

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 3, 2023 (November 3, 2023)**

**Healthcare Realty Trust Incorporated**

(Exact name of registrant as specified in its charter)

**Maryland (Healthcare Realty Trust Incorporated)**  
(State or other jurisdiction of incorporation or organization)

**001-35568**  
(Commission File Number)

**20-4738467**  
(I.R.S. Employer Identification No.)

**3310 West End Avenue, Suite 700 Nashville, Tennessee 37203**  
(Address of Principal Executive Office and Zip Code)

**(615) 269-8175**  
(Registrant's telephone number, including area code)

**www.healthcarerealty.com**  
(Internet address)

(Former name or former address, if changed since last report)

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value per share	HR	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter):

Healthcare Realty Trust Incorporated  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 accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Healthcare Realty Trust Incorporated

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**Item 2.02 Results of Operations and Financial Condition.**

**Third Quarter Earnings Press Release**

On November 3, 2023, Healthcare Realty Trust Incorporated (the “Company”) issued a press release announcing its earnings for the third quarter ended September 30, 2023. A copy of this press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference in its entirety.

**Item 7.01 Regulation FD Disclosure**

**Third Quarter Supplemental Information**

The Company is furnishing its Supplemental Information for the third quarter ended September 30, 2023, which is also contained on its website (www.healthcarerealty.com). See Exhibit 99.2 to this Current Report on Form 8-K.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

99.1 [Third quarter earnings press release, dated November 3, 2023.](#)

99.2 [Supplemental Information for the third quarter ended September 30, 2023.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

### **Healthcare Realty Trust Incorporated**

Date: November 3, 2023

By: /s/ J. Christopher Douglas

Name: J. Christopher Douglas

Title: Executive Vice President - Chief Financial Officer

## News Release

### HEALTHCARE REALTY TRUST REPORTS RESULTS FOR THE THIRD QUARTER

NASHVILLE, Tennessee, November 3, 2023 - Healthcare Realty Trust Incorporated (NYSE:HR) today announced results for the third quarter ended September 30, 2023. The Company reported net loss attributable to common stockholders of \$67.8 million, or \$0.18 per diluted common share, for the quarter ended September 30, 2023. Normalized FFO for the three months ended September 30, 2023 totaled \$148.1 million, or \$0.39 per diluted common share.

The following applies to all same store disclosures reported in this press release. Subsequent to its merger with Healthcare Trust of America ("Legacy HTA") on July 20, 2022, the Company began reporting combined same store results in the third quarter of 2022, which are now referred to as Merger Combined Same Store. Merger Combined Same Store includes the Company's same store properties, including Legacy HTA properties, that were owned for the full comparative period, and that meet all elements of the Company's same store criteria. The Company presents the combined companies' same store portfolios to provide an understanding of the operating performance and growth potential of the combined company.

Salient quarterly highlights include:

- Normalized FFO per share totaled \$0.39.
- Merger combined total same store cash NOI for the third quarter increased 2.3% over the prior year, and 2.8% for the trailing twelve months ended September 30, 2023.
- Predictive growth measures in the Merger Combined Same Store portfolio include:
  - Average in-place rent increases of 2.8%
  - Future annual contractual increases of 3.0% for leases commencing in the quarter.
  - Weighted average MOB cash leasing spreads of 4.8% on 622,000 square feet renewed:
    - 1% (<0% spread)
    - 3% (0-3%)
    - 77% (3-4%)
    - 19% (>4%)
  - Tenant retention of 76.1%
  - Year-over-year absorption of 56,000 square feet resulted in an average occupancy increase of 20 basis points to 89.2%.
- Portfolio leasing activity that commenced in the third quarter totaled 1,139,000 square feet related to 360 leases:
  - 692,000 square feet of renewals
  - 401,000 square feet of new and 46,000 square feet of expansion leases



**HEALTHCARE  
REALTY**

- The Company executed new leases totaling 447,000 square feet in the quarter that will commence in future periods, an increase of 19% over the second quarter and 86% over the first quarter.
  - New leasing momentum for the legacy HTA properties was particularly strong, representing 62% of activity year-to-date, while comprising approximately one-half of the multi-tenant portfolio square footage.
- The multi-tenant leased percentage was 87.2% at September 30, which was 210 basis points greater than occupancy.
  - The multi-tenant Legacy HTA leased percentage was 85.2%, which was 250 basis points greater than occupancy.
- As of October 23, 2023, the pipeline of new leasing activity totaled 1.7 million square feet, which includes 16% in the lease documentation phase, 37% in the proposal and letter of intent phase, and 47% active prospects in the touring phase.
- During the third quarter, the Company sold five properties totaling \$208.7 million and year-to-date has sold nine properties totaling \$318.3 million. The Company expects to generate \$138 million of proceeds from properties under contract that are expected to close by year-end. An additional \$182 million of proceeds are expected to be generated from properties under letter of intent to sell with closings expected to be completed in fourth quarter 2023 and first quarter 2024.
- Net debt to adjusted EBITDA was 6.6 times at the end of the quarter. Leverage is expected to decline from additional asset sales and underlying portfolio NOI growth. The Company's variable rate debt reduced from 14.6% to 13.0% of net debt as of June 30 and September 30, respectively. In October, the Company executed interest rate swaps totaling \$200 million in anticipation of expiring interest rate swaps in January 2024.
- A dividend of \$0.31 per share was paid in August. A dividend of \$0.31 per share will be paid on November 30, 2023 to stockholders and OP unitholders of record on November 14, 2023.
- On Friday, November 3, 2023, at 12:00 p.m. Eastern Time, Healthcare Realty Trust has scheduled a conference call to discuss earnings results, quarterly activities, general operations of the Company and industry trends. Simultaneously, a webcast of the conference call will be available to interested parties at <https://investors.healthcarerealty.com/corporate-profile/webcasts> under the Investor Relations section. A webcast replay will be available following the call at the same address. Conference Call Access Details: Domestic Dial-In Number: +1 646-904-5544 access code 681379; All Other Locations: +1 833-470-1428 access code 681379. Replay Information: Domestic Dial-In Number: +1 929-458-6194 access code 207459; All Other Locations: +1 866-813-9403 access code 207459.

Healthcare Realty (NYSE: HR) is a real estate investment trust (REIT) that owns and operates medical outpatient buildings primarily located around market-leading hospital campuses. The Company selectively grows its portfolio through property acquisition and development. As the first and largest REIT to specialize in medical outpatient buildings, Healthcare Realty's portfolio includes more than 700 properties totaling over 40 million square feet concentrated in 15 growth markets.

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Additional information regarding the Company, including this quarter's operations, can be found at [www.healthcarerealty.com](http://www.healthcarerealty.com). In addition to the historical information contained within, this press release contains certain forward-looking statements with respect to the Company. Forward-looking statements are statements that are not descriptions of historical facts and include statements regarding management's intentions, beliefs, expectations, plans or predictions of the future, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Because such statements include risks, uncertainties and contingencies, actual results may differ materially and in adverse ways from those expressed or implied by such forward-looking statements. These risks, uncertainties and contingencies include, without limitation, the following: the Company's expected results may not be achieved; failure to realize the expected benefits of the Merger; significant transaction costs and/or unknown or inestimable liabilities; the risk that HTA's business will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; risks related to future opportunities and plans for the Company, including the uncertainty of expected future financial performance and results of the Company; the possibility that, if the Company does not achieve the perceived benefits of the Merger as rapidly or to the extent anticipated by financial analysts or investors, the market price of the Company's common stock could decline; general adverse economic and local real estate conditions; changes in economic conditions generally and the real estate market specifically; legislative and regulatory changes, including changes to laws governing the taxation of REITs and changes to laws governing the healthcare industry; the availability of capital; changes in interest rates; competition in the real estate industry; the supply and demand for operating properties in the Company's proposed market areas; changes in accounting principles generally accepted in the US; policies and guidelines applicable to REITs; the availability of properties to acquire; the availability of financing; pandemics and other health concerns, and the measures intended to prevent their spread, including the currently ongoing COVID-19 pandemic; and the potential material adverse effect these matters may have on the Company's business, results of operations, cash flows and financial condition. Additional information concerning the Company and its business, including additional factors that could materially and adversely affect the Company's financial results, include, without limitation, the risks described under Part I, Item 1A - Risk Factors, in the Company's 2022 Annual Report on Form 10-K and in its other filings with the SEC.

# Consolidated Balance Sheets

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

## ASSETS

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Real estate properties					
Land	\$1,387,821	\$1,424,453	\$1,412,805	\$1,439,798	\$1,449,550
Buildings and improvements	11,004,195	11,188,821	11,196,297	11,332,037	11,439,797
Lease intangibles	890,273	922,029	929,008	959,998	968,914
Personal property	12,686	12,615	11,945	11,907	11,680
Investment in financing receivables, net	120,975	121,315	120,692	120,236	118,919
Financing lease right-of-use assets	82,613	83,016	83,420	83,824	79,950
Construction in progress	85,644	53,311	42,615	35,560	43,148
Land held for development	59,871	78,411	69,575	74,265	73,321
Total real estate investments	13,644,078	13,883,971	13,866,357	14,057,625	14,185,279
Less accumulated depreciation and amortization	(2,093,952)	(1,983,944)	(1,810,093)	(1,645,271)	(1,468,736)
Total real estate investments, net	11,550,126	11,900,027	12,056,264	12,412,354	12,716,543
Cash and cash equivalents	24,668	35,904	49,941	60,961	57,583
Assets held for sale, net	57,638	151	3,579	18,893	185,074
Operating lease right-of-use assets	323,759	333,224	336,112	336,983	321,365
Investments in unconsolidated joint ventures	325,453	327,245	327,746	327,248	327,752
Other assets, net and goodwill	822,084	797,796	795,242	693,192	587,126
Total assets	\$13,103,728	\$13,394,347	\$13,568,884	\$13,849,631	\$14,195,443

## LIABILITIES AND STOCKHOLDERS' EQUITY

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Liabilities					
Notes and bonds payable	\$5,227,413	\$5,340,272	\$5,361,699	\$5,351,827	\$5,570,139
Accounts payable and accrued liabilities	204,947	196,147	155,210	244,033	231,018
Liabilities of properties held for sale	3,814	222	277	437	10,644
Operating lease liabilities	273,319	278,479	279,637	279,895	268,840
Financing lease liabilities	74,087	73,629	73,193	72,939	72,378
Other liabilities	211,365	219,694	232,029	218,668	203,398
Total liabilities	5,994,945	6,108,443	6,102,045	6,167,799	6,356,417
Redeemable non-controlling interests	3,195	2,487	2,000	2,014	—
Stockholders' equity					
Preferred stock, \$0.01 par value; 200,000 shares authorized	—	—	—	—	—
Common stock, \$0.01 par value; 1,000,000 shares authorized	3,809	3,808	3,808	3,806	3,806
Additional paid-in capital	9,597,629	9,595,033	9,591,194	9,587,637	9,586,556
Accumulated other comprehensive income (loss)	17,079	9,328	(8,554)	2,140	5,524
Cumulative net income attributable to common stockholders	1,069,327	1,137,171	1,219,930	1,307,055	1,342,819
Cumulative dividends	(3,684,144)	(3,565,941)	(3,447,750)	(3,329,562)	(3,211,492)
Total stockholders' equity	7,003,700	7,179,399	7,358,628	7,571,076	7,727,213
Non-controlling interest	101,888	104,018	106,211	108,742	111,813
Total Equity	7,105,588	7,283,417	7,464,839	7,679,818	7,839,026
Total liabilities and stockholders' equity	\$13,103,728	\$13,394,347	\$13,568,884	\$13,849,631	\$14,195,443

# Consolidated Statements of Income

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
<b>Revenues</b>				
Rental income	\$333,335	\$329,680	\$324,093	\$329,399
Interest income	4,264	4,233	4,214	4,227
Other operating	4,661	4,230	4,618	4,436
	342,260	338,143	332,925	338,062
<b>Expenses</b>				
Property operating	131,639	125,395	122,040	117,009
General and administrative	13,396	15,464	14,935	14,417
Acquisition and pursuit costs <sup>1</sup>	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Depreciation and amortization	182,989	183,193	184,479	185,275
	336,243	309,051	326,596	327,570
Other income (expense)				
Interest expense before merger-related fair value	(55,637)	(54,780)	(52,895)	(52,464)
<i>Merger-related fair value adjustment</i>	<i>(10,667)</i>	<i>(10,554)</i>	<i>(10,864)</i>	<i>(11,979)</i>
Interest expense	(66,304)	(65,334)	(63,759)	(64,443)
Gain on sales of real estate properties	48,811	7,156	1,007	73,083
Gain on extinguishment of debt	62	—	—	119
Impairment of real estate assets and credit loss reserves	(56,873)	(55,215)	(31,422)	(54,452)
Equity(loss) gain from unconsolidated joint ventures	(456)	(17)	(780)	89
Interest and other income (expense), net	139	592	547	(1,168)
	(74,621)	(112,818)	(94,407)	(46,772)
Net loss	\$(68,604)	\$(83,726)	\$(88,078)	\$(36,280)
Net loss attributable to non-controlling interests	760	967	953	516
Net loss attributable to common stockholders	\$(67,844)	\$(82,759)	\$(87,125)	\$(35,764)
Basic earnings per common share	\$(0.18)	\$(0.22)	\$(0.23)	\$(0.10)
Diluted earnings per common share	\$(0.18)	\$(0.22)	\$(0.23)	\$(0.10)
Weighted average common shares outstanding - basic	378,925	378,897	378,840	378,617
Weighted average common shares outstanding - diluted <sup>2</sup>	378,925	378,897	378,840	378,617

<sup>1</sup> Includes third party and travel costs related to the pursuit of acquisitions and developments.

<sup>2</sup> Potential common shares are not included in the computation of diluted earnings per share when a loss exists, as the effect would be an antidilutive per share amount. As a result, the Company's OP totaling 4,042,993 units was not included.

# Reconciliation of FFO, Normalized FFO and FAD <sup>1,2,3</sup>

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Net loss attributable to common stockholders	\$(67,844)	\$(82,759)	\$(87,125)	\$(35,764)
<i>Net loss attributable to common stockholders per diluted share <sup>3</sup></i>	<i>\$(0.18)</i>	<i>\$(0.22)</i>	<i>\$(0.23)</i>	<i>\$(0.10)</i>
Gain on sales of real estate assets	(48,811)	(7,156)	(1,007)	(73,083)
Impairments of real estate assets	56,873	55,215	26,227	54,452
Real estate depreciation and amortization	185,143	185,003	186,109	186,658
Non-controlling loss from partnership units	(841)	(1,027)	(1,067)	(382)
Unconsolidated JV depreciation and amortization	4,421	4,412	4,841	4,020
<b>FFO adjustments</b>	<b>\$196,785</b>	<b>\$236,447</b>	<b>\$215,103</b>	<b>\$171,665</b>
<i>FFO adjustments per common share - diluted</i>	<i>\$0.51</i>	<i>\$0.62</i>	<i>\$0.56</i>	<i>\$0.45</i>
<b>FFO</b>	<b>\$128,941</b>	<b>\$153,688</b>	<b>\$127,978</b>	<b>\$135,901</b>
<i>FFO per common share - diluted</i>	<i>\$0.34</i>	<i>\$0.40</i>	<i>\$0.33</i>	<i>\$0.35</i>
Acquisition and pursuit costs	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Lease intangible amortization	213	240	146	137
Non-routine legal costs/forfeited earnest money received	—	275	—	194
Debt financing costs	(62)	—	—	625
Allowance for credit losses <sup>4</sup>	—	—	8,599	—
Merger-related fair value adjustment	10,667	10,554	10,864	11,979
Unconsolidated JV normalizing items <sup>5</sup>	90	93	117	96
<b>Normalized FFO adjustments</b>	<b>\$19,127</b>	<b>\$(3,839)</b>	<b>\$24,868</b>	<b>\$23,900</b>
<i>Normalized FFO adjustments per common share - diluted</i>	<i>\$0.05</i>	<i>\$(0.01)</i>	<i>\$0.06</i>	<i>\$0.06</i>
<b>Normalized FFO</b>	<b>\$148,068</b>	<b>\$149,849</b>	<b>\$152,846</b>	<b>\$159,801</b>
<i>Normalized FFO per common share - diluted</i>	<i>\$0.39</i>	<i>\$0.39</i>	<i>\$0.40</i>	<i>\$0.42</i>
Non-real estate depreciation and amortization	475	802	604	624
Non-cash interest amortization, net <sup>6</sup>	1,402	1,618	682	2,284
Rent reserves, net	442	(54)	1,371	(100)
Straight-line rent income, net	(8,470)	(8,005)	(8,246)	(9,873)
Stock-based compensation	2,556	3,924	3,745	3,573
Unconsolidated JV non-cash items <sup>7</sup>	(231)	(316)	(227)	(316)
<b>Normalized FFO adjusted for non-cash items</b>	<b>144,242</b>	<b>147,818</b>	<b>150,775</b>	<b>155,993</b>
2nd generation TI	(21,248)	(17,236)	(8,882)	(13,523)
Leasing commissions paid	(8,907)	(5,493)	(7,013)	(7,404)
Capital expenditures	(14,354)	(8,649)	(8,946)	(25,669)
<b>Total maintenance capex</b>	<b>(44,509)</b>	<b>(31,378)</b>	<b>(24,841)</b>	<b>(46,596)</b>
<b>FAD</b>	<b>\$99,733</b>	<b>\$116,440</b>	<b>\$125,934</b>	<b>\$109,397</b>
<b>Quarterly dividends</b>	<b>\$119,456</b>	<b>\$119,444</b>	<b>\$119,442</b>	<b>\$119,323</b>
<b>FFO wtd avg common shares outstanding - diluted <sup>8</sup></b>	<b>383,428</b>	<b>383,409</b>	<b>383,335</b>	<b>383,228</b>

1 Funds from operations ("FFO") and FFO per share are operating performance measures adopted by NAREIT. NAREIT defines FFO as "net income (computed in accordance with GAAP) excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity."

2 FFO, Normalized FFO and Funds Available for Distribution ("FAD") do not represent cash generated from operating activities determined in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs. FFO, Normalized FFO and FAD should not be considered alternatives to net income attributable to common stockholders as indicators of the Company's operating performance or as alternatives to cash flow as measures of liquidity.

3 Potential common shares are not included in the computation of diluted earnings per share when a loss exists, as the effect would be an antidilutive per share amount.

4 In Q1 2023, allowance for credit losses included a \$5.2 million credit allowance for a mezzanine loan included in "Impairment of real estate and credit loss reserves" on the Statement of Income and \$3.4 million reserve included in "Rental Income" on the Statement of Income for previously deferred rent and straight line rent for three skilled nursing facilities.

5 Includes the Company's proportionate share of normalizing items related to unconsolidated joint ventures such as lease intangibles and acquisition and pursuit costs.

6 Includes the amortization of deferred financing costs, discounts and premiums, and non-cash financing receivable amortization.

7 Includes the Company's proportionate share of straight-line rent, net and rent reserves, net related to unconsolidated joint ventures.

8 The Company utilizes the treasury stock method, which includes the dilutive effect of nonvested share-based awards outstanding of 432,597 for the three months ended September 30, 2023. Also includes the diluted impact of 4,042,993 OP units outstanding.

# Reconciliation of Non-GAAP Measures

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA - UNAUDITED

Management considers funds from operations ("FFO"), FFO per share, normalized FFO, normalized FFO per share, funds available for distribution ("FAD") to be useful non-GAAP measures of the Company's operating performance. A non-GAAP financial measure is generally defined as one that purports to measure historical financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable measure determined in accordance with GAAP. Set forth below are descriptions of the non-GAAP financial measures management considers relevant to the Company's business and useful to investors.

The non-GAAP financial measures presented herein are not necessarily identical to those presented by other real estate companies due to the fact that not all real estate companies use the same definitions. These measures should not be considered as alternatives to net income (determined in accordance with GAAP), as indicators of the Company's financial performance, or as alternatives to cash flow from operating activities (determined in accordance with GAAP) as measures of the Company's liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of the Company's needs.

FFO and FFO per share are operating performance measures adopted by the National Association of Real Estate Investment Trusts, Inc. ("NAREIT"). NAREIT defines FFO as "net income (computed in accordance with GAAP) excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity." The Company defines Normalized FFO as FFO excluding acquisition-related expenses, lease intangible amortization and other normalizing items that are unusual and infrequent in nature. FAD is presented by adding to Normalized FFO non-real estate depreciation and amortization, deferred financing fees amortization, share-based compensation expense and rent reserves, net; and subtracting maintenance capital expenditures, including second generation tenant improvements and leasing commissions paid and straight-line rent income, net of expense. The Company's definition of these terms may not be comparable to that of other real estate companies as they may have different methodologies for computing these amounts. FFO, Normalized FFO and FAD do not represent cash generated from operating activities determined in accordance with GAAP and are not necessarily indicative of cash available to fund cash needs. FFO, Normalized FFO and FAD should not be considered an alternative to net income as an indicator of the Company's operating performance or as an alternative to cash flow as a measure of liquidity. FFO, Normalized FFO and FAD should be reviewed in connection with GAAP financial measures.

Management believes FFO, FFO per share, Normalized FFO, Normalized FFO per share, and FAD provide an understanding of the operating performance of the Company's properties without giving effect to certain significant non-cash items, including depreciation and amortization expense. Historical cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time. However, real estate values instead have historically risen or fallen with market conditions. The Company believes that by excluding the effect of depreciation, amortization, gains or losses from sales of real estate, and other normalizing items that are unusual and infrequent, FFO, FFO per share, Normalized FFO, Normalized FFO per share and FAD can facilitate comparisons of operating performance between periods. The Company reports these measures because they have been observed by management to be the predominant measures used by the REIT industry and by industry analysts to evaluate REITs and because these measures are consistently reported, discussed, and compared by research analysts in their notes and publications about REITs.

Merger Combined Cash NOI and Merger Combined Same Store Cash NOI are key performance indicators. Management considers these to be supplemental measures that allow investors, analysts and Company management to measure unlevered property-level operating results. The Company defines Merger Combined Cash NOI as rental income and less property operating expenses. Merger Combined Cash NOI excludes non-cash items such as above and below market lease intangibles, straight-line rent, lease inducements, lease termination fees, tenant improvement amortization and leasing commission amortization. Merger Combined Cash NOI is historical and not necessarily indicative of future results.

Merger Combined Same Store Cash NOI compares Merger Combined Cash NOI for stabilized properties. Stabilized properties are properties that have been included in operations for the duration of the year-over-year comparison period presented. Accordingly, stabilized properties exclude properties that were recently acquired or disposed of, properties classified as held for sale, properties undergoing redevelopment, and newly redeveloped or developed properties.

The Company utilizes the redevelopment classification for properties where management has approved a change in strategic direction for such properties through the application of additional resources including an amount of capital expenditures significantly above routine maintenance and capital improvement expenditures. These properties are described in additional detail in Footnote 6 to the Condensed Consolidated Financial Statements.

Any recently acquired property will be included in the same store pool once the Company has owned the property for eight full quarters. Newly developed or redeveloped properties will be included in the same store pool eight full quarters after substantial completion.

# 3Q2023

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## Supplemental Information

FURNISHED AS OF NOVEMBER 3, 2023 - UNAUDITED



HEALTHCARE  
REALTY



## FORWARD LOOKING STATEMENTS & RISK FACTORS

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This Supplemental Information report contains disclosures that are “forward-looking statements” as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include all statements that do not relate solely to historical or current facts and can be identified by the use of words and phrases such as “can,” “may,” “payable,” “indicative,” “predictive,” “annualized,” “expect,” “expected,” “range of expectations,” “would have been,” “budget,” and other comparable terms in this report, and include, but are not limited to, statements related to the merger between Healthcare Realty Trust Incorporated (“Legacy HR” and, after the closing of the merger, the “Company” or “HR”) and Healthcare Trust of America, Inc. (“HTA”) that closed on July 20, 2022 (the “Merger”). These forward-looking statements are made as of the date of this report and are not necessarily indicative of future performance. These statements are based on the current plans and expectations of Company management and are subject to a number of unknown risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those described in this release or implied by such forward-looking statements. Such risks and uncertainties include, among other things, the following: the Company’s expected results may not be achieved; failure to realize the expected benefits of the Merger; the risk that the Company’s and HTA’s respective businesses will not be integrated successfully or that such integration may be more difficult, time-consuming or costly than expected; risks related to future opportunities and plans for the Company, including the uncertainty of expected future financial performance and results of the Company; the possibility that, if the Company does not achieve the perceived benefits of the Merger as rapidly or to the extent anticipated by financial analysts or investors, the market price of the Company’s common stock could decline; pandemics or other health crises, such as COVID-19; increases in interest rates; the availability and cost of capital at expected rates; competition for quality assets; negative developments in the operating results or financial condition of the Company’s tenants, including, but not limited to, their ability to pay rent; the Company’s ability to reposition or sell facilities with profitable results; the Company’s ability to release space at similar rates as vacancies occur; the Company’s ability to renew expiring leases; government regulations affecting tenants’ Medicare and Medicaid reimbursement rates and operational requirements; unanticipated difficulties and/or expenditures relating to future acquisitions and developments; changes in rules or practices governing the Company’s financial reporting; the Company may be required under purchase options to sell properties and may not be able to reinvest the proceeds from such sales at rates of return equal to the return received on the properties sold; uninsured or underinsured losses related to casualty or liability; the incurrence of impairment charges on its real estate properties or other assets; and other legal and operational matters. Other risks, uncertainties and factors that could cause actual results to differ materially from those projected are detailed under the heading “Risk Factors,” in the Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) for the year ended December 31, 2022, under the heading “Risk Factors” and other risks described from time to time thereafter in the Company’s SEC filings. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



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## QUARTERLY HIGHLIGHTS

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*The following applies to all same store disclosures reported in this supplemental report. Subsequent to its merger with Healthcare Trust of America ("Legacy HTA") on July 20, 2022, the Company began reporting combined same store results in the third quarter of 2022, which are now referred to as Merger Combined Same Store. Merger Combined Same Store includes the Company's same store properties, including Legacy HTA properties, that were owned for the full comparative period, and that meet all elements of the Company's same store criteria. The Company presents the combined companies' same store portfolios to provide an understanding of the operating performance and growth potential of the combined company.*

- Net loss attributable to common stockholders for the three months ended September 30, 2023 was \$67.8 million or \$0.18 per diluted common share.
- Normalized FFO per share totaled \$0.39.
- Merger combined total same store cash NOI for the third quarter increased 2.3% over the prior year, and 2.8% for the trailing twelve months ended September 30, 2023.
- Predictive growth measures in the Merger Combined Same Store portfolio include:
  - Average in-place rent increases of 2.8%
  - Future annual contractual increases of 3.0% for leases commencing in the quarter.
  - Weighted average MOB cash leasing spreads of 4.8% on 622,000 square feet renewed:
    - 1% (<0% spread)
    - 3% (0-3%)
    - 77% (3-4%)
    - 19% (>4%)
  - Tenant retention of 76.1%
  - Year-over-year absorption of 56,000 square feet resulted in an average occupancy increase of 20 basis points to 89.2%.
- Portfolio leasing activity that commenced in the third quarter totaled 1,139,000 square feet related to 360 leases:
  - 692,000 square feet of renewals
  - 401,000 square feet of new and 46,000 square feet of expansion leases
- The Company executed new leases totaling 447,000 square feet in the quarter that will commence in future periods, an increase of 19% over the second quarter and 86% over the first quarter.
  - New leasing momentum for the legacy HTA properties was particularly strong, representing 62% of activity year-to-date, while comprising approximately one-half of the multi-tenant portfolio square footage.
- The multi-tenant leased percentage was 87.2% at September 30, which was 210 basis points greater than occupancy.
  - The multi-tenant Legacy HTA leased percentage was 85.2%, which was 250 basis points greater than occupancy.
- As of October 23, 2023, the pipeline of new leasing activity totaled 1.7 million square feet, which includes 16% in the lease documentation phase, 37% in the proposal and letter of intent phase, and 47% active prospects in the touring phase.
- During the third quarter, the Company sold five properties totaling \$208.7 million and year-to-date has sold nine properties totaling \$318.3 million. The Company expects to generate \$138 million of proceeds from properties under contract that are expected to close by year-end. An additional \$182 million of proceeds are expected to be generated from properties under letter of intent to sell with closings expected to be completed in fourth quarter 2023 and first quarter 2024.
- Net debt to adjusted EBITDA was 6.6 times at the end of the quarter. Leverage is expected to decline from additional asset sales and underlying portfolio NOI growth. The Company's variable rate debt reduced from 14.6% to 13.0% of net debt as of June 30 and September 30, respectively. In October, the Company executed interest rate swaps totaling \$200 million in anticipation of expiring interest rate swaps in January 2024.
- A dividend of \$0.31 per share was paid in August. A dividend of \$0.31 per share will be paid on November 30, 2023 to stockholders and OP unitholders of record on November 14, 2023.
- On Friday, November 3, 2023, at 12:00 p.m. Eastern Time, Healthcare Realty Trust has scheduled a conference call to discuss earnings results, quarterly activities, general operations of the Company and industry trends. Simultaneously, a webcast of the conference call will be available to interested parties at <https://investors.healthcarerealty.com/corporate-profile/webcasts> under the Investor Relations section. A webcast replay will be available following the call at the same address. Conference Call Access Details: Domestic Dial-In Number: +1 646-904-5544 access code 681379; All Other Locations: +1 833-470-1428 access code 681379. Replay Information: Domestic Dial-In Number: +1 929-458-6194 access code 207459; All Other Locations: +1 866-813-9403 access code 207459.

# Salient Facts <sup>1</sup>

AS OF SEPTEMBER 30, 2023

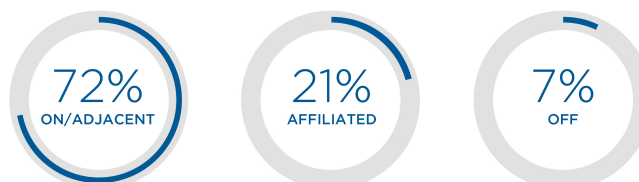
## Properties

697 properties totaling 41.0M SF  
 73 markets in 35 states  
 93% managed by Healthcare Realty  
 92% outpatient medical facilities  
 60% of NOI in Top 15 Markets

## Capitalization

\$11.4B enterprise value as of 9/30/23  
 \$5.9B market capitalization as of 9/30/23  
 384.9M shares outstanding (including OP units)  
 \$0.31 quarterly dividend per share  
 BBB/Baa2 S&P/Moody's  
 48.3% net debt to enterprise value at 9/30/23  
 6.6x net debt to adjusted EBITDA

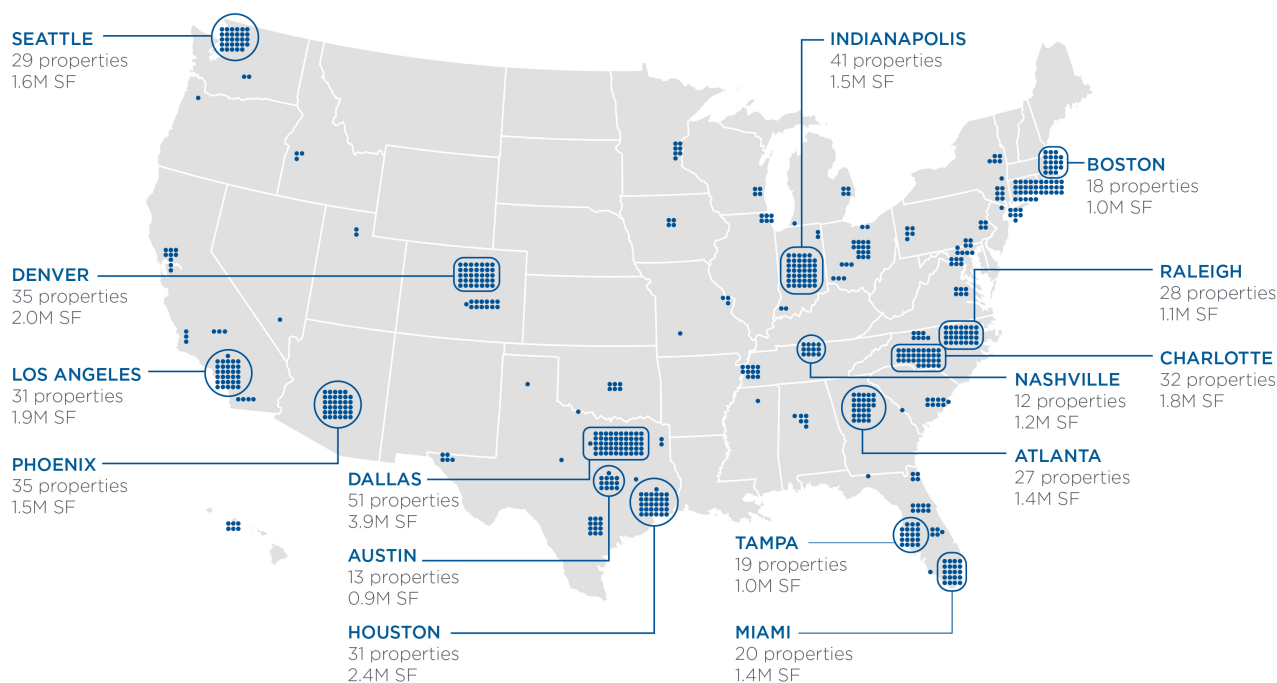
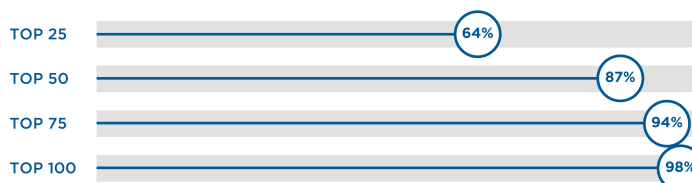
### PROXIMITY TO HOSPITAL CAMPUS (% of MOB SF)



### ASSOCIATED HEALTH SYSTEM BY RANK (% of MOB SF)



### MSA BY RANK (% of MOB SF)



<sup>1</sup> Includes properties held in joint ventures.

# Corporate Information

Healthcare Realty (NYSE: HR) is a real estate investment trust (REIT) that owns and operates medical outpatient buildings primarily located around market-leading hospital campuses. The Company selectively grows its portfolio through property acquisition and development. As of September 30, 2023, the Company was invested in 697 real estate properties in 35 states totaling 41.0 million square feet and had an enterprise value of approximately \$11.4 billion, defined as equity market capitalization plus the principal amount of debt less cash. The Company provided leasing and property management services to 93% of its portfolio.

## EXECUTIVE OFFICERS

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Todd J. Meredith  
President and Chief Executive Officer

John M. Bryant, Jr.  
Executive Vice President and General Counsel

J. Christopher Douglas  
Executive Vice President and Chief Financial Officer

Robert E. Hull  
Executive Vice President - Investments

Julie F. Wilson  
Executive Vice President - Operations

## ANALYST COVERAGE

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BMO Capital Markets  
BTIG, LLC  
Citi Research  
Green Street Advisors, Inc.  
J.P. Morgan Securities LLC  
Jefferies LLC  
KeyBanc Capital Markets Inc.  
Raymond James & Associates  
Scotiabank  
Stifel, Nicolaus & Company, Inc.  
Wedbush Securities  
Wells Fargo Securities, LLC

## BOARD OF DIRECTORS

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J. Knox Singleton  
Chairman, Healthcare Realty Trust Incorporated  
Retired Chief Executive Officer, Inova Health System

W. Bradley Blair, II  
Vice Chairman, Healthcare Realty Trust Incorporated  
Retired Chairman, Healthcare Trust of America

Todd J. Meredith  
President and Chief Executive Officer  
Healthcare Realty Trust Incorporated

John V. Abbott  
Retired Chief Executive Officer  
Aviation Asset Management Group, General Electric Company

Nancy H. Agee  
President and Chief Executive Officer  
Carilion Clinic

Vicki U. Booth  
President and Board Chair  
Ueberroth Family Foundation

Edward H. Braman  
Retired Audit Partner  
Ernst & Young LLP

Ajay Gupta  
Chief Executive Officer  
Physician Rehabilitation Network

James J. Kilroy  
President and Portfolio Manager  
Willis Investment Counsel

Jay P. Leupp  
Managing Partner and Senior Portfolio Manager  
Terra Firma Asset Management, LLC

Peter F. Lyle  
Executive Vice President  
Medical Management Associates, Inc.

Constance B. Moore  
Retired President and CEO  
BRE Properties, Inc.

Christann M. Vasquez  
Retired Executive Vice President and Chief Operating Officer  
Ascension Texas

David R. Emery (1944-2019)  
Chairman Emeritus  
Healthcare Realty Trust Incorporated

# Balance Sheet

AMOUNTS IN THOUSANDS, EXCEPT PER SHARE DATA

## ASSETS

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Real estate properties					
Land	\$1,387,821	\$1,424,453	\$1,412,805	\$1,439,798	\$1,449,550
Buildings and improvements	11,004,195	11,188,821	11,196,297	11,332,037	11,439,797
Lease intangibles	890,273	922,029	929,008	959,998	968,914
Personal property	12,686	12,615	11,945	11,907	11,680
Investment in financing receivables, net	120,975	121,315	120,692	120,236	118,919
Financing lease right-of-use assets	82,613	83,016	83,420	83,824	79,950
Construction in progress	85,644	53,311	42,615	35,560	43,148
Land held for development	59,871	78,411	69,575	74,265	73,321
Total real estate investments	13,644,078	13,883,971	13,866,357	14,057,625	14,185,279
Less accumulated depreciation and amortization	(2,093,952)	(1,983,944)	(1,810,093)	(1,645,271)	(1,468,736)
Total real estate investments, net	11,550,126	11,900,027	12,056,264	12,412,354	12,716,543
Cash and cash equivalents	24,668	35,904	49,941	60,961	57,583
Assets held for sale, net	57,638	151	3,579	18,893	185,074
Operating lease right-of-use assets	323,759	333,224	336,112	336,983	321,365
Investments in unconsolidated joint ventures	325,453	327,245	327,746	327,248	327,752
Other assets, net and goodwill	822,084	797,796	795,242	693,192	587,126
Total assets	\$13,103,728	\$13,394,347	\$13,568,884	\$13,849,631	\$14,195,443

## LIABILITIES AND STOCKHOLDERS' EQUITY

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Liabilities					
Notes and bonds payable	\$5,227,413	\$5,340,272	\$5,361,699	\$5,351,827	\$5,570,139
Accounts payable and accrued liabilities	204,947	196,147	155,210	244,033	231,018
Liabilities of properties held for sale	3,814	222	277	437	10,644
Operating lease liabilities	273,319	278,479	279,637	279,895	268,840
Financing lease liabilities	74,087	73,629	73,193	72,939	72,378
Other liabilities	211,365	219,694	232,029	218,668	203,398
Total liabilities	5,994,945	6,108,443	6,102,045	6,167,799	6,356,417
Redeemable non-controlling interests	3,195	2,487	2,000	2,014	—
Stockholders' equity					
Preferred stock, \$0.01 par value; 200,000 shares authorized	—	—	—	—	—
Common stock, \$0.01 par value; 1,000,000 shares authorized	3,809	3,808	3,808	3,806	3,806
Additional paid-in capital	9,597,629	9,595,033	9,591,194	9,587,637	9,586,556
Accumulated other comprehensive income (loss)	17,079	9,328	(8,554)	2,140	5,524
Cumulative net income attributable to common stockholders	1,069,327	1,137,171	1,219,930	1,307,055	1,342,819
Cumulative dividends	(3,684,144)	(3,565,941)	(3,447,750)	(3,329,562)	(3,211,492)
Total stockholders' equity	7,003,700	7,179,399	7,358,628	7,571,076	7,727,213
Non-controlling interest	101,888	104,018	106,211	108,742	111,813
Total equity	7,105,588	7,283,417	7,464,839	7,679,818	7,839,026
Total liabilities and stockholders' equity	\$13,103,728	\$13,394,347	\$13,568,884	\$13,849,631	\$14,195,443

# Statements of Income

DOLLARS IN THOUSANDS

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
<b>Revenues</b>				
Rental income	\$333,335	\$329,680	\$324,093	\$329,399
Interest income	4,264	4,233	4,214	4,227
Other operating	4,661	4,230	4,618	4,436
	342,260	338,143	332,925	338,062
<b>Expenses</b>				
Property operating	131,639	125,395	122,040	117,009
General and administrative	13,396	15,464	14,935	14,417
Acquisition and pursuit costs <sup>1</sup>	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Depreciation and amortization	182,989	183,193	184,479	185,275
	336,243	309,051	326,596	327,570
Other income (expense)				
Interest expense before merger-related fair value	(55,637)	(54,780)	(52,895)	(52,464)
<i>Merger-related fair value adjustment</i>	<i>(10,667)</i>	<i>(10,554)</i>	<i>(10,864)</i>	<i>(11,979)</i>
Interest expense	(66,304)	(65,334)	(63,759)	(64,443)
Gain on sales of real estate properties	48,811	7,156	1,007	73,083
Gain on extinguishment of debt	62	—	—	119
Impairment of real estate assets and credit loss reserves	(56,873)	(55,215)	(31,422)	(54,452)
Equity (loss) gain from unconsolidated joint ventures	(456)	(17)	(780)	89
Interest and other income (expense), net	139	592	547	(1,168)
	(74,621)	(112,818)	(94,407)	(46,772)
Net loss	\$(68,604)	\$(83,726)	\$(88,078)	\$(36,280)
Net loss attributable to non-controlling interests	760	967	953	516
Net loss attributable to common stockholders	\$(67,844)	\$(82,759)	\$(87,125)	\$(35,764)
Basic earnings per common share	\$(0.18)	\$(0.22)	\$(0.23)	\$(0.10)
Diluted earnings per common share	\$(0.18)	\$(0.22)	\$(0.23)	\$(0.10)
Weighted average common shares outstanding - basic	378,925	378,897	378,840	378,617
Weighted average common shares outstanding - diluted <sup>2</sup>	378,925	378,897	378,840	378,617

## STATEMENTS OF INCOME SUPPLEMENTAL INFORMATION

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
<b>Interest income</b>				
Financing receivables	\$2,002	\$2,053	\$2,144	\$2,203
Interest on mortgage and mezzanine loans	2,262	2,180	2,070	2,024
Total	\$4,264	\$4,233	\$4,214	\$4,227
<b>Other operating income</b>				
Parking income	\$2,751	\$2,370	\$2,391	\$2,413
Management fee income	1,552	1,597	1,973	1,803
Miscellaneous	358	263	254	220
Total	\$4,661	\$4,230	\$4,618	\$4,436

<sup>1</sup> Includes third party and travel costs related to the pursuit of acquisitions and developments.

<sup>2</sup> Potential common shares are not included in the computation of diluted earnings per share when a loss exists, as the effect would be an antidilutive per share amount. As a result, the Company's OP totaling 4,042,993 units was not included.

# FFO, Normalized FFO, & FAD <sup>1,2,3</sup>

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Net loss attributable to common stockholders	\$(67,844)	\$(82,759)	\$(87,125)	\$(35,764)
<i>Net loss attributable to common stockholders per diluted share <sup>3</sup></i>	<i>\$(0.18)</i>	<i>\$(0.22)</i>	<i>\$(0.23)</i>	<i>\$(0.10)</i>
Gain on sales of real estate assets	\$48,811	\$(7,156)	\$(1,007)	(73,083)
Impairments of real estate assets	56,873	55,215	26,227	54,452
Real estate depreciation and amortization	185,143	185,003	186,109	186,658
Non-controlling loss from partnership units	(841)	(1,027)	(1,067)	(382)
Unconsolidated JV depreciation and amortization	4,421	4,412	4,841	4,020
<b>FFO adjustments</b>	<b>\$196,785</b>	<b>\$236,447</b>	<b>\$215,103</b>	<b>\$171,665</b>
<i>FFO adjustments per common share - diluted</i>	<i>\$0.51</i>	<i>\$0.62</i>	<i>\$0.56</i>	<i>\$0.45</i>
<b>FFO</b>	<b>\$128,941</b>	<b>\$153,688</b>	<b>\$127,978</b>	<b>\$135,901</b>
<i>FFO per common share - diluted</i>	<i>\$0.34</i>	<i>\$0.40</i>	<i>\$0.33</i>	<i>\$0.35</i>
Acquisition and pursuit costs	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Lease intangible amortization	213	240	146	137
Non-routine legal costs/forfeited earnest money received	—	275	—	194
Debt financing costs	(62)	—	—	625
Allowance for credit losses <sup>4</sup>	—	—	8,599	—
Merger-related fair value adjustment	10,667	10,554	10,864	11,979
Unconsolidated JV normalizing items <sup>5</sup>	90	93	117	96
<b>Normalized FFO adjustments</b>	<b>\$19,127</b>	<b>\$(3,839)</b>	<b>\$24,868</b>	<b>\$23,900</b>
<i>Normalized FFO adjustments per common share - diluted</i>	<i>\$0.05</i>	<i>\$(0.01)</i>	<i>\$0.06</i>	<i>\$0.06</i>
<b>Normalized FFO</b>	<b>\$148,068</b>	<b>\$149,849</b>	<b>\$152,846</b>	<b>\$159,801</b>
<i>Normalized FFO per common share - diluted</i>	<i>\$0.39</i>	<i>\$0.39</i>	<i>\$0.40</i>	<i>\$0.42</i>
Non-real estate depreciation and amortization	475	802	604	624
Non-cash interest amortization, net <sup>6</sup>	1,402	1,618	682	2,284
Rent reserves, net	442	(54)	1,371	(100)
Straight-line rent income, net	(8,470)	(8,005)	(8,246)	(9,873)
Stock-based compensation	2,556	3,924	3,745	3,573
Unconsolidated JV non-cash items <sup>7</sup>	(231)	(316)	(227)	(316)
<b>Normalized FFO adjusted for non-cash items</b>	<b>144,242</b>	<b>147,818</b>	<b>150,775</b>	<b>155,993</b>
2nd generation TI	(21,248)	(17,236)	(8,882)	(13,523)
Leasing commissions paid	(8,907)	(5,493)	(7,013)	(7,404)
Capital expenditures	(14,354)	(8,649)	(8,946)	(25,669)
<b>Total maintenance capex</b>	<b>(44,509)</b>	<b>(31,378)</b>	<b>(24,841)</b>	<b>(46,596)</b>
<b>FAD</b>	<b>\$99,733</b>	<b>\$116,440</b>	<b>\$125,934</b>	<b>\$109,397</b>
<b>Quarterly dividends and OP distributions</b>	<b>\$119,456</b>	<b>\$119,444</b>	<b>\$119,442</b>	<b>\$119,323</b>
<b>FFO wtd avg common shares outstanding - diluted <sup>8</sup></b>	<b>383,428</b>	<b>383,409</b>	<b>383,335</b>	<b>383,228</b>

1 Funds from operations ("FFO") and FFO per share are operating performance measures adopted by NAREIT. NAREIT defines FFO as "net income (computed in accordance with GAAP) excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity."

2 FFO, Normalized FFO and Funds Available for Distribution ("FAD") do not represent cash generated from operating activities determined in accordance with GAAP and is not necessarily indicative of cash available to fund cash needs. FFO, Normalized FFO and FAD should not be considered alternatives to net income attributable to common stockholders as indicators of the Company's operating performance or as alternatives to cash flow as measures of liquidity.

3 Potential common shares are not included in the computation of diluted earnings per share when a loss exists, as the effect would be an antidilutive per share amount.

4 In Q1 2023, allowance for credit losses included a \$5.2 million credit allowance for a mezzanine loan included in "Impairment of real estate and credit loss reserves" on the Statement of Income and \$3.4 million reserve included in "Rental Income" on the Statement of Income for previously deferred rent and straight line rent for three skilled nursing facilities.

5 Includes the Company's proportionate share of normalizing items related to unconsolidated joint ventures such as lease intangibles and acquisition and pursuit costs.

6 Includes the amortization of deferred financing costs, discounts and premiums, and non-cash financing receivable amortization.

7 Includes the Company's proportionate share of straight-line rent, net and rent reserves, net related to unconsolidated joint ventures.

8 The Company utilizes the treasury stock method, which includes the dilutive effect of nonvested share-based awards outstanding of 432,597 for the three months ended September 30, 2023. Also includes the diluted impact of 4,042,993 OP units outstanding.

# Capital Funding & Commitments <sup>1</sup>

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

## ACQUISITION AND RE/DEVELOPMENT FUNDING

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Acquisitions <sup>2</sup>	\$11,450	\$—	\$31,500	\$26,388	\$91,253
Re/development <sup>3</sup>	30,945	32,068	16,928	23,372	31,546
1st generation TI & acquisition capex <sup>4</sup>	9,013	10,258	11,870	21,218	12,596

## MAINTENANCE CAPITAL EXPENDITURES FUNDING

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
2nd generation TI	\$21,248	\$17,236	\$8,882	\$13,523	\$11,763
Leasing commissions paid	8,907	5,493	7,013	7,404	8,739
Capital expenditures	14,354	8,649	8,946	25,669	17,461
	\$44,509	\$31,378	\$24,841	\$46,596	\$37,963

## % of Cash NOI

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
2nd generation TI	10.4 %	8.3 %	4.2 %	6.4 %	5.5 %
Leasing commissions paid	4.4 %	2.6 %	3.3 %	3.5 %	4.1 %
Capital expenditures	7.0 %	4.2 %	4.3 %	12.1 %	8.1 %
	21.8 %	15.1 %	11.8 %	22.0 %	17.7 %

## LEASING COMMITMENTS <sup>5</sup>

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022
Renewals					
Square feet	625,762	638,587	949,285	623,363	632,690
2nd generation TI/square foot/lease year	\$1.76	\$1.64	\$1.84	\$1.90	\$1.66
Leasing commissions/square foot/lease year	\$1.48	\$1.19	\$0.87	\$0.78	\$1.03
Renewal commitments as a % of annual net rent	13.1 %	12.8 %	11.5 %	11.7 %	10.5 %
WALT (in months) <sup>5</sup>	42.1	56.7	56.8	51.7	50.1
New leases					
Square feet	344,524	205,565	274,344	297,340	262,904
2nd generation TI/square foot/lease year	\$5.57	\$7.11	\$4.44	\$6.25	\$4.84
Leasing commissions/square foot/lease year	\$1.81	\$1.40	\$0.83	\$1.49	\$1.39
New lease commitments as a % of annual net rent	32.1 %	45.0 %	21.6 %	36.2 %	28.1 %
WALT (in months) <sup>5</sup>	85.8	81.3	84.7	72.7	87.1
All					
Square feet	970,286	844,152	1,223,629	920,703	895,594
Leasing commitments as a % of annual net rent	22.6 %	21.7 %	14.7 %	21.0 %	16.9 %
WALT (in months) <sup>5</sup>	57.6	62.7	63.1	58.4	61.0

<sup>1</sup> On July 20, 2022, Legacy HR and HTA closed the merger of the two companies, in which Legacy HR was the acquirer under GAAP. Accordingly, the historic financial statements of the combined company are those of Legacy HR.

<sup>2</sup> Acquisitions include properties acquired through joint ventures at the Company's ownership percentage.

<sup>3</sup> Re/development funding includes capital spend on re/developments, development completions and unstabilized properties.

<sup>4</sup> Acquisition capex includes near-term fundings underwritten as part of recent acquisitions.

<sup>5</sup> Reflects leases commencing in the quarter. Excludes recently acquired or disposed properties, development completions, construction in progress, land held for development, corporate property, redevelopment properties, unstabilized properties, planned dispositions and assets classified as held for sale.

<sup>6</sup> WALT = weighted average lease term.

# Debt Metrics<sup>1</sup>

DOLLARS IN THOUSANDS

## SUMMARY OF INDEBTEDNESS AS OF SEPTEMBER 30, 2023

	PRINCIPAL BALANCE	BALANCE <sup>1</sup>	MATURITY DATE	MONTHS TO MATURITY <sup>2</sup>	INTEREST EXPENSE	CONTRACTUAL INTEREST EXPENSE	CONTRACTUAL RATE	EFFECTIVE RATE	FAIR VALUE MERGER ADJUSTED
	\$250,000	\$249,391	5/1/2025	19	\$2,470	\$2,422	3.88 %	4.12 %	
	600,000	577,124	8/1/2026	34	7,119	5,250	3.50 %	4.94 %	Y
	500,000	482,665	7/1/2027	45	5,737	4,688	3.75 %	4.76 %	Y
	300,000	297,283	1/15/2028	52	2,783	2,718	3.63 %	3.85 %	
SENIOR NOTES	650,000	572,883	2/15/2030	77	7,563	5,038	3.10 %	5.30 %	Y
	299,500	296,679	3/15/2030	78	1,928	1,796	2.40 %	2.72 %	
	299,785	295,706	3/15/2031	90	1,593	1,538	2.05 %	2.25 %	
	800,000	645,232	3/15/2031	90	8,234	4,000	2.00 %	5.13 %	Y
	\$3,699,285	\$3,416,963		62	\$37,427	\$27,450	2.97 %	4.43 %	
	\$350,000	\$349,711	7/20/2025	22	\$5,638	\$5,638	SOFR + 1.05%	6.30 %	
	200,000	199,845	5/31/2026	32	3,222	3,222	SOFR + 1.05%	6.30 %	
	150,000	149,606	6/1/2026	32	2,416	2,416	SOFR + 1.05%	6.30 %	
TERM LOANS	300,000	299,952	10/31/2026	37	4,833	4,833	SOFR + 1.05%	6.30 %	
	200,000	199,467	7/1/2027	45	3,222	3,222	SOFR + 1.05%	6.30 %	
	300,000	298,184	1/12/2028	51	4,833	4,833	SOFR + 1.05%	6.30 %	
	\$1,500,000	\$1,496,765		36	\$24,164	\$24,164		6.30 %	
\$1.5B CREDIT FACILITY	\$236,000	\$236,000	10/31/2027	49	\$5,827	\$5,827	SOFR + 0.95%	6.24 %	
MORTGAGES	\$77,907	\$77,685	various	21	\$788	\$831	4.20 %	4.21 %	
	\$5,513,192	\$5,227,413		54	\$68,206	\$58,272	4.03 %	5.05 %	\$2,550,000
Interest rate swaps					(5,315)	(5,315)			
Interest cost capitalization					(795)	—			
Unsecured credit facility fee & deferred financing costs					2,292	954			
Amortization of fair value of swap maturing January 2024					988	—	1.21 %	3.21 %	Y
Financing right-of-use asset amortization					928	—			
					\$66,304	\$53,911			

## DEBT MATURITIES SCHEDULE AS OF SEPTEMBER 30, 2023

	PRINCIPAL PAYMENTS				WA RATE	INTEREST RATE SWAPS		
	BANK LOANS	SENIOR NOTES	MORTGAGE NOTES	TOTAL		MATURITY	AMOUNT	FIXED SOFR RATE
2023			\$7,155	\$7,155	4.46 %	January 2024	200,000	1.21 %
2024			25,473	25,473	4.39 %	May 2026	100,000	2.15 %
2025	\$350,000	\$250,000	16,375	616,375	5.26 %	June 2026	150,000	3.83 %
2026	650,000	600,000	28,904	1,278,904	4.92 %	December 2026	150,000	3.84 %
2027	436,000	500,000		936,000	5.07 %	June 2027	150,000	4.13 %
2028	300,000	300,000		600,000	4.96 %	December 2027	250,000	3.79 %
Thereafter		2,049,285		2,049,285	2.41 %	As of 9/30/2023	\$1,000,000	3.17 %
Total	\$1,736,000	\$3,699,285	\$77,907	\$5,513,192	4.03 %	<i>Subsequent activity:</i>		
Fixed rate debt balance <sup>3</sup>	\$1,000,000	\$3,699,285	\$77,907	\$4,777,192		May 2026	100,000	4.73 %
% fixed rate debt to net debt (as of 9/30)				87.0 %		June 2027	50,000	4.71 %
Company share of JV net debt			\$12,570			December 2027	50,000	4.67 %
						As of 11/3/2023	\$1,200,000	3.43 %

<sup>1</sup> Balances are reflected net of discounts, fair value adjustments, and deferred financing costs and include premiums.

<sup>2</sup> Includes extension options.

<sup>3</sup> Reflects \$1.0 billion of interest rate swaps.

# Debt Covenants & Liquidity<sup>1</sup>

DOLLARS IN THOUSANDS

## SELECTED FINANCIAL DEBT COVENANTS YEAR ENDED SEPTEMBER 30, 2023<sup>2</sup>

	CALCULATION	REQUIREMENT	PER DEBT COVENANTS
Revolving credit facility and term loan			
Leverage ratio	Total debt/total capital	Not greater than 60%	38.3 %
Secured leverage ratio	Total secured debt/total capital	Not greater than 30%	0.5 %
Unencumbered leverage ratio	Unsecured debt/unsecured real estate	Not greater than 60%	39.4 %
Fixed charge coverage ratio	EBITDA/fixed charges	Not less than 1.50x	3.1x
Unsecured coverage ratio	Unsecured EBITDA/unsecured interest	Not less than 1.75x	3.1x
Asset investments	Unimproved land, JVs & mortgages/total assets	Not greater than 35%	8.5 %
Senior Notes			
Incurrence of total debt	Total debt/total assets	Not greater than 60%	38.2 %
Incurrence of debt secured by any lien	Secured debt/total assets	Not greater than 40%	0.5 %
Maintenance of total unsecured assets	Unencumbered assets/unsecured debt	Not less than 150%	259.2 %
Debt service coverage	EBITDA/interest expense	Not less than 1.5x	3.2x
Other			
Net debt to adjusted EBITDA <sup>3</sup>	Net debt (debt less cash)/adjusted EBITDA	Not required	6.6x
Net debt to enterprise value <sup>4</sup>	Net debt/enterprise value	Not required	48.3 %

## LIQUIDITY SOURCES

Cash	\$24,668
Unsecured credit facility availability	1,264,000
Consolidated unencumbered assets (gross) <sup>5</sup>	13,496,752

<sup>1</sup> On July 20, 2022, Legacy HR and HTA closed the merger of the two companies, in which Legacy HR was the acquirer under GAAP. Accordingly, the historic financial statements of the combined company are those of Legacy HR.

<sup>2</sup> Does not include all financial and non-financial covenants and restrictions that are required by the Company's various debt agreements. Financial measures include the Company's proportionate share of unconsolidated joint ventures, as applicable.

<sup>3</sup> Net debt includes the Company's share of unconsolidated JV net debt. See page 23 for a reconciliation of adjusted EBITDA.

<sup>4</sup> Based on the closing price of \$15.27 on September 29, 2023 and 384,903,105 shares outstanding including outstanding OP units.

<sup>5</sup> Annualized third quarter 2023 unencumbered asset NOI was \$786.8 million.

# Investment Activity

DOLLARS IN THOUSANDS

## MOB ACQUISITION ACTIVITY

MARKET	COUNT	MILES TO CAMPUS	ASSOCIATED HEALTH SYSTEM	CLOSING	SQUARE FEET	LEASED %	PURCHASE PRICE <sup>1</sup>	% OWNERSHIP
Tampa, FL	1	0.06	BayCare Health	3/10/2023	115,867	98 %	\$31,500	100 %
Colorado Springs, CO	1	1.30	UC Health	7/28/2023	42,770	94 %	11,450	100 %
YTD total	2				158,637	97 %	\$42,950	100 %
YTD average cap rate <sup>2</sup>							6.5 %	

## DISPOSITIONS TO REPAY ASSET SALE TERM LOAN

LOCATION	TYPE	CLOSING	SQUARE FEET	LEASED %	SALE PRICE
Tampa, FL & Miami, FL <sup>3</sup>	MOB	1/12/2023	224,037	100 %	\$93,250
Dallas, TX <sup>4</sup>	INPATIENT	1/30/2023	36,691	100 %	19,210
Total			260,728	100 %	\$112,460

## ADDITIONAL DISPOSITION ACTIVITY

LOCATION	TYPE	CLOSING	SQUARE FEET	LEASED %	SALE PRICE
St. Louis, MO	MOB	2/10/2023	6,500	100 %	\$350
Los Angeles, CA	MOB	3/23/2023	37,165	100 %	21,000
Los Angeles, CA <sup>5</sup>	MOB	3/30/2023	147,078	99 %	75,000
Los Angeles, CA <sup>6</sup>	LAND	5/12/2023	-	— %	3,300
Albany, NY	MOB	6/30/2023	40,870	96 %	10,000
Houston, TX	OFFICE	8/2/2023	57,170	88 %	8,320
Atlanta, GA	MOB	8/22/2023	55,195	100 %	25,142
Dallas, TX	INPATIENT	9/15/2023	161,264	100 %	115,000
Houston, TX	MOB	9/18/2023	52,040	— %	250
Chicago, IL	MOB	9/27/2023	104,912	100 %	59,950
Total			662,194	91 %	\$318,312
Average cap rate <sup>7</sup>					6.8 %

<sup>1</sup> Includes joint venture acquisitions at full acquisition price.

<sup>2</sup> For acquisitions, cap rate represents the forecasted first year NOI divided by purchase price. Does not include fees earned related to the unconsolidated joint venture.

<sup>3</sup> Includes two properties, sold in two separate transactions to the same buyer on the same date.

<sup>4</sup> Values and square feet are represented at 100%. The Company retained a 40% ownership interest in the joint venture that purchased this property.

<sup>5</sup> The Company entered into a mortgage note agreement with the buyer for \$45 million.

<sup>6</sup> The Company sold a land parcel totaling 0.34 acres.

<sup>7</sup> For dispositions, cap rate represents the in-place cash NOI divided by sales price.

# Re/development Activity

DOLLARS IN THOUSANDS

## RE/DEVELOPMENT PROJECTS

MARKET	ASSOCIATED HEALTH SYSTEM	SQUARE FEET	CURRENT LEASED %	BUDGET	COST TO COMPLETE	PROJECT START	ESTIMATED COMPLETION/INITIAL LEASE COMMENCEMENT
Active development							
Nashville, TN	Ascension	106,194	50 %	\$44,000	\$4,811	2Q 2021	3Q 2023
Orlando, FL <sup>1</sup>	Advent Health	156,566	78 %	65,000	35,621	1Q 2022	4Q 2024
Raleigh, NC	UNC REX Health	120,694	29 %	52,600	26,632	2Q 2022	4Q 2024
Orlando, FL	Exalt Health	45,000	100 %	25,900	22,106	1Q 2023	1Q 2025
Phoenix, AZ	HonorHealth	101,000	80 %	54,000	38,774	2Q 2023	2Q 2025
Total development		529,454	64 %	\$241,500	\$127,944		
<i>Projected stabilized yield - 6.5%-8.0%</i>							
<i>Estimated stabilization period post completion - 12 - 36 months</i>							
Active redevelopment							
Washington, DC	Inova Health	259,290	82 %	\$21,200	\$13,009	1Q 2022	2Q 2024
Houston, TX	HCA	314,861	61 %	30,000	27,918	2Q 2023	4Q 2025
Charlotte, NC	Novant Health	169,135	53 %	18,700	16,390	3Q 2023	1Q 2026
Washington, DC	Inova Health	57,323	64 %	10,078	7,263	3Q 2023	1Q 2026
Total redevelopment		800,609	66 %	\$79,978	\$64,580		
Occupied %			60 %				
<i>Projected stabilized yield - 9.0%-12.0%</i>							
<i>Estimated stabilization period post completion - 12 - 36 months</i>							
Total active re/development projects		1,330,063	65 %	\$321,478	\$192,524		

<sup>1</sup> Investment is a construction loan with purchase rights upon completion.

# Portfolio 1,2

DOLLARS IN THOUSANDS

## MARKETS

MARKET	MSA RANK	WHOLLY OWNED COUNT	SQUARE FEET					WHOLLY OWNED		
			MOB	INPATIENT	OFFICE	WHOLLY OWNED	JOINT VENTURES <sup>3</sup>	TOTAL	% OF NOI	CUMULATIVE % OF NOI
Dallas, TX	4	44	3,308,315	146,519	199,800	3,654,634	226,076	3,880,710	8.9 %	8.9 %
Seattle, WA	15	29	1,592,501			1,592,501		1,592,501	6.1 %	15.0 %
Boston, MA	11	18	964,945			964,945		964,945	4.6 %	19.6 %
Houston, TX	5	31	2,351,135	67,500		2,418,635		2,418,635	4.5 %	24.1 %
Los Angeles, CA	2	21	1,034,336	63,000	104,377	1,201,713	702,453	1,904,166	4.3 %	28.4 %
Denver, CO	19	33	1,780,819		93,869	1,874,688	116,616	1,991,304	4.3 %	32.7 %
Charlotte, NC	23	32	1,792,908			1,792,908		1,792,908	4.3 %	37.0 %
Atlanta, GA	8	27	1,423,141			1,423,141		1,423,141	3.8 %	40.8 %
Miami, FL	9	20	1,244,531	133,500		1,378,031		1,378,031	3.5 %	44.3 %
Nashville, TN	35	12	1,135,678		108,691	1,244,369		1,244,369	2.9 %	47.2 %
Raleigh, NC	41	28	1,109,582			1,109,582		1,109,582	2.8 %	50.0 %
Phoenix, AZ	10	35	1,512,304			1,512,304		1,512,304	2.8 %	52.8 %
Austin, TX	27	13	863,700			863,700		863,700	2.6 %	55.4 %
Tampa, FL	18	19	971,975			971,975		971,975	2.5 %	57.9 %
Indianapolis, IN	33	40	1,162,955	61,398		1,224,353	273,479	1,497,832	2.4 %	60.3 %
New York, NY	1	15	704,415			704,415		704,415	2.0 %	62.3 %
Orlando, FL	22	8	359,477	186,998		546,475		546,475	1.9 %	64.2 %
San Francisco, CA	13	6	452,666			452,666	110,865	563,531	1.8 %	66.0 %
Memphis, TN	44	11	802,221	54,416		856,637		856,637	1.8 %	67.8 %
Chicago, IL	3	6	607,845			607,845		607,845	1.8 %	69.6 %
Other (53 markets)		215	10,897,805	574,976	1,228,363	12,701,144	519,911	13,221,055	30.4 %	100.0 %
<b>Total</b>		<b>663</b>	<b>36,073,254</b>	<b>1,288,307</b>	<b>1,735,100</b>	<b>39,096,661</b>	<b>1,949,400</b>	<b>41,046,061</b>	<b>100.0 %</b>	
Number of properties			636	18	9	663	34	697		
% of square feet			92.3 %	3.3 %	4.4 %	100.0 %				
% multi-tenant			85.7 %	— %	60.4 %	81.7 %				
Investment			\$12,373,395	\$511,375	\$485,680	\$13,370,450				
Quarterly cash NOI <sup>1</sup>			\$179,631	\$9,528	\$7,062	\$196,221				
% of cash NOI			91.5 %	4.9 %	3.6 %	100.0 %				

## BY BUILDING TYPE

	WHOLLY OWNED			JOINT VENTURE <sup>3</sup>	TOTAL
	MULTI-TENANT	SINGLE-TENANT	SUBTOTAL		
Number of properties	530	133	663	34	697
Square feet	31,957,299	7,139,362	39,096,661	1,949,400	41,046,061
% of square feet	77.9 %	17.4 %	95.3 %	4.7 %	100.0 %
Investment <sup>1</sup>	\$10,503,116	\$2,867,334	\$13,370,450	\$358,015	\$13,728,465
Quarterly cash NOI <sup>1</sup>	\$149,875	\$46,346	\$196,221	\$4,692	\$200,913
% of cash NOI	74.6 %	23.1 %	97.7 %	2.3 %	100.0 %

<sup>1</sup> Gross investment and quarterly cash NOI are reflected at the Company's ownership percentage.

<sup>2</sup> Excludes assets held for sale, land held for development, construction in progress and corporate property.

<sup>3</sup> The Company's weighted average ownership percentage in its joint ventures was approximately 44%.

## MOB PORTFOLIO

HEALTH SYSTEM	SYSTEM RANK <sup>2</sup>	CREDIT RATING	BUILDING SQUARE FEET			# OF BLDGS	% OF NOI	LEASED BY HEALTH SYSTEM	% OF LEASED SF	# OF LEASES
			ON/ADJACENT <sup>3</sup>	OFF-CAMPUS AFFILIATED <sup>4</sup>	TOTAL					
HCA	1	BBB-/Baa3	2,267,969	779,288	3,047,257	46	8.7 %	784,226	2.5 %	131
CommonSpirit	4	A-/Baa1	1,906,957	636,320	2,543,277	44	7.0 %	906,873	2.9 %	163
Baylor Scott & White	21	AA-/Aa3	2,570,180	66,376	2,636,556	29	6.6 %	1,264,135	4.0 %	195
Ascension Health	3	AA+/Aa2	2,156,369	97,551	2,253,920	24	5.7 %	924,075	2.9 %	145
Advocate Health	14	AA/Aa3	790,317	496,198	1,286,515	20	4.0 %	1,125,820	3.6 %	95
Tenet Healthcare Corporation	6	B+/B1	1,298,392	376,410	1,674,802	29	3.7 %	390,966	1.2 %	81
Wellstar Health System	75	A+/A2	896,773	23,088	919,861	18	2.7 %	582,754	1.9 %	81
UW Medicine (Seattle)	91	AA+/Aaa	461,363	169,709	631,072	10	2.6 %	294,971	0.9 %	32
AdventHealth	11	AA/Aa2	797,587	118,585	916,172	14	2.6 %	411,598	1.3 %	81
Community Health Systems	8	CCC+/Caa1	785,169	—	785,169	16	2.0 %	353,558	1.1 %	46
Baptist Memorial Health Care	89	A-2/--	544,122	252,414	796,536	10	2.0 %	430,579	1.4 %	57
Cedars-Sinai Health Systems	51	AA-/Aa3	199,701	90,607	290,308	5	1.6 %	54,636	0.2 %	20
Providence St. Joseph Health	5	A/A2	330,287	31,601	361,888	8	1.6 %	137,032	0.4 %	25
Trinity Health	7	AA-/Aa3	678,920	22,956	701,876	11	1.6 %	353,168	1.1 %	55
Hawaii Pacific Health	181	--/A1	173,502	124,925	298,427	3	1.4 %	98,398	0.3 %	39
Banner Health	24	AA/--	749,075	31,039	780,114	24	1.4 %	141,286	0.5 %	36
WakeMed	185	--/A2	373,980	101,597.00	475,577	13	1.3 %	144,265	0.5 %	21
Bon Secours Health System	22	A+/A1	405,945	—	405,945	6	1.3 %	242,817	0.8 %	50
Overlake Health System	291	A/Baa1	230,710	—	230,710	3	1.2 %	73,676	0.3 %	8
MedStar Health	45	A/A2	326,129	—	326,129	4	1.1 %	203,507	0.6 %	65
UNC Health Care	62	A+/Aa3	273,186	84,886	358,072	8	1.1 %	220,478	0.7 %	28
Other (70 credit rated)			6,508,778	3,531,414	10,040,192	195	27.2 %	4,397,962	14.0 %	
Subtotal - credit rated <sup>5</sup>			24,725,411	7,034,964	31,760,375	540	88.4 %	13,536,780	43.1 %	
Other non-credit rated <sup>6</sup>			1,281,438	612,886	1,894,324	37	6.5 %	864,229	2.8 %	
Off-campus non-affiliated <sup>7</sup>			—	2,418,555	2,418,555	59	5.1 %	—	— %	
Wholly-owned			26,006,849	10,066,405	36,073,254	636	100.0 %	14,401,009	45.9 %	
Joint ventures			1,143,456	579,868	1,723,324					
Total			27,150,305	10,646,273	37,796,578					

1 Excludes construction in progress and assets classified as held for sale.

2 Ranked by revenue based on Modern Healthcare's Healthcare Systems Financials Database.

3 The Company defines an adjacent property as being no more than 0.25 miles from a hospital campus.

4 Includes off-campus buildings where health systems lease 20% or more of the property and/or are located within 2 miles from a hospital campus.

5 Based on square footage, 80% is associated and 41% is leased by an investment-grade rated healthcare provider.

6 Includes 37 properties associated with a hospital system that is not credit rated.

7 Includes off-campus buildings that are not 20% or more leased by a health system and are more than two miles from a hospital campus.

# MOB Proximity to Hospital <sup>1,2</sup>

## MOB BY LOCATION

	# OF PROPERTIES	SQUARE FEET	TOTAL	% GROUND LEASED
On campus	237	18,227,405	48.2 %	37.6 %
Adjacent to campus <sup>3</sup>	187	8,922,900	23.6 %	3.9 %
Total on/adjacent	424	27,150,305	71.8 %	41.5 %
Off campus - affiliated <sup>4</sup>	177	8,094,357	21.4 %	3.8 %
Off campus	62	2,551,916	6.8 %	0.6 %
	663	37,796,578	100.0 %	45.9 %
Wholly-owned	636	36,073,254		
Joint ventures	27	1,723,324		

## MOB BY CLUSTER <sup>5</sup>

	TOTAL			HOSPITAL CENTRIC <sup>6</sup>		
	# OF PROPERTIES	SQUARE FEET	% OF MOB SQUARE FEET	# OF PROPERTIES	SQUARE FEET	% OF MOB SQUARE FEET
Clustered	474	26,303,078	69.6 %	391	22,954,855	72.0 %
Non-clustered	189	11,493,500	30.4 %	129	8,915,134	28.0 %
Total	663	37,796,578	100.0 %	520	31,869,989	100.0 %

1 Includes joint venture properties and excludes construction in progress and assets classified as held for sale.

2 Proximity to hospital campus includes acute care hospitals with inpatient beds. The Company does not consider inpatient rehab hospitals (IRFs), skilled nursing facilities (SNFs) or long-term acute care hospitals (LTACHs) to be hospital campuses for distance calculations.

3 The Company defines an adjacent property as being no more than 0.25 miles from a hospital campus.

4 Includes off-campus buildings where health systems lease 20% or more of the property and/or are located within 2 miles from a hospital campus.

5 A cluster is defined as at least two properties within a geographic radius of two miles. The Company believes clusters provide operational efficiencies and greater local leasing knowledge that accelerate NOI growth.

6 Includes buildings that are located within two miles of a hospital campus.

# Lease Maturity & Occupancy<sup>1</sup>

## LEASE MATURITY SCHEDULE

	SQUARE FEET						# OF WHOLLY- OWNED LEASES
	WHOLLY-OWNED AND JOINT VENTURE				JOINT VENTURES	WHOLLY-OWNED	
	MULTI-TENANT <sup>2</sup>	SINGLE-TENANT	TOTAL	% OF TOTAL			
Month-to-month	481,633	643	482,276	1.3 %	20,018	462,258	226
2023	848,821	210,341	1,059,162	2.9 %	61,705	997,457	265
2024	4,690,902	958,593	5,649,495	15.7 %	221,589	5,427,906	1,387
2025	3,754,961	992,940	4,747,901	13.2 %	183,551	4,564,350	1,084
2026	3,782,930	484,579	4,267,509	11.9 %	122,587	4,144,922	999
2027	3,351,159	999,428	4,350,587	12.1 %	149,766	4,200,821	842
2028	2,813,638	665,562	3,479,200	9.7 %	82,809	3,396,391	744
2029	1,760,028	970,949	2,730,977	7.6 %	342,627	2,388,350	396
2030	1,813,297	756,694	2,569,991	7.2 %	85,985	2,484,006	355
2031	1,051,642	137,827	1,189,469	3.3 %	27,799	1,161,670	237
2032	1,816,462	361,573	2,178,035	6.1 %	62,415	2,115,620	285
Thereafter	2,388,213	836,298	3,224,511	9.0 %	333,976	2,890,535	365
Total occupied	28,553,686	7,375,427	35,929,113	87.5 %	1,694,827	34,234,286	7,185
Total building	33,551,933	7,494,128	41,046,061		1,949,400	39,096,661	
Occupancy	85.1 %	98.4 %	87.5 %		86.9 %	87.6 %	
Leased %	87.2 %	98.4 %	89.2 %		87.7 %	89.3 %	
WALTR (months) <sup>3</sup>	50.1	64.3	55.7			51.8	
WALT (months) <sup>3</sup>	96.5	140.3	110.7			104.0	

<sup>1</sup> Excludes land held for development, construction in progress, corporate property and assets classified as held for sale, unless noted otherwise.

<sup>2</sup> The average lease size in the wholly-owned multi-tenant portfolio is 3,968 square feet.

<sup>3</sup> WALTR = weighted average lease term remaining; WALT = weighted average lease term.

# Leasing Statistics

## MERGER COMBINED SAME STORE RENEWALS <sup>1</sup>

	Q3 2023	TTM
MOB cash leasing spreads <sup>2</sup>	4.8 %	3.6 %
MOB cash leasing spreads distribution		
< 0% spread	0.7 %	5.5 %
0-3% spread	2.9 %	14.6 %
3-4% spread	77.2 %	62.8 %
> 4% spread	19.2 %	17.1 %
Total	100.0 %	100.0 %
Tenant retention rate	76.1 %	79.0 %

## AVERAGE IN-PLACE CONTRACTUAL INCREASES <sup>3</sup>

	MULTI-TENANT		SINGLE-TENANT		TOTAL	
	% INCREASE	% OF BASE RENT	% INCREASE	% OF BASE RENT	% INCREASE	% OF BASE RENT
Merger combined same store <sup>1</sup>	2.84 %	68.0 %	2.52 %	17.7 %	2.77 %	85.7 %
Acquisitions	2.80 %	4.8 %	2.93 %	0.5 %	2.82 %	5.3 %
Other <sup>4</sup>	2.69 %	7.0 %	2.30 %	2.0 %	2.60 %	9.0 %
Total	2.82 %	79.8 %	2.51 %	20.2 %	2.76 %	100.0 %
Escalator type						
Fixed	2.77 %	96.7 %	2.58 %	88.1 %	2.74 %	95.0 %
CPI	4.29 %	3.3 %	1.99 %	11.9 %	3.19 %	5.0 %

## TYPE AND OWNERSHIP STRUCTURE <sup>1</sup>

	MULTI-TENANT	SINGLE-TENANT	TOTAL
Tenant type			
Hospital	46.4 %	71.0 %	51.4 %
Physician and other	53.6 %	29.0 %	48.6 %
Lease structure			
Gross	8.9 %	3.0 %	7.7 %
Modified gross	31.3 %	10.9 %	27.3 %
Net	59.8 %	64.6 %	60.8 %
Absolute net <sup>5</sup>	— %	21.5 %	4.3 %
Ownership type			
Ground lease	44.7 %	39.0 %	43.7 %
Fee simple	55.3 %	61.0 %	56.3 %

## # OF LEASES BY SIZE <sup>6</sup>

LEASED SQUARE FEET	# OF LEASES	WALT	WALTR
0 - 2,500	3,652	71.8	36.7
2,501 - 5,000	1,808	82.9	41.8
5,001 - 7,500	638	93.9	47.0
7,501 - 10,000	359	100.2	51.9
10,001 +	728	123.9	60.8
Total Leases	7,185	104.0	51.8

<sup>1</sup> Excludes recently acquired or disposed properties, construction in progress, land held for development, corporate property, planned dispositions and assets classified as held for sale.

<sup>2</sup> Excludes non-MOB renewals of 5,000 square feet and 54,000 square feet for the third quarter and trailing twelve months, respectively.

<sup>3</sup> Excludes leases with lease terms of one year or less.

<sup>4</sup> Includes redevelopment properties, development completion, and joint ventures.

<sup>5</sup> Tenant is typically responsible for operating expenses and capital obligations.

<sup>6</sup> Excludes joint ventures, land held for development, construction in progress, corporate property and assets classified as held for sale.

# Merger Combined Same Store<sup>1</sup>

DOLLARS IN THOUSANDS, EXCEPT PER SQUARE FOOT DATA

REFLECTS COMBINED COMPANY RESULTS FOR ALL PERIODS

## TOTAL MERGER COMBINED CASH NOI

	% of Total NOI	3Q 2023	2Q 2023	3Q 2022	Y-o-Y% CHANGE	TTM 2023	TTM 2022	% CHANGE
Multi-tenant	66 %	\$ 136,041	\$ 137,637	\$ 133,188	2.1 %	\$ 545,690	\$ 530,580	2.8 %
Single-tenant	21 %	43,220	42,422	42,257	2.3 %	170,825	166,542	2.6 %
Joint venture	1 %	2,530	2,619	2,293	10.3 %	10,050	9,342	7.6 %
Merger combined same store	89 %	\$ 181,791	\$ 182,678	\$ 177,738	2.3 %	\$ 726,565	\$ 706,464	2.8 %
Planned dispositions	1 %	1,453	1,348	2,058	(29.4 %)	6,970	9,923	(29.8 %)
Re/development	1 %	2,116	2,455	3,510	(39.7 %)	10,594	15,349	(31.0 %)
Wholly owned and joint venture acquisitions	7 %	13,797	13,396	10,582	30.4 %	52,016	26,535	96.0 %
Development completions	1 %	1,756	1,513	1,188	47.8 %	5,941	4,120	44.2 %
Completed dispositions & assets held for sale	2 %	3,808	6,350	19,302	(80.3 %)	31,505	95,596	(67.0 %)
Merger combined total cash NOI	100 %	\$204,721	\$207,740	\$214,378	(4.5 %)	\$833,591	\$857,987	(2.8 %)

## PORTFOLIO OCCUPANCY AND ABSORPTION

	COUNT	SQUARE FEET	OCCUPANCY %			ABSORPTION (square feet in thousands)	
			3Q 2023	2Q 2023	3Q 2022	SEQUENTIAL	Y-O-Y
Multi-tenant	462	28,232,890	86.7 %	86.9 %	86.6 %	(31)	42
Single-tenant	122	6,564,946	99.6 %	99.5 %	99.5 %	12	12
Joint venture	12	997,543	87.9 %	88.4 %	87.7 %	(5)	2
Merger combined same store	596	35,795,379	89.1 %	89.2 %	89.0 %	(24)	56
Planned dispositions	8	582,186	71.1 %	72.0 %	82.4 %	(5)	(66)
Re/development	16	1,368,720	51.1 %	51.6 %	63.3 %	(7)	(164)
Wholly owned and joint venture acquisitions	72	2,894,596	90.2 %	90.4 %	87.9 %	(5)	48
Development completions	5	405,180	73.3 %	71.1 %	66.6 %	9	43
Total portfolio	697	41,046,061	87.5 %	87.6 %	87.8 %	(32)	(83)
Joint ventures	34	1,949,400	86.9 %	87.0 %	85.5 %	(2)	24
Total wholly-owned	663	39,096,661	87.6 %	87.6 %	87.9 %	(30)	(107)

<sup>1</sup> Same store properties are properties that have been included in operations for the duration of the year-over-year comparison period presented. Accordingly, same store properties exclude properties that were recently acquired or disposed of, properties classified as held for sale or intended for sale, properties undergoing redevelopment, and newly redeveloped or developed properties. Legacy HTA properties that met the same store criteria are included in both periods shown as if they were owned by the Company for the full analysis period.

# Merger Combined Same Store<sup>1, 2</sup>

DOLLARS IN THOUSANDS, EXCEPT PER SQUARE FOOT DATA

REFLECTS COMBINED COMPANY RESULTS FOR ALL PERIODS

## MERGER COMBINED SAME STORE CASH NOI

	TOTAL				
	3Q 2023	2Q 2023	3Q 2022	TTM 2023	TTM 2022
Base revenue	\$219,904	\$219,317	\$215,632	\$873,376	\$850,489
Op. exp. recoveries	73,122	68,312	68,257	276,509	261,261
Revenues	\$293,026	\$287,629	\$283,889	\$1,149,885	\$1,111,750
Expenses	111,235	104,951	106,151	423,320	405,286
Cash NOI	\$181,791	\$182,678	\$177,738	\$726,565	\$706,464
Revenue per occ SF <sup>3</sup>	\$36.72	\$36.02	\$35.64	\$36.04	\$34.96
Margin	62.0 %	63.5 %	62.6 %	63.2 %	63.5 %
Average occupancy	89.2 %	89.2 %	89.0 %	89.1 %	88.8 %
Period end occupancy	89.1 %	89.2 %	89.0 %	89.1 %	89.0 %
Number of properties	596	596	596	596	596
Year-Over-Year Change					
Revenue per occ SF <sup>4</sup>	3.0 %			3.1 %	
Avg occupancy (bps)	+20			+30	
Revenues	3.2 %			3.4 %	
Base revenue	2.0 %			2.7 %	
Exp recoveries	7.1 %			5.8 %	
Expenses	4.8 %			4.4 %	
Cash NOI	2.3 %			2.8 %	

1 Same store properties are properties that have been included in operations for the duration of the year-over-year comparison period presented. Accordingly, same store properties exclude properties that were recently acquired or disposed of, properties classified as held for sale or intended for sale, properties undergoing redevelopment, and newly redeveloped or developed properties. Legacy HTA properties that met the same store criteria are included in both periods shown as if they were owned by the Company for the full analysis period.

2 Excludes recently acquired or disposed properties, development completions, construction in progress, land held for development, corporate property, redevelopment properties, planned dispositions and assets classified as held for sale.

3 Revenue per occ SF is calculated by dividing revenue by the average of the occupied SF for the period provided. Quarterly revenue per occ SF is annualized.

# NOI Reconciliations

DOLLARS IN THOUSANDS

## BOTTOM UP RECONCILIATION

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021
Net income (loss) attr. to common stockholders	(\$67,844)	(\$82,759)	(\$87,125)	(\$35,764)	\$28,304	\$6,130	\$42,227	\$21,607
Other income (expense)	74,621	112,818	94,407	46,772	(89,477)	7,479	(29,293)	(468)
General and administrative expense	13,396	15,464	14,935	14,417	16,741	10,540	11,036	8,901
Depreciation and amortization expense	182,989	183,193	184,479	185,275	158,117	55,731	54,041	51,810
Other expenses <sup>1</sup>	11,783	(11,969)	7,940	13,580	82,659	11,034	9,929	3,850
Straight-line rent expense	1,538	1,525	1,537	1,358	1,260	378	378	382
Straight-line rent revenue	(10,008)	(9,530)	(9,782)	(11,231)	(8,975)	(1,705)	(1,587)	(1,227)
Other revenue <sup>2</sup>	(6,446)	(5,959)	(1,686)	(7,330)	(5,242)	(1,961)	(2,044)	(2,134)
Joint venture property cash NOI	4,692	4,957	4,769	4,579	3,877	2,551	2,052	1,331
Cash NOI	\$204,721	\$207,740	\$209,474	\$211,656	\$187,264	\$90,177	\$86,739	\$84,052
Pre-merger Legacy HTA NOI	—	—	—	—	27,114	128,025	127,363	127,253
Cash NOI including pre-merger Legacy HTA NOI	\$204,721	\$207,740	\$209,474	\$211,656	\$214,378	\$218,202	\$214,102	\$211,305
Planned dispositions	(1,453)	(1,348)	(2,087)	(2,082)	(2,058)	(2,582)	(2,669)	(2,614)
Redevelopment	(2,116)	(2,455)	(2,836)	(3,187)	(3,510)	(3,605)	(3,952)	(4,282)
Wholly owned and joint venture acquisitions	(13,797)	(13,396)	(12,767)	(12,056)	(10,582)	(9,152)	(5,371)	(1,430)
Development completions	(1,756)	(1,513)	(1,360)	(1,312)	(1,188)	(1,158)	(1,153)	(621)
Completed dispositions & assets held for sale	(3,808)	(6,350)	(8,790)	(12,557)	(19,302)	(23,548)	(25,648)	(27,098)
Merger combined same store cash NOI	\$181,791	\$182,678	\$181,634	\$180,462	\$177,738	\$178,157	\$175,309	\$175,260
Same store joint venture properties	(2,530)	(2,619)	(2,468)	(2,433)	(2,293)	(2,429)	(2,416)	(2,204)
Merger combined same store excluding JVs	\$179,261	\$180,059	\$179,166	\$178,029	\$175,445	\$175,728	\$172,893	\$173,056

## TOP DOWN RECONCILIATION

	3Q 2023	2Q 2023	1Q 2023	4Q 2022	3Q 2022	2Q 2022	1Q 2022	4Q 2021
Rental income before rent concessions	\$336,503	\$332,992	\$328,115	\$332,652	\$301,692	\$142,073	\$139,775	\$132,853
Rent concessions	(3,168)	(3,312)	(4,022)	(3,253)	(2,761)	(1,441)	(1,286)	(1,139)
Rental income	333,335	329,680	324,093	329,399	298,931	140,632	138,489	131,714
Parking income	2,751	2,370	2,391	2,413	2,428	1,919	1,753	2,134
Interest from financing receivable, net	2,002	2,180	2,227	2,284	2,034	1,957	1,930	1,766
Exclude straight-line rent revenue	(10,008)	(9,530)	(9,782)	(11,231)	(8,975)	(1,705)	(1,587)	(1,227)
Exclude other non-cash revenue <sup>3</sup>	(1,410)	(1,018)	3,594	(3,059)	(2,280)	(1,142)	(1,322)	(1,325)
Cash revenue	326,670	323,682	322,523	319,806	292,138	141,661	139,263	133,062
Property operating expense	(131,639)	(125,395)	(122,040)	(117,009)	(112,473)	(57,010)	(57,464)	(53,032)
Exclude non-cash expenses <sup>4</sup>	5,079	4,556	4,336	3,764	4,034	2,975	2,888	2,691
Non-controlling interest	(81)	(60)	(114)	516	(312)	—	—	—
Joint venture property cash NOI	4,692	4,957	4,769	4,579	3,877	2,551	2,052	1,331
Cash NOI	\$204,721	\$207,740	\$209,474	\$211,656	\$187,264	\$90,177	\$86,739	\$84,052
Pre-merger Legacy HTA NOI	—	—	—	—	27,114	128,025	127,363	127,253
Cash NOI including pre-merger Legacy HTA NOI	\$204,721	\$207,740	\$209,474	\$211,656	\$214,378	\$218,202	\$214,102	\$211,305
Planned dispositions	(1,453)	(1,348)	(2,087)	(2,082)	(2,058)	(2,582)	(2,669)	(2,614)
Redevelopment	(2,116)	(2,455)	(2,836)	(3,187)	(3,510)	(3,605)	(3,952)	(4,282)
Wholly owned and joint venture acquisitions	(13,797)	(13,396)	(12,767)	(12,056)	(10,582)	(9,152)	(5,371)	(1,430)
Development completions	(1,756)	(1,513)	(1,360)	(1,312)	(1,188)	(1,158)	(1,153)	(621)
Completed dispositions & assets held for sale	(3,808)	(6,350)	(8,790)	(12,557)	(19,302)	(23,548)	(25,648)	(27,098)
Merger combined same store cash NOI	\$181,791	\$182,678	\$181,634	\$180,462	\$177,738	\$178,157	\$175,309	\$175,260
Same store joint venture properties	(2,530)	(2,619)	(2,468)	(2,433)	(2,293)	(2,429)	(2,416)	(2,204)
Merger combined same store excluding JVs	\$179,261	\$180,059	\$179,166	\$178,029	\$175,445	\$175,728	\$172,893	\$173,056

1 Includes acquisition and pursuit costs, merger-related costs, rent reserves, above and below market ground lease intangible amortization, leasing commission amortization, non-cash adjustments for financing receivables, and ground lease straight-line rent.

2 Includes management fee income, interest, above and below market lease intangible amortization, lease inducement amortization, lease termination fees, deferred financing cost amortization and principle related to investment in financing receivable, and tenant improvement overage amortization.

3 Includes above and below market intangibles, lease inducements, lease termination fees, deferred financing cost amortization, financing receivable, and TI amortization.

4 Includes above and below market ground lease intangible amortization, leasing commission amortization, and ground lease straight-line rent.

# NOI Reconciliations

DOLLARS IN THOUSANDS

## RECONCILIATION OF NOI TO FULL QUARTER FFO AND NORMALIZED FFO

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Cash NOI	\$204,721	\$207,740	\$209,474	\$211,656
General and administrative expense	(13,396)	(15,464)	(14,935)	(14,417)
Straight-line rent	10,008	9,530	9,782	11,231
Interest and other income (expense), net	139	592	547	(1,168)
Management fees and other income	1,910	1,860	2,227	2,023
Note receivable interest income	2,262	2,180	1,987	1,943
Other non-cash revenue <sup>1</sup>	2,250	1,918	(2,526)	3,059
Other non-cash expenses <sup>2</sup>	(5,079)	(4,556)	(4,336)	(3,764)
Non-real estate impairment	—	—	(5,196)	—
Unconsolidated JV adjustments	(337)	(185)	(357)	(143)
Debt Covenant EBITDA	\$202,478	\$203,615	\$196,667	\$210,420
Interest expense	(66,304)	(65,334)	(63,759)	(64,443)
Gain on extinguishment of debt	62	—	—	119
Acquisition and pursuit costs	(769)	(669)	(287)	(92)
Merger-related costs	(7,450)	15,670	(4,855)	(10,777)
Leasing commission amortization <sup>3</sup>	3,663	3,335	3,002	2,706
Non-real estate depreciation and amortization	(1,509)	(1,525)	(1,372)	(1,323)
Non controlling interest	(841)	(1,027)	(1,067)	(382)
Unconsolidated JV adjustments	(389)	(377)	(351)	(327)
FFO	\$128,941	\$153,688	\$127,978	\$135,901
Acquisition and pursuit costs	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Lease intangible amortization	213	240	146	137
Significant non-recurring legal fees/forfeited earnest money received	—	275	—	194
Debt financing costs	(62)	—	—	625
Merger-related fair value adjustment	10,667	10,554	10,864	11,979
Allowance for credit losses	—	—	8,599	—
Unconsolidated JV normalizing items	90	93	117	96
Normalized FFO	\$148,068	\$149,849	\$152,846	\$159,801

<sup>1</sup> Includes above and below market lease intangibles, interest income related to sales-type leases, lease inducements, lease termination fees, deferred financing cost amortization, and principle related to investment in financing receivable and TI amortization.

<sup>2</sup> Includes above and below market ground lease intangible amortization, leasing commission amortization, and ground lease straight-line rent.

<sup>3</sup> Leasing commission amortization is included in the real estate depreciation and amortization add-back for FFO.

# EBITDA Reconciliations

DOLLARS IN THOUSANDS

## RECONCILIATION OF EBITDA

	3Q 2023	2Q 2023	1Q 2023	4Q 2022
Net income	(\$67,844)	(\$82,759)	(\$87,125)	(\$35,764)
Interest expense	66,304	65,334	63,759	64,443
Depreciation and amortization	182,989	183,193	184,479	185,275
Unconsolidated JV depreciation, amortization, and interest	4,810	4,789	5,192	4,339
EBITDA	\$186,259	\$170,557	\$166,305	\$218,293
Leasing commission amortization	3,663	3,335	3,002	2,706
Gain on sales of real estate properties	(48,811)	(7,156)	(1,007)	(73,083)
Impairments on real estate properties	56,873	55,215	26,227	54,452
EBITDAre <sup>1</sup>	\$197,984	\$221,951	\$194,527	\$202,368
EBITDA	\$186,259	\$170,557	\$166,305	\$218,293
Acquisition and pursuit costs	769	669	287	92
Merger-related costs	7,450	(15,670)	4,855	10,777
Gain on sales of real estate properties	(48,811)	(7,156)	(1,007)	(73,083)
Impairments on real estate assets	56,873	55,215	26,227	54,452
Gain on extinguishment of debt	(62)	—	—	(119)
Unconsolidated JV adjustments	—	—	—	8
Debt Covenant EBITDA	\$202,478	\$203,615	\$196,667	\$210,420
Leasing commission amortization	3,663	3,335	3,002	2,706
Lease intangible amortization	213	240	147	137
Acquisition/disposition timing impact <sup>2</sup>	(2,559)	(184)	(945)	(1,704)
Stock based compensation	2,556	3,924	3,745	3,573
Allowance for credit losses <sup>3</sup>	—	—	8,599	—
Rent reserves, net	442	(54)	1,371	(100)
Unconsolidated JV adjustments	90	93	117	96
Adjusted EBITDA	\$206,883	\$210,969	\$212,703	\$215,128

<sup>1</sup> Earnings before interest, taxes, depreciation and amortization for real estate ("EBITDAre") is an operating performance measure adopted by NAREIT. NAREIT defines EBITDAre equal to "net income (computed in accordance with GAAP) plus interest expense, income tax expense, depreciation and amortization, impairments and minus gains on the disposition of depreciated property."

<sup>2</sup> Adjusted to reflect quarterly EBITDA from properties acquired or disposed in the quarter.

<sup>3</sup> In Q1 2023, allowance for credit losses included a \$5.2 million credit allowance for a mezzanine loan included in "Impairment of real estate and credit loss reserves" on the Statement of Income and \$3.4 million reserve included in "Rental Income" on the Statement of Income for previously deferred rent and straight line rent for three skilled nursing facilities.

# Components of Net Asset Value

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

## CASH NOI BY PROPERTY TYPE

ASSET TYPE	3Q 2023					ANNUALIZED ADJUSTED NOI
	MERGER COMBINED TOTAL SAME STORE <sup>1</sup>	ACQ./DEV. COMPLETIONS <sup>2</sup>	REDEVELOPMENT	TIMING/OTHER ADJUSTMENTS <sup>3</sup>	ADJUSTED CASH NOI	
MOB/Outpatient	\$166,651	\$14,693	\$2,116	\$1,117	\$184,577	\$738,308
Inpatient/Surgical	8,078	860	—	—	8,938	35,752
Office	7,062	—	—	—	7,062	28,248
Total Cash NOI	\$181,791	\$15,553	\$2,116	\$1,117	\$200,577	\$802,308

## DEVELOPMENT PROPERTIES

Land held for development	\$59,871
Re/development budget	321,478
	\$381,349

## OTHER ASSETS

Disposition pipeline <sup>4</sup>	\$205,776
Unstabilized properties <sup>5</sup>	305,288
Cash and other assets <sup>6</sup>	388,984
	\$900,048

## DEBT

Unsecured credit facility	\$236,000
Unsecured term loans	1,500,000
Senior notes	3,699,285
Mortgage notes payable	77,907
Company share of joint venture net debt	12,570
Remaining re/development funding	192,524
Other liabilities <sup>7</sup>	242,573
	\$5,960,859

## TOTAL SHARES OUTSTANDING

As of September 30, 2023 <sup>8</sup> 384,903,105

## IMPLIED CAP RATE

	STOCK PRICE	IMPLIED CAP RATE
As of September 30, 2023 <sup>8</sup>	\$15.27	7.6 %
3Q 2023 High	\$20.15	6.5 %
3Q 2023 Low	\$14.73	7.8 %

<sup>1</sup> See NOI Performance schedule on pages 20 - 23 for details on same store NOI.

<sup>2</sup> Adjusted to reflect quarterly NOI from properties acquired or stabilized re/developments completed during the full eight quarter period that are not included in same store NOI.

<sup>3</sup> Timing adjustments include current quarter acquisitions as well as re/development completion adjustments totaling \$0.2 million, and management fee income of \$1.5 million. This is partially offset by \$0.6 million of positive NOI for unstabilized properties, which are shown in other assets.

<sup>4</sup> Includes assets held for sale and planned dispositions.

<sup>5</sup> Includes 35 properties at their gross book value. These properties were comprised of 1.4 million square feet that generated positive NOI of \$0.6 million.

<sup>6</sup> Includes cash of \$24.7 million, notes receivable of \$155.0 million, prepaid assets of \$104.7 million, accounts receivable of \$64.0 million, prepaid ground leases of \$19.7 million, and other investments of \$6.0 million. In addition, includes the Company's occupied portion of its corporate headquarters in Nashville of \$14.9 million.

<sup>7</sup> Includes only liabilities that are expected to reduce future cash or NOI and that are currently producing non-cash benefits to NOI. Included are accounts payable and accrued liabilities of \$206.7 million, security deposits of \$31.3 million, and deferred operating expense reimbursements of \$4.6 million.

<sup>8</sup> Total shares outstanding includes OP units.

# Components of Expected FFO

DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	EXPECTED 2023		ACTUAL	
	LOW	HIGH	Q3 2023	TTM
<b>MERGER COMBINED SAME STORE</b>				
Multi-tenant average absorption (bps)	25	50	20	40
Revenue per occupied square foot	\$36.25	\$37.00	\$36.72	\$36.04
Cash NOI margin	63.5 %	64.5 %	62.0 %	63.2 %
Cash leasing spreads	3.0 %	4.0 %	4.8 %	3.6 %
Lease retention rate	75.0 %	90.0 %	76.1 %	79.0 %
Cash NOI growth, including Company's share of JVs	2.0 %	3.0 %	2.3 %	2.8 %
<b>ANNUAL EXPECTATIONS</b>				
	LOW	HIGH	YTD	
<b>NON-SAME STORE</b>				
Normalized G&A	57,000	60,000	43,521	
Straight-line rent, net	28,000	32,000	24,720	
<b>Funding activity</b>				
Acquisitions	\$42,950	\$42,950	42,950	
Dispositions to repay asset sale term loan	112,460	112,460	112,460	
Additional dispositions	350,000	450,000	318,312	
Re/development	100,000	125,000	79,941	
1st generation TI and acq. capex	40,000	50,000	31,141	
Maintenance capex				
2nd generation TI	65,000	75,000	47,366	
Leasing commissions paid	30,000	35,000	21,413	
Capital expenditures	45,000	50,000	31,949	
Total maintenance capex	140,000	160,000	100,728	
<b>Cash yield</b>				
Acquisitions	6.0 %	6.5 %	6.5 %	
Dispositions	6.0 %	7.0 %	6.8 %	
Development (stabilized)	6.5 %	8.0 %		
Redevelopment (stabilized)	9.0 %	12.0 %		
Net debt to adjusted EBITDA	6.0x	6.5x	6.6x	
Net income (loss) attributable to common stockholders per share	\$(0.75)	\$(1.00)	\$(0.63)	
Normalized FFO per share	\$1.57	\$1.60	\$1.18	