the Released Parties from any and all claims, damages, lawsuits, injuries, liabilities and causes of action that he may have, under the Age Discrimination in Employment Act, the Missouri Human Rights Act, and any other federal, state or local laws prohibiting age discrimination in employment, whether known to him or not, past or present, suspected or unsuspected, arising, directly or indirectly out of Hirons's employment by the Company or the termination of my employment with the Company or any statements or actions of the Released Parties. Notwithstanding this Section 7, nothing in this Agreement is intended to release any claims that cannot be released as a matter of law.

Will Not File Claims

8. Hirons understands and represents that he intends this Agreement to be complete and not subject to any claim of mistake, and that the release herein expresses a full and complete release of all claims known and unknown, suspected or unsuspected, and that he intends the release set forth herein to be final and complete. Hirons further agrees that he will not prosecute or allow to be prosecuted on his behalf, in any administrative agency or court, whether state or federal, or in any arbitration proceeding, any claim or demand of any type related to the matters released above, it being Hirons's intention that, with the execution of this Agreement, Released Parties will be absolutely, unconditionally and forever discharged of and from all obligations to him that exist as of the date of this Agreement. Hirons understands that nothing in this Agreement shall preclude his filing a charge of discrimination, or participating in an investigation, with the Equal Employment Opportunity Commission or comparable agency. However, Hirons further agrees that he cannot and will not seek or accept any personal benefit from the Company, whether in monetary or other form, as part of or related to any proceeding initiated by any other person, agency or other governmental body of the United States or any other jurisdiction. Furthermore, nothing in this Agreement prohibits Hirons from reporting possible violations of federal law or regulation to any government agency or entity, or making other disclosures that are protected under the whistleblower provisions of law. Notwithstanding any of the provisions of this Agreement, Hirons is not releasing any rights that he may have that cannot be released pursuant to applicable law.

Notwithstanding Hirons' releases under Sections 5, 6 and 7 above, and his obligations under this Section 8, Hirons retains all rights to be indemnified, defended and held harmless, with advancement of expenses, that, before entering into this Agreement, he enjoys under applicable state laws, indemnification agreements or the organic documents of the Company. Hirons' obligations under Sections 5 through 8 shall be subject to the Company's full and timely performance of its payment obligations under this Agreement.

Confidentiality

9. Hirons understands and agrees that he (and his attorneys, if any) has held and will continue to hold the fact and all terms of this Agreement and the circumstances around this Agreement in utter, absolute and strictest confidence and secrecy. The only exception is that he may inform his spouse, his attorneys and his professional accountants or professional tax consultants with whom he has a confidential relationship, so long as any such accountant or tax consultant is informed of this confidentiality agreement prior to the disclosure of information protected by it, and agrees to keep such information confidential.

Non-Disparagement

10. From and after the date of this Agreement, Hirons warrants and agrees that he will not make any disparaging comment in any format, whether written (including but not limited to his resume(s) or applications for employment), electronic or oral, to any customer, vendor, prospective employer, Company employee, the media, or any other individual or entity regarding the Company and/or the Released Parties which relates to the Company's business or related activities, or the relationship between the Company, the Released Parties and Hirons.

Consequences of Breach of Confidentiality or Non-Disparagement Obligations

11. Hirons understands and agrees that his obligations set forth in Sections 9 and 10 of this Agreement are material inducements to the Company in making this Agreement. Accordingly, the Company shall be entitled to injunctive or specific relief from a court of competent jurisdiction against any breach or threatened breach by me, my agents or any persons acting with me, of the covenants in Sections 9 and 10 of this Agreement without the necessity of posting bond or proving lack of an adequate remedy at law, and without limitation of other remedies that may be available to the Company at law or in equity.

Time to Consider this Separation Agreement and Release and 7-Day Revocation Period

12. Hirons acknowledges that he has been given the option to consider this Agreement for up to twenty-one (21) days before signing it. Hirons further acknowledges that he has been advised to consult with an attorney prior to signing this Agreement. Hirons understands that after signing this Agreement, he has seven (7) days in which to consider it and, if desired, to revoke it by giving written notice of such revocation to the Company in care of Liz Grace, Vice President – Human Resources and Administration, 909 Walnut, Suite 200, Kansas City, MO 64106, lizg@eprkc.com, prior to the expiration of the 7-day revocation period, but that upon such revocation, Hirons shall forfeit any and all rights to all consideration otherwise to be provided to me under the terms of this Agreement. Hirons also understands that this Agreement shall not become effective or enforceable until the expiration of the 7-day revocation period.

Return of All Company Property

13. Hirons agrees that he will return any and all property (including, but not limited to, his Company-provided automobile, all computers, keys, security and parking cards or fobs, tools, credit cards and Company files and documents and all copies thereof, whether in hard copy or stored electronically) of

the Company, its parents, subsidiaries or affiliates in his possession no later than three business days after the Termination Date.

Non-Admission of Liability

14. Hirons understands and agrees that the Released Parties deny that he has any legally cognizable claims against them but that the Released Parties desire to amicably settle any and all disputes they now may have with him. Hirons further understands and agrees that neither this Agreement nor any action taken hereunder is to be construed as an admission by the Released Parties of violation of any local, state, federal, or common law - in fact, Hirons understands that the Released Parties expressly deny any such violation.

Section 409A Savings Clause

15. This Agreement is intended to comply with the provisions of Section 409A of the Internal Revenue Code, Title 26 of the United States Code (the "Code"), including the exceptions for short-term deferrals, separation pay arrangements, reimbursements and in-kind distributions, and must be administered and interpreted in accordance with such intent. Without limiting the generality of the foregoing, any term or provision that is determined to have an ambiguous definition shall be interpreted, to the extent reasonable, to comply with Section 409A of the Code. Each installment payment under this Agreement is treated as a separate payment for purposes of Section 409A of the Code. All reimbursements provided under this Agreement that constitute deferred compensation within the meaning of Section 409A of the Code must be made or provided in accordance with the requirements of Section 409A of the Code.

Taxation

16. Hirons understands and agrees that none of the Released Parties, including their attorneys, have made any express or implied representations to him with respect to the tax implications of any payment made herein.

Missouri Law Applies

17. Hirons and the Company understand and agree that this Agreement shall be governed by the laws of the State of Missouri.

Use of Headings

18. Hirons and the Company understand and agree that the headings in this Agreement have been inserted for convenience of reference only and do not in any way restrict or modify any of its terms or provisions.

Agreement May Not Be Modified

19. Hirons and the Company understand and agree that no provision of this Agreement may be waived, modified, altered or amended except upon the express written consent of the Company and Hirons.

Full Agreement

20. Hirons and the Company understand this Agreement sets forth the entire terms of the agreement between the Company and Hirons.

Invalidity of Any Provision Affects Only that Provision

21. Hirons and the Company understand and agree that if, for any reason, any term or provision of this Agreement is construed to be unenforceable or void, the balance of it will yet be effective and enforceable.

Have Read, Understand and Have Voluntarily Signed Agreement

22. Hirons and the Company have each read this Agreement, and each understands its contents. Hirons and the Company have each signed this Agreement voluntarily and knowingly.

IN WITNESS WHERE OF, the parties have executed this Release Agreement.

/s/ Michael L. Hirons
MICHAEL L. HIRONS

EPR PROPERTIES

By: /s/ Craig L. Evans
Craig L. Evans, Executive Vice President and General Counsel

Exhibit 10.1.3

AMENDMENT NO. 2 TO SECOND AMENDED, RESTATED AND CONSOLIDATED CREDIT AGREEMENT

AMENDMENT NO. 2 TO SECOND AMENDED, RESTATED AND CONSOLIDATED CREDIT AGREEMENT (this "Amendment"), dated as of November 3, 2020, relating to the Second Amended, Restated and Consolidated Credit Agreement, dated as of September 27, 2017 (the "Original Credit Agreement"), as amended by that certain Amendment No. 1 to Second Amended, Restated and Consolidated Credit Agreement, dated as of June 29, 2020 (the "First Amendment", and together with the Original Credit Agreement, as further amended, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement"), among EPR PROPERTIES, a Maryland real estate investment trust (the "Borrower"), KEYBANK NATIONAL ASSOCIATION, as administrative agent (the "Agent"), JPMORGAN CHASE BANK, N.A., RBC CAPITAL MARKETS, CITIBANK, N.A., BANK OF AMERICA, N.A., and BARCLAYS BANK PLC, as co-syndication agents, each of KEYBANC CAPITAL MARKETS, LLC, JPMORGAN CHASE BANK, N.A., RBC CAPITAL MARKETS, BOFA SECURITIES, INC., BARCLAYS BANK PLC, and CITIGROUP GLOBAL MARKETS INC., as joint lead arrangers and joint book runners, CITIZENS BANK, NATIONAL ASSOCIATION, TRUIST BANK (F/K/A SUNTRUST BANK), and BANK OF THE WEST, as Documentation Agents, and the LENDERS from time to time party thereto (collectively, the "Lenders").

RECITALS

WHEREAS, in connection with the COVID-19 outbreak, the Borrower has requested, and the Agent and the Lenders party hereto have agreed, to modify certain provisions of the Original Credit Agreement pursuant to the First Amendment; and

WHEREAS, in connection with the continuation of the COVID-19 outbreak, the Borrower has requested, and the Agent and the Lenders party hereto have agreed, to further modify certain provisions of the Existing Credit Agreement; and

WHEREAS, pursuant to Section 12.6(b) of the Existing Credit Agreement, the Borrower, the Agent and the Lenders agree to amend the Existing Credit Agreement on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings given to them in the Existing Credit Agreement. The rules of interpretation set forth in Section 1.2(c) of the Existing Credit Agreement are hereby incorporated by reference herein, *mutatis mutandis*. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Existing Credit Agreement shall, after this Amendment becomes effective, refer to the Existing Credit Agreement as amended hereby. For clarity, unless otherwise expressly limited to the Covenant Relief Period (as defined below), each amendment set forth herein shall apply for the entire term of the Facilities.

SECTION 2. Amendments to the Credit Agreement. The Existing Credit Agreement is, effective as of the Amendment No. 2 Effective Date (as defined below), hereby amended as follows (the Existing Credit Agreement, as so amended, the "Second Amended Credit Agreement"):

(a) Section 1.1 of the Existing Credit Agreement is hereby amended by adding the following definitions, in each case in appropriate alphabetical order, as follows:

""**Amendment No. 2 Effective Date**" means November 3, 2020."

""**Available Tenor**" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, any tenor for such Benchmark or payment period for interest calculated with reference to such Benchmark, as applicable, that is or may be used for determining the length of an Interest Period pursuant to this Agreement as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 4.9."

""**Benchmark**" means, initially, USD LIBOR; provided that if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred with respect to LIBOR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 4.9."

""**Corresponding Tenor**" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor."

""**Daily Simple SOFR**" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Agent decides that any such convention is not administratively feasible for the Agent, then the Agent may establish another convention in its reasonable discretion."

""**Floor**" means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect USD LIBOR (i.e. if at any time during the Covenant Relief Period, USD LIBOR or the Benchmark Replacement as so determined shall be less than fifty basis points (0.50%) per annum, such rate shall be deemed to be fifty basis points (0.50%) per annum for purposes of this Agreement)."

""**Federal Reserve Bank of New York's Website**" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source."

""**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto."

""**Reference Time**" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is USD LIBOR, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not USD LIBOR, the time determined by the Agent in its reasonable discretion."

""**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or

the Federal Reserve Bank of New York or any successor thereto, including without limitation the Alternative Reference Rates Committee."

""**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate)."

""**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time."

""**USD LIBOR**" means the London interbank offered rate for U.S. dollars."

(b) Section 1.1 of the Existing Credit Agreement is hereby amended by replacing the defined terms listed below with the definitions set forth herein:

"**Benchmark Replacement**" means, for any Available Tenor, the first alternative set forth in the order below that can be determined by the Agent for the applicable Benchmark Replacement Date:

(1) the sum of: (a) Term SOFR and (b) the related Benchmark Replacement Adjustment;

(2) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;

(3) the sum of: (a) the alternate benchmark rate that has been selected by the Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, in the case of clause (1), such Unadjusted Benchmark Replacement is displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion. If the Benchmark Replacement as determined pursuant to clause (1), (2) or (3) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents."

""**Benchmark Replacement Adjustment**" means, with respect to any replacement of the then- current Benchmark with an Unadjusted Benchmark Replacement for any applicable Interest Period and Available Tenor for any setting of such Unadjusted Benchmark Replacement:

(1) for purposes of clauses (1) and (2) of the definition of "Benchmark Replacement," the first alternative set forth in the order below that can be determined by the Agent:

(a) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that has been selected or recommended by the Relevant Governmental Body for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for the applicable Corresponding Tenor;

(b) the spread adjustment (which may be a positive or negative value or zero) as of the Reference Time such Benchmark Replacement is first set for such Interest Period that would apply to the fallback rate for a derivative transaction referencing the ISDA Definitions to be effective upon an index cessation event with respect to such Benchmark for the applicable Corresponding Tenor; and

(2) for purposes of clause (3) of the definition of "Benchmark Replacement," the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Agent and the Borrower for the applicable Corresponding Tenor giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body on the applicable Benchmark Replacement Date or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar- denominated syndicated credit facilities;

provided that, in the case of clause (1) above, such adjustment is displayed on a screen or other information service that publishes such Benchmark Replacement Adjustment from time to time as selected by the Agent in its reasonable discretion."

""**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "ABR," the definition of "Business Day," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Agent in a manner substantially consistent with market practice (or, if the Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents)."

""**Benchmark Replacement Date**"" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof);

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein; or

(3) in the case of an Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early

Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

For the avoidance of doubt, (i) if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination and (ii) the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof)."

""**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or

a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) or a Relevant Governmental Body announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof)."

""**Benchmark Unavailability Period**" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date pursuant to clauses (1) or (2) of that definition has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.9 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 4.9."

""**Covenant Relief Period**" means the period of time beginning on the Amendment No. 1 Effective Date and ending, provided no Default or Event of Default shall then be in existence, on the earlier of (i) December 31, 2021 and (ii) the date on which the Borrower delivers a written notice to the Agent electing to terminate the Covenant Relief Period, together with a Compliance Certificate evidencing, to the Agent's reasonable satisfaction, that the Borrower would have been in compliance with the financial covenants contained in Section 9.1, at the end of the most recently ended fiscal quarter, even if the Covenant Relief Period had not been in effect for such fiscal quarter."

"**Early Opt-in Election**" means, if the then-current Benchmark is USD LIBOR, the occurrence of:

(1) (i) a notification by the Agent to (or the request by the Borrower to the Agent to notify) each of the other parties hereto or (ii) a notification by the Required Lenders to the Agent (with a copy to the Borrower) that the Required Lenders have determined that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Agent and the Borrower or (ii) the election by the Required Lenders to trigger a fallback from USD LIBOR and the provision by the Agent of written notice of such election to the Lenders or by the Required Lenders of written notice of such election to the Agent.

"**Relevant Governmental Body**" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto including without limitation the Alternative Reference Rates Committee.

"Secured Indebtedness" means Indebtedness secured, via a pledge or otherwise, by a Lien (except as otherwise provided in the definition of Unsecured Indebtedness).

"**SOFR**" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"**Term SOFR**" means, for the applicable Corresponding Tenor as of the applicable Reference Time, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"**Unadjusted Benchmark Replacement**" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

(c) The definition of "**Net Cash Proceeds**" in Section 1.1 is hereby amended by deleting the reference contained therein to "$100,000,000.00" and replacing same with "$150,000,000.00".

(d) Section 2.6(b)(v)(c) of the Credit Agreement is hereby amended by deleting the reference contained therein to "$100,000,000.00" and replacing same with "$150,000,000.00".

(e) Section 4.9 of the Existing Credit Agreement is hereby deleted in its entirety and replaced with the following:

"**Section 4.9 Effect of Benchmark Transition Event.** The following provisions shall apply to LIBOR Loans bearing interest at a rate based on USD LIBOR.

(a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with clause (1) or (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (y) if a Benchmark Replacement is determined in accordance with clause (3) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, in each instance notwithstanding the requirements of Section 12.6 or anything else contained herein or in any other Loan Document, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.

(b) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(c) Notices; Standards for Decisions and Determinations. The Agent will promptly notify the Borrower and the Lenders in writing of (i) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date, (ii) the implementation of any Benchmark Replacement, (iii) the effectiveness of any Benchmark Replacement Conforming Changes, (iv) the removal or reinstatement of any tenor of a Benchmark pursuant to clause (d) below and (v) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 4.9 including, without limitation, any determination with respect to a tenor, rate or adjustment, or implementation of any Benchmark Replacement Conforming Changes, or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding on all parties hereto absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 4.9 and shall not be a basis of any claim of liability of any kind or nature by any party hereto, all such claims being hereby waived individually be each party hereto.

(d) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the

implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or LIBOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark or a Relevant Governmental Body has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Agent may modify the definition of "Interest Period" for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Agent may modify the definition of "Interest Period" for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(e) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a borrowing, conversion to or continuation of a Loan of a particular Type to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to (x) Base Rate Loans in the case of LIBOR Loans or (y) Alternative Rate Loans in the case of Alternative Currency Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of ABR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of ABR."

(f) In Section 7.15(b) of the Existing Credit Agreement, the phrase "a legal opinion regarding such Subsidiary or Unencumbered Property Owner Subsidiaries (as applicable)" is deleted and is replaced by the phrase "a legal opinion regarding such Subsidiary or Unencumbered Property Owner Subsidiaries (as applicable), unless any such Subsidiaries are not organized under the laws of the United States, any State thereof or the District of Columbia".

(g) Section 9.1(a) of the Existing Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(a) Minimum Liquidity. During the Covenant Relief Period, calculated on a Consolidated basis with respect to the Borrower, the sum of (i) unrestricted cash and Cash Equivalents held by the Borrower and its Subsidiaries (with the Borrower directly or through the applicable Subsidiary having full access thereto), and (ii) undrawn availability under this Agreement (to the extent available to be drawn at the date of determination in accordance with this Agreement), shall be greater than or equal to $500,000,000.00."

(h) Section 9.1(i) of the Existing Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(i) Notwithstanding the foregoing, during the Covenant Relief Period, Borrower shall have no obligation to satisfy any of the covenants set forth in Section 9.1(b) (*Total Debt to Total Asset Value*), Section 9.1(f) (*Maximum Unsecured Debt to Unencumbered Asset Value*), Section 9.1(g) (*Minimum Unsecured Interest Coverage Ratio*) or Section 9.1(h) (*Minimum Fixed Charge Coverage Ratio*), and

no payment will be required under Section 2.6(b)(i)(B) as result of the Borrower's non-compliance with Section 9.1(f) or Section 9.1(g), provided Borrower shall continue to deliver to the Agent duly completed Compliance Certificates, for informational purposes only, as and when required under Section 8.1(c) certifying as to the Borrower's calculations of the financial tests set forth in this Section 9.1, notwithstanding that covenants referenced in this Section 9.1(i) are not required to be satisfied during the Covenant Relief Period. Immediately following the expiration of the Covenant Relief Period, each financial covenant contained in this Section 9.1 shall be in full force and effect, in each case, without giving effect to the terms of this clause (i)."

(i) Section 9.12(a) and (c) of the Existing Credit Agreement is hereby deleted in its entirety and replaced with the following:

"(a) The Borrower shall not, and shall not permit any Subsidiary to, (A) make any Investments pursuant to Sections 9.4(m) or (p), or (B) make any Investments described under Section 9.4(n) in any new Subsidiary to facilitate any Investment under Sections 9.4(m) or (p), and (ii) the Borrower shall not incur any Indebtedness under Section 9.3(b) which constitutes a guaranty (other than a "bad boy" guaranty permitted under clause (d) of Section 9.3 (b)) incurred in connection with any Indebtedness of a Subsidiary, except for any such Investments and/or Indebtedness under the foregoing clauses (i) and (ii), respectively, which (A) in the aggregate, does not exceed $175,000,000.00 during the period commencing on October 1, 2020 and ending on December 31, 2021, or (B) constitute non cash acquisitions made in exchange for forgiveness of deferred rent or payments under EPR Senior Property Loans;

(c) the Borrower shall not, and shall not permit any Subsidiary to, make any capital expenditures with respect to any Real Estate except for: (i) discretionary capital expenditures which do not to exceed (x) $175,000,000.00 in the aggregate during the period commencing on October 1, 2020 and ending on December 31, 2021 and (ii) capital expenditures incurred in connection with any emergency repairs posing an imminent threat to life safety or property damage;"

(j) Article XII of the Existing Credit Agreement is hereby modified by inserting a new Section 12.22 at the end thereof as follows:

12.22 LIBOR Notification. The interest rate on LIBOR Loans is determined by reference to the LIBOR, which is derived from the London interbank offered rate. The London interbank offered rate is intended to represent the rate at which contributing banks may obtain short-term borrowings from each other in the London interbank market. In July 2017, the U.K. Financial Conduct Authority announced that, after the end of 2021, it would no longer persuade or compel contributing banks to make rate submissions to the ICE Benchmark Administration (together with any successor to the ICE Benchmark Administrator, the "IBA") for purposes of the IBA setting the London interbank offered rate. As a result, it is possible that commencing in 2022, the London interbank offered rate may no longer be available or may no longer be deemed an appropriate reference rate upon which to determine the interest rate on LIBOR Loans. In light of this eventuality, public and private sector industry initiatives are currently underway to identify new or alternative reference rates to be used in place of the London interbank offered rate. In the event that the London interbank offered rate is no longer available or in certain other circumstances as set forth in Section 4.9 of this Agreement, such Section 4.9 provides a mechanism for determining an alternative rate of interest. The Administrative Agent will notify the Borrower, pursuant to Section 4.9, in advance of any change to the reference rate upon which the interest rate on LIBOR Loans is based. However, the Administrative Agent does not warrant

or accept any responsibility for, and shall not have any liability with respect to, the administration, submission or any other matter related to the London interbank offered rate or other rates in the definition of "LIBOR" or with respect to any alternative or successor rate thereto, or replacement rate therefor or thereof, including, without limitation, whether the composition or characteristics of any such alternative, successor or replacement reference rate, as it may or may not be adjusted pursuant to Section 4.9, will be similar to, or produce the same value or economic equivalence of, the LIBOR or have the same volume or liquidity as did the London interbank offered rate prior to its discontinuance or unavailability."

(k) The Administrative Agent, the Lenders and the Borrower hereby confirm that effective as of August 20, 2020, Category 2 pricing was in effect under clauses (a) and (b) of the definition of Applicable Margin.

SECTION 3. Conditions Precedent. This Agreement shall become effective as of the first date (the "Amendment No. 2 Effective Date") when each of the following conditions shall have been satisfied or waived in writing by the Agent:

(a) Representations and Warranties. The representations and warranties of the Borrower contained in Article VI of the Existing Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality shall be true and correct in all respects) on and as of the Amendment No. 2 Effective Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Agreement, the representations and warranties contained Section 6.1(k) of the Existing Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to such Section.

(b) No Default. Neither a Default nor Event of Default shall exist, or would result from, the effectiveness of this Agreement.

(c) This Agreement. The Agent shall have received executed counterparts hereof that, when taken together, bear the signatures of the Borrower, the Required Lenders, and the Agent.

(d) Officer's Certificates The Agent shall have received a certificate or certificates executed by a Responsible Officer of the Borrower as of the Amendment No. 2 Effective Date, in form and substance satisfactory to the Agent, stating that (A) the conditions precedent specified herein with respect to the Borrower have been satisfied, (B) no Default or Event of Default exists, (C) attaching copies of the organization documents of the Borrower, (D) all material governmental, shareholder and third party consents and approvals, if any, with respect to this Agreement and any other instruments or documents executed and delivered in connection with this Agreement and the transactions contemplated thereby have been obtained (and attaching copies thereof), and (E) that no action, suit, investigation or proceeding is pending or threatened in any court or before any arbitrator or governmental instrumentality that purports to affect the Borrower or any transaction contemplated by the Loan Documents executed and delivered in connection with this Agreement, if such action, suit, investigation or proceeding could reasonably be expected to have a Material Adverse Effect.

(e) Opinions. The Agent shall have received an opinion of legal counsel to the Borrower, in form and content satisfactory to the Agent to the effect that: (i) the Borrower is validly existing and in good standing in its state of formation and has all requisite power and authority to enter into this

Agreement; (ii) this Agreement has been duly authorized, executed and delivered by the Borrower; (iii) the transactions described in this Agreement will not constitute a default or breach under the terms of any material agreement or instrument listed by Borrower as an exhibit to its quarterly report on Form 10-Q filed with the Securities and Exchange Commission for the fiscal quarter ended June 30, 2020; and (iv) such other matters, incident to the transactions contemplated hereby, as the Agent may reasonably request.

(f) Fees and Expenses. The Borrower shall have paid all fees required in connection with the closing of the Existing Credit Agreement and this Amendment and all costs and expenses (including attorneys' costs and fees) incurred by the Agent in documenting or implementing same.

(g) Closing Fee. The Borrower shall have paid to each Lender executing this Amendment as of the Amendment No. 2 Effective Date a closing fee in an amount equal to such Lender's aggregate Commitment *multiplied* by fifteen basis points (0.15%).

(h) Other Deliverables. The Borrower shall have provided to the Agent, and the Agent shall have approved, all other materials, documents and submissions requested by the Agent in connection with the transactions contemplated by this Agreement.

SECTION 4. Litigation; Jurisdiction; Other Matters; Waivers.

(a) GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS EXECUTED, AND TO BE FULLY PERFORMED, IN SUCH STATE.

(b) WAIVER OF JURY TRIAL. EACH PARTY HERETO ACKNOWLEDGES THAT ANY DISPUTE OR CONTROVERSY BETWEEN OR AMONG THE BORROWER, THE AGENT OR ANY OF THE LENDERS WOULD BE BASED ON DIFFICULT AND COMPLEX ISSUES OF LAW AND FACT AND WOULD RESULT IN DELAY AND EXPENSE TO THE PARTIES. ACCORDINGLY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH OF THE LENDERS, THE AGENT AND THE BORROWER HEREBY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND OR NATURE IN ANY COURT OR TRIBUNAL IN WHICH AN ACTION MAY BE COMMENCED BY OR AGAINST ANY PARTY HERETO ARISING OUT OF THIS AMENDMENT OR THE EXISTING CREDIT AGREEMENT (AS AMENDED HEREBY), THE NOTES, OR ANY OTHER LOAN DOCUMENT OR BY REASON OF ANY OTHER SUIT, CAUSE OF ACTION OR DISPUTE WHATSOEVER BETWEEN OR AMONG THE BORROWER, THE AGENT OR ANY OF THE LENDERS OF ANY KIND OR NATURE RELATING TO ANY OF THE LOAN DOCUMENTS.

(c) SUBMISSION TO JURISDICTION; WAIVER OF VENUE. EACH OF THE BORROWER, THE AGENT AND EACH LENDER HEREBY AGREES THAT THE FEDERAL DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK AND ANY STATE COURT LOCATED IN BOROUGH OF MANHATTAN, NEW YORK, NEW YORK, SHALL HAVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN OR AMONG THE BORROWER, THE AGENT OR ANY OF THE LENDERS, PERTAINING DIRECTLY OR INDIRECTLY TO THIS AMENDMENT, THE EXISTING CREDIT AGREEMENT (AS AMENDED HEREBY), THE LOANS AND LETTERS OF CREDIT, THE NOTES OR ANY OTHER LOAN DOCUMENT OR TO ANY MATTER ARISING HEREFROM OR THEREFROM. THE BORROWER AND EACH OF THE LENDERS EXPRESSLY SUBMIT AND CONSENT IN

ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR PROCEEDING COMMENCED IN SUCH COURTS WITH RESPECT TO SUCH CLAIMS OR DISPUTES. EACH PARTY FURTHER WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT FORUM, AND EACH AGREES NOT TO PLEAD OR CLAIM THE SAME. THE CHOICE OF FORUM SET FORTH IN THIS SECTION SHALL NOT BE DEEMED TO PRECLUDE THE BRINGING OF ANY ACTION BY THE AGENT OR ANY LENDER OR THE ENFORCEMENT BY THE AGENT OR ANY LENDER OF ANY JUDGMENT OBTAINED IN SUCH FORUM IN ANY OTHER APPROPRIATE JURISDICTION.

SECTION 5. Credit Agreement Governs; Ratification. Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver or novation of or otherwise affect the rights and remedies of any Lender or the Agent under the Existing Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle the Borrower to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances.

SECTION 6. Counterparts. This Agreement, which constitutes a Loan Document, may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Agreement by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

SECTION 7. Severability. If any provision or obligation under this Agreement shall be determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision shall be deemed severed from this Agreement and the validity, legality and enforceability of the remaining provisions or obligations shall remain in full force as though the invalid, illegal, or unenforceable provision had never been a part of this Agreement.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first above written.

"**BORROWER**"

EPR PROPERTIES

By: /s/ Mark A. Peterson
Name: Mark A. Peterson
Title: Executive Vice President

[Signatures Continue on Following Page]

"**AGENT AND LENDERS**"

KEYBANK NATIONAL ASSOCIATION,
in its capacity as Lender and as Agent

By: /s/ Darin Mainquist
Name: Darin Mainquist
Title: Vice President

[Signatures Continue on Following Page]

JPMORGAN CHASE BANK, N.A.,
in its capacity as Lender

By: /s/ Cody A. Canafax
Name: Cody A. Canafax
Title: Vice President

[Signatures Continue on Following Page]

ROYAL BANK OF CANADA,
in its capacity as Lender

By: /s/ Brian Gross
Name: Brian Gross
Title: Authorized Signatory

[Signatures Continue on Following Page]

BANK OF AMERICA, N.A.,
in its capacity as Lender

By: /s/ Kyle Pearson
Name: Kyle Pearson
Title: Vice President

[Signatures Continue on Following Page]

CITIBANK, N.A.,
in its capacity as Lender

By: /s/ Christopher J. Albano
Name: Christopher J. Albano
Title: Authorized Signatory

[Signatures Continue on Following Page]

BARCLAYS BANK PLC,
in its capacity as Lender

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

[Signatures Continue on Following Page]

UMB Bank N.A.,
in its capacity as Lender

By: /s/ Robert P. Elbert
Name: Robert P. Elbert
Title: Senior Vice President

[Signatures Continue on Following Page]

BANK OF THE WEST, A CALIFORNIA BANKING CORPORATION,
in its capacity as Lender

By: /s/ Dennis Londen
Name: Dennis Londen
Title: Vice President

[Signatures Continue on Following Page]

MEGA INTERNATIONAL COMMERCIAL BANK, CO., LTD.,
SILICON VALLEY BRANCH,
in its capacity as Lender

By: /s/ Szu Yao Huang
Name: Szu Yao Huang
Title: VP & Manager

[Signatures Continue on Following Page]

Bank of Blue Valley,
in its capacity as Lender

By: /s/ Douglas P. Gaumer
Name: Douglas P. Gaumer
Title: Head of Commercial Banking

[Signatures Continue on Following Page]

BOKF NA,
in its capacity as Lender

By: /s/ Deborah Orozco
Name: Deborah Orozco
Title: SVP

[Signatures Continue on Following Page]

STIFEL BANK & TRUST,
in its capacity as Lender

By: /s/ Joseph L. Sooter, Jr.
Name: Joseph L. Sooter, Jr.
Title: Senior Vice President

[Signatures Continue on Following Page]

U.S. BANK NATIONAL ASSOCIATION,
in its capacity as Lender

By: /s/ Michael A. Raarup
Name: Michael A. Raarup
Title: Senior Vice President

[Signatures Continue on Following Page]

CITIZENS BANK, NATIONAL ASSOCIATION,
in its capacity as Lender

By: /s/ Frank Kaplan
Name: Frank Kaplan
Title: Vice President

[Signatures Continue on Following Page]

TRUIST BANK (F/K/A SUNTRUST BANK),
in its capacity as Lender

By: /s/ Tesha Winslow
Name: Tesha Winslow
Title: Director

[Signatures Continue on Following Page]

RAYMOND JAMES BANK, N.A.,
in its capacity as Lender

By: /s/ Gregory A. Hargrove
Name: Gregory A. Hargrove
Title: Vice President

EXHIBIT 21

Subsidiaries of the Company

Subsidiary	Jurisdiction of Incorporation or Formation
30 West Pershing, LLC	Missouri
Adelaar Developer II, LLC	Delaware
Adelaar Developer, LLC	Delaware
Atlantic - EPR I	Delaware
Atlantic - EPR II	Delaware
Blankenbaker X, LLC	Indiana
Brandywine X, LLC	Indiana
Burbank Village, Inc.	Delaware
Burbank Village, L.P.	Delaware
Cantera 30, Inc.	Delaware
Cantera 30 Theatre, L.P.	Delaware
Catskill Resorts TRS, LLC	Delaware
Cinescape Equity, LLC	Delaware
Cinescape Mezz, LLC	Delaware
Cinescape Property, LLC	Delaware
CLP Northstar Commercial, LLC	Delaware
CLP Northstar, LLC	Delaware
Early Childhood Education, LLC	Delaware
Early Education Capital Solutions, LLC	Delaware
ECE I, LLC	Delaware
ECE II, LLC	Delaware
Education Capital Solutions, LLC	Delaware
EPR Accommodations, LLC	Delaware
EPR Apex, Inc.	Delaware
EPR Brews, LLC	Delaware
EPR Camelback, LLC	Delaware
EPR Canada, Inc.	Missouri
EPR Concord II, L.P.	Delaware
EPR Escape, LLC	Delaware
EPR Experience, LLC	Delaware
EPR Fitness, LLC	Delaware
EPR Gaming Properties, LLC	Delaware
EPR Go Zone Holdings, LLC	Delaware
EPR Hialeah, Inc.	Missouri
EPR iHoldings, LLC	Delaware
EPR Karting, LLC	Delaware
EPR Lodging, LLC	Delaware
EPR Marinas, LLC	Delaware
EPR North Finance Trust	Ontario
EPR North GP ULC	British Columbia
EPR North Holdings GP ULC	British Columbia
EPR North Holdings LP	Ontario
EPR North Properties LP	Ontario
EPR North Trust	Kansas
EPR North US GP Trust	Delaware

EPR North US LP	Delaware
EPR Parks, LLC	Delaware
EPR Resorts, LLC	Delaware
EPR Springs, LLC	Delaware
EPR St. Petes TRS, Inc.	Delaware
EPR TRS Holdings, Inc.	Missouri
EPR TRS I, Inc.	Missouri
EPR TRS II, Inc.	Missouri
EPR TRS III, Inc.	Missouri
EPR TRS IV, Inc.	Missouri
EPR Tuscaloosa, LLC	Delaware
EPT 301, LLC	Missouri
EPT 909, Inc.	Delaware
EPT Aliso Viejo, Inc.	Delaware
EPT Arroyo, Inc.	Delaware
EPT Auburn, Inc.	Delaware
EPT Biloxi, Inc.	Delaware
EPT Boise, Inc.	Delaware
EPT Chattanooga, Inc.	Delaware
EPT Columbiana, Inc.	Delaware
EPT Concord II, LLC	Delaware
EPT Concord, LLC	Delaware
EPT Dallas, LLC	Delaware
EPT Davie, Inc.	Delaware
EPT Deer Valley, Inc.	Delaware
EPT DownREIT II, Inc.	Missouri
EPT DownREIT, Inc.	Missouri
EPT East, Inc.	Delaware
EPT Firewheel, Inc.	Delaware
EPT First Colony, Inc.	Delaware
EPT Fresno, Inc.	Delaware
EPT Gulf Pointe, Inc.	Delaware
EPT Hamilton, Inc.	Delaware
EPT Hattiesburg, Inc.	Delaware
EPT Huntsville, Inc.	Delaware
EPT Hurst, Inc.	Delaware
EPT Indianapolis, Inc.	Delaware
EPT Kalamazoo, Inc.	Missouri
EPT Kenner, LLC	Delaware
EPT Kenner Tenant, LLC	Delaware
EPT Lafayette, Inc.	Delaware
EPT Lawrence, Inc.	Delaware
EPT Leawood, Inc.	Delaware
EPT Little Rock, Inc.	Delaware
EPT Macon, Inc.	Delaware
EPT Mad River, Inc.	Missouri
EPT Manchester, Inc.	Delaware
EPT Melbourne, Inc.	Missouri
EPT Mesa, Inc.	Delaware
EPT Mesquite, Inc.	Delaware

EPT Modesto, Inc.	Delaware
EPT Mount Attitash, Inc.	Delaware
EPT Mount Snow, Inc.	Delaware
EPT New England, LLC	Delaware
EPT New Roc GP, Inc.	Delaware
EPT New Roc, LLC	Delaware
EPT Nineteen, Inc.	Delaware
EPT Pensacola, Inc.	Missouri
EPT Pompano, Inc.	Delaware
EPT Raleigh Theatres, Inc.	Delaware
EPT Ski Properties, Inc.	Delaware
EPT Slidell, Inc.	Delaware
EPT South Barrington, Inc.	Delaware
EPT Twin Falls, LLC	Delaware
EPT Virginia Beach, Inc.	Delaware
EPT Waterparks, Inc.	Delaware
EPT White Plains, LLC	Delaware
EPT Wilmington, Inc.	Delaware
ERC Opportunity, LLC	Delaware
Flik Depositor, Inc.	Delaware
Flik, Inc.	Delaware
Go To The Show, L.L.C.	Louisiana
International Building Condominium Associations, Inc.	Missouri
International Hotel Ventures, Inc.	Delaware
Kanata Entertainment Holdings, Inc.	New Brunswick
McHenry FFE, LLC	Delaware
Megaplex Four, Inc.	Missouri
Megaplex Nine, Inc.	Missouri
Mississauga Entertainment Holdings, Inc.	New Brunswick
New Roc Associates, L.P.	New York
Northgate X, LLC	Indiana
Oakville Entertainment Holdings, Inc.	New Brunswick
Private ECS, LLC	Delaware
Strategic Undertakings, LLC	Delaware
Suffolk Retail, LLC	Delaware
Tampa Veterans 24, Inc.	Delaware
Tampa Veterans 24, L.P.	Delaware
Texas Waterpark Holding Garland, LLC	Delaware
Texas Waterpark Holding The Colony, LLC	Delaware
Theatre Sub, Inc.	Missouri
WestCol Center, LLC	Delaware
Whitby Entertainment Holdings, Inc.	New Brunswick

Exhibit 22

LIST OF SUBSIDIARY GUARANTORS

The following subsidiaries of EPR Properties (the "Company") were, as of December 31, 2020, guarantors of the Company's 5.250% Senior Notes due 2023, 4.500% Senior Notes due 2025, 4.750% Senior Notes due 2026, 4.500% Senior Notes due 2027, 4.950% Senior Notes due 2028 and 3.750% Senior Notes due 2029:

Name	Jurisdiction of Organization
30 West Pershing, LLC	Missouri
Adelaar Developer, LLC	Delaware
Burbank Village, L.P.	Delaware
Cantera 30 Theatre, L.P.	Delaware
CLP Northstar, LLC	Delaware
Early Childhood Education, LLC	Delaware
ECE I, LLC	Delaware
ECE II, LLC	Delaware
Education Capital Solutions, LLC	Delaware
EPR Brews, LLC	Delaware
EPR Concord II, L.P.	Delaware
EPR Experience, LLC	Delaware
EPR Fitness, LLC	Delaware
EPR Hialeah, Inc.	Missouri
EPR Karting, LLC	Delaware
EPR Lodging, LLC	Delaware
EPR North US LP	Delaware
EPR Parks, LLC	Delaware
EPR Resorts, LLC	Delaware
EPR Springs, LLC	Delaware
EPR Tuscaloosa, LLC	Delaware
EPT 909, Inc.	Delaware
EPT Aliso Viejo, Inc.	Delaware
EPT Arroyo, Inc.	Delaware
EPT Auburn, Inc.	Delaware
EPT Biloxi, Inc.	Delaware
EPT Boise, Inc.	Delaware
EPT Chattanooga, Inc.	Delaware
EPT Columbiana, Inc.	Delaware
EPT Concord II, LLC	Delaware
EPT Dallas, LLC	Delaware
EPT Davie, Inc.	Delaware
EPT Deer Valley, Inc.	Delaware

EPT DownREIT II, Inc.	Missouri
EPT Firewheel, Inc.	Delaware
EPT First Colony, Inc.	Delaware
EPT Fresno. Inc.	Delaware
EPT Gulf Pointe, Inc.	Delaware
EPT Hamilton, Inc.	Delaware
EPT Hattiesburg, Inc.	Delaware
EPT Huntsville, Inc.	Delaware
EPT Hurst, Inc.	Delaware
EPT Indianapolis, Inc.	Delaware
EPT Kalamazoo, Inc.	Missouri
EPT Kenner, LLC	Delaware
EPT Lafayette, Inc.	Delaware
EPT Lawrence, Inc.	Delaware
EPT Leawood, Inc.	Delaware
EPT Little Rock, Inc.	Delaware
EPT Macon, Inc.	Delaware
EPT Mad River, Inc.	Missouri
EPT Manchester, Inc.	Delaware
EPT Melbourne, Inc.	Missouri
EPT Mesa, Inc.	Delaware
EPT Mesquite, Inc.	Delaware
EPT Modesto, Inc.	Delaware
EPT Mount Snow, Inc.	Delaware
EPT New England, LLC	Delaware
EPT Nineteen, Inc.	Delaware
EPT Pensacola, Inc.	Missouri
EPT Pompano, Inc.	Delaware
EPT Raleigh Theatres, Inc.	Delaware
EPT Ski Properties, Inc.	Delaware
EPT South Barrington, Inc.	Delaware
EPT Twin Falls, LLC	Delaware
EPT Virginia Beach, Inc.	Delaware
EPT Wilmington, Inc.	Delaware
Flik, Inc.	Delaware
Megaplex Four, Inc.	Missouri
Megaplex Nine, Inc.	Missouri
New Roc Associates, L.P.	New York
Tampa Veterans 24, L.P.	Delaware
Westcol Center, LLC	Delaware

EXHIBIT 23

Consent of Independent Registered Public Accounting Firm

The Board of Trustees
EPR Properties:

We consent to the incorporation by reference in the registration statements (Nos. 333-231909 and 333-231908) on Form S-3, the registration statements (Nos. 333-215099 and 333-78803) on Form S-4, and the registration statements (Nos. 333-159465, 333-211815, 333-189028, 333-142831, and 333-76625) on Form S-8 of EPR Properties of our report dated February 25, 2021, with respect to the consolidated balance sheets of EPR Properties as of December 31, 2020 and 2019, the related consolidated statements of (loss) income and comprehensive (loss) income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2020, and the related notes and financial statement schedules II and III, and the effectiveness of internal control over financial reporting as of December 31, 2020, which report appears in the December 31, 2020 annual report on Form 10-K of EPR Properties.

/s/ KPMG, LLP

Kansas City, Missouri
February 25, 2021

EXHIBIT 31.1

CERTIFICATION

PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, Gregory K. Silvers, certify that:

1. I have reviewed this Annual Report on Form 10-K of EPR Properties;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2021

/s/ Gregory K. Silvers

Gregory K. Silvers
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

PURSUANT TO RULE 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002.

I, Mark A. Peterson, certify that:

1. I have reviewed this Annual Report on Form 10-K of EPR Properties;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2021

/s/ Mark A. Peterson

Mark A. Peterson

Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS
ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT

I, Gregory K. Silvers, President and Chief Executive Officer of EPR Properties (the "Issuer"), have executed this certification for furnishing to the Securities and Exchange Commission in connection with the filing with the Commission of the registrant's Annual Report on Form 10-K for the period ended December 31, 2020 (the "Report"). I hereby certify that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

/s/ Gregory K. Silvers
Gregory K. Silvers
President and Chief Executive Officer
(Principal Executive Officer)

Date: February 25, 2021

EXHIBIT 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS
ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT

I, Mark A. Peterson, Executive Vice President, Chief Financial Officer and Treasurer of EPR Properties (the "Issuer"), have executed this certification for furnishing to the Securities and Exchange Commission in connection with the filing with the Commission of the registrant's Annual Report on Form 10-K for the period ended December 31, 2020 (the "Report"). I hereby certify that, to the best of my knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Issuer.

/s/ Mark A. Peterson
Mark A. Peterson
Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

Date: February 25, 2021