



A Clear Focus on Delivering Value

2025 ANNUAL REPORT



Successfully Executing Our Growth Strategy

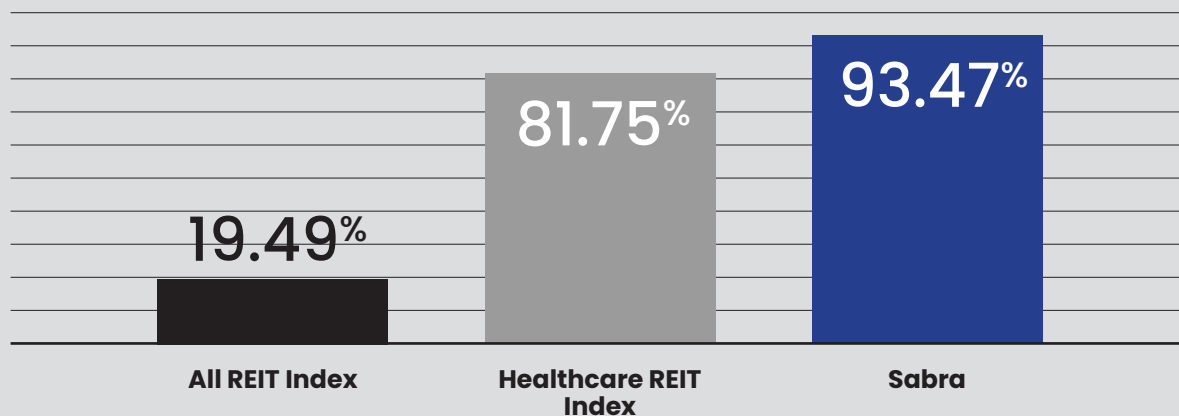
In 2025, we executed on our goal to grow our investment portfolio. We invested approximately \$450 million in senior housing properties, representing our most substantial year of new investments since before the pandemic.

These investments reflect improved market conditions as well as the strength of our balance

sheet, access to capital and our readiness to act when opportunities meet our criteria. Successfully navigating the pandemic and executing our growth strategy has resulted in the most diversified portfolio of high-quality properties in Sabra's history while delivering strong total shareholder returns.



Sabra's 3-Year TSR Outperformed the REIT Industry



Source: Bloomberg for the three years ending December 31, 2025

~\$450M

Investment in senior housing properties in 2025

“Outperforming the REIT industry on a three-year TSR basis validates our strategy of disciplined capital allocation, focused portfolio management and prudent financial stewardship.”

Michael Costa
Chief Financial Officer,
Treasurer and Executive
Vice President



The most diversified portfolio of high-quality properties in Sabra's history

Enterprise Value

\$7.2B

Investments

393

**Max Relationship
Concentration**

7.8%

As of December 31, 2025

"Our diversified portfolio is the result of investing in high-quality assets and deliberate repositioning toward sectors we believe are best positioned for long-term growth."

Darrin Smith

Chief Investment Officer, Secretary and
Executive Vice President



A Purpose-Built Portfolio

We have intentionally curated our portfolio to align with where we see the opportunity for long-term value creation and resilience. In 2025, our investment activity focused on senior housing, specifically our managed senior housing portfolio. As of December 31, 2025, our managed senior housing concentration was approximately 27 percent and our skilled nursing concentration was under 50 percent.

Going forward, we expect senior housing to represent an even larger share of our portfolio as we focus our capital allocation on where fundamentals are strongest—senior housing and skilled nursing. We believe these two sectors present the best opportunity for growth, given the strong demographic trends combined with limited new supply.

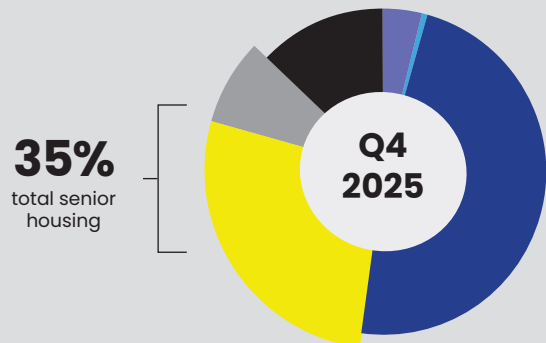


Our commitment to quality care and extensive industry knowledge enable us to manage the evolving healthcare real estate market.

Diverse, High-Quality Portfolio

- Skilled Nursing / Transitional Care - **47.8%**
- Senior Housing - Managed - **27.4%**
- Senior Housing - Leased - **7.7%**
- Behavioral Health - **12.9%**
- Specialty Hospital and Other - **3.7%**
- Other - **0.5%**

As of December 31, 2025



Strong Relationships Drive Performance

For more than 15 years, we've built strong relationships with tenants and operators who share our commitment to high-quality care. We invest in their success by helping them expand into additional markets, implement new technologies or simply unlock working capital. Approximately half of our investment activity in 2025 was completed with existing operators, while the other half was with new operators and tenants aligned with our strategy. These new relationships expand our opportunities for

growth while remaining fully aligned with our focus on care, investment criteria and a disciplined underwriting approach.

We believe that operational excellence is increasingly driven by the smart use of technology. In addition to supporting our operators' and tenants' capital needs, we work closely with them to identify, pilot and invest in technology and operational enhancements that improve care delivery, enhance residents' quality of life and create better working environments for staff.

"We invest in and pilot cutting-edge solutions to support our operators in their quest to improve the quality of care for residents and working environment for their staff."

Peter Nyland
Executive Vice President,
Strategic Initiatives





“This is a brand new program for me. Boy, is it impressive! I never would have imagined something so detailed and helpful.”

Kelly Schmidt
Executive Director, Stoney River of Ramsey



Smarter Technology. Better Outcomes.

Falls are a leading cause of injury and hospitalization among older adults. Less than half of falls are reported to the person’s doctor or family. To assist in addressing this, we are piloting multiple fall-detection technologies across our senior housing managed portfolio. By gaining a better understanding of reported and unreported falls, staff will be better able to focus on care rather than on incident response and reporting, thereby enhancing residents’ quality of life.

At Stoney River of Ramsey, we deployed AI-powered Inspiren technology, with 71 AUGI devices actively transmitting alerts from July through December 2025. The AUGI devices provide useful information regarding falls and

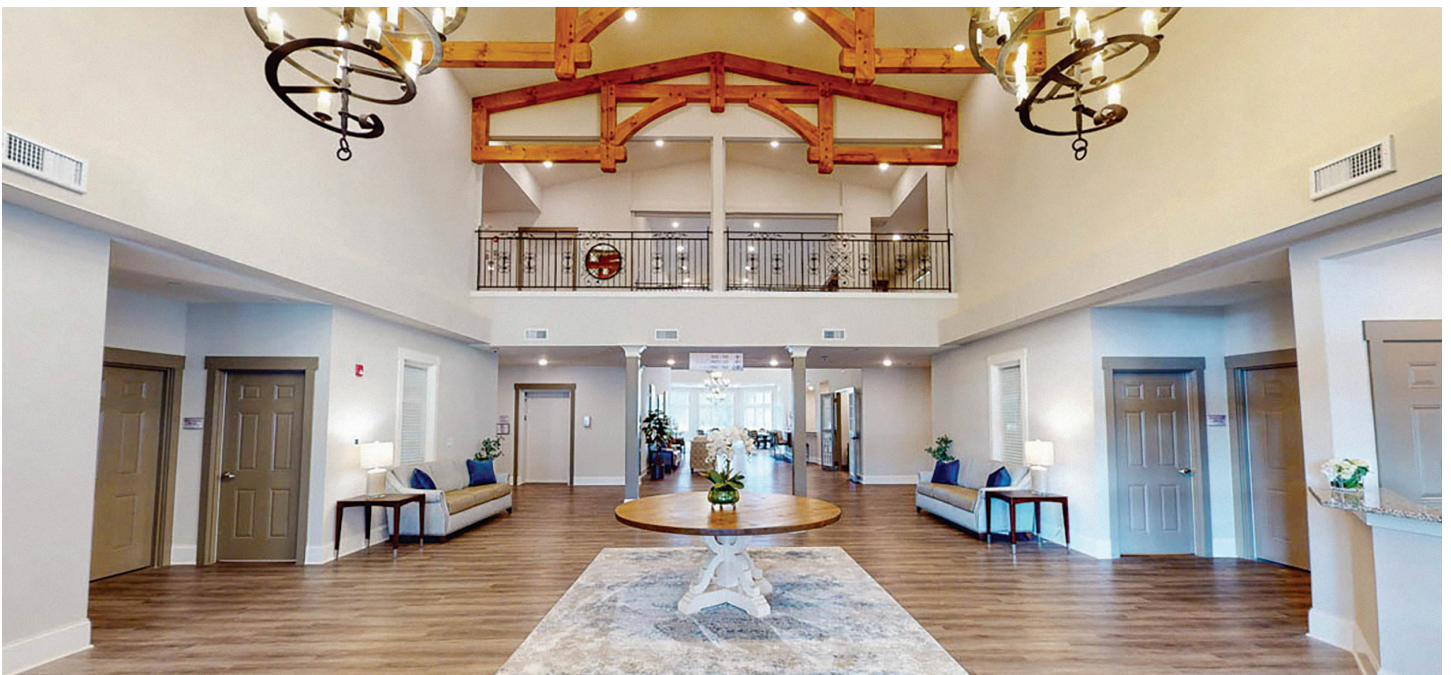
the ability for team members to assist residents with their fall management programs and fall prevention interventions.

Sabra has also collaborated with Well Living Lab to conduct a study examining the relationship between falls and the environments at senior living facilities. The study will leverage blind data from six technology vendors while also evaluating building characteristics at each participating facility. By integrating knowledge from building science and indoor environmental quality research, the study aims to generate practical insights that inform both technology selection and facility design strategies to reduce falls.

Fortified Balance Sheet Supporting Growth

Our strong balance sheet remains the foundation for our growth strategy. Through improved earnings and disciplined capital management, we achieved a leverage ratio of 5.0x. We expect to continue to proactively use our strong balance sheet to support our growth plans while maintaining our leverage at a comfortable level.

In September, Moody's Ratings upgraded our credit outlook to Baa3 with a Stable outlook, reflecting our strong operating performance, prudent financial management and positive long-term outlook for senior housing. We also established a new ATM program, which provides additional flexibility to support investment activity.



Moody's Ratings upgraded
our credit outlook to Baa3
with a Stable outlook

Baa3

"Our thoughtful approach to capital management continues to strengthen our balance sheet and reduce leverage. We are well positioned to fund accretive growth opportunities."

Jessica Flores
Chief Accounting Officer and
Executive Vice President



Optimistic Outlook

Looking ahead, our objective remains clear: create lasting value for shareholders by prudently growing our high-quality portfolio, allocating capital where we believe the fundamentals are strong and maintaining a balance sheet that efficiently supports our strategy.

I would like to thank our employees for their steadfast commitment to excellence. I am proud of the culture we've built that values fresh perspectives, diverse opinions and creative insights. I also want to thank our Board of Directors for its leadership and guidance,

and our growing number of operators and tenants for their collaboration and dedication to quality care. To our shareholders, thank you for your continued trust and confidence as we build on this momentum.

Sincerely,



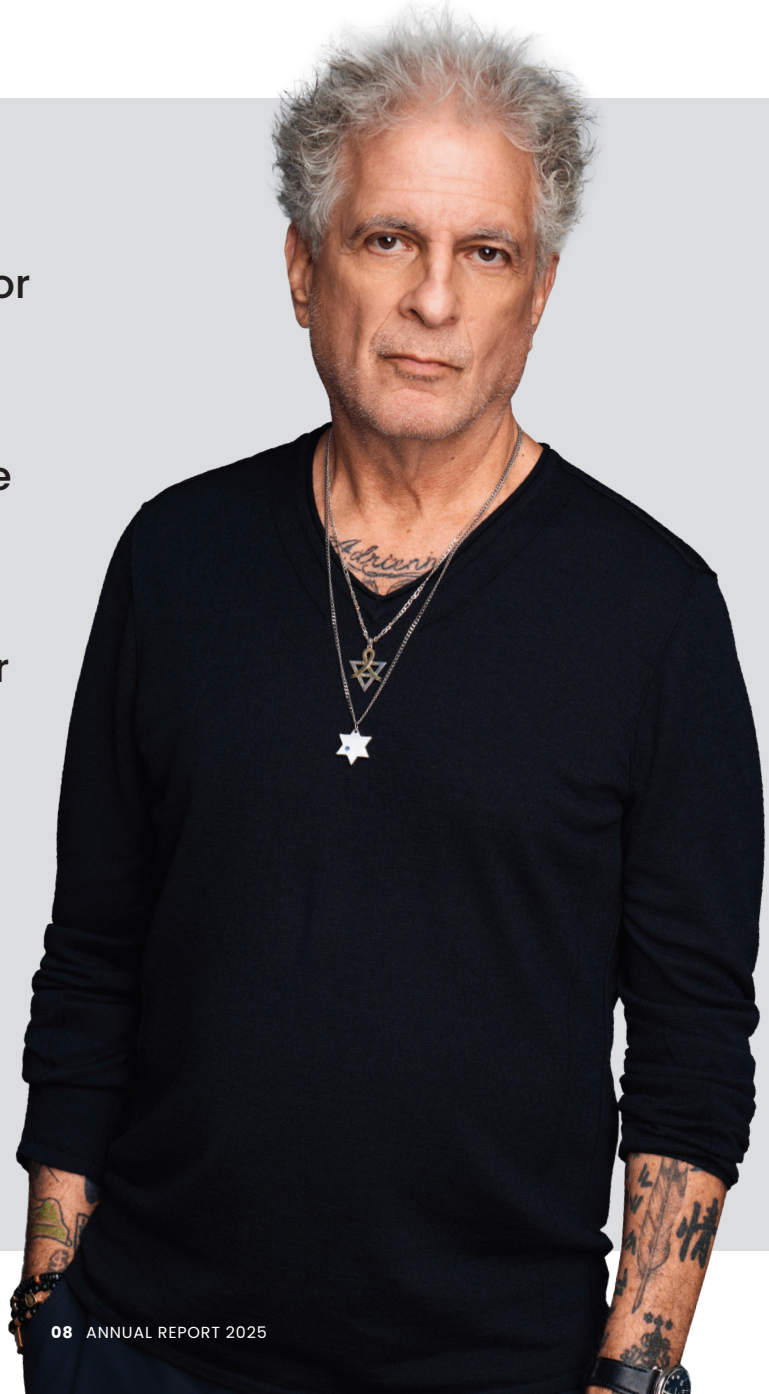
Rick Matros

Chief Executive Officer, President and Chair of the Board

“We are optimistic about the outlook for senior housing and the opportunities ahead and will continue to allocate capital where fundamentals are strongest to drive lasting value for our shareholders.”

Rick Matros

Chief Executive Officer,
President and Chair of
the Board



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

FORM 10-K

(Mark One)

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

For the fiscal year ended December 31, 2025

OR

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

Commission file number 001-34950

SABRA HEALTH CARE REIT, INC.

(Exact Name of Registrant as Specified in Its Charter)

**Maryland
(State of Incorporation)**

**27-2560479
(I.R.S. Employer Identification No.)**

**1781 Flight Way
Tustin, CA 92782
(888) 393-8248**

(Address, zip code and telephone number of Registrant)

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

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, \$0.01 par value	SBRA	The Nasdaq Stock Market LLC

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

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

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

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

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

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

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

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter: \$4.4 billion

As of February 4, 2026, there were 252,145,717 shares of the registrant's \$0.01 par value Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the registrant's 2026 Annual Meeting of Stockholders, to be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2025, are incorporated by reference in Part III herein.

SABRA HEALTH CARE REIT, INC. AND SUBSIDIARIES

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References throughout this document to “Sabra,” “we,” “our,” “ours” and “us” refer to Sabra Health Care REIT, Inc. and its direct and indirect consolidated subsidiaries and not any other person.

STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this Annual Report on Form 10-K (this “10-K”) contain “forward-looking” information as that term is defined by the Private Securities Litigation Reform Act of 1995. Any statements that do not relate to historical or current facts or matters are forward-looking statements. Examples of forward-looking statements include all statements regarding our expected future financial position, results of operations, cash flows, liquidity, financing plans, business strategy, tenants, borrowers and Senior Housing - Managed communities (as defined below), the expected amounts and timing of dividends and other distributions, projected expenses and capital expenditures, competitive position, growth opportunities, potential investments, potential dispositions, plans and objectives for future operations, and compliance with and changes in governmental regulations. You can identify some of the forward-looking statements by the use of forward-looking words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “should,” “may” and other similar expressions, although not all forward-looking statements contain these identifying words.

Our actual results may differ materially from those projected or contemplated by our forward-looking statements as a result of various factors, including, among others, the following:

- increases in market interest rates and inflation;
- pandemics or epidemics, and the related impact on our tenants, borrowers and Senior Housing - Managed communities;
- operational risks with respect to our Senior Housing - Managed communities;
- increased labor costs and labor shortages;
- competitive conditions in our industry;
- the loss of key management personnel;
- uninsured or underinsured losses affecting our properties;
- potential impairment charges and adjustments related to the accounting of our assets;
- risks associated with our investment in our unconsolidated joint ventures;
- catastrophic weather and other natural or man-made disasters, the effects of climate change on our properties and a failure to implement sustainable and energy-efficient measures;
- increased operating costs and competition for our tenants, borrowers and Senior Housing - Managed communities;
- increased healthcare regulation and enforcement;
- our tenants’ dependency on reimbursement from governmental and other third-party payor programs;
- the effect of our tenants, operators or borrowers declaring bankruptcy or becoming insolvent;
- our ability to find replacement tenants and the impact of unforeseen costs in acquiring new properties;
- the impact of litigation and rising insurance costs on the business of our tenants;
- the impact of required regulatory approvals of transfers of healthcare properties;
- environmental compliance costs and liabilities associated with real estate properties we own;
- our tenants’, borrowers’ or operators’ failure to adhere to applicable privacy and data security laws;
- a material breach of our or our tenants’, borrowers’ or operators’ information technology;
- our concentration in the healthcare property sector, particularly in skilled nursing/transitional care facilities and senior housing communities, which makes our profitability more vulnerable to a downturn in a specific sector than if we were investing in multiple industries;
- the significant amount of and our ability to service our indebtedness;
- covenants in our debt agreements that may restrict our ability to pay dividends, make investments, incur additional indebtedness and refinance indebtedness on favorable terms;
- adverse changes in our credit ratings;
- our ability to make dividend distributions at expected levels;
- our ability to raise capital through equity and debt financings;
- changes and uncertainty in macroeconomic conditions and disruptions in the financial markets;
- risks associated with our ownership of property outside the U.S., including currency fluctuations;
- the relatively illiquid nature of real estate investments;
- our ability to maintain our status as a real estate investment trust (“REIT”) under the federal tax laws;
- compliance with REIT requirements and certain tax and tax regulatory matters related to our status as a REIT;
- changes in tax laws and regulations affecting REITs;
- the ownership limits and takeover defenses in our governing documents and under Maryland law, which may restrict change of control or business combination opportunities; and
- the exclusive forum provisions in our bylaws.

We urge you to carefully consider these risks and review the additional disclosures we make concerning risks and other factors that may materially affect the outcome of our forward-looking statements and our future business and operating results, including those made in Part I, Item 1A, "Risk Factors" in this 10-K, as such risk factors may be amended, supplemented or superseded from time to time by other reports we file with the Securities and Exchange Commission (the "SEC"), including subsequent Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q. We caution you that any forward-looking statements made in this 10-K are not guarantees of future performance, events or results, and you should not place undue reliance on these forward-looking statements, which speak only as of the date of this report. We do not intend, and we undertake no obligation, to update any forward-looking information to reflect events or circumstances after the date of this 10-K or to reflect the occurrence of unanticipated events, unless required by law to do so.

TENANT AND BORROWER INFORMATION

This 10-K includes information regarding our tenants that lease properties from us and our borrowers, most of which are not subject to SEC reporting requirements. The information related to our tenants and borrowers that is provided in this 10-K has been provided by, or derived from information provided by, such tenants and borrowers. We have not independently verified this information. We have no reason to believe that such information is inaccurate in any material respect. We are providing this data for informational purposes only.

PART I

ITEM 1. BUSINESS

Overview

We operate as a self-administered, self-managed REIT that, through our subsidiaries, owns and invests in real estate serving the healthcare industry.

Our primary business consists of acquiring, financing and owning real estate property to be leased to third-party tenants in the healthcare sector. We primarily generate revenues by leasing properties to tenants and owning properties operated by third-party property managers throughout the United States (“U.S.”) and Canada.

Our investment portfolio is primarily comprised of skilled nursing/transitional care facilities, senior housing communities (“Senior Housing - Leased”), behavioral health facilities, and specialty hospitals and other facilities, in each case leased to third-party operators; senior housing communities operated by third-party property managers pursuant to property management agreements (“Senior Housing - Managed”); investments in joint ventures; loans receivable; and preferred equity investments.

We expect to grow our investment portfolio while diversifying our portfolio by tenant, facility type and geography within the healthcare sector. We plan to achieve these objectives primarily through making investments directly or indirectly in healthcare real estate, including the development of purpose-built healthcare facilities with select developers. We also intend to achieve our objective of diversifying our portfolio by tenant and facility type through select asset sales and other arrangements with our tenants.

We employ a disciplined approach in our healthcare real estate investment strategy by investing in assets that provide attractive opportunities for dividend growth and appreciation of asset values, while maintaining balance sheet strength and liquidity, thereby creating long-term stockholder value.

We elected to be treated as a REIT with the filing of our U.S. federal income tax return for the taxable year beginning January 1, 2011. We believe that we have been organized and have operated, and we intend to continue to operate, in a manner to qualify as a REIT. We operate through an umbrella partnership, commonly referred to as an UPREIT structure, in which substantially all of our properties and assets are held by Sabra Health Care Limited Partnership, a Delaware limited partnership (the “Operating Partnership”), of which we are the sole general partner and a wholly owned subsidiary of ours is currently the only limited partner, or by subsidiaries of the Operating Partnership.

We maintain a website at www.sabrahealth.com. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) are made available free of charge on our website as soon as reasonably practicable after such information has been filed or furnished with the SEC.

Our Industry

We operate as a REIT that holds investments in income-producing healthcare facilities located in the U.S. and Canada. We invest primarily in the U.S. nursing home industry, including skilled nursing and transitional care facilities, the U.S. and Canadian senior housing industry, which includes independent living, assisted living, memory care and continuing care retirement communities, select behavioral health and addiction treatment centers, and acute care and other hospitals. The primary growth drivers of the nursing home and senior housing industries – an aging population and longer life expectancies – present attractive investment opportunities for us. According to the 2023 National Population Projections published by the U.S. Census Bureau, the number of Americans age 75 and older is projected to grow at a compounded annual growth rate of 10.1% between 2022 and 2035. Further, according to the Congressional Budget Office, life expectancy is expected to increase to 82.3 years in 2055 from 78.9 years in 2025. We expect the nursing home and senior housing industries to benefit from this projected demand growth combined with a favorable supply backdrop as skilled nursing and transitional care capacity has been declining and new senior housing construction has slowed down over the past five years. In addition, the highly-fragmented nature of the skilled nursing and senior housing industries presents additional investment opportunities.

Demand for senior housing is expected to increase as a result of an aging population and an increase in acuity across the post-acute landscape. Cost containment measures adopted by the federal government have encouraged patient treatment in more cost-effective settings, such as skilled nursing facilities. As a result, high acuity patients that previously would have been treated in acute care hospitals, long-term acute care hospitals and inpatient rehabilitation facilities are increasingly being treated in skilled nursing facilities. According to the National Health Expenditure Projections for 2024-2033 published by the Centers for

Medicare & Medicaid Services (“CMS”), nursing home expenditures are projected to grow from approximately \$229 billion in 2024 to approximately \$386 billion in 2033, representing a compounded annual growth rate of 6.0%. This focus on high acuity patients in skilled nursing facilities has resulted in the typical senior housing resident requiring more assistance with activities for daily living, such as assistance with bathing, grooming, dressing, eating, and medication management; however, many older senior housing communities were not built to accommodate a resident who has more needs as well as increased mobility and cognitive issues than in the past. We believe that these trends will create an emphasis on operators who can effectively adapt their operating model to accommodate the changing nursing home patient and senior housing resident and will result in increased demand for purpose-built properties that are complementary to this new system of healthcare delivery.

The hospital industry is broadly defined to include addiction treatment centers and acute care, long-term acute care, rehabilitation and behavioral hospitals. Hospital services comprise one of the largest categories of healthcare expenditures. According to the CMS National Health Expenditure Projections for 2024-2033, hospital care expenditures are projected to grow from approximately \$1.7 trillion in 2024 to approximately \$2.7 trillion in 2033, representing a compounded annual growth rate of 5.5%. According to the 2024 National Survey on Drug Use and Health, addiction and mental illness are ongoing public health crises in the U.S. with approximately 53 million people classified as needing substance abuse treatment but more than 80% not receiving such treatment and approximately 15 million people identified with serious mental illness but almost 30% not receiving treatment, including inpatient or outpatient mental health services, prescription medication for a mental health issue or virtual (i.e., telehealth) services. Hospitals offer a wide range of services, both inpatient and outpatient, in a variety of settings. We believe that demand will increase for innovative means of delivering those services and present additional investment opportunities.

While the factors described above indicate projected growth for our industry, increases in operating expenses, inflation and increased volatility in public equity and fixed income markets have led to increased costs and limited the availability of capital.

We compete for real property investments with other REITs, investment companies, private equity and hedge fund investors, sovereign funds, healthcare operators, lenders and other investors. Some of our competitors have different investment objectives - particularly those who are not solely real estate buyers - and/or are significantly larger and have greater financial resources and lower costs of capital than we do. Increased competition makes it more challenging to identify and successfully capitalize on acquisition opportunities that meet our investment objectives. Our ability to compete is also impacted by national and local economic trends, availability of investment alternatives, availability and cost of capital, construction and renovation costs, existing laws and regulations, new legislation and population trends.

In addition, revenues from our properties are dependent on the ability of our tenants and Senior Housing - Managed communities to compete with other healthcare operators. These operators compete on a local and regional basis for residents and patients, and the operators’ ability to successfully attract and retain residents and patients depends on key factors such as the number of facilities in the local market, the types of services available, the quality of care, reputation, age and appearance of each facility, and the cost of care in each locality. Private, federal and state payment programs and the effect of other laws and regulations may also have a significant impact on the ability of our tenants and Senior Housing - Managed communities to compete successfully for residents and patients at the properties.

Portfolio of Healthcare Investments

We have a geographically diverse portfolio of healthcare investments across the U.S. and Canada that offer a range of services including skilled nursing/transitional care, assisted and independent living, memory care and select behavioral health and addiction treatment centers and hospitals. As of December 31, 2025, our investment portfolio consisted of 360 real estate properties held for investment, 13 investments in loans receivable, four preferred equity investments and two investments in unconsolidated joint ventures. Of our 360 properties held for investment as of December 31, 2025, we owned fee title to 356 properties and title under ground leases for four properties.

Our portfolio consisted of the following types of healthcare facilities as of December 31, 2025:

- *Skilled Nursing/Transitional Care Facilities*

Skilled nursing facilities. Skilled nursing facilities provide services that include daily nursing, therapeutic rehabilitation, social services, activities, housekeeping, nutrition, medication management and administrative services for individuals requiring certain assistance for activities in daily living. A typical skilled nursing facility includes mostly one and two bed units, each equipped with a private or shared bathroom, therapy space, activity rooms and community dining facilities.

Transitional care facilities/units. Transitional care facilities/units are licensed nursing facilities or distinct units within a licensed nursing facility that provide short term, intensive, high acuity nursing and medical

services. These facilities tend to focus on delivering specialized treatment to patients with cardiac, neurological, pulmonary, orthopedic, and renal conditions. Length of service is typically 30 days or less with the majority of patients returning to prior living arrangements and functional abilities. Generally, transitional care facilities/units provide services to Medicare, managed care and commercial insurance patients.

- *Senior Housing Communities*

Independent living communities. Independent living communities are age-restricted multi-family properties with central dining facilities that provide services that include security, housekeeping, activities, nutrition and limited laundry services. Our independent living communities are designed specifically for independent seniors who are able to live on their own, but desire the security and conveniences of community living. Independent living communities typically offer several services covered under a regular monthly fee.

Assisted living communities. Assisted living communities provide services that include assistance for activities in daily living and permit residents to maintain some of their privacy and independence as they do not require constant supervision and assistance. Services bundled within one regular monthly fee usually include three meals per day in a central dining room, daily housekeeping, laundry, medical reminders and 24-hour availability of assistance with the activities of daily living, such as eating, dressing and bathing. Professional nursing and healthcare services are usually available at the community on call or at regularly scheduled times. Assisted living communities typically are comprised of studios and one- and two-bedroom suites equipped with private bathrooms and efficiency kitchens.

Memory care communities. Memory care communities offer specialized options, services and clinical programs for individuals with Alzheimer's disease and other forms of dementia. Purpose-built memory care communities offer a more residential environment than offered in a secured unit of a nursing facility. These communities offer dedicated care and specialized programming from specially trained staff for various conditions relating to memory loss in a secured environment that is typically smaller in scale and more residential in nature than traditional assisted living communities. Residents require a higher level of care, a secure environment, customized therapeutic recreation programs and more assistance with activities of daily living than in assisted living communities. Therefore, these communities have staff available 24 hours a day to respond to the unique needs of their residents.

Continuing care retirement communities. Continuing care retirement communities, or CCRCs, provide, as a continuum of care, the services described above for independent living communities, assisted living communities, memory care communities and skilled nursing facilities in an integrated campus.

- *Behavioral Health Facilities*

Addiction treatment centers. Addiction treatment centers provide treatment services for chemical dependence and substance addictions, which may include inpatient care, outpatient care, medical detoxification, therapy and counseling.

Behavioral hospitals. Behavioral hospitals provide inpatient and outpatient care for patients with mental health conditions, chemical dependence or substance addictions.

- *Specialty Hospitals and Other Facilities*

Acute care hospitals. Acute care hospitals provide emergency room, inpatient and outpatient medical care and other related services for surgery, acute medical conditions or injuries (usually for a short-term illness or condition).

Long-term acute care hospitals. Long-term acute care hospitals provide care for patients with complex medical conditions that require longer stays and more intensive care, monitoring or emergency back-up than that available in most skilled nursing facilities.

Rehabilitation hospitals. Rehabilitation hospitals provide inpatient and outpatient care for patients who have sustained traumatic injuries or illnesses, such as spinal cord injuries, strokes, head injuries, orthopedic problems, work-related disabilities and neurological diseases.

Residential services facilities. Residential services facilities provide services in home and community-based settings, which may include assistance with activities of daily living.

Other facilities. Other facilities include facilities other than those described above that are not classified as skilled nursing/transitional care, senior housing or behavioral health.

Geographic and Property Type Diversification

The following tables display the geographic concentration of our real estate held for investment as of December 31, 2025 by property type, beds/units (pro rata) and investment, and exclude our unconsolidated joint ventures which consist of 16 facilities and 1,256 units (pro rata) (dollars in thousands):

Geographic Concentration — Property Type

Location	Skilled Nursing / Transitional Care	Senior Housing - Leased	Senior Housing - Managed Consolidated	Behavioral Health	Specialty Hospitals and Other	Total	% of Total
Texas	33	3	7	—	13	56	15.6 %
California	23	—	2	3	1	29	8.0
Kentucky	24	1	1	1	1	28	7.8
Indiana	14	2	5	2	—	23	6.4
Oregon	15	1	3	—	—	19	5.3
North Carolina	13	—	2	—	—	15	4.2
Missouri	10	—	2	1	—	13	3.6
Washington	10	—	2	—	—	12	3.3
Michigan	1	5	5	—	—	11	3.0
Virginia	6	—	4	—	—	10	2.8
Other (30 states & Canada)	61	20	54	9	—	144	40.0
Total	210	32	87	16	15	360	100.0 %
% of Total	58.3 %	8.9 %	24.2 %	4.4 %	4.2 %	100.0 %	

Distribution of Beds/Units

Location	Total Number of Properties	Property Type					Total	% of Total
		Skilled Nursing / Transitional Care	Senior Housing - Leased	Senior Housing - Managed Consolidated	Behavioral Health	Specialty Hospitals and Other		
Texas	56	4,211	350	856	—	325	5,742	15.8 %
Kentucky	28	2,572	130	142	60	40	2,944	8.1
Indiana	23	1,429	277	701	138	—	2,545	7.0
California	29	1,924	—	160	313	27	2,424	6.7
Oregon	19	1,520	215	162	—	—	1,897	5.2
North Carolina	15	1,454	—	237	—	—	1,691	4.6
New York	10	1,576	—	107	—	—	1,683	4.6
Washington	12	1,123	—	165	—	—	1,288	3.5
Missouri	13	763	—	311	82	—	1,156	3.2
Virginia	10	894	—	246	—	—	1,140	3.1
Other (30 states & Canada)	145	6,071	1,696	5,590	545	—	13,902	38.2
Total	360	23,537	2,668	8,677	1,138	392	36,412	100.0 %
% of Total		64.7 %	7.3 %	23.8 %	3.1 %	1.1 %	100.0 %	

Geographic Concentration — Investment ⁽¹⁾

Location	Total Number of Properties	Property Type					Total	% of Total
		Skilled Nursing / Transitional Care	Senior Housing - Leased	Senior Housing - Managed Consolidated	Behavioral Health	Specialty Hospitals and Other		
Texas	56	\$ 340,386	\$ 27,335	\$ 206,601	\$ —	\$187,387	\$761,709	12.9 %
California	29	411,843	—	59,213	217,699	7,798	696,553	11.8
Indiana	23	196,862	58,995	180,066	12,156	—	448,079	7.6
Oregon	19	261,316	33,002	53,380	—	—	347,698	5.9
Kentucky	28	246,546	35,473	23,878	9,373	30,313	345,583	5.8
New York	10	298,545	—	22,145	—	—	320,690	5.4
Ohio	6	13,447	—	195,757	—	—	209,204	3.5
North Carolina	15	125,549	—	75,311	—	—	200,860	3.4
Florida	9	—	27,274	148,571	5,744	—	181,589	3.1
Michigan	11	27,591	33,661	119,529	—	—	180,781	3.1
Other (30 states and Canada) ⁽²⁾	154	880,476	160,850	945,816	228,841	—	2,215,983	37.5
Total	360	\$2,802,561	\$ 376,590	\$2,030,267	\$473,813	\$225,498	\$5,908,729	100.0 %
% of Total		47.4 %	6.4 %	34.4 %	8.0 %	3.8 %	100.0 %	

⁽¹⁾ Represents the undepreciated book value of our real estate held for investment as of December 31, 2025.

⁽²⁾ Investment balance in Canada is based on the exchange rate as of December 31, 2025 of 0.7295 per 1 CAD.

Loans Receivable and Other Investments

As of December 31, 2025 and 2024, our loans receivable and other investments consisted of the following (dollars in thousands):

Investment	Quantity as of December 31, 2025	Property Type	Principal Balance as of December 31, 2025 ⁽¹⁾	Book Value as of December 31, 2025	Book Value as of December 31, 2024	December 31, 2025		Maturity Date
						Weighted Average Contractual Interest Rate / Rate of Return	Weighted Average Annualized Effective Interest Rate / Rate of Return	
Loans Receivable:								
Mortgage	3	Behavioral Health / Skilled Nursing	\$ 335,600	\$ 335,600	\$ 335,600	7.7 %	7.7 %	11/01/26 - 06/01/29
Other	10	Multiple	41,649	38,194	51,962	7.4 %	6.9 %	02/28/26 - 08/31/33
	13		377,249	373,794	387,562	7.7 %	7.6 %	
Allowance for loan losses			—	(5,047)	(6,094)			
			<u>\$ 377,249</u>	<u>\$ 368,747</u>	<u>\$ 381,468</u>			
Other Investments:								
Preferred Equity	4	Skilled Nursing / Senior Housing	65,171	65,353	61,116	11.0 %	11.0 %	N/A
Total	17		<u>\$ 442,420</u>	<u>\$ 434,100</u>	<u>\$ 442,584</u>	<u>8.2 %</u>	<u>8.1 %</u>	

⁽¹⁾ Principal balance includes amounts funded and accrued unpaid interest / preferred return and excludes capitalizable fees.

Significant Credit Concentrations

For the year ended December 31, 2025, no tenant relationship represented 10% or more of our total revenues.

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Concentration of Credit Risk” in Part II, Item 7 for additional information, including risks and uncertainties, regarding tenant concentration.

Investment Financing Strategy

We expect that future investments in properties, including any improvements or renovations of current or newly-acquired properties, will depend on and will be financed, in whole or in part, by our existing cash, borrowings available to us under our Revolving Credit Facility (as defined below) and proceeds from issuances of common stock, preferred stock, debt or other securities. In addition, we may seek financing from U.S. government agencies, including through Fannie Mae, Freddie Mac and the U.S. Department of Housing and Urban Development (“HUD”), in appropriate circumstances in connection with acquisitions. We also use derivative instruments in the normal course of business to mitigate interest rate and foreign currency risk.

Competitive Strengths

We believe the following competitive strengths contribute significantly to our success:

Diverse Property Portfolio

Our portfolio of 360 properties held for investment as of December 31, 2025 is broadly diversified by location across the U.S. and Canada. Our properties in any one state or province did not account for more than 16% of our total beds/units as of December 31, 2025. Our geographic diversification will limit the effect of a decline in any one regional market on our overall performance. We have also been able to diversify, through acquisitions and dispositions, the extent to which our revenues are dependent on our tenants’, borrowers’ and equity investees’ revenues from federal, state and local government reimbursement programs.

Long-Term, Triple-Net Lease Structure

As of December 31, 2025, our real estate properties held for investment included 273 facilities leased under triple-net operating leases with expirations ranging from less than one year to 18 years, pursuant to which the tenants are responsible for all facility maintenance, code compliance, insurance required in connection with the leased properties and the business conducted on the leased properties, taxes levied on or with respect to the leased properties and all utilities and other services necessary or appropriate for the leased properties and the business conducted on the leased properties. As of December 31, 2025, the leases had a weighted-average remaining term of seven years. The leases generally include provisions to extend the lease terms and other negotiated terms and conditions. We, through our subsidiaries, retain substantially all of the risks and benefits of ownership of the real estate assets leased to tenants. We may receive additional security under these operating leases in the form of letters of credit and security deposits from the lessee or guarantees from the parent of the lessee. In addition, certain of our tenants have deposited amounts with us for future real estate taxes, insurance expenditures and tenant improvements related to our properties and their operations.

Senior Housing - Managed Structure

As of December 31, 2025, our real estate properties held for investment included 87 Senior Housing - Managed communities operated by third-party property managers pursuant to property management agreements. The Senior Housing - Managed structure gives us direct exposure to the risks and benefits of the operations of the communities. We generally utilize the Senior Housing - Managed structure when properties present growth opportunities that may be achievable through capital investment and/or property managers providing scale, operating efficiencies and/or ancillary services. The third-party property managers manage our communities in exchange for the receipt of a management fee, and as such, we are not directly exposed to the credit risk of the property managers in the same manner or to the same extent as we are to our triple-net tenants. However, we rely on the property managers’ personnel, expertise, technical resources and information systems, proprietary information, good faith and judgment to manage our communities efficiently and effectively. We also rely on the property managers to set appropriate resident fees and otherwise operate our communities in compliance with the terms of our management agreements and all applicable laws and regulations.

Strong Relationships with Operators

The members of our management team have developed an extensive network of relationships with qualified local, regional and national operators of skilled nursing/transitional care facilities and senior housing communities across the U.S. and Canada. This extensive network has been built by our management team through operating experience, involvement in industry trade organizations and the development of banking relationships and investor relations within the skilled nursing and senior housing industries. We believe these strong relationships with operators help us to source investment opportunities.

Our relationships with operators include arrangements that we enter into from time to time with certain operators that provide for the acquisition of, and interim capital commitments for, various healthcare facilities. These arrangements, together

with repeat transactions with other operators, help support our future growth potential by providing additional investment opportunities with lower acquisition costs than would be required for investments with new operators.

Ability to Identify Talented Operators

As a result of our management team's operating experience, network of relationships and industry insight, we have been able and expect to continue to be able to identify qualified local, regional and national operators. We seek operators who possess local market knowledge, demonstrate hands-on management, have proven track records, and focus on quality care and clinical outcomes. These operators are often located in secondary markets, which generally have lower costs to build and favorable demographics as demonstrated by the fact that the percentage of the population over the age of 65 is greater in the markets where we have invested than in the U.S. as a whole. We believe our management team's experience gives us a key competitive advantage in objectively evaluating an operator's financial position, focus on care and operating efficiency.

Significant Experience in Proactive Asset Management

The members of our management team have significant experience developing systems to collect and evaluate data relating to the underlying operational and financial success of healthcare companies and healthcare-related real estate assets. We are able to utilize this experience and expertise to provide our tenants, when requested, with assistance in the areas of marketing, development, facility expansion and strategic planning. We also use information technology that allows us to efficiently and effectively collect tenant, financial, asset management and acquisitions information. Leveraging this allows us to be lean in our operations and proactive in sharing information with our tenants where we can be helpful to them. We actively monitor the operating results of our tenants, and, when requested, we offer support to our operators to identify and capitalize on opportunities to improve the operations of our facilities and the overall financial and operating strength of our operators.

Business Strategies

We pursue business strategies focused on opportunistic acquisitions and property diversification where such acquisitions meet our investing and financing strategy. We also intend to continue to curate our portfolio to optimize diversification and financial performance, and to maintain a mix of assets well-positioned for the future of healthcare delivery.

The key components of our business strategies include:

Diversify Asset Portfolio

We expect to grow our investment portfolio while diversifying our portfolio by tenant, facility type and geography within the healthcare sector, primarily through the acquisition of assisted living, independent living and memory care communities in the U.S. and Canada and through the acquisition of skilled nursing/transitional care facilities in the U.S. We have and expect to continue to opportunistically acquire other types of healthcare real estate, originate financing secured directly or indirectly by healthcare facilities and invest in the development of senior housing communities and skilled nursing/transitional care facilities. We also expect to expand our portfolio through the development of purpose-built healthcare facilities through arrangements with select developers. We further expect to work with existing operators to identify strategic development opportunities. These opportunities may involve replacing, renovating or expanding facilities in our portfolio that may have become less competitive and new development opportunities that present attractive risk-adjusted returns. We expect to continue to pursue acquisitions with triple-net leases, investments in Senior Housing - Managed communities, mezzanine and secured debt investments, and joint ventures for senior housing communities and skilled nursing/transitional care facilities. We also expect to continue to enhance the strength of and diversify our investment portfolio by tenant and facility type by selectively disposing of or repositioning underperforming facilities or working with new or existing operators to transfer underperforming but promising properties to new or other existing operators.

With respect to our debt and preferred equity investments, in general, we originate loans and make preferred equity investments when an attractive investment opportunity is presented and (a) the property is in or near the development phase, (b) the development of the property is completed but the operations of the facility are not yet stabilized or (c) the loan investment will provide capital to existing relationships. A key component of our development strategy related to loan originations and preferred equity investments is having the option to purchase the underlying real estate that is owned by our borrowers (and that directly or indirectly secures our loan investments) or by the entity in which we have an investment. These options become exercisable upon the occurrence of various criteria, such as the passage of time or the achievement of certain operating goals, and the method to determine the purchase price upon exercise of the option is set in advance based on the same valuation methods we use to value our investments in healthcare real estate. This strategy allows us to diversify our revenue streams and build relationships with operators and developers, and provides us with the option to add new properties to our existing real estate portfolio if we determine that those properties enhance our investment portfolio and stockholder value at the time the options are exercisable.

Maintain Balance Sheet Strength and Liquidity

We seek to maintain a capital structure that provides the resources and flexibility to support the growth of our business. As of December 31, 2025, we had approximately \$1.2 billion in liquidity, consisting of unrestricted cash and cash equivalents of \$71.5 million, available borrowings under our Revolving Credit Facility of \$782.4 million and an aggregate \$322.7 million related to shares outstanding under forward sale agreements under our Prior ATM Program and ATM Program (each as defined below). The Credit Agreement and Term Loan Credit Agreement (each as defined below) each contain an accordion feature that can increase the total available borrowings to \$2.75 billion (from U.S. \$1.4 billion plus CAD \$150.0 million) and to \$1.0 billion (from \$500.0 million), respectively, subject to terms and conditions.

We have filed a shelf registration statement with the SEC that expires in August 2028, which allows us to offer and sell shares of common stock, preferred stock, warrants, rights, units, and certain of our subsidiaries to offer and sell debt securities, through underwriters, dealers or agents or directly to purchasers, on a continuous or delayed basis, in amounts, at prices and on terms we determine at the time of the offering, subject to market conditions.

We intend to maintain a mix of Revolving Credit Facility debt, term loan debt, secured debt and unsecured term debt, which, together with our anticipated asset sales as well as our anticipated ability to complete future equity financings, we expect will fund the growth of our operations. Further, we may opportunistically seek access to U.S. government agency financing, including through Fannie Mae, Freddie Mac and HUD, in appropriate circumstances in connection with acquisitions.

Develop New Investment Relationships

We seek to cultivate our relationships with tenants and healthcare providers in order to expand the mix of tenants operating our properties and, in doing so, to reduce our dependence on any single tenant or operator. As of December 31, 2025, we had 61 relationships. We expect to continue to develop new investment relationships as part of our overall strategy to acquire new properties and further diversify our overall portfolio of healthcare properties.

Capital Source to Underserved Operators

We believe that there is a significant opportunity to be a capital source to healthcare operators through the acquisition of healthcare properties that are consistent with our investment and financing strategy, but that, due to size and other considerations, are not a focus for other healthcare REITs. We utilize our management team's operating experience, network of relationships and industry insight to identify financially strong and growing operators in need of capital funding for future growth. In appropriate circumstances, we may negotiate with operators to acquire individual healthcare properties from those operators and then lease those properties back to the operators pursuant to long-term triple-net leases or refinance new projects.

Strategic Capital Improvements

We intend to continue to support our tenants by providing capital to them for a variety of purposes, including for capital expenditures and facility modernization. We expect to structure the majority of these investments as either lease amendments that produce additional rents or as loans that are repaid by our tenants during the applicable lease term.

Pursue Strategic Development Opportunities

We expect to work with existing operators to identify strategic development opportunities. These opportunities may involve replacing, renovating or expanding facilities in our portfolio that may have become less competitive and new development opportunities that present attractive risk-adjusted returns. In addition to pursuing acquisitions with triple-net leases, we expect to continue to pursue other forms of investment, including investments in Senior Housing - Managed communities, mezzanine and secured debt investments, and joint ventures for senior housing and skilled nursing/transitional care facilities.

Human Capital Matters

Experienced Management Team

Our management team has extensive healthcare and real estate experience. Richard K. Matros, Chief Executive Officer, President and Chair of Sabra, has more than 40 years of experience in the acquisition, development and disposition of healthcare assets, including nine years at Sun Healthcare Group, Inc. Michael Costa, Chief Financial Officer, Treasurer and Executive Vice President of Sabra, is a finance professional with more than 20 years of experience in commercial real estate finance and accounting. Darrin Smith, Chief Investment Officer, Secretary and Executive Vice President of Sabra, is a real estate finance executive with more than 30 years of experience in real estate acquisitions and portfolio management, including

nine years at an S&P 500 healthcare REIT. Through years of public company experience, our management team also has extensive experience accessing both debt and equity capital markets to fund growth and maintain a flexible capital structure.

Teammates and Equal Opportunity

As of December 31, 2025, we employed 58 full-time employees (our teammates), including our executive officers, none of whom is subject to a collective bargaining agreement. As of December 31, 2025, women comprised 55% of our workforce and 57% of our management level/leadership roles. As of December 31, 2025, 34% of our teammates self-identified as being members of one or more ethnic minorities. We believe our ethnic diversity is higher than this reported percentage as another 16% of our teammates chose not to self-identify. We believe that an inclusive and diverse workforce is essential to sustainability and our success. Through our established culture of trust, teammates feel safe to share information critical for maintaining an engaged, collaborative and positive work environment.

We recognize that attracting and retaining talent at all levels is vital to our continued success and do so by reinforcing work-life balance, resulting in increased engagement and retention. Our teammates receive competitive salaries and attractive benefits. We empower teammates by providing a positive and supportive work environment. We promote a sustainable work-life balance and invest in our teammates' well-being through high-quality benefits and a hybrid work model supported by a strong information technology ("IT") infrastructure.

We cultivate a collaborative culture and workplace that inspire and drive employee engagement. We ensure that teammates feel valued and are committed to achieving goals by focusing on the team's growth and development as well as output and deliverables. This approach establishes a clear direction with purpose-driven motivation while building autonomy and trust. We provide the necessary support and tools for success and encourage team activities that positively impact retention, promote engagement, and create a sense of belonging and emotional well-being. Company-wide surveys measure engagement and satisfaction with over 90% of participants reporting that they are proud to work for Sabra.

Our performance management strategy reviews evolving roles to address current and future business needs. This includes upward feedback on managers to ensure comprehensive development. We invest in leadership coaching and training, aligning development efforts with business goals. We also connect our teammates with our accomplished board of directors through quarterly board of directors dinner events.

We support volunteerism and organize opportunities for our teammates as a group to volunteer within the community. Various company events, including life event celebrations, dinners and other social outings, are held regularly throughout the year, as well as an annual all-teammates retreat. We believe that all of these activities increase job satisfaction and support collaboration and team bonding.

Government Regulation

Our tenants are subject to extensive and complex federal, state and local healthcare laws and regulations, including anti-kickback, anti-fraud and abuse provisions codified under the Social Security Act. These provisions prohibit certain business practices and relationships that might affect the provision and cost of healthcare services reimbursable under Medicare and Medicaid. Sanctions for violating these anti-kickback, anti-fraud and abuse provisions include criminal penalties, civil sanctions, fines and possible exclusion from government programs such as Medicare and Medicaid. If a facility is decertified as a Medicare or Medicaid provider by CMS or a state, the facility will not thereafter be reimbursed for caring for residents that are covered by Medicare and Medicaid, and the facility would be forced to care for such residents without being reimbursed or to transfer such residents.

Most of our tenants' skilled nursing/transitional care, assisted living and mental health facilities are licensed under applicable state law. Most of our skilled nursing/transitional care facilities and mental health facilities are certified or approved as providers under the Medicare and Medicaid programs. Some of our assisted living facilities are certified or approved as providers under various state Medicaid and/or Medicaid waiver programs. Similarly, the operators of our specialty hospitals must meet the applicable conditions of participation established by the U.S. Department of Health and Human Services and comply with state and local laws and regulations in order to receive Medicare and Medicaid reimbursement. State and local agencies survey all skilled nursing/transitional care facilities and some assisted living facilities on a regular basis to determine whether such facilities are in compliance with governmental operating and health standards and conditions for participation in government sponsored third-party payor programs. Under certain circumstances, the federal and state agencies have the authority to take adverse actions against a facility or service provider, including the imposition of a monitor, the imposition of monetary penalties and the decertification of a facility or provider from participation in the Medicare and/or Medicaid/Medicaid waiver programs or licensure revocation. Challenging and appealing notices or allegations of noncompliance can require significant legal expenses and management attention.

Various states in which our tenants operate our facilities have established minimum staffing requirements or may establish minimum staffing requirements in the future. Failure to comply with such minimum staffing requirements may result in the imposition of fines or other sanctions. Most states in which our tenants operate have statutes requiring that prior to the addition or construction of new nursing home beds, to the addition of new services or to certain capital expenditures in excess of defined levels, the tenant first must obtain a certificate of need, which certifies that the state has made a determination that a need exists for such new or additional beds, new services or capital expenditures. The certification process is intended to promote quality healthcare at the lowest possible cost and to avoid the unnecessary duplication of services, equipment and centers. This certification process can restrict or prohibit the undertaking of a project or lengthen the period of time required to enlarge or renovate a facility or replace a tenant.

In addition to the above, those of our tenants who provide services that are paid for by Medicare and Medicaid are subject to federal and state budgetary cuts and constraints that limit the reimbursement levels available from these government programs. Changes to reimbursement or methods of payment from Medicare and Medicaid could result in a substantial reduction in our tenants' revenues. On April 22, 2024, CMS issued a final rule that (i) established minimum nurse staffing requirements for long-term care facilities (the "Minimum Staffing Standards") and (ii) required facilities to meet new facility assessment requirements (the "Assessment Requirements"). The Minimum Staffing Standards were repealed by CMS, effective February 2, 2026, through an interim final rule issued on December 2, 2025. The compliance deadline for the Assessment Requirements was August 8, 2024 and they remain in effect. Future Presidential and Congressional elections in the U.S. could result in further changes. Amendments to, repeal of or legal challenges to existing legislation and regulatory changes could impose further limitations on government payments to our tenants. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Skilled Nursing Facility Reimbursement Rates" in Part II, Item 7 for additional information.

As of December 31, 2025, our subsidiaries owned eight healthcare facilities (five senior housing communities and three skilled nursing/transitional care facilities) with mortgage loans that are guaranteed by HUD. Those facilities are subject to the rules and regulations of HUD, including periodic inspections by HUD, although the tenants of those facilities have the primary responsibility for maintaining the facilities in compliance with HUD's rules and regulations. The regulatory agreements entered into by each owner and each operator of the property restrict, among other things, any sale or other transfer of the property, modification of the lease between the owner and the operator, use of surplus cash from the property except upon certain conditions and renovations of the property, all without prior HUD approval.

In addition, as an owner of real property, we are subject to various federal, state and local environmental and health and safety laws and regulations. These laws and regulations address various matters, including asbestos, fuel oil management, wastewater discharges, air emissions, medical wastes and hazardous wastes. The costs of complying with these laws and regulations and the penalties for non-compliance can be substantial. For example, although we do not generally operate or actively manage our properties, we may be held primarily or jointly and severally liable for costs relating to the investigation and cleanup of any property from which there has been a release or threatened release of a regulated material as well as other affected properties, regardless of whether we knew of or caused the release. In addition to these costs, which are typically not limited by law or regulation and could exceed the property's value, we could be liable for certain other costs, including governmental fines and injuries to persons, property or natural resources. See "Risk Factors—Regulatory Risks—Environmental compliance costs and liabilities associated with real estate properties owned by us may materially impair the value of those investments." in Part I, Item 1A.

ITEM 1A. RISK FACTORS

The following describes the risks and uncertainties that could cause our actual results to differ materially from those presented in our forward-looking statements. The risks and uncertainties described below are not the only ones we face but do represent those risks and uncertainties that we believe are material to us. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also harm our business.

Risks Related to Our Business/Operations

An increase in market interest rates could increase our interest costs on borrowings on our Revolving Credit Facility and future debt and could adversely affect our stock price.

An increase in interest rates could increase our interest costs for borrowings on our Revolving Credit Facility and any new debt we may incur. This increased cost could make the financing of any new investments more costly. Rising interest rates could limit our ability to refinance existing debt when it matures or cause us to pay higher interest rates upon refinancing. In addition, an increase in interest rates could negatively impact the access to and cost of financing available to third parties interested in purchasing assets we may make available for sale, thereby decreasing the amount they are willing to pay for those assets, and consequently limit our ability to reposition our portfolio promptly in response to changes in economic or other conditions.

Inflation could adversely impact our operating expenses, as well as the operating expenses of our tenants, borrowers and Senior Housing - Managed communities, and could rise at rates that outpace increases in rental income.

Increased costs due to real or anticipated inflation, and any responsive government policies, may have material adverse effects on our operating expenses, as well as the operating expenses of our tenants and borrowers and their ability to meet their obligations to us. Inflation also increases the costs for us to make capital improvements to our facilities. With respect to our Senior Housing - Managed communities, we bear the impact of any increases in costs of labor, goods and services and may not be able to pass those cost increases on to the residents in those communities, in which case the profitability of the communities will suffer, which could in turn have a material adverse effect on our financial position and results of operations.

Pandemics or epidemics have had and may in the future have a material adverse effect on our business, results of operations, cash flows and financial condition.

We have in the past been negatively impacted by the COVID-19 pandemic and a future pandemic or epidemic could materially negatively impact us and our operations. For example, as a result of decreased occupancy and increased operating costs for our tenants and borrowers due to the COVID-19 pandemic, our tenants' and borrowers' ability to meet their obligations as they came due, including their obligation to make full and timely rental payments and debt service payments, respectively, to us was adversely impacted and may in the future be adversely impacted by pandemics or epidemics. Additionally, we have in the past and may in the future be required to restructure long-term rent obligations due to pandemics or epidemics, which may not be on terms that are as favorable to us as those currently in place. Reduced or modified rental and debt service amounts could result in the determination that the full amounts of our investments are not recoverable, which could result in an impairment charge. Further, the operating results of our Senior Housing - Managed portfolio and our unconsolidated joint ventures may be negatively impacted by future pandemics or epidemics. Prolonged deterioration in the operating results for these investments could result in the determination that the full amounts of our investments are not recoverable, which could result in an impairment charge.

In addition, if there are significant disruptions to our business due to a future pandemic or epidemic, our credit ratings may be adversely impacted and we may breach covenants in our debt agreements and be unable to service our debt. Further, significant disruption could cause us to reduce or suspend our dividend.

The duration and extent of the effects of a future pandemic or epidemic, such as we experienced with the COVID-19 pandemic, on our operational and financial performance are uncertain and difficult to predict and, in the event of a future pandemic or epidemic we may experience adverse impacts to our business, financial condition, results of operations and prospects.

We are exposed to operational risks with respect to our Senior Housing - Managed communities.

We are exposed to various operational risks with respect to our Senior Housing - Managed communities that may increase our costs or adversely affect our ability to generate revenues. These risks are similar to the ones described above and below with respect to our tenants and include fluctuations in occupancy and private pay rates; economic conditions; competition; federal, state, local, and industry-regulated licensure, certification and inspection laws, regulations, and standards; the availability and increases in cost of general and professional liability insurance coverage; lawsuits and other legal proceedings

arising out of our alleged actions or the alleged actions of our operators; state regulation and rights of residents related to entrance fees; and the availability and increases in the cost of labor (as a result of a shortage of caregivers or other trained personnel, minimum staffing requirements, general inflationary pressures on wages, minimum wage laws or otherwise). Any one or a combination of these factors may adversely affect our business, financial position or results of operations.

Our third-party operators are ultimately in control of the day-to-day business of the properties that they operate. We depend on these third parties to operate our properties in a manner that complies with applicable law and regulation, minimizes legal risk and maximizes the value of our investment. The failure by these third parties to operate our properties efficiently and effectively and adequately manage the related risks could adversely affect our business, financial condition and results of operations.

Increased labor costs and labor shortages may adversely affect our business, results of operations, cash flows and financial condition.

The market for qualified personnel is highly competitive and our tenants, borrowers and Senior Housing - Managed communities have experienced and may continue to experience difficulties in attracting and retaining such personnel. An inability to attract and retain trained personnel has negatively impacted, and may continue to negatively impact, our occupancy rates, operating income and the ability of our tenants and borrowers to meet their obligations to us. A shortage of caregivers or other trained personnel, minimum staffing requirements or general inflationary pressures on wages has and may continue to force tenants, borrowers and Senior Housing - Managed communities to enhance pay and benefits packages to compete effectively for skilled personnel, or to use more expensive contract personnel, and they may be unable to offset these added costs by increasing the rates charged to residents and patients. Any further increase in labor costs or any failure by our tenants, borrowers and Senior Housing - Managed communities to attract and retain qualified personnel could adversely affect our cash flow and have a materially adverse effect on our results of operations.

Real estate is a competitive business and this competition may make it difficult for us to identify and purchase suitable healthcare properties, to finance acquisitions on favorable terms, or to retain or attract tenants.

We operate in a highly competitive industry and face competition from other REITs, investment companies, private equity and hedge fund investors, sovereign funds, healthcare operators, lenders and other investors, some of whom are significantly larger than us and have greater resources and lower costs of capital than we do. This competition makes it more challenging to identify and successfully capitalize on acquisition opportunities that meet our investment objectives. Similarly, our properties face competition for patients and residents from other properties in the same market, which may affect our ability to attract and retain tenants or may reduce the rents we are able to charge. Additionally, changes in consumer preferences, such as favoring home health services over residing in a senior housing community, could increase competition for patients and residents. If we cannot identify and purchase a sufficient quantity of healthcare properties at favorable prices, finance acquisitions on commercially favorable terms, or attract and retain profitable tenants, our business, financial position or results of operations could be materially adversely affected.

If we lose our key management personnel, we may not be able to successfully manage our business and achieve our objectives.

Our success depends in large part upon the leadership and performance of our executive management team, particularly Mr. Matros, our President and Chief Executive Officer. If we lose the services of Mr. Matros, we may not be able to successfully manage our business or achieve our business objectives.

Additionally, attracting and retaining talent at all levels is vital to our continuing success. If we are unable to provide competitive salaries, benefits, or a diverse and inclusive workplace for our personnel, our business may be adversely affected.

Our assets, including our real estate and loans, are subject to impairment charges, and our valuation and reserve estimates are based on assumptions and may be subject to adjustment.

Our investment portfolio consists of real estate and mortgage loans, which are subject to write-downs in value. From time to time, we close facilities and actively market such facilities for sale. To the extent we are unable to sell these properties for our book value, we may be required to take a non-cash impairment charge or loss on the sale, either of which would reduce our net income. In addition, on a recurring basis, we evaluate our real estate investments and other assets for impairment indicators, and we establish general and specific reserves for our issued loans at least quarterly. The quarterly evaluation of our investments for impairment may result in significant fluctuations in our provision for credit losses or real estate impairments from quarter to quarter, impacting our results of operations. Judgments regarding the existence of impairment indicators or loan reserves are based on a number of factors, including market conditions, financial performance and legal structure, which may involve estimates. If we determine that a significant impairment has occurred, we are required to make an adjustment to the net

carrying value of the asset, which could have a material adverse effect on our results of operations. Our estimates of loan reserves, and other accounting estimates, are inherently uncertain and may be subject to future adjustment, leading potentially to an increase in reserves.

We are subject to risks and liabilities in connection with our investment in our unconsolidated joint ventures.

Our investments in unconsolidated joint ventures involve risks not present with respect to our wholly owned properties, including the following:

- We may be unable to take specific major actions, or such actions may be delayed, if the counterparties to the joint ventures disagree with such action, due to arrangements that require us to share decision-making authority over major decisions affecting the ownership or operation of the joint ventures and any property owned by the joint ventures such as the sale or financing of the property or the making of additional capital contributions for the benefit of the property;
- The counterparties to the joint ventures may take actions with which we disagree;
- Our ability to sell or transfer our interest in the joint ventures on advantageous terms when we so desire may be limited or restricted under the terms of our agreements with the counterparties in the joint ventures;
- We may be required to contribute additional capital if the counterparties in the joint ventures fail to fund their share of required capital contributions;
- Our equity interest in the joint ventures will be adversely impacted if the joint ventures are not able to maintain compliance with the terms of the agreements underlying their indebtedness;
- The counterparties to the joint ventures might have economic or other business interests or goals that are inconsistent with our business interests or goals, including with respect to the timing, terms and strategies for investment, which could increase the likelihood of disputes regarding the ownership, management or disposition of the properties owned by the joint ventures;
- Disagreements with the counterparties to the joint ventures could result in litigation or arbitration that increases our expenses, distracts our officers and directors, and disrupts the day-to-day operations of the properties owned by the joint ventures, including by delaying important decisions until the dispute is resolved; and
- We may suffer losses to our investment in the joint ventures as a result of actions taken by the counterparties to the joint ventures.

We may experience uninsured or underinsured losses, which could result in a significant loss of the capital we have invested in a property, decrease anticipated future revenues or cause us to incur unanticipated expenses.

While our lease agreements and property management agreements require that comprehensive insurance and hazard insurance be maintained by our tenants, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, hurricanes and floods, as well as losses caused by pandemics that may be uninsurable or not economically insurable. Insurance coverage may not be sufficient to pay the full current market value or current replacement cost of a loss. Inflation, changes in building codes and ordinances, environmental considerations, and other factors also might make it infeasible to use insurance proceeds to replace properties after they have been damaged or destroyed. Under such circumstances, the insurance proceeds received might not be adequate to restore the economic position with respect to a damaged property.

Catastrophic weather and other natural or man-made disasters, the physical effects of climate change and a failure to implement sustainable and energy-efficient measures could affect our properties.

Some of our properties are located in areas susceptible to catastrophic weather and natural disasters, including fires, snow or ice storms, windstorms or hurricanes, earthquakes, flooding, or other severe conditions. These adverse weather and natural or man-made events could cause substantial damage or loss to our properties which could exceed applicable property insurance coverage. Such events could also have a material adverse impact on our tenants' operations and ability to meet their obligations to us. In the event of a loss in excess of insured limits, we could lose our capital invested in the affected property, as well as anticipated future revenue from that property. Any such loss could materially and adversely affect our business financial condition and results of operations.

Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable. To the extent that significant changes in the climate occur in areas where our properties

are located, we may experience more frequent extreme weather events which may result in physical damage to or a decrease in demand for properties located in these areas or affected by these conditions. In addition, changes in federal and state legislation and regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties and could also require us to spend more on our new development properties without a corresponding increase in revenue. Should the impact of climate change be material in nature, including destruction of our properties, or occur for lengthy periods of time, our financial condition or results of operations may be adversely affected.

As an environmentally responsible company, we strive to implement sustainable and energy-efficient measures throughout our portfolio. We engage in and discuss sustainable property management practices with our tenants and operators to identify measures that increase energy efficiency and water conservation and enhance safety and quality. If we or our tenants and operators fail to identify such measures, we may be unable to realize annual utility cost savings, which may affect our ability to maximize property and portfolio values and could have a material adverse effect on our business.

Risks Related to Our Tenants, Borrowers and Senior Housing - Managed Communities

Increased operating costs as well as increased competition could result in lower operating income for our tenants, borrowers and Senior Housing - Managed communities and may affect the ability of our tenants and borrowers to meet their obligations to us.

Because our tenants are typically required to pay all property operating expenses, increases in property-level expenses at our leased properties generally do not directly affect us. However, increased operating costs could have an adverse impact on our tenants if increases in their operating expenses exceed increases in their revenue, which may adversely affect our tenants' ability to pay rent owed to us.

An increase in our tenants', borrowers' or Senior Housing - Managed communities' expenses and a failure of their revenues to increase at least with inflation could adversely impact our tenants', borrowers', Senior Housing - Managed communities' and our financial condition and our results of operations. Furthermore, expenses for the facilities of our tenants, borrowers and Senior Housing - Managed communities are primarily driven by the costs of labor, food, utilities, taxes, insurance and rent, and these operating costs continue to increase for our tenants, borrowers and Senior Housing - Managed communities.

In addition, the long-term healthcare industry is highly competitive and we expect that it may become more competitive in the future. Our tenants, borrowers and Senior Housing - Managed communities compete with other healthcare operators on a local and regional basis for residents and patients. The occupancy levels at, and results of operations from, our or our borrowers' facilities are dependent on the ability of our tenants, borrowers and Senior Housing - Managed communities to compete with other tenants and operators on a number of different levels, including the quality of care provided, reputation, the physical appearance of a facility, price, the range of services offered, family preference, amenities, alternatives for healthcare delivery, the supply of competing properties, physicians, staff, referral sources, location, and the size and demographics of the population in the surrounding area. Our tenants, borrowers and Senior Housing - Managed communities also compete with numerous other companies providing similar healthcare services or alternatives such as home health agencies, life care at home and community-based service programs. Further, many competing companies may have resources and attributes that are superior to those of our tenants, borrowers and Senior Housing - Managed communities. Our tenants, borrowers and Senior Housing - Managed communities may encounter increased competition in the future that could limit their ability to attract residents or expand their businesses and therefore affect their operating income and ability to pay their lease or mortgage payments and meet their obligations to us. Private, federal and state payment programs and the effect of other laws and regulations may also have a significant impact on the ability of our tenants, borrowers and Senior Housing - Managed communities to compete successfully for residents and patients at the properties.

Our tenants, borrowers and Senior Housing - Managed communities may be adversely affected by increasing healthcare regulation and enforcement.

Over the last several years, the regulatory environment of the long-term healthcare industry has intensified both in the amount and type of regulations and in the efforts to enforce those regulations. This is particularly true for large for-profit, multi-facility providers. The extensive federal, state and local laws and regulations affecting the healthcare industry include those relating to, among other things, licensure, conduct of operations, ownership of facilities, addition of facilities and equipment, allowable costs, services, prices for services, qualified beneficiaries, quality of care, patient rights, fraudulent or abusive behavior, and financial and other arrangements that may be entered into by healthcare providers. Changes in enforcement policies by federal and state governments have resulted in a significant increase in the number of inspections, citations of regulatory deficiencies and other regulatory sanctions, including terminations from the Medicare and Medicaid programs, bars on Medicare and Medicaid payments for new admissions, civil monetary penalties and even criminal penalties.

If our tenants, borrowers or Senior Housing - Managed communities fail to comply with the extensive laws, regulations and other requirements applicable to their businesses and the operation of our properties, they could become ineligible to receive reimbursement from governmental and private third-party payor programs, face bans on admissions of new patients or residents, suffer civil or criminal penalties or be required to make significant changes to their operations or face adverse publicity and reputational harm. Our tenants, borrowers and Senior Housing - Managed communities also could be forced to expend considerable resources responding to an investigation, lawsuit or other enforcement action under applicable laws or regulations. In such event, the results of operations and financial condition of our Senior Housing - Managed communities and of our tenants and borrowers and the results of operations of our properties operated by those entities could be adversely affected, which, in turn, could have a material adverse effect on us. We are unable to predict future federal, state and local regulations and legislation, including the Medicare and Medicaid statutes and regulations, or the intensity of enforcement efforts with respect to such regulations and legislation, and any changes in the regulatory framework could have a material adverse effect on our tenants or borrowers, which, in turn, could have a material adverse effect on us.

Our tenants and borrowers depend on reimbursement from governmental and other third-party payor programs, and reimbursement rates from such payors may be reduced or delayed.

Many of our tenants and borrowers depend on third-party payors, including Medicare, Medicaid or private third-party payors, for the majority of their revenue. The reduction in reimbursement rates from third-party payors, including insurance companies and the Medicare and Medicaid programs, or other measures reducing reimbursements for services provided by our tenants and borrowers, may result in a reduction in our tenants' and borrowers' revenues and operating margins. In addition, reimbursement from private third-party payors may be reduced as a result of retroactive adjustment during claims settlement processes or as a result of post-payment audits. Furthermore, new laws and regulations could impose additional limitations on government and private payments to healthcare providers. For example, our tenants and borrowers may be affected by health reform initiatives that modify certain payment systems to encourage more cost-effective care and a reduction of inefficiencies and waste (e.g., the implementation of a voluntary bundled payment program and the creation of accountable care organizations). We cannot assure you that adequate reimbursement levels will continue to be available for the services provided by our tenants and borrowers. Although moderate reimbursement rate reductions may not affect our tenants' or borrowers' ability to meet their financial obligations to us, significant limits on reimbursement rates or on the services reimbursed or delays in reimbursement could have a material adverse effect on their business, financial position or results of operations, which could materially adversely affect their ability to meet their financial obligations to us.

While reimbursement rates have generally increased over the past few years, President Trump and members of the U.S. Congress may approve or propose new legislation, regulation changes and reform initiatives that could result in changes (including substantial reductions in funding) to Medicare, Medicaid or Medicare Advantage Plans. In addition, a number of states are currently managing budget deficits, which may put pressure on states to decrease reimbursement rates for our tenants and borrowers with a goal of decreasing state expenditures under their state Medicaid programs. Any such existing or future federal or state legislation relating to deficit reduction that reduces reimbursement payments to healthcare providers could have a material adverse effect on our tenants' business, financial position or results of operations, which could materially adversely affect their ability to meet their financial obligations to us and could have a material adverse effect on us.

We face potential adverse consequences of bankruptcy or insolvency by our tenants, operators, borrowers and other obligors.

We are exposed to the risk that our tenants, operators or borrowers could become bankrupt or insolvent. Although our lease and lending agreements provide us with the right to exercise certain remedies in the event of default on the obligations owing to us or upon the occurrence of certain insolvency events, the bankruptcy and insolvency laws afford certain rights to a party that has filed for bankruptcy or reorganization. For example, a lessee may reject its lease with us in a bankruptcy proceeding. In such a case, our claim against the lessee for unpaid and future rents would be limited by the statutory cap of the U.S. Bankruptcy Code. This statutory cap could be substantially less than the remaining rent actually owed under the lease, and any claim we have for unpaid rent might not be paid in full. In addition, a lessee may assert in a bankruptcy proceeding that its lease should be re-characterized as a financing agreement. If such a claim is successful, our rights and remedies as a lender, compared to a landlord, are generally more limited.

Furthermore, the automatic stay provisions of the U.S. Bankruptcy Code would preclude us from enforcing our remedies unless we first obtain relief from the court having jurisdiction over the bankruptcy case. This would effectively limit or delay our ability to collect unpaid rent or interest payments, and we may ultimately not receive any payment at all. In addition, we would likely be required to fund certain expenses and obligations (e.g., real estate taxes, insurance, debt costs and maintenance expenses) to preserve the value of our properties, avoid the imposition of liens on our properties or transition our properties to a new tenant. Additionally, we lease many of our properties to healthcare providers who provide long-term custodial care to the elderly. Evicting tenants for failure to pay rent while the property is occupied typically involves specific procedural or

regulatory requirements and may not be successful. Even if eviction is possible, we may determine not to do so due to reputational or other risks. Bankruptcy or insolvency proceedings typically also result in increased costs to the tenant or borrower, significant management distraction and performance declines.

We may be unable to find a replacement tenant for one or more of our leased properties or we may be required to incur substantial renovation costs to make our healthcare properties suitable for such tenants.

We may need to find a replacement tenant for one or more of our leased properties for a variety of reasons, including upon the expiration of the lease term or the occurrence of a tenant default. During any period in which we are attempting to locate one or more replacement tenants, there could be a decrease or cessation of rental payments on the applicable property or properties. We cannot be sure that any of our current or future tenants will elect to renew their respective leases upon expiration of the terms thereof. Similarly, we cannot be sure that we will be able to locate a suitable replacement tenant or, if we are successful in locating a replacement tenant, that the rental payments from the new tenant would not be significantly less than the existing rental payments. Our ability to locate a suitable replacement tenant may be significantly delayed or limited by various state licensing, receivership, certificate of need or other laws, as well as by Medicare and Medicaid change-of-ownership rules. We also may incur substantial additional expenses in connection with any such licensing, receivership or change-of-ownership proceedings. Any such delays, limitations and expenses could delay or impact our ability to collect rent, obtain possession of leased properties or otherwise exercise remedies for default, which could materially adversely affect our business, financial condition and results of operations.

In addition, healthcare facilities are typically highly customized and may not be easily adapted to non-healthcare-related uses. The improvements generally required to conform a property to healthcare use are costly and at times tenant-specific. A new or replacement tenant may require different features in a property, depending on that tenant's particular operations. If a current tenant is unable to pay rent and vacates a property, we may incur substantial expenditures to modify a property before we are able to secure another tenant. Our ability to make required modifications and/or renovations may involve costs associated with volatility in materials, tariffs on imported materials and labor prices and approvals of authorities or compliance with governmental regulations, including the Americans with Disabilities Act, which could result in increased costs and delays in transitioning a facility to a new tenant. Further, changes in federal and state legislation and regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties and could also require us or our tenants to spend more on our new development properties. These expenditures or renovations and delays could materially adversely affect our business, financial condition or results of operations.

Potential litigation and rising insurance costs may affect our tenants' and borrowers' ability to obtain and maintain adequate liability and other insurance and their ability to make lease or loan payments and fulfill their insurance and indemnification obligations to us.

Our tenants and borrowers may be subject to lawsuits filed by advocacy groups that monitor the quality of care at healthcare facilities or by patients, facility residents or their families. Significant damage awards are possible in cases where neglect has been found. This litigation has increased our tenants' and borrowers' costs of monitoring and reporting quality of care and has resulted in increases in the cost of liability and medical malpractice insurance. These increased costs may materially adversely affect our tenants' and borrowers' ability to obtain and maintain adequate liability and other insurance; manage related risk exposures; fulfill their insurance, indemnification and other obligations to us under their leases or loan agreements, as applicable; or make lease or loan payments to us, as applicable.

In addition, from time to time, we may be subject to claims brought against us in lawsuits and other legal proceedings arising out of our alleged actions or the alleged actions of our tenants and operators for which such tenants or operators may have agreed to indemnify, defend and hold us harmless. An unfavorable resolution of any such pending or future litigation could materially adversely affect our liquidity, financial condition and results of operations and have a material adverse effect on us in the event that we are not ultimately indemnified by our tenants or operators. Furthermore, negative publicity with respect to any lawsuits, claims or other legal or regulatory proceedings may also negatively impact our, our tenants', our borrowers' or our operators' reputations.

Regulatory Risks

Required regulatory approvals can delay or prohibit transfers of our healthcare properties, which could result in periods in which we are unable to receive rent for such properties.

Our tenants are operators of skilled nursing and other healthcare facilities, and accordingly must be licensed under applicable state law and, depending upon the type of facility, certified or approved as providers under the Medicare and/or Medicaid programs. Prior to the transfer of the operations of such healthcare properties to successor tenants, the new tenant generally must become licensed under state law and, in certain states, receive change-of-ownership approvals under certificate

of need laws (which laws provide for a certification that the state has made a determination that a need exists for the beds located on the applicable property). If applicable, Medicare and Medicaid provider approvals may be needed as well. In the event that an existing lease is terminated or expires and a new tenant is found, then any delays in the new tenant receiving regulatory approvals from the applicable federal, state or local government agencies, or the inability of such tenant to receive such approvals, may prolong the period during which we are unable to collect the applicable rent. We could also incur substantial additional expenses in connection with any licensing, receivership or change-of-ownership proceedings.

Changes in federal, state, or local laws limiting REIT investments in the health care sector may adversely impact our ability to participate in the ownership of and investment in health care real estate.

Legislation potentially impacting REIT ownership and investment in the health care sector has recently been introduced or is under discussion at the federal and state level. These legislative proposals range from additional oversight to prohibitions on investors acquiring or increasing ownership, or operational or financial control, in a nursing home. Such legislation or similar laws or regulations, if enacted, may limit our opportunities to participate in the ownership of, or investment in, health care real estate. Changes in federal, state, or local laws or regulations limiting REIT investment in the health care sector, reducing health care related benefits for REITs, or requiring additional approvals for health care entities to do business with REITs, could have a material adverse effect on our financial condition and operations.

Environmental compliance costs and liabilities associated with real estate properties owned by us may materially impair the value of those investments.

As an owner of real property, we or our subsidiaries are subject to various federal, state and local environmental and health and safety laws and regulations. Although we do not currently operate or manage the substantial majority of our properties, we or our subsidiaries may be held primarily or jointly and severally liable for costs relating to the investigation and clean-up of any property where there has been a release or threatened release of a hazardous regulated material as well as other affected properties, regardless of whether we knew of or caused the release. In addition to these costs, which are typically not limited by law or regulation and could exceed an affected property's value, we could be liable for certain other costs, including governmental fines and injuries to persons, property or natural resources. Further, some environmental laws provide for the creation of a lien on a contaminated site in favor of the government as security for damages and any costs the government incurs in connection with such contamination and associated clean-up.

Although we require our tenants and operators to undertake to indemnify us for environmental liabilities they cause, the amount of such liabilities could exceed the financial ability of the tenant or operator to indemnify us. The presence of contamination or the failure to remediate contamination may adversely affect our ability to sell or lease the real estate or to borrow using the real estate as collateral.

A failure by our tenants, borrowers or operators to adhere to applicable privacy and data security laws could harm our business.

The majority of our tenants, borrowers and operators are subject to HIPAA and various other state and federal laws that relate to privacy and data security, including the reporting of data breaches involving personal information. Failure to comply with these requirements could have a materially adverse effect on our tenants, operators and borrowers and accordingly could have a materially adverse effect on our tenants' and borrowers' ability to meet their obligations to us and on our results of operations. Furthermore, the adoption of new privacy, security and data breach notification laws at the federal and state level could require our tenants, borrowers and operators to incur significant compliance costs. In addition, the cost and operational consequences of responding to cybersecurity incidents and implementing remediation measures could be significant.

A material failure or breach of our or our tenants', borrowers' or operators' information technology, could harm our business.

We and our tenants, borrowers and operators rely on information technology networks and systems, including the Internet, to process, transmit and store electronic information, and to manage or support a variety of business processes, including financial transactions and records, personal identifying information, tenant and lease data. While we and our tenants, borrowers and operators maintain various physical, cyber and data security controls, incidents or breaches resulting from technical failures, natural hazards, theft and unintentional or deliberate acts by third parties or insiders attempting to obtain unauthorized access to information, destroy or manipulate data, or disrupt or sabotage information systems do occur and they may have a material impact on our business. The risk of security incidents has generally increased as the number, intensity and sophistication of attacks and intrusions have increased, and we have seen a significant increase in cyber phishing attacks over the past few years. Additionally, cyber threats and the techniques used in cyberattacks change, develop and evolve rapidly, including from emerging technologies, such as advanced forms of artificial intelligence and quantum computing. We have engaged a third-party cybersecurity firm who serves as our dedicated IT team and helps us oversee, implement and manage our

processes and controls to assess, identify and manage risks from cybersecurity threats. It is possible that our processes and controls will not detect or protect against all cybersecurity threats or incidents. In addition, any failure on the part of our outsourced IT team to effectively monitor and protect our information systems could make us more vulnerable to cybersecurity incidents. Although, to our knowledge, no cybersecurity incident has been material to our business to date, we have been, and expect to continue to be, subject to cybersecurity threats and attacks of varying degrees, and there can be no assurance that we will not experience a material incident. A data security incident or breach occurring at or involving us could have a material adverse impact on our company. A data security incident or breach occurring at or involving a tenant, borrower or operator could jeopardize the tenant's or operators' ability to fulfill its obligations to us and could adversely impact our financial position and results of operations.

Furthermore, we purchase some of our information technology from vendors, on whom our systems depend. We rely on commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of confidential tenant, borrower and operator information, some of which may include individually identifiable information, including information relating to financial accounts. Although we have taken steps to protect the security of our information systems and the data maintained in those systems, it is possible that our safety and security measures will not be able to prevent the systems' improper functioning or damage, or the improper access or disclosure of personally identifiable information such as in the event of a cyber-attack. Security breaches (including physical or electronic break-ins, computer viruses, phishing attacks, computer denial-of-service attacks, worms, covert introduction of malware to computers and networks, impersonation of authorized users, and efforts to discover and exploit any design flaws, bugs, security vulnerabilities or security weaknesses, as well as intentional or unintentional acts by our teammates or other insiders with access privileges, intentional acts of vandalism by third parties and sabotage) can create system disruptions, shutdowns or unauthorized disclosure of confidential information. Any failure to maintain proper function, security and availability of our information systems could interrupt our operations, damage our reputation, subject us to liability claims or regulatory penalties and could have a material adverse effect on our business, financial condition and results of operations.

Investment and Financing Risks

We depend on investments in the healthcare property sector, making our profitability more vulnerable to a downturn or slowdown in that specific sector than if we were investing in multiple industries.

We concentrate our investments in the healthcare property sector. As a result, we are subject to risks inherent to investments in a single industry, in real estate, and specifically in healthcare properties. A downturn or slowdown in the healthcare property sector would have a greater adverse impact on our business than if we had investments in multiple industries. Specifically, a downturn in the healthcare property sector could negatively impact the ability of our tenants and borrowers to meet their obligations to us, as well as the ability to maintain rental and occupancy rates. This could adversely affect our business, financial condition and results of operations. In addition, a downturn in the healthcare property sector could adversely affect the value of our properties and our ability to sell properties at prices or on terms acceptable to us.

We have substantial indebtedness and have the ability to incur significant additional indebtedness and other liabilities.

As of December 31, 2025, we had outstanding indebtedness of \$2.6 billion, which consisted of \$1.3 billion of Senior Notes (as defined below), an aggregate \$1.0 billion outstanding under the Term Loans (as defined below) and Term Loan Credit Agreement, \$217.6 million outstanding under our Revolving Credit Facility and aggregate secured indebtedness to third parties of \$44.0 million on certain of our properties, and we had \$782.4 million available for borrowing under our Revolving Credit Facility. Our high level of indebtedness may have the following important consequences to us:

- It may increase our cost of borrowing;
- It may limit our ability to obtain additional financing to fund future acquisitions, working capital, capital expenditures or other general corporate requirements;
- It may expose us to the risk of increased interest rates under debt instruments subject to variable rates of interest, such as our Revolving Credit Facility;
- It may adversely impact our credit ratings;
- It may limit our ability to adjust rapidly to changing market conditions and we may be vulnerable in the event of a downturn in general economic conditions or in the real estate and/or healthcare sectors;
- It may place us at a competitive disadvantage against less leveraged competitors;
- It may restrict the way in which we conduct our business because of financial and operating covenants in the agreements governing our existing and future indebtedness;
- It may become more difficult for us to satisfy our obligations (including ongoing interest payments and, where applicable, scheduled amortization payments) with respect to the Senior Notes and our other debt; and

- It may require us to sell assets and properties at an inopportune time.

In addition, the Senior Notes Indentures (as defined below) permit us to incur substantial additional debt, including secured debt (to which the Senior Notes will be effectively subordinated). If we incur additional debt, the related risks described above could intensify. Furthermore, the Senior Notes Indentures do not impose any limitation on our ability to incur liabilities that are not considered indebtedness under the Senior Notes Indentures.

The impact of any of these potential adverse consequences could have a material adverse effect on our results of operations, financial condition, and liquidity.

We may be unable to service our indebtedness.

Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our future financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors beyond our control, including the availability of financing in the international banking and capital markets. Our business may fail to generate sufficient cash flow from operations or future borrowings may be unavailable to us under our Revolving Credit Facility or from other sources in an amount sufficient to enable us to service our debt, to refinance our debt or to fund our other liquidity needs. If we are unable to meet our debt obligations or to fund our other liquidity needs, we will need to restructure or refinance all or a portion of our debt. We may be unable to refinance any of our debt, including our Term Loans and Term Loan Credit Agreement and any amounts outstanding under our Revolving Credit Facility, on commercially reasonable terms or at all. If we were unable to make payments or refinance our debt or obtain new financing under these circumstances, we would have to consider other options, such as asset sales, equity issuances and/or negotiations with our lenders to restructure the applicable debt. Our Credit Agreement and the Senior Notes Indentures restrict, and market or business conditions may limit, our ability to take some or all of these actions. Any restructuring or refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations.

Covenants in our debt agreements restrict our and our subsidiaries' activities and could adversely affect our business.

Our debt agreements, including the agreement governing our 2027 Notes (as defined below), the Credit Agreement and the Term Loan Credit Agreement, contain various covenants that limit our ability and the ability of our subsidiaries to engage in various transactions including:

- Incurring additional secured and unsecured debt;
- Granting liens upon certain properties;
- Paying dividends or making other distributions on, redeeming or repurchasing capital stock;
- Entering into transactions with affiliates;
- Issuing stock of or interests in subsidiaries;
- Engaging in non-healthcare related business activities;
- Creating restrictions on the ability of certain of our subsidiaries to pay dividends or other amounts to us;
- Selling assets; or
- Effecting a consolidation or merger or selling substantially all of our assets.

The agreement governing our 2027 Notes also restricts us from making certain investments. The indentures governing our 2029 Notes and our 2031 Notes (each as defined below) contain certain of the above restrictions as well. These covenants limit our operational flexibility and could prevent us from taking advantage of business opportunities as they arise, growing our business or competing effectively. In addition, the Credit Agreement requires us to comply with specified financial covenants, which include a maximum total leverage ratio, a maximum secured debt leverage ratio, a minimum fixed charge coverage ratio, a maximum unsecured leverage ratio, a minimum tangible net worth requirement and a minimum unsecured interest coverage ratio. The indentures governing our 2029 Notes and our 2031 Notes require us to comply with an unencumbered asset ratio, and the agreement governing our 2027 Notes requires us to comply with specified financial covenants, which include a maximum leverage ratio, a maximum secured debt leverage ratio, a maximum unsecured debt leverage ratio, a minimum fixed charge coverage ratio, a minimum net worth, a minimum unsecured interest coverage ratio and a minimum unencumbered debt yield ratio. Our ability to meet these requirements may be affected by events beyond our control, and we may not meet these requirements.

A breach of any of the covenants or other provisions in our debt agreements could result in an event of default, which, if not cured or waived, could result in such debt becoming immediately due and payable. Further, certain change in control events could result in an event of default under the agreement governing our 2027 Notes. Any of these events of default, in turn, could

cause our other debt to become due and payable as a result of cross-acceleration provisions contained in the agreements governing such other debt. We may be unable to maintain compliance with these covenants and, if we fail to do so, we may be unable to obtain waivers from the lenders and holders and/or amend the covenants. In the event that some or all of our debt is accelerated and becomes immediately due and payable, we may not have the funds to repay, or the ability to refinance, such debt.

Adverse changes in our credit ratings could impair our ability to obtain additional debt and equity financing on favorable terms, if at all, and negatively impact the market price of our securities, including our common stock.

Our credit ratings affect the amount and type of capital, as well as the terms of any financing we may obtain. Credit rating agencies continually revise their ratings for the companies that they follow, including us. The credit ratings of our debt are based on, among other things, our operating performance, liquidity and leverage ratios, overall financial position, level of indebtedness and pending or future changes in the regulatory framework applicable to our industry. The credit rating agencies also evaluate our industry as a whole and may change their credit ratings for us based on their overall view of our industry. If we are unable to maintain favorable credit ratings, we would likely incur higher borrowing costs, which would make it more difficult or expensive to obtain additional financing or refinance existing obligations and commitments.

Cash available for distribution to stockholders may be insufficient to make dividend distributions at expected levels and are made at the discretion of our board of directors.

If cash available for distribution generated by our assets decreases due to dispositions or otherwise, we may be unable to make dividend distributions at expected levels. Our inability to make distributions commensurate with market expectations would likely result in a decrease in the market price of our common stock. Further, all distributions are made at the discretion of our board of directors in accordance with Maryland law and depend on: (i) our earnings; (ii) our financial condition; (iii) debt and equity capital available to us; (iv) our expectations for future capital requirements and operating performance; (v) restrictive covenants in our financial or other contractual arrangements; (vi) maintenance of our REIT qualification; (vii) restrictions under Maryland law; and (viii) other factors as our board of directors may deem relevant from time to time.

Our ability to raise capital through equity financings is dependent, in part, on the market price of our common stock, which depends on market conditions and other factors affecting REITs generally.

Our ability to raise capital through equity financings depends, in part, on the market price of our common stock, which in turn depends on fluctuating market conditions and other factors including the following:

- The reputation of REITs and attractiveness of their equity securities in comparison with other equity securities, including securities issued by other real estate companies;
- Our financial performance and that of our tenants and borrowers;
- Concentrations in our investment portfolio by tenant and property type;
- Concerns about our tenants' or borrowers' financial condition, including as a result of uncertainty regarding reimbursement from governmental and other third-party payor programs;
- Our ability to meet or exceed investor expectations of prospective investment and earnings targets;
- The contents of analyst reports about us and the REIT industry;
- Changes in interest rates on fixed-income securities, which may lead prospective investors to demand a higher annual yield from investments in our common stock;
- Maintaining or increasing our dividend, which is determined by our board of directors and depends on our financial position, results of operations, cash flows, capital requirements, debt covenants (which include limits on distributions by us), applicable law, and other factors as our board of directors deems relevant; and
- Regulatory action and changes in REIT tax laws.

The market value of a REIT's equity securities is generally based upon the market's perception of the REIT's growth potential and its current and potential future earnings and cash distributions. If we fail to meet the market's expectation with regard to future earnings and cash distributions, the market price of our common stock could decline, and our ability to raise capital through equity financings could be materially adversely affected.

Changes and uncertainty in macroeconomic conditions and disruptions in the financial markets could adversely affect the value of our real estate investments and our business, results of operations, cash flows and financial condition.

Concerns over economic recession, interest rate increases, policy priorities of the U.S. presidential administration, trade wars, labor shortages or inflation have and may contribute to increased volatility and diminished expectations for the economy and markets. Additionally, concern over geopolitical issues may also contribute to prolonged market volatility and instability.

For example, the conflicts between Russia and Ukraine and in the Middle East have led to disruption, instability and volatility in global markets and industries. Such conditions could impact real estate fundamentals and result in lower occupancy, lower rental rates, and declining values in our real estate portfolio and in the real estate collateral securing any indebtedness. As a result, the value of our property investments could decrease below the amounts paid for such investments, the value of real estate collateral securing any indebtedness could decrease below the outstanding principal amounts of such indebtedness, and revenues from our properties could decrease due to fewer and/or delinquent tenants or lower rental rates. This could materially adversely affect our revenues, results of operations and financial condition.

Ownership of property outside the U.S. may subject us to different or greater risks than those associated with our U.S. investments, including currency fluctuations.

We have investments in Canada, and from time to time may seek to acquire other properties in Canada or otherwise outside the U.S. International development, investment, ownership and operating activities involve risks that are different from those we face with respect to our U.S. properties and operations. These risks include, but are not limited to, any gain recognized with respect to changes in exchange rates may not qualify under the income tests that we must satisfy annually in order to qualify and maintain our status as a REIT and fluctuations in the exchange rates between USD and the Canadian Dollar, which we may be unable to protect against through hedging. Although we have pursued hedging alternatives, by borrowing in Canadian dollar denominated debt and entering into cross currency swaps, to protect against foreign currency fluctuations, no amount of hedging activity can fully insulate us from the risks associated with changes in foreign currency exchange rates, and the failure to hedge effectively against foreign currency exchange rate risk could materially adversely affect our business, financial position or results of operations.

In addition, changes in Canadian political, regulatory, and economic conditions; challenges in managing Canadian operations; challenges of complying with a variety of Canadian laws and regulations, including those relating to real estate, healthcare operations, taxes, employment and legal proceedings, and lending practices; Canadian-specific business cycles and economic instability; and changes in applicable laws and regulations in the U.S. that affect our foreign operations could have a material adverse effect on our business, financial position or results of operations. A future pandemic or epidemic, may also subject our investments and operations in Canada to different or greater risks than those faced in the U.S., which may depend on factors including the duration and severity of outbreaks in Canada, the impact of new variants, the distribution of vaccines and boosters, and governmental or private actions taken in response to the pandemic or epidemic.

We may not be able to sell properties when we desire because real estate investments are relatively illiquid, which could have a material adverse effect on our business, financial position or results of operations.

Real estate investments generally cannot be sold quickly. In addition, some and potentially substantially all of our properties serve as collateral for our current and future secured debt obligations and cannot readily be sold unless the underlying secured indebtedness is concurrently repaid. We may not be able to vary our portfolio promptly in response to changes in the real estate market. A downturn in the real estate market, or the economy in general, could materially adversely affect the value of our properties and our ability to sell such properties for acceptable prices or on other acceptable terms. Furthermore, buyers of our properties generally require third-party financing in order to acquire our properties. Accordingly, the price they may be willing to pay for our properties may depend on the cost and availability of financing for such transactions. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property or portfolio of properties. These factors and any others that would impede our ability to respond to adverse changes in the performance of our properties could have a material adverse effect on our business, financial position or results of operations.

Risks Associated with Our Status as a REIT

Our failure to maintain our qualification as a REIT would subject us to U.S. federal income tax, which could adversely affect the value of the shares of our common stock and would substantially reduce the cash available for distribution to our stockholders.

Our qualification and taxation as a REIT will depend upon our ability to meet on a continuing basis, through actual annual operating results, certain qualification tests set forth in the U.S. federal tax laws. Accordingly, given the complex nature of the rules governing REITs, the ongoing importance of factual determinations, including the potential tax treatment of investments we make, and the possibility of future changes in our circumstances, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements.

If we fail to qualify as a REIT in any calendar year, we would be required to pay U.S. federal income tax (and any applicable state and local tax) on our taxable income at regular corporate rates, and dividends paid to our stockholders would not be deductible by us in computing our taxable income (although such dividends received by certain non-corporate U.S. taxpayers generally would currently be subject to a preferential rate of taxation). Further, if we fail to qualify as a REIT, we

might need to borrow money or sell assets in order to pay any resulting tax. Our payment of income tax would decrease the amount of our income available for distribution to our stockholders. Furthermore, if we fail to maintain our qualification as a REIT, we no longer would be required under U.S. federal tax laws to distribute substantially all of our REIT taxable income to our stockholders. Unless our failure to qualify as a REIT was subject to relief under U.S. federal tax laws, we could not re-elect to qualify as a REIT until the fifth calendar year following the year in which we failed to qualify.

The REIT distribution requirement will decrease our liquidity and may limit our ability to engage in otherwise beneficial transactions.

To comply with the 90% taxable income distribution requirement applicable to REITs and to avoid the non-deductible excise tax, we must make distributions to our stockholders. The Senior Notes Indentures permit us to declare or pay any dividend or make any distribution that is necessary to maintain our REIT status if the aggregate principal amount of all outstanding Indebtedness of the Parent and its Restricted Subsidiaries on a consolidated basis at such time is less than 60% of Adjusted Total Assets (as each term is defined in the Senior Notes Indentures) and to make additional distributions if we pass certain other financial tests.

We are required under the Internal Revenue Code of 1986, as amended (the “Code”), to distribute at least 90% of our taxable income, determined without regard to the dividends-paid deduction and excluding any net capital gain, and the Operating Partnership is required to make distributions to us to allow us to satisfy the REIT distribution requirement. However, distributions may limit our ability to rely upon rental payments from our properties or subsequently acquired properties to finance investments, acquisitions or new developments.

Although we anticipate that we generally will have sufficient cash or liquid assets to enable us to satisfy the REIT distribution requirement, it is possible that, from time to time, we may not have sufficient cash or other liquid assets to meet the REIT distribution requirement. This may be due to the timing differences between the actual receipt of income and actual payment of deductible expenses, on the one hand, and the inclusion of that income and deduction of those expenses in arriving at our taxable income, on the other hand, which may cause us to fail to have sufficient cash or liquid assets to enable us to satisfy the REIT distribution requirement.

In the event that such an insufficiency occurs, in order to meet the REIT distribution requirement and maintain our status as a REIT, we may have to sell assets at unfavorable prices, borrow at unfavorable terms, make taxable stock dividends, or pursue other strategies. This may require us to raise additional capital to meet our obligations. The terms of our Credit Agreement and the terms of the Senior Notes Indentures may restrict our ability to engage in some of these transactions. Additionally, in the event that we have to declare dividends in-kind in order to satisfy the REIT annual distribution requirement, a holder of our common stock will be required to report dividend income as a result of such distributions even though we distributed no cash or only nominal amounts of cash to such stockholder.

We could fail to qualify as a REIT if income we receive is not treated as qualifying income, including as a result of one or more of the lease agreements we have entered into or assumed not being characterized as true leases for U.S. federal income tax purposes, which would subject us to U.S. federal income tax at corporate tax rates.

Under applicable provisions of the Code, we will not be treated as a REIT unless we satisfy various requirements, including requirements relating to the sources of our gross income. Rents received or accrued by us may not be treated as qualifying rent for purposes of these requirements if the lease agreements we have entered into or assumed (as well as any other leases we enter into or assume) are not respected as true leases for U.S. federal income tax purposes and are instead treated as service contracts, joint ventures, loans or some other type of arrangement. In the event that the lease agreements entered into with lessees are not characterized as true leases for U.S. federal income tax purposes, we may fail to qualify as a REIT. In addition, with certain exceptions, rents received by us from a lessee will not be treated as qualifying rent for purposes of these requirements if we are treated, either directly or under the applicable attribution rules, as owning 10% or more of a lessee’s stock, capital or profits. If we fail to qualify as a REIT, we would be subject to U.S. federal income tax on our taxable income at corporate tax rates, which would decrease the amount of cash available for distribution to holders of our common stock.

Complying with REIT requirements may cause us to forego otherwise attractive acquisition opportunities or liquidate otherwise attractive investments, which could materially hinder our performance.

To qualify as a REIT for U.S. federal income tax purposes, we must continually satisfy certain tests, including tests concerning the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of our stock. In order to meet these tests, we may be required to forego investments or acquisitions we might otherwise make. Thus, compliance with the REIT requirements may materially hinder our performance.

The tax imposed on REITs engaging in “prohibited transactions” may limit our ability to engage in transactions which would be treated as sales for U.S. federal income tax purposes.

A REIT’s net income from prohibited transactions is subject to a 100% penalty tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. Although we do not intend to hold any properties that would be characterized as held for sale to customers in the ordinary course of our business, unless a sale or disposition qualifies under certain statutory safe harbors, such characterization is a factual determination and no guarantee can be given that the Internal Revenue Service (“IRS”) would agree with our characterization of our properties or that we will always be able to satisfy the available safe harbors.

Our charter restricts the transfer and ownership of our stock.

In order for us to maintain our qualification as a REIT, no more than 50% of the value of our outstanding stock may be owned, directly or constructively, by five or fewer individuals, as defined in the Code. For the purpose of preserving our REIT qualification, our charter prohibits, subject to certain exceptions, beneficial and constructive ownership of more than 9.9% in value or in number of shares, whichever is more restrictive, of our outstanding common stock or more than 9.9% in value of all classes or series of our outstanding stock. The constructive ownership rules are complex and may cause shares of stock owned directly or constructively by a group of related individuals to be constructively owned by one individual or entity.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum income tax rate applicable to “qualified dividends” payable by non-REIT corporations to domestic stockholders taxed at individual rates is currently 20%. Dividends payable by REITs, however, generally are not eligible for the reduced rates, unless they are attributable to dividends received by the REIT from other corporations that would otherwise be eligible for the reduced rate. Certain non-corporate domestic stockholders may deduct 20% of their dividends from REITs (excluding qualified dividend income and capital gains dividends). For such domestic stockholders in the top marginal tax bracket of 37%, the deduction for REIT dividends yields an effective income tax rate of 29.6% on REIT dividends, which is higher than the 20% tax rate on qualified dividend income paid by non-REIT “C” corporations. Although not adversely affecting the taxation of REITs or dividends payable by REITs, the more favorable rates applicable to regular corporate qualified dividends could cause investors who are taxed at individual rates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends treated as qualified dividend income, which could adversely affect the value of the stock of REITs, including our common stock.

Our ownership of and relationship with any taxable REIT subsidiaries that we have formed or will form will be limited and a failure to comply with the limits would jeopardize our REIT status and may result in the application of a 100% excise tax.

A REIT may own up to 100% of the stock of one or more taxable REIT subsidiaries (“TRSs”). A TRS may earn income that would not be qualifying income if earned directly by the parent REIT. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation (other than a REIT) of which a TRS directly or indirectly owns securities possessing more than 35% of the total voting power or total value of the outstanding securities of such corporation will automatically be treated as a TRS. Overall, no more than 20% (25%, commencing in 2026) of the value of a REIT’s total assets may consist of stock or securities of one or more TRSs. A domestic TRS will pay U.S. federal, state and local income tax at regular corporate rates on any income that it earns. The rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm’s length basis.

We may be subject to adverse legislative or regulatory tax changes that could reduce the market price of our common stock.

The rules dealing with U.S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Department of the Treasury. Changes to the tax law, including the possibility of major tax legislation, possibly with retroactive application, could adversely impact us or our stockholders. We cannot predict with certainty whether, when, in what forms, or with what effective dates, the tax laws applicable to us or our stockholders may be changed. Investors are urged to consult their tax advisors regarding the effect of potential changes to the U.S. federal tax laws on an investment in our common stock.

Risks Related to Our Organization and Structure

Provisions of the Maryland General Corporation Law (the “MGCL”) and of our charter and bylaws could inhibit a change of control of Sabra or reduce the value of our stock.

Certain provisions of Maryland law, our charter and our bylaws may have an anti-takeover effect. Sabra is subject to the Maryland business combination statute, which, subject to certain limitations, impose a moratorium on business combinations with “interested stockholders” or affiliates thereof for five years and thereafter impose additional requirements on such business

combinations. Our bylaws contain a provision exempting us from the control share provisions of the MGCL, which provide that holders of “control shares” of a corporation (defined as voting shares of stock that, if aggregated with all other shares of stock owned or controlled by the acquirer, would entitle the acquirer to exercise one of three increasing ranges of voting power in electing directors) acquired in a “control share acquisition” (defined as the direct or indirect acquisition of issued and outstanding “control shares”) have no voting rights except to the extent approved by the stockholders by the affirmative vote of at least two-thirds of all of the votes entitled to be cast on the matter, excluding all interested shares. There can be no assurance that this bylaw provision exempting us from the control share provisions will not be amended or eliminated at any time in the future.

We have also adopted other measures that may make it difficult for a third party to obtain control of us, including provisions of our charter authorizing our board of directors (all without stockholder approval) to classify or reclassify shares of our stock in one or more classes or series, to cause the issuance of additional shares of our stock, and to amend our charter to increase or decrease the number of shares of stock that we have authority to issue. Our charter contains transfer and ownership restrictions on the percentage by number and value of outstanding shares of our stock that may be owned or acquired by any stockholder.

Our bylaws require advance notice of stockholder proposals and director nominations. These provisions, as well as other provisions of our charter and bylaws, may delay, defer, or prevent a transaction or a change in control that might otherwise be in the best interests of our stockholders.

Our bylaws provide that the Circuit Court for Baltimore City, Maryland or the United States District Court for the District of Maryland, Baltimore Division will be the sole and exclusive forum for substantially all disputes between our company and our stockholders, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with our company or our directors, officers or other teammates.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of our company, (ii) any action asserting a claim of breach of any duty owed by any director or officer or other teammate of our company to our company or to the stockholders of our company, (iii) any action asserting a claim against our company or any director or officer or other teammate of our company arising pursuant to any provision of Maryland law, our charter or our bylaws, or (iv) any action asserting a claim against our company or any director or officer or other teammate of our company that is governed by the internal affairs doctrine. This exclusive forum provision is intended to apply to claims arising under Maryland state law and would not apply to claims brought pursuant to the Exchange Act or the Securities Act of 1933, as amended, or any other claim for which the federal courts have exclusive jurisdiction. This exclusive forum provision will not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules and regulations.

This exclusive forum provision may limit a stockholder’s ability to bring a claim in a judicial forum of its choosing for disputes with our company or our directors, officers or other teammates, which may discourage lawsuits against our company and our directors, officers and other teammates. In addition, stockholders who do bring a claim in the Circuit Court for Baltimore City, Maryland could face additional litigation costs in pursuing any such claim, particularly if they do not reside in or near Maryland. The Circuit Court for Baltimore City, Maryland may also reach different judgments or results than would other courts, including courts where a stockholder would otherwise choose to bring the action, and such judgments or results may be more favorable to our company than to our stockholders. However, the enforceability of similar exclusive forum provisions in other companies’ charters and bylaws has been challenged in legal proceedings, and it is possible that a court could find this type of provision to be inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings. If a court were to find the exclusive forum provision contained in our bylaws to be inapplicable or unenforceable in an action, we might incur additional costs associated with resolving such action in other jurisdictions.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 1C. CYBERSECURITY

We recognize the importance of assessing, identifying and managing material risks associated with cybersecurity threats. To assess and identify material risks from cybersecurity threats, our enterprise risk management (“ERM”) program considers cybersecurity threat risks alongside other Company risks as part of our overall risk assessment process. Our cybersecurity

policies, standards, processes and practices are fully integrated into Sabra's ERM program and are evaluated annually against recognized frameworks established by the National Institute of Standards and Technology, the International Organization for Standardization and other applicable industry standards.

Our approach is focused on preserving the confidentiality, security and availability of our data and systems. We have implemented several cybersecurity processes, technologies and controls to aid in our efforts to assess, identify and manage such risks.

Risk Management and Strategy

Our cybersecurity program includes the following key elements:

- Continuous monitoring of our networks, systems and cloud environments for any unusual activity by a dedicated, outsourced IT team utilizing threat detection and response capabilities.
- Regular review by senior management of monitoring and logging across predefined metrics to identify suspicious activity.
- Employment of technical safeguards including firewalls, managed network switches and access controls.
- Implementation of a zero-trust security architecture, including preventative security measures for cloud and network security and end-user protection, incorporating Microsoft Security Framework, Multi-Factor Authentication (MFA), Intrusion Detection System (IDS), Intrusion Prevention System (IPS) and Advanced Threat Protection (ATP) functionality to protect against viruses, malware, ransomware and phishing attempts.
- Review of applications from third-party service providers to ensure they meet the criteria of our security policies before implementation, and encryption of data that is transmitted over secured channels and ports from our application programming interfaces.
- Education and awareness for Sabra teammates through communication of security and technology policies via the employee handbook, monthly phishing campaigns and mandatory annual training on protecting data, phishing threats, cyber trends and other security measures.
- Maintenance of cyber insurance and crime insurance policies for Sabra and requirements for certain of our tenants and operators to carry a specified dollar amount of cyber insurance coverage, including coverage for third parties.
- Active monitoring of emerging cybersecurity trends and developments through our network of security partners.
- Establishment and maintenance of a comprehensive incident response plan that guides our response to a cybersecurity incident based on established reporting categories and that is tested and evaluated on a periodic basis.

We engage third parties to perform annual internal and external penetration testing. Additionally, our outsourced IT team conducts periodic internal vulnerability assessments. These tests and assessments of our information security control environment and operating effectiveness are performed with the intent of identifying areas for continued focus, improvement and/or compliance. The results are reported to our board of directors, and our cybersecurity policies, standards, processes and practices are adjusted as necessary based on the information provided by these audits, testing and assessments.

To date, cybersecurity incidents have not materially affected and are not reasonably likely to materially affect our Company. However, because cybersecurity incidents are sometimes difficult to detect and can remain disguised for an extended period of time or until a triggering event has occurred, we can give no assurance that we have detected all cybersecurity incidents. We describe how risks from such incidents may affect us, including our business, financial condition and results of operations in "Regulatory Risks" in Part I, Item 1A, "Risk Factors."

Governance

Our board of directors, through direction of the Audit Committee, oversees our ERM process, including the management of risks arising from cybersecurity threats. At least annually, our board of directors receives a report on cybersecurity risks which addresses topics including current and emerging threat risks and our ability to mitigate such risks, recent developments, evolving standards, vulnerability assessments and third-party reviews.

Our cybersecurity risk management and strategy processes, which are discussed in greater detail above, are led by our Chief Executive Officer and Chief Financial Officer in conjunction with our dedicated, outsourced IT team led by our virtual Chief Information Officer who brings over 10 years of experience serving in various roles under information technology and holds a degree in computer science. These members of management are responsible for the operation of our incident response plan and, through ongoing communication with our IT team, are informed about and monitor the prevention, detection, mitigation and remediation of cybersecurity threats and incidents. Prompt and timely information regarding any cybersecurity incident that meets established reporting category designation criteria is reported to the applicable parties as identified in our

incident response plan. As discussed above, these members of management provide a report on cybersecurity risks at least annually, provide quarterly reports to the Audit Committee regarding incidents that have occurred since the prior report and report incidents immediately, when appropriate, to the board of directors.

ITEM 2. PROPERTIES

As of December 31, 2025, our investment portfolio consisted of 360 real estate properties held for investment (consisting of (i) 210 skilled nursing/transitional care facilities, (ii) 32 Senior Housing - Leased communities, (iii) 87 Senior Housing - Managed communities, (iv) 16 behavioral health facilities and (v) 15 specialty hospitals and other facilities), 13 investments in loans receivable (consisting of three mortgage loans and 10 other loans), four preferred equity investments and two investments in unconsolidated joint ventures. As of December 31, 2025, our real estate properties held for investment included 36,412 beds/units, spread across the U.S. and Canada. As of December 31, 2025, the substantial majority of our real estate properties (excluding 87 Senior Housing - Managed communities) were leased under triple-net operating leases with expirations ranging from less than one year to 18 years.

The following table displays the expiration of annualized contractual rental revenues under our lease agreements as of December 31, 2025, adjusted to reflect actual payments received related to the twelve months ended December 31, 2025 for leases no longer accounted for on an accrual basis, by year and property type (dollars in thousands) and, in each case, without giving effect to any renewal options:

	Skilled Nursing / Transitional Care	Senior Housing - Leased	Behavioral Health	Specialty Hospitals and Other	Total Annualized Revenues	% of Total
2026 ⁽¹⁾	\$ 2,926	\$ —	\$ 4,348	\$ —	\$ 7,274	2.1 %
2027	22,020	4,562	—	—	26,582	7.5 %
2028	23,490	1,160	—	3,703	28,353	8.0 %
2029	47,631	5,486	—	6,354	59,471	16.9 %
2030	—	—	—	4,818	4,818	1.4 %
2031	84,675	4,902	—	—	89,577	25.4 %
2032	7,887	1,777	33,723	3,938	47,325	13.4 %
2033	—	3,944	5,077	—	9,021	2.6 %
2034	4,689	3,265	—	—	7,954	2.3 %
2035	7,974	970	—	786	9,730	2.7 %
Thereafter	52,750	7,993	1,590	—	62,333	17.7 %
Total Annualized Revenues	\$ 254,042	\$ 34,059	\$ 44,738	\$ 19,599	\$ 352,438	100.0 %

⁽¹⁾ Includes leases on a month-to-month term.

We believe that all of our properties are adequately covered by insurance and are suitable for their intended uses as described in “Business—Portfolio of Healthcare Investments” in Part I, Item 1.

Occupancy Trends

The following table sets forth the occupancy percentages for our properties for the periods indicated:

	Occupancy Percentage ⁽¹⁾		
	2025	2024	2023
Skilled Nursing/Transitional Care	83.4 %	80.9 %	76.4 %
Senior Housing - Leased	89.0 %	89.6 %	90.0 %
Behavioral Health, Specialty Hospitals and Other	76.5 %	77.9 %	80.7 %
Senior Housing - Managed	85.9 %	84.7 %	82.3 %

⁽¹⁾ Occupancy percentage represents the facilities’ average operating occupancy for the period indicated and is calculated by dividing the actual census from the period presented by the available beds/units for the same period. Occupancy percentage includes only facilities owned by Sabra as of the end of the respective period, and except for Senior Housing - Managed, only for the duration that such facilities were classified as stabilized facilities and excludes facilities for which data is not available or meaningful. Occupancy is only included in periods subsequent to our acquisition and is presented for the trailing twelve month period and one quarter in arrears, except for Senior Housing - Managed, which is presented for the period indicated on a trailing three month basis. All facility financial performance information was provided by, or derived solely from information provided by, our tenants and operators without independent verification by us.

You should not rely upon occupancy percentages, either individually or in the aggregate, to determine the performance of a facility. Other factors that may impact the performance of a facility include the sources of payment, terms of reimbursement and the acuity level of the patients (i.e., the condition of patients that determines the level of skilled nursing and rehabilitation therapy services required).

See “Business—Portfolio of Healthcare Investments” in Part I, Item 1 for further discussion regarding the ownership of our properties and the types of healthcare facilities that comprise our properties.

Secured Indebtedness

As of each of December 31, 2025 and 2024, eight of our properties held for investment were subject to secured indebtedness to third parties. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Secured Indebtedness” in Part II, Item 7 for further discussion regarding our secured indebtedness. As of December 31, 2025 and 2024, our secured debt consisted of the following (dollars in thousands):

Interest Rate Type	Principal Balance as of December 31, ⁽¹⁾		Weighted Average Effective Interest Rate at December 31, ⁽²⁾		Maturity Date
	2025	2024	2025	2024	
Fixed Rate	\$ 44,021	\$ 46,110	3.36 %	3.35 %	May 2031 - August 2051

⁽¹⁾ Principal balance does not include deferred financing costs, net of \$0.7 million and \$0.8 million as of December 31, 2025 and 2024, respectively.

⁽²⁾ Weighted average effective interest rate includes private mortgage insurance.

Corporate Office

We are headquartered and have our corporate office in Tustin, California. We lease our corporate office from an unaffiliated third party.

ITEM 3. LEGAL PROCEEDINGS

For a description of our legal proceedings, see Note 16, “Commitments and Contingencies—Legal Matters” in the Notes to Consolidated Financial Statements included in this 10-K, which is incorporated by reference in response to this item.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Stockholder Information

Our common stock is listed on The Nasdaq Stock Market LLC and trades on the Nasdaq Global Select Market under the symbol "SBRA."

At February 4, 2026, we had approximately 3,561 stockholders of record.

We did not repurchase any shares of our common stock during the quarter ended December 31, 2025 or issue any shares of our common stock in a transaction that was not registered under the Securities Act of 1933, as amended.

To maintain REIT status, we are required each year to distribute to stockholders at least 90% of our annual REIT taxable income after certain adjustments. All distributions will be made by us at the discretion of our board of directors and will depend on our financial position, results of operations, cash flows, capital requirements, debt covenants (which include limits on distributions by us), applicable law, and other factors as our board of directors deems relevant. For example, while the Senior Notes Indentures, the Credit Agreement and the Term Loan Credit Agreement permit us to declare and pay any dividend or make any distribution that is necessary to maintain our REIT status, those distributions are subject to certain financial tests under the Senior Notes Indentures, and therefore, the amount of cash distributions we can make to our stockholders may be limited.

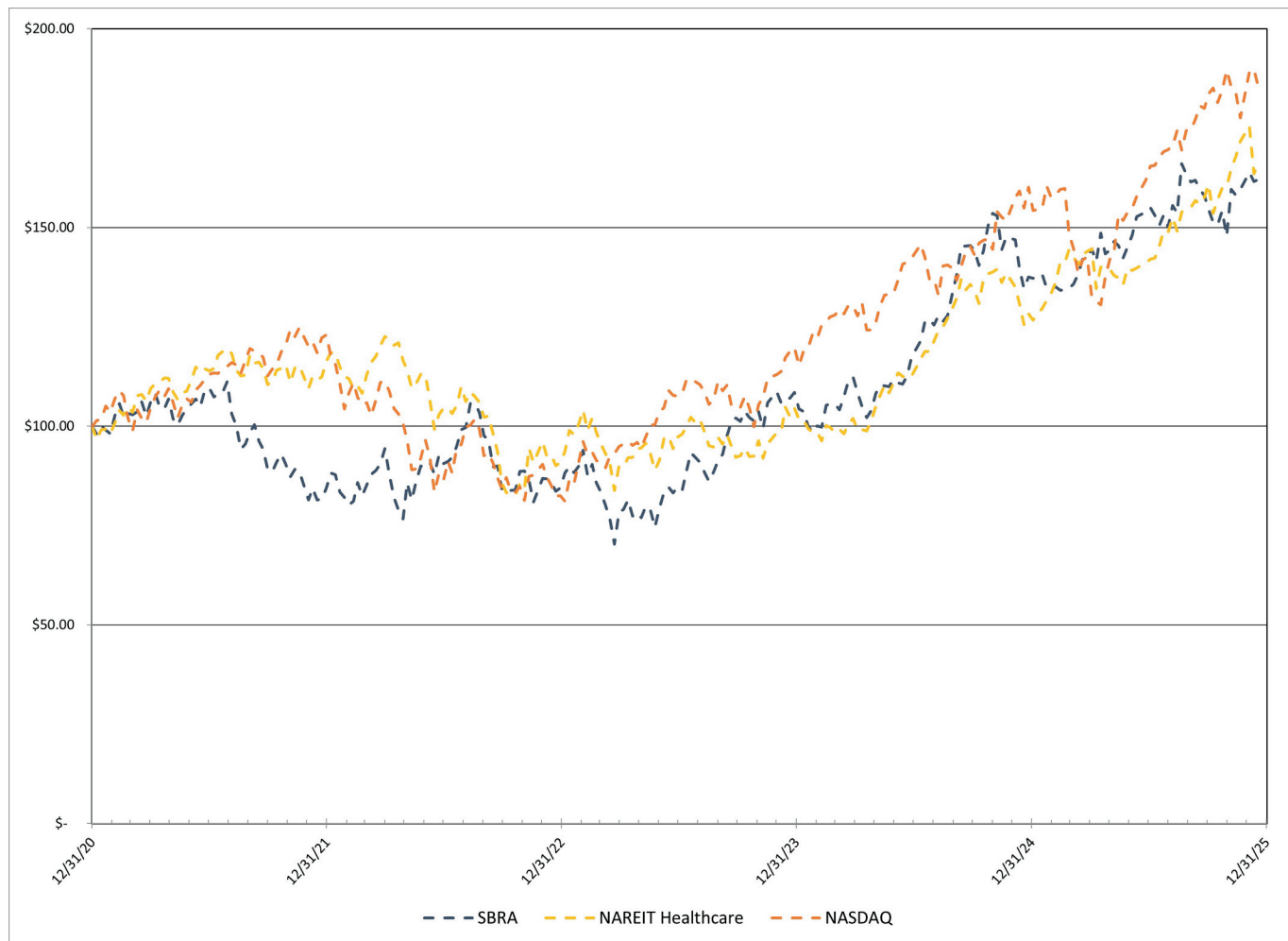
Distributions with respect to our common stock can be characterized for federal income tax purposes as taxable ordinary dividends, which may be non-qualified, long-term capital gain, or qualified, non-dividend distributions (return of capital) or a combination thereof. Following is the characterization of our annual cash dividends on common stock per share:

Common Stock	Year Ended December 31,		
	2025	2024	2023
Non-qualified ordinary dividends	\$ 0.9755	\$ 1.0600	\$ 0.6837
Non-dividend distributions	0.2245	0.1400	0.5163
	<u>\$ 1.2000</u>	<u>\$ 1.2000</u>	<u>\$ 1.2000</u>

Stock Price Performance Graph

The following graph compares the cumulative total stockholder return of our common stock for the five-year period ending December 31, 2025.

The graph below assumes that \$100 was invested at the close of market on December 31, 2020 in (i) our common stock, (ii) the Nasdaq Composite Index and (iii) the Nareit Health Care Property Sector Total Return Index and assumes the reinvestment of all dividends. Stock price performances shown in the graph are not necessarily indicative of future price performances.



The above performance graph shall not be deemed to be soliciting material or to be filed with the SEC under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or incorporated by reference in any document as filed.

ITEM 6. RESERVED

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion below contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those which are discussed in Part I, Item 1A, "Risk Factors." Also see "Statement Regarding Forward-Looking Statements" preceding Part I.

The following discussion and analysis should be read in conjunction with our accompanying consolidated financial statements and the notes thereto.

Our Management's Discussion and Analysis of Financial Condition and Results of Operations is organized as follows:

- Overview
- Critical Accounting Policies and Estimates
- Recently Issued Accounting Standards Updates
- Results of Operations
- Liquidity and Capital Resources
- Concentration of Credit Risk
- Skilled Nursing Facility Reimbursement Rates

Overview

We expect to grow our investment portfolio while diversifying our portfolio by tenant, facility type and geography within the healthcare sector. We plan to achieve these objectives primarily through making investments directly or indirectly in healthcare real estate, including the development of purpose-built healthcare facilities with select developers. We also intend to achieve our objective of diversifying our portfolio by tenant and facility type through select asset sales and other arrangements with our tenants.

Market Trends and Uncertainties

Our operations have been and are expected to continue to be impacted by economic and market conditions. Increases in operating expenses, inflation and increased volatility in public equity and fixed income markets have led to increased costs and limited the availability of capital.

To the extent that our tenants, borrowers and Senior Housing - Managed portfolio have faced or will face the negative impacts of such conditions, they may be unable to meet their obligations to us or experience a deterioration in operating results. If our tenants and borrowers default on these obligations, such defaults could result in the determination that the full amounts of our investments are not recoverable, which could result in an impairment charge. Further, prolonged deterioration in the operating results for our investments in our Senior Housing - Managed portfolio could result in the determination that the full amounts of our investments are not recoverable, which could result in an impairment charge.

We regularly monitor the effects of economic and market conditions, as well as actions by national, state and local government administrations and regulatory agencies that affect healthcare policy and general market conditions, on our operations and financial position, as well as on the operations and financial position of our tenants and borrowers, in order to respond and adapt to the ongoing changes in our operating environment. See Part I, Item 1A, "Risk Factors" for additional discussion of these risks, as well as the uncertainties we and our tenants and borrowers may face as a result.

Acquisitions

During the year ended December 31, 2025, we acquired 11 Senior Housing - Managed communities, three of which were acquired through a consolidated joint venture in which we have a 95% equity interest, and acquired 24 units on the campus of one of our Senior Housing - Leased communities for aggregate consideration of \$434.5 million, including acquisition costs. Additionally, during the year ended December 31, 2025, we purchased the operations of four Senior Housing - Managed communities previously leased to the tenant under triple-net operating leases for \$19.7 million. See Note 3, "Recent Real Estate Acquisitions (Consolidated)," in the Notes to Consolidated Financial Statements for additional information regarding these investments.

Dispositions

During the year ended December 31, 2025, we completed the sale of 14 skilled nursing/transitional care facilities and one behavioral health facility for aggregate consideration, net of closing costs, of \$88.5 million. The net carrying value of the assets and liabilities of these facilities was \$92.0 million, which resulted in an aggregate \$3.5 million net loss on sale. We continue to evaluate additional assets for sale as part of our initiative to recycle capital and further improve our portfolio quality.

Senior Unsecured Notes

On July 31, 2025, we redeemed all \$500.0 million aggregate principal amount outstanding of the 5.125% senior unsecured notes due 2026. See “—Liquidity and Capital Resources—Material Cash Requirements—Senior Unsecured Notes.”

Term Loan Credit Facility

On July 30, 2025, we and certain of our subsidiaries entered into the Term Loan Credit Agreement. See “—Liquidity and Capital Resources—Material Cash Requirements—Term Loan Credit Agreement.”

At-The-Market Common Stock Offering Program

On August 5, 2025, we established the ATM Program pursuant to which shares of our common stock having an aggregate gross sales price of up to \$750.0 million may be sold from time to time. See “—Liquidity and Capital Resources.”

Critical Accounting Policies and Estimates

Below is a discussion of the accounting policies that management considers critical in that they involve significant management judgments and assumptions, require estimates about matters that are inherently uncertain and because they are important for understanding and evaluating our reported financial results. These judgments affect the reported amounts of assets and liabilities and our disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. With different estimates or assumptions, materially different amounts could be reported in our financial statements. Additionally, other companies may utilize different estimates that may impact the comparability of our results of operations to those of companies in similar businesses. For more information regarding our critical accounting policies, see Note 2, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements.

Variable Interest Entities

U.S. generally accepted accounting principles (“GAAP”) requires us to identify entities for which control is achieved through voting rights or other means and to determine which business enterprise is the primary beneficiary of variable interest entities (“VIEs”). A VIE is broadly defined as an entity with one or more of the following characteristics: (a) the total equity investment at risk is insufficient to finance the entity’s activities without additional subordinated financial support; (b) as a group, the holders of the equity investment at risk lack (i) the ability to make decisions about the entity’s activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests, and substantially all of the entity’s activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. If we were determined to be the primary beneficiary of the VIE, we would consolidate investments in the VIE. We may change our original assessment of a VIE due to events such as modifications of contractual arrangements that affect the characteristics or adequacy of the entity’s equity investments at risk and the disposal of all or a portion of an interest held by the primary beneficiary.

We identify the primary beneficiary of a VIE as the enterprise that has both: (i) the power to direct the activities of the VIE that most significantly impact the entity’s economic performance; and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could be significant to the entity. We perform this analysis on an ongoing basis.

As it relates to investments in loans, in addition to our assessment of VIEs and whether we are the primary beneficiary of those VIEs, we evaluate the loan terms and other pertinent facts to determine whether the loan investment should be accounted for as a loan or as a real estate joint venture. If an investment has the characteristics of a real estate joint venture, including if we participate in the majority of the borrower’s expected residual profit, we would account for the investment as an investment in a real estate joint venture and not as a loan investment. Expected residual profit is defined as the amount of profit, whether called interest or another name, such as an equity kicker, above a reasonable amount of interest and fees expected to be earned by a lender.

As it relates to investments in joint ventures, we assess any partners' rights and their impact on the presumption of control of the partnership by any single partner. We also apply this guidance to managing member interests in limited liability companies. We reassess our determination of which entity controls the joint venture if: there is a change to the terms or in the exercisability of the rights of any partners or members, the general partner or managing member increases or decreases its ownership interests, or there is an increase or decrease in the number of outstanding ownership interests.

Real Estate Investments and Rental Revenue Recognition

Real Estate Acquisition Valuation

All assets acquired and liabilities assumed in an acquisition of real estate accounted for as a business combination are measured at their acquisition date fair values. For acquisitions of real estate accounted for as an asset acquisition, the fair value of consideration transferred by us (including transaction costs) is allocated to all assets acquired and liabilities assumed on a relative fair value basis. Tangible assets consist primarily of land, building and improvements. Identifiable intangible assets primarily consist of the above market component of in-place leases, tenant origination and absorption costs and tenant relationship intangibles, and identifiable intangible liabilities primarily consist of the below market component of in-place leases. Acquisition costs associated with real estate acquisitions deemed asset acquisitions are capitalized, and costs associated with real estate acquisitions deemed business combinations are expensed as incurred.

Estimates of the fair values of the tangible assets, identifiable intangibles and assumed liabilities require us to make significant assumptions to estimate market lease rates, property operating expenses, carrying costs during lease-up periods, discount rates, market absorption periods, and the number of years the property will be held for investment. We make our best estimate based on our evaluation of the specific characteristics of each tenant's lease. The use of inappropriate assumptions would result in an incorrect valuation of our acquired tangible assets, identifiable intangibles and assumed liabilities, which would impact the amount of our net income.

Impairment of Real Estate Investments

We regularly monitor events and changes in circumstances, including investment operating performance and general market conditions, that could indicate that the carrying amounts of our real estate investments may not be recoverable. When indicators of potential impairment suggest that the carrying value of real estate investments may not be recoverable, we assess the recoverability by estimating whether we will recover the carrying value of our real estate investments through the undiscounted future cash flows and the eventual disposition of the investment. In some instances, there may be various potential outcomes for an investment and its potential undiscounted future cash flows. In these instances, the undiscounted future cash flows models used to assess recoverability are based on several assumptions and are probability-weighted based on our best estimates as of the date of evaluation. These assumptions include, among others, market rent, revenue and expense growth rates, absorption period, stabilized occupancy, holding period, market capitalization rates, and estimated market values based on analysis of letters of intent, purchase and sale agreements and recent sales data for comparable properties. When discounted cash flow is used to determine fair value, a discount rate assumption is also used. The assumptions are generally based on management's experience in its local real estate markets, and the effects of current market conditions, which are subject to economic and market uncertainties. If, based on this analysis, we do not believe that we will be able to recover the carrying value of our real estate investments, we would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of our real estate investments. We determine estimated fair value based primarily upon (i) estimated sale prices from signed contracts or letters of intent from third-party offers, (ii) discounted cash flow models of the investment over its remaining hold period, (iii) third-party appraisals and (iv) recent sales data for comparable properties.

Revenue Recognition

We recognize rental revenue from tenants, including rental abatements, lease incentives and contractual fixed increases attributable to operating leases, on a straight-line basis over the term of the related leases when it is probable that substantially all rents over the life of a lease are collectible. Certain of our leases provide for contingent rents equal to a percentage of the facility's revenue in excess of specified base amounts or other thresholds. Such revenue is recognized when actual results reported by the tenant, or estimates of tenant results, exceed the applicable base amount or other threshold.

We assess the collectability of rents on a lease-by-lease basis, and in doing so, consider such things as historical bad debts, tenant creditworthiness, current economic trends, facility operating performance, lease structure, credit enhancements (including guarantees), current developments relevant to a tenant's business specifically and to its business category generally, and changes in tenants' payment patterns. Our assessment includes an estimation of a tenant's ability to fulfill all of its rental obligations over the remaining lease term. In addition, with respect to tenants in bankruptcy, management makes estimates of the expected recovery of pre-petition and post-petition claims in assessing the estimated collectability of the related receivable. If at any time we cannot determine that it is probable that substantially all rents over the life of a lease are collectible, rental

revenue will be recognized only to the extent of payments received, and all receivables associated with the lease will be written off irrespective of amounts expected to be collectible. Any recoveries of these amounts will be recorded in future periods upon receipt of payment. Write-offs of receivables and any recoveries of previously written-off receivables are recorded as adjustments to rental revenue.

Revenue from resident fees and services is recorded monthly as services are provided and includes resident room and care charges, ancillary services charges and other resident charges. These charges are combined and accounted for as a single lease component.

Investment in Unconsolidated Joint Ventures

We report investments in unconsolidated entities over whose operating and financial policies we have the ability to exercise significant influence under the equity method of accounting. Under this method of accounting, our share of the investee's earnings or losses is included in our consolidated statements of income. The initial carrying value of the investment is based on the amount paid to purchase the joint venture interest. Differences between our cost basis and the basis reflected at the joint venture level are generally amortized over the lives of the related assets and liabilities, and such amortization is included in our share of earnings of the joint venture. In addition, distributions received from unconsolidated entities are classified based on the nature of the activity or activities that generated the distribution.

We regularly monitor events and changes in circumstances, including investment operating performance, changes in anticipated holding period and general market conditions, that could indicate that the carrying amounts of our equity method investments may be impaired. An equity method investment's value is impaired when the fair value of the investment is less than its carrying value and we determine the decline in value is other-than-temporary. The fair value is estimated based on discounted cash flows models that include all estimated cash inflows and outflows and any estimated debt premiums or discounts. The discounted cash flows are based on several assumptions, including management fee, absorption period, terminal capitalization rates, revenue and expense per bed, revenue and expense growth percentage, replacement reserve per unit, stabilized occupancy, stabilized operating margin, price per bed and discount rates. The assumptions are generally based on management's experience in its local real estate markets, and the effects of current market conditions, which are subject to economic and market uncertainties. If we believe that there is an other-than-temporary decline in the value of an equity method investment, we would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of such equity method investment.

Loans Receivable and Credit Losses

Loans Receivable

Loans receivable are reflected at amortized cost on our consolidated balance sheets. The amortized cost of a loan receivable is the outstanding unpaid principal balance, net of unamortized discounts, costs and fees directly associated with the origination of the loan.

Loans acquired in connection with a business combination are recorded at their acquisition date fair value. We determine the fair value of loans receivable based on estimates of expected discounted cash flows, collateral, credit risk and other factors. A valuation allowance is not established at the acquisition date, as the amount of estimated future cash flows reflects our judgment regarding their uncertainty. The difference between the acquisition date fair value and the total expected cash flows is recognized as interest income using the effective interest method over the life of the applicable loan. Any unamortized balances are immediately recognized in income if the loan is repaid before its contractual maturity.

Interest income on our loans receivable is recognized on an accrual basis over the life of the investment using the interest method. Direct loan origination costs are amortized over the term of the loan as an adjustment to interest income. When concerns exist as to the ultimate collection of principal or interest due under a loan, the loan is placed on nonaccrual status, and we will not recognize interest income until the cash is received, or the loan returns to accrual status. If we determine that the collection of interest according to the contractual terms of the loan or through the receipts of assets in satisfaction of contractual amounts due is probable, we will resume the accrual of interest. In instances where borrowers are in default under the terms of their loans, we may continue recognizing interest income provided that all amounts owed under the contractual terms of the loan, including accrued and unpaid interest, do not exceed the estimated fair value of the collateral, less costs to sell.

On a quarterly basis, we evaluate the collectability of our interest income receivable and establish a reserve for amounts not expected to be collected. Our evaluation includes reviewing credit quality indicators such as payment status, changes affecting the operations of the facilities securing the loans, and national and regional economic factors. The reserve is a valuation allowance that reflects management's estimate of losses inherent in the interest income receivable balance as of the

balance sheet date. The reserve is adjusted through provision for loan losses and other reserves on our consolidated statements of income and is decreased by charge-offs to specific receivables.

Credit Losses

On a quarterly basis, we evaluate the collectability of our loan portfolio, including the portion of unfunded loan commitments expected to be funded, and establish an allowance for credit losses. The allowance for credit losses is calculated using the related amortization schedules, payment histories and loan-to-value ratios. The following rates are applied to determine the aggregate expected losses, which is recorded as the allowance for credit losses: (i) a default rate, (ii) a liquidation cost rate and (iii) a distressed property reduction rate. If no loan-to-value ratio is available, a loss severity rate is applied in place of the liquidation cost rate and the distressed property reduction rate. The default rate is based on average charge-off and delinquency rates from the Federal Reserve, and the other rates are based on industry research and historical performance of a similar portfolio of financial assets. The allowance for credit losses is a valuation allowance that reflects management's estimate of losses inherent in the loan portfolio as of the balance sheet date. The reserve is adjusted through provision for loan losses and other reserves on our consolidated statements of income and is decreased by charge-offs to specific loans.

Preferred Equity Investments and Preferred Return

Preferred equity investments are accounted for at unreturned capital contributions, plus accrued and unpaid preferred returns. We recognize preferred return income on a monthly basis based on the outstanding investment including any previously accrued and unpaid return. As a preferred member of the preferred equity joint ventures in which we participate, we are not entitled to share in the joint venture's earnings or losses. Rather, we are entitled to receive a preferred return, which is deferred if the cash flow of the joint venture is insufficient to currently pay the accrued preferred return.

We regularly monitor events and changes in circumstances that could indicate that the carrying amounts of our preferred equity investments may not be recoverable or realized. On a quarterly basis, we evaluate our preferred equity investments for impairment based on a comparison of the fair value of the investment to its carrying value. The fair value is estimated based on discounted cash flows that include all estimated cash inflows and outflows over a specified holding period. If, based on this analysis, we do not believe that we will be able to recover the carrying value of our preferred equity investment, we would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of our preferred equity investment.

Income Taxes

We elected to be treated as a REIT with the filing of our U.S. federal income tax return for the taxable year beginning January 1, 2011. We believe that we have been organized and have operated, and we intend to continue to operate, in a manner to qualify as a REIT. To qualify as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of our annual REIT taxable income to stockholders (which is computed without regard to the dividends-paid deduction or net capital gains and which does not necessarily equal net income as calculated in accordance with GAAP). As a REIT, we generally will not be subject to federal income tax on income that we distribute as dividends to our stockholders. If we fail to qualify as a REIT in any taxable year, we will be subject to U.S. federal income tax on our taxable income at regular corporate income tax rates and generally will not be permitted to qualify for treatment as a REIT for federal income tax purposes for the four taxable years following the year during which qualification is lost, unless the IRS grants us relief under certain statutory provisions. Such an event could materially and adversely affect our net income and net cash available for distribution to stockholders. However, we believe that we are organized and operate in such a manner as to qualify for treatment as a REIT.

As a result of certain investments, we record income tax expense or benefit with respect to certain of our entities that are taxed as taxable REIT subsidiaries under provisions similar to those applicable to regular corporations and not under the REIT provisions.

We account for deferred income taxes using the asset and liability method and recognize deferred tax assets and liabilities for the expected future tax consequences of events that have been included in our financial statements or tax returns. Under this method, we determine deferred tax assets and liabilities based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Any increase or decrease in the deferred tax liability that results from a change in circumstances, and that causes a change in our judgment about expected future tax consequences of events, is included in the tax provision when such changes occur. Deferred income taxes also reflect the impact of operating loss and tax credit carryforwards. A valuation allowance is provided if we believe it is more likely than not that all or some portion of the deferred tax asset will not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances, and that causes a change in our judgment about the realizability of the related deferred tax asset, is included in the tax provision when such changes occur.

We evaluate our tax positions using a two-step approach: step one (recognition) occurs when we conclude that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination, and step two (measurement) is only addressed if step one has been satisfied (i.e., the position is more likely than not to be sustained). Under step two, the tax benefit is measured as the largest amount of benefit (determined on a cumulative probability basis) that is more likely than not to be realized upon ultimate settlement. We will recognize tax penalties relating to unrecognized tax benefits as additional tax expense.

Fair Value Measurements

Under GAAP, we are required to measure certain financial instruments at fair value on a recurring basis. In addition, we are required to measure other financial instruments and balances at fair value on a non-recurring basis (e.g., carrying value of impaired loans receivable and long-lived assets). Fair value is defined as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The GAAP fair value framework uses a three-tiered approach. Fair value measurements are classified and disclosed in one of the following three categories:

- Level 1: unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3: prices or valuation techniques where little or no market data is available that requires inputs that are both significant to the fair value measurement and unobservable.

When available, we utilize quoted market prices from an independent third-party source to determine fair value and classify such items in Level 1 or Level 2. In instances where the market for a financial instrument is not active, regardless of the availability of a nonbinding quoted market price, observable inputs might not be relevant and could require us to make a significant adjustment to derive a fair value measurement. Additionally, in an inactive market, a market price quoted from an independent third party may rely more on models with inputs based on information available only to that independent third party. When we determine the market for a financial instrument owned by us to be illiquid or when market transactions for similar instruments do not appear orderly, we may use several valuation sources (including internal valuations, discounted cash flow analysis and quoted market prices) to establish a fair value. If more than one valuation source is used, we will assign weights to the various valuation sources. Additionally, when determining the fair value of liabilities in circumstances in which a quoted price in an active market for an identical liability is not available, we measure fair value using (i) a valuation technique that uses the quoted price of the identical liability when traded as an asset or quoted prices for similar liabilities or similar liabilities when traded as assets or (ii) another valuation technique that is consistent with the principles of fair value measurement, such as the income approach or the market approach.

Changes in assumptions or estimation methodologies can have a material effect on these estimated fair values. In this regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, may not be realized in an immediate settlement of the instrument.

We consider the following factors to be indicators of an inactive market: (i) there are few recent transactions, (ii) price quotations are not based on current information, (iii) price quotations vary substantially either over time or among market makers (for example, some brokered markets), (iv) indexes that previously were highly correlated with the fair values of the asset or liability are demonstrably uncorrelated with recent indications of fair value for that asset or liability, (v) there is a significant increase in implied liquidity risk premiums, yields, or performance indicators (such as delinquency rates or loss severities) for observed transactions or quoted prices when compared with our estimate of expected cash flows, considering all available market data about credit and other nonperformance risk for the asset or liability, (vi) there is a wide bid-ask spread or significant increase in the bid-ask spread, (vii) there is a significant decline or absence of a market for new issuances (that is, a primary market) for the asset or liability or similar assets or liabilities, and (viii) little information is released publicly (for example, a principal-to-principal market).

We consider the following factors to be indicators of non-orderly transactions: (i) there was not adequate exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities under current market conditions, (ii) there was a usual and customary marketing period, but the seller marketed the asset or liability to a single market participant, (iii) the seller is in or near bankruptcy or receivership (that is, distressed), or the seller was required to sell to meet regulatory or legal requirements (that is, forced), and (iv) the transaction price is an outlier when compared with other recent transactions for the same or similar assets or liabilities.

Recently Issued Accounting Standards Updates

See Note 2, “Summary of Significant Accounting Policies,” in the Notes to Consolidated Financial Statements for information concerning recently issued accounting standards updates.

Results of Operations

As of December 31, 2025, our investment portfolio consisted of 360 real estate properties held for investment, 13 investments in loans receivable, four preferred equity investments and two investments in unconsolidated joint ventures. As of December 31, 2024, our investment portfolio consisted of 364 real estate properties held for investment, 14 investments in loans receivable, five preferred equity investments and two investments in unconsolidated joint ventures. In general, we expect that income and expenses related to our portfolio will fluctuate in future periods in comparison to the corresponding prior periods as a result of investment and disposition activity and anticipated future changes in our portfolio. The results of operations presented are not directly comparable due to ongoing acquisition and disposition activity, including our capital recycling initiative.

A discussion of our results of operations for the year ended December 31, 2023 is included in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Comparison of results of operations for the years ended December 31, 2024 and 2023” section in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2024.

Comparison of results of operations for the years ended December 31, 2025 and 2024 (dollars in thousands):

	For the Year Ended December 31,		Increase / (Decrease)	Percentage Difference	Variance due to Acquisitions, Originations and Dispositions ⁽¹⁾	Remaining Variance ⁽²⁾
	2025	2024				
Revenues:						
Rental and related revenues	\$ 374,131	\$ 381,495	\$ (7,364)	(2)%	\$ (7,592)	\$ 228
Resident fees and services	356,883	284,581	72,302	25 %	42,841	29,461
Interest and other income	43,618	37,159	6,459	17 %	435	6,024
Expenses:						
Depreciation and amortization	186,996	169,623	17,373	10 %	12,921	4,452
Interest	112,489	115,272	(2,783)	(2)%	—	(2,783)
Triple-net portfolio operating expenses	14,487	17,072	(2,585)	(15)%	(579)	(2,006)
Senior housing - managed portfolio operating expenses	256,619	210,016	46,603	22 %	27,010	19,593
General and administrative	53,710	50,067	3,643	7 %	—	3,643
Recovery of loan losses	(1,047)	(571)	(476)	83 %	(23)	(453)
Impairment of real estate	7,322	18,472	(11,150)	(60)%	(18,003)	6,853
Other income (expense):						
Loss on extinguishment of debt	(1,154)	—	(1,154)	NM	—	(1,154)
Other income	14,036	2,735	11,301	413 %	(82)	11,383
Net (loss) gain on sales of real estate	(3,519)	2,095	(5,614)	(268)%	(5,614)	—
Income (loss) from unconsolidated joint ventures	3,928	(397)	4,325	(1,089)%	—	4,325
Income tax expense	(1,837)	(1,005)	(832)	83 %	—	(832)

⁽¹⁾ Represents the dollar amount increase (decrease) for the year ended December 31, 2025 compared to the year ended December 31, 2024 as a result of investments/dispositions made after January 1, 2024.

⁽²⁾ Represents the dollar amount increase (decrease) for the year ended December 31, 2025 compared to the year ended December 31, 2024 that is not a direct result of investments/dispositions made after January 1, 2024.

Rental and Related Revenues

During the year ended December 31, 2025, we recognized \$374.1 million of rental income compared to \$381.5 million for the year ended December 31, 2024. The \$7.4 million net decrease in rental income is related to (i) a \$14.1 million decrease in revenue, which includes \$8.7 million of non-cash revenue write-offs and a \$4.9 million decrease in cash revenue, related to facilities that were transitioned to Senior Housing - Managed communities after January 1, 2024, (ii) a \$9.0 million decrease from properties disposed of after January 1, 2024 and (iii) a \$1.4 million decrease related to facilities transitioned to new

operators after January 1, 2024. These decreases are partially offset by (i) a \$7.4 million net increase in non-cash rent as the result of changing our estimates of collectability for certain leases within our triple-net leased portfolio, (ii) a \$6.0 million increase due to lease amendments and annual rental increases based on changes in the Consumer Price Index, (iii) a \$2.5 million net increase in cash revenue related to percentage rent, expense recoveries and leases that are not accounted for on an accrual basis and (iv) a \$1.4 million increase from properties acquired after January 1, 2024.

Our reported rental and related revenues may be subject to increased variability in the future as a result of lease accounting standards. If at any time we cannot determine that it is probable that substantially all rents over the life of a lease are collectible, rental revenue will be recognized only to the extent of payments received and all receivables associated with the lease will be written off, irrespective of amounts expected to be collectible. However, there can be no assurances regarding the timing and amount of these revenues. Amounts due under the terms of all of our lease agreements are subject to contractual increases, and contingent rental income may be derived from certain lease agreements. No material contingent rental income was derived during the years ended December 31, 2025 and 2024.

Our rental income in future years will be impacted by changes in inflation. Certain of our lease agreements provide for an annual rent escalator based on the percentage change in the Consumer Price Index (but not less than zero), subject to minimum or maximum fixed percentages that range from 1.0% to 5.0%.

Resident Fees and Services

During the year ended December 31, 2025, we recognized \$356.9 million of resident fees and services compared to \$284.6 million for the year ended December 31, 2024. The \$72.3 million net increase is due to a \$42.8 million increase related to 14 Senior Housing - Managed communities acquired after January 1, 2024, a \$17.7 million increase related to nine facilities that were transitioned to Senior Housing - Managed communities after January 1, 2024, a \$2.3 million increase related to one Senior Housing - Managed community that was closed due to a fire in 2022 and did not fully reopen until November 2024, and the remaining increase is primarily related to increased occupancy and an increase in rates.

Interest and Other Income

Interest and other income primarily consists of income earned on our loans receivable investments and preferred returns earned on our preferred equity investments. During the year ended December 31, 2025, we recognized \$43.6 million of interest and other income compared to \$37.2 million for the year ended December 31, 2024. The net increase of \$6.5 million is due to (i) a \$3.1 million increase in late fee income, (ii) a \$2.5 million increase in lease termination income, and (iii) a \$1.1 million increase from investments made after January 1, 2024, partially offset by a \$0.7 million decrease from investments repaid after January 1, 2024.

Depreciation and Amortization

During the year ended December 31, 2025, we incurred \$187.0 million of depreciation and amortization expense compared to \$169.6 million for the year ended December 31, 2024. The net increase of \$17.4 million is due to (i) a \$16.5 million increase from properties acquired after January 1, 2024 and the acquisition of the operations of four Senior Housing - Managed communities previously leased to the tenant under triple-net operating leases, (ii) a \$4.4 million increase from additions to real estate and (iii) a \$1.5 million increase due to accelerating amortization of lease intangibles related to facilities that were transitioned to Senior Housing - Managed communities after January 1, 2024. These increases are partially offset by a \$3.6 million decrease from properties disposed of after January 1, 2024 and a \$1.4 million decrease due to assets that have been fully depreciated.

Interest

We incur interest expense comprised of costs of borrowings plus the amortization of deferred financing costs related to our indebtedness. During the year ended December 31, 2025, we incurred \$112.5 million of interest expense compared to \$115.3 million for the year ended December 31, 2024. The \$2.8 million net decrease is primarily related to a \$3.5 million decrease in non-cash interest expense related to our interest rate hedges, partially offset by a \$0.7 million increase in interest expense related to the Credit Agreement primarily due to an increase in the effective interest rates.

Triple-Net Portfolio Operating Expenses

During the year ended December 31, 2025, we recognized \$14.5 million of triple-net portfolio operating expenses compared to \$17.1 million for the year ended December 31, 2024. The \$2.6 million net decrease is due to a \$1.9 million decrease related to facilities that were transitioned to new operators who are now paying property taxes directly and a \$0.6 million decrease from properties disposed of after January 1, 2024.

Senior Housing - Managed Portfolio Operating Expenses

During the year ended December 31, 2025, we recognized \$256.6 million of Senior Housing - Managed portfolio operating expenses compared to \$210.0 million for the year ended December 31, 2024. The \$46.6 million net increase is primarily due to (i) a \$27.0 million increase related to 14 Senior Housing - Managed communities acquired after January 1, 2024, (ii) a \$12.3 million increase related to nine facilities that were transitioned to Senior Housing - Managed communities after January 1, 2024, (iii) a \$3.3 million increase in employee compensation primarily due to increased labor rates and staffing, (iv) a \$1.7 million increase in management fees, dining expenses and housekeeping costs due to increased occupancy, (v) a \$1.2 million increase related to one Senior Housing - Managed community that was closed due to a fire in 2022 and did not fully reopen until November 2024, (vi) a \$1.1 million increase in utilities primarily due to increased rates and usage and (vii) a \$0.4 million increase in property taxes, partially offset by a \$0.8 million decrease in repairs and maintenance expense.

General and Administrative

General and administrative expenses include compensation-related expenses as well as professional services, office costs, other costs associated with asset management, and acquisition costs. During the year ended December 31, 2025, general and administrative expenses were \$53.7 million compared to \$50.1 million during the year ended December 31, 2024. The \$3.6 million net increase is primarily related to a \$3.1 million net increase in compensation driven by changes in performance-based payout assumptions on incentive compensation and annual salary adjustments and a \$1.0 million increase in legal and professional fees due to increased transaction activity. These increases are partially offset by a \$0.7 million decrease in insurance expense due to lower rates.

Recovery of Loan Losses

During the years ended December 31, 2025 and 2024, we recognized a \$1.0 million and a \$0.6 million recovery of loan losses, respectively, associated with our loans receivable investments.

Impairment of Real Estate

During the year ended December 31, 2025, we recognized a \$7.3 million impairment of real estate related to two closed facilities and one facility that is expected to be sold. During the year ended December 31, 2024, we recognized an \$18.5 million impairment of real estate primarily related to six facilities that have sold.

Loss on Extinguishment of Debt

During the year ended December 31, 2025, we recognized a \$1.2 million loss on extinguishment of debt related to \$2.9 million in payments made to noteholders for early redemption of the 2026 Notes, net of \$1.7 million of write-offs associated with unamortized premium. No loss on extinguishment of debt was recognized during the year ended December 31, 2024.

Other Income

During the year ended December 31, 2025, we recognized \$14.0 million of other income, including the reclassification of \$17.2 million of gain related to six previously terminated interest rate swaps from accumulated other comprehensive loss to other income as the related forecasted transactions were determined to be probable not to occur and \$1.7 million of other income related to insurance proceeds received related to a fire that occurred at one of our Senior Housing - Managed communities in 2022. This was partially offset by \$3.5 million of transition expenses related to the transition of Senior Housing - Managed communities to new operators and \$1.2 million of lease termination expense related to the transition of four facilities from our triple-net portfolio to Senior Housing - Managed communities. During the year ended December 31, 2024, we recognized \$2.7 million of other income related to insurance proceeds received related to a fire that occurred at one of our Senior Housing - Managed communities in 2022, including \$1.7 million of business interruption insurance income and a \$0.5 million gain on insurance proceeds related to the damage incurred at the facility, and a \$0.5 million gain related to our cross currency interest rate swaps.

Net (Loss) Gain on Sales of Real Estate

During the year ended December 31, 2025, we recognized an aggregate net loss of \$3.5 million primarily related to the disposition of 14 skilled nursing/transitional care facilities and one behavioral health facility. During the year ended December 31, 2024, we recognized an aggregate net gain of \$2.1 million related to the disposition of 17 skilled nursing/transitional care facilities and one behavioral health facility.

Income (Loss) from Unconsolidated Joint Ventures

During the year ended December 31, 2025, we recognized \$3.9 million of income from our unconsolidated joint ventures compared to \$0.4 million of loss for the year ended December 31, 2024. The \$4.3 million net improvement is primarily related to (i) a \$2.5 million increase in revenues net of operating expenses primarily due to increased occupancy and rates, (ii) a \$1.3 million decrease in depreciation expense due to assets that have been fully depreciated and (iii) a \$0.2 million decrease in interest expense primarily due to decreased interest rates.

Income Tax Expense

During the years ended December 31, 2025 and 2024, we recognized \$1.8 million and \$1.0 million of income tax expense, respectively. The \$0.8 million change is primarily due to higher taxable income.

Funds from Operations and Adjusted Funds from Operations

We believe that net income as defined by GAAP is the most appropriate earnings measure. We also believe that funds from operations (“FFO”), as defined in accordance with the definition used by the National Association of Real Estate Investment Trusts (“Nareit”), and adjusted funds from operations (“AFFO”) (and related per share amounts) are important non-GAAP supplemental measures of our operating performance. Because the historical cost accounting convention used for real estate assets requires straight-line depreciation (except on land), such accounting presentation implies that the value of real estate assets diminishes predictably over time. However, since real estate values have historically risen or fallen with market and other conditions, presentations of operating results for a REIT that use historical cost accounting for depreciation could be less informative. Thus, Nareit created FFO as a supplemental measure of operating performance for REITs that excludes historical cost depreciation and amortization, among other items, from net income, as defined by GAAP. FFO is defined as net income, computed in accordance with GAAP, excluding gains or losses from real estate dispositions and our share of gains or losses from real estate dispositions related to our unconsolidated joint ventures, plus real estate depreciation and amortization, net of amounts related to noncontrolling interests, plus our share of depreciation and amortization related to our unconsolidated joint ventures, and real estate impairment charges of both consolidated and unconsolidated entities when the impairment is directly attributable to decreases in the value of the depreciable real estate held by the entity. AFFO is defined as FFO excluding stock-based compensation expense, non-cash rental and related revenues, non-cash interest income, non-cash interest expense, non-cash portion of loss on extinguishment of debt, provision for (recovery of) loan losses and other reserves, non-cash lease termination income and deferred income taxes, as well as other non-cash revenue and expense items (including noncapitalizable acquisition costs, transaction costs related to operator transitions and organizational or other restructuring activities, gain/loss on derivative instruments, and non-cash revenue and expense amounts related to noncontrolling interests) and our share of non-cash adjustments related to our unconsolidated joint ventures. We believe that the use of FFO and AFFO (and the related per share amounts), combined with the required GAAP presentations, improves the understanding of our operating results among investors and makes comparisons of operating results among REITs more meaningful. We consider FFO and AFFO to be useful measures for reviewing comparative operating and financial performance because, by excluding the applicable items listed above, FFO and AFFO can help investors compare our operating performance between periods or as compared to other companies. While FFO and AFFO are relevant and widely used measures of operating performance of REITs, they do not represent cash flows from operations or net income as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity or operating performance. FFO and AFFO also do not consider the costs associated with capital expenditures related to our real estate assets nor do they purport to be indicative of cash available to fund our future cash requirements. Further, our computation of FFO and AFFO may not be comparable to FFO and AFFO reported by other REITs that do not define FFO in accordance with the current Nareit definition or that interpret the current Nareit definition or define AFFO differently than we do.

The following table reconciles our calculations of FFO and AFFO for the years ended December 31, 2025, 2024 and 2023, to net income, the most directly comparable GAAP financial measure, for the same periods (in thousands, except share and per share amounts):

	Year Ended December 31,		
	2025	2024	2023
Net income attributable to Sabra Health Care REIT, Inc.	\$ 155,609	\$ 126,712	\$ 13,756
Depreciation and amortization of real estate assets	186,996	169,623	183,087
Depreciation and amortization of real estate assets related to noncontrolling interests	(163)	—	—
Depreciation and amortization of real estate assets related to unconsolidated joint ventures	7,584	8,893	8,697
Net loss (gain) on sales of real estate	3,519	(2,095)	76,625
Impairment of real estate	7,322	18,472	14,332
FFO attributable to Sabra Health Care REIT, Inc.	360,867	321,605	296,497
Stock-based compensation expense	11,360	8,987	7,917
Non-cash rental and related revenues	(1,020)	(3,856)	(8,699)
Non-cash interest expense	7,970	10,479	12,265
Non-cash portion of loss on extinguishment of debt	(1,730)	—	1,541
(Recovery of) provision for loan losses and other reserves	(1,047)	(571)	191
Other adjustments related to unconsolidated joint ventures	313	472	502
Other adjustments ⁽¹⁾	(15,142)	1,072	1,119
AFFO attributable to Sabra Health Care REIT, Inc.	\$ 361,571	\$ 338,188	\$ 311,333
FFO attributable to Sabra Health Care REIT, Inc. per diluted common share	\$ 1.48	\$ 1.36	\$ 1.27
AFFO attributable to Sabra Health Care REIT, Inc. per diluted common share	\$ 1.47	\$ 1.43	\$ 1.33
Weighted average number of common shares outstanding, diluted:			
FFO	244,497,242	236,045,862	232,792,778
AFFO	245,583,191	237,116,036	233,883,279

⁽¹⁾ Other adjustments for the year ended December 31, 2025 include a \$17.2 million gain reclassified from other comprehensive loss related to six terminated interest rate swaps as the related forecasted transactions were determined to be probable not to occur.

The following table sets forth additional information related to certain other items included in net income above, and the portions of each that are included in FFO and AFFO, which may be helpful in assessing our operating results. Please refer to “—Results of Operations” above for additional information regarding these items (in millions):

	Year Ended December 31,								
	Net Income			FFO			AFFO		
	2025	2024	2023	2025	2024	2023	2025	2024	2023
Rental and related revenues:									
Rental and related revenue write-offs	\$ (7.8)	\$ (6.0)	\$ (2.5)	\$ (7.8)	\$ (6.0)	\$ (2.5)	\$ —	\$ (0.7)	\$ —
Interest and other income:									
Lease termination income	2.8	0.2	—	2.8	0.2	—	2.8	0.2	—
Recovery of (provision for) loan losses and other reserves	1.0	0.6	(0.2)	1.0	0.6	(0.2)	—	—	—
Loss on extinguishment of debt	(1.2)	—	(1.5)	(1.2)	—	(1.5)	(2.9)	—	—
Other income (expense):									
Non-cash gain on interest rate swaps	17.2	—	—	17.2	—	—	—	—	—
Lease termination expense	(1.2)	—	—	(1.2)	—	—	(1.2)	—	—
Transition costs	(3.5)	(0.3)	(0.1)	(3.5)	(0.3)	(0.1)	(3.5)	(0.3)	(0.1)
Insurance income	1.7	2.2	4.2	1.7	2.2	4.2	1.7	2.2	4.2

Liquidity and Capital Resources

As of December 31, 2025, we had approximately \$1.2 billion in liquidity, consisting of unrestricted cash and cash equivalents of \$71.5 million, available borrowings under our Revolving Credit Facility of \$782.4 million and an aggregate \$322.7 million related to shares outstanding under forward sale agreements under our Prior ATM Program and ATM Program. The Credit Agreement and Term Loan Credit Agreement each contain an accordion feature that can increase the total available borrowings to \$2.75 billion (from U.S. \$1.4 billion plus CAD \$150.0 million) and to \$1.0 billion (from \$500.0 million), respectively, subject to terms and conditions.

We have filed a shelf registration statement with the SEC that expires in August 2028, which allows us to offer and sell shares of common stock, preferred stock, warrants, rights, units, and certain of our subsidiaries to offer and sell debt securities, through underwriters, dealers or agents or directly to purchasers, on a continuous or delayed basis, in amounts, at prices and on terms we determine at the time of the offering, subject to market conditions.

On February 23, 2023, we established an at-the-market equity offering program (the “Prior ATM Program”) pursuant to which shares of our common stock having an aggregate gross sales price of up to \$500.0 million may be sold from time to time (i) by us through a consortium of banks acting as sales agents or directly to the banks acting as principals or (ii) by a consortium of banks acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement. On August 5, 2025, we terminated the Prior ATM Program pursuant to our termination rights.

During the year ended December 31, 2025, we utilized the forward feature of the Prior ATM Program to allow for the sale of up to 15.3 million shares of our common stock at an initial weighted average price of \$17.69 per share, net of commissions, and we issued 13.6 million shares in settlement of certain outstanding forward sale agreements, at a weighted average net price of \$17.26 per share, after commissions and fees, resulting in net proceeds of \$234.8 million.

As of December 31, 2025, 3.2 million shares remained outstanding under the Prior ATM Program’s forward sale agreements, with an initial weighted average price of \$18.10 per share, net of commissions.

No other shares were sold under the Prior ATM Program during the year ended December 31, 2025.

On August 5, 2025, we established a new at-the-market equity offering program (the “ATM Program”) pursuant to which shares of our common stock having an aggregate gross sales price of up to \$750.0 million may be sold from time to time (i) by us through a consortium of banks acting as sales agents or directly to the banks acting as principals or (ii) by a consortium of banks acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement.

During the year ended December 31, 2025, we utilized the forward feature of the ATM Program to allow for the sale of up to 14.1 million shares of our common stock at an initial weighted average price of \$18.71 per share, net of commissions, and these shares remained outstanding as of December 31, 2025.

No other shares were sold under the ATM Program during the year ended December 31, 2025.

As of December 31, 2025, we had \$482.9 million available under the ATM Program. Subject to market conditions, we expect to use proceeds from our ATM Program to finance future investments in properties.

Our short-term liquidity requirements consist primarily of operating expenses, including our planned capital expenditures and funding commitments, interest expense, scheduled debt service payments under our loan agreements, dividend requirements, general and administrative expenses and other requirements described under “Material Cash Requirements” below. Based on our current assessment, we believe that our available cash, operating cash flows and borrowings available to us under our Revolving Credit Facility provide sufficient funds for such requirements for the next twelve months. In addition, we do not believe that the restrictions under our Senior Notes Indentures or Credit Agreement significantly limit our ability to use our available liquidity for these purposes.

Our long-term liquidity requirements consist primarily of future investments in properties, including any improvements or renovations of current or newly-acquired properties, as well as scheduled debt maturities. We expect to meet these liquidity needs using the sources above as well as the proceeds from issuances of common stock, preferred stock, debt or other securities, additional borrowings, including mortgage debt or a new or refinanced credit facility, and proceeds from the sale of properties. In addition, we may seek financing from U.S. government agencies, including through Fannie Mae, Freddie Mac and HUD, in appropriate circumstances in connection with acquisitions.

Cash Flows from Operating Activities

Net cash provided by operating activities was \$348.6 million for the year ended December 31, 2025. Operating cash inflows were derived primarily from the rental payments received under our lease agreements, resident fees and services net of the corresponding operating expenses, interest payments from borrowers under our loan and preferred equity investments and distributions from our unconsolidated joint ventures. Operating cash outflows consisted primarily of interest payments on borrowings and payment of general and administrative expenses, including corporate overhead. Increases to operating cash flows primarily relate to completed investment activity and decreases to operating cash flows primarily relate to disposition activity. Interest payment outflows are impacted by increases or decreases in borrowings and changes in interest rates. In addition, the change in operating cash flows was impacted by the timing of collections from our tenants and borrowers and fluctuations in the operating results of our Senior Housing - Managed communities. We expect our annualized cash flows provided by operating activities to fluctuate as a result of such activity.

Cash Flows from Investing Activities

During the year ended December 31, 2025, net cash used in investing activities was \$378.0 million and included \$452.9 million used for the acquisition of 11 facilities, additional units on the campus of one of our facilities and the operations of four Senior Housing - Managed communities previously leased under triple-net operating leases, \$41.5 million used for additions to real estate, \$6.9 million used to provide funding for loans receivable and \$1.2 million used for the investment in an unconsolidated joint venture, partially offset by \$88.6 million of net proceeds from the sales of real estate, \$20.7 million in repayments of loans receivable, \$6.8 million of distributions in excess of earnings from unconsolidated joint ventures, \$4.5 million of proceeds from net investment hedges, \$2.5 million in repayments of preferred equity investments and \$1.6 million in insurance proceeds.

Cash Flows from Financing Activities

During the year ended December 31, 2025, net cash provided by financing activities was \$40.8 million and included \$500.0 million of proceeds from the Term Loan Credit Agreement, \$227.8 million of proceeds from shares sold through our Prior ATM Program, net of costs related to payroll tax payments related to the issuance of common stock pursuant to equity compensation arrangements, \$109.8 million of net proceeds from our Revolving Credit Facility and \$2.0 million of contributions from noncontrolling interests, partially offset by \$500.0 million of principal payments to redeem the 2026 Notes (as defined below), \$289.5 million of dividends paid to stockholders, \$4.4 million of payments of deferred financing costs primarily related to the Term Loan Credit Agreement, \$2.9 million of payments to noteholders for the early redemption of the 2026 Notes and \$2.1 million of principal repayments on secured debt.

Please see the accompanying consolidated statements of cash flows for details of our operating, investing and financing cash activities.

Material Cash Requirements

Our material cash requirements include the following contractual and other obligations.

Senior Unsecured Notes. Our senior unsecured notes consisted of the following (collectively, the “Senior Notes”) as of December 31, 2025 (dollars in thousands):

Title	Maturity Date	Principal Balance ⁽¹⁾
5.38% senior unsecured notes due 2027 (“2027 Notes”)	May 17, 2027	\$ 100,000
3.90% senior unsecured notes due 2029 (“2029 Notes”)	October 15, 2029	350,000
3.20% senior unsecured notes due 2031 (“2031 Notes”)	December 1, 2031	800,000
		<u>\$ 1,250,000</u>

⁽¹⁾ Principal balance does not include discount, net of \$6.9 million and deferred financing costs, net of \$7.4 million as of December 31, 2025.

On July 31, 2025, we redeemed all \$500.0 million aggregate principal amount outstanding of our 5.125% senior unsecured notes due 2026 (the “2026 Notes”) at a premium of 100.575%, plus accrued and unpaid interest. As a result of the redemption, we recognized \$1.2 million of redemption related costs and write-offs, consisting of \$2.9 million in payments made to noteholders for early redemption net of \$1.7 million of write-offs associated with unamortized premium.

See Note 9, “Debt,” in the Notes to Consolidated Financial Statements and “Subsidiary Issuer and Guarantor Financial Information” below for additional information concerning the Senior Notes, including information regarding the indentures and

agreements governing the Senior Notes (the “Senior Notes Indentures”). As of December 31, 2025, we were in compliance with all applicable covenants under the Senior Notes Indentures.

Credit Agreement. Effective January 4, 2023, the Operating Partnership and Sabra Canadian Holdings, LLC (together, the “Borrowers”), and the other parties thereto entered into a sixth amended and restated unsecured credit agreement (the “Credit Agreement”). The Credit Agreement includes a \$1.0 billion revolving credit facility (the “Revolving Credit Facility”), a \$430.0 million U.S. dollar term loan and a CAD \$150.0 million Canadian dollar term loan (collectively, the “Term Loans”). Further, up to \$350.0 million of the Revolving Credit Facility may be used for borrowings in certain foreign currencies. The Credit Agreement also contains an accordion feature that can increase the total available borrowings to \$2.75 billion, subject to terms and conditions

The Revolving Credit Facility has a maturity date of January 4, 2027, and includes two six-month extension options. The Term Loans have a maturity date of January 4, 2028.

The obligations of the Borrowers under the Credit Agreement are guaranteed by us and certain of our subsidiaries.

See Note 9, “Debt,” in the Notes to Consolidated Financial Statements for additional information concerning the Credit Agreement, including information regarding covenants contained in the Credit Agreement. As of December 31, 2025, we were in compliance with all applicable covenants under the Credit Agreement.

Term Loan Credit Agreement. On July 30, 2025, the Borrowers, Sabra and the other parties thereto entered into an unsecured credit agreement for a \$500.0 million U.S. dollar term loan which matures on July 30, 2030 (the “Term Loan Credit Agreement”). The proceeds were used to redeem the 2026 Notes. The Term Loan Credit Agreement also contains an accordion feature that can increase the total available borrowings to \$1.0 billion, subject to terms and conditions.

See Note 9, “Debt,” in the Notes to Consolidated Financial Statements for additional information concerning the Term Loan Credit Agreement.

Secured Indebtedness. As of December 31, 2025, eight of our properties held for investment were subject to secured indebtedness to third parties, and our secured debt consisted of the following (dollars in thousands):

Interest Rate Type	Principal Balance ⁽¹⁾	Weighted Average Interest Rate	Maturity Date
Fixed Rate	\$ 44,021	2.86 %	May 2031 - August 2051

⁽¹⁾ Principal balance does not include deferred financing costs, net of \$0.7 million as of December 31, 2025.

Interest. Our estimated interest and facility fee payments based on principal amounts of debt outstanding as of December 31, 2025, applicable interest rates in effect as of December 31, 2025, and including the impact of interest rate swaps are \$105.0 million in 2026, \$89.3 million in 2027, \$40.9 million in 2028, \$63.8 million in 2029, \$40.2 million in 2030 and \$34.0 million thereafter.

Capital and Other Expenditures and Funding Commitments. For the years ended December 31, 2025, 2024 and 2023, our aggregate capital expenditures were \$41.5 million, \$54.7 million and \$84.9 million, respectively. As of December 31, 2025, our aggregate commitment for future capital and other expenditures related to facilities leased under triple-net operating leases was approximately \$17 million, of which \$15 million will directly result in incremental rental income, and approximately \$7 million will be spent over the next 12 months. We also expect to fund capital expenditures related to our Senior Housing - Managed communities.

In addition, as of December 31, 2025, we have committed to provide up to \$0.5 million of future funding related to two loan receivable investments.

Dividends. To maintain REIT status, we are required each year to distribute to stockholders at least 90% of our annual REIT taxable income after certain adjustments. All distributions will be made by us at the discretion of our board of directors and will depend on our financial position, results of operations, cash flows, capital requirements, debt covenants (which include limits on distributions by us), applicable law, and other factors as our board of directors deems relevant.

We paid dividends of \$289.5 million on our common stock during the year ended December 31, 2025. On February 2, 2026, our board of directors declared a quarterly cash dividend of \$0.30 per share of common stock. The dividend will be paid on February 27, 2026 to common stockholders of record as of February 13, 2026.

Subsidiary Issuer and Guarantor Financial Information. The 2029 Notes and 2031 Notes are issued by the Operating Partnership and guaranteed, fully and unconditionally, by us.

These guarantees are subordinated to all existing and future senior debt and senior guarantees of us, as guarantor, and are unsecured. We conduct all of our business through and derive virtually all of our income from our subsidiaries. Therefore, our ability to make required payments with respect to our indebtedness (including the Senior Notes) and other obligations depends on the financial results and condition of our subsidiaries and our ability to receive funds from our subsidiaries.

In accordance with Regulation S-X, the following aggregate summarized financial information is provided for Sabra and the Operating Partnership. This aggregate summarized financial information has been prepared from the books and records maintained by us and the Operating Partnership. The aggregate summarized financial information does not include the investments in, nor the earnings from, subsidiaries other than the Operating Partnership and therefore is not necessarily indicative of the results of operations or financial position had the Operating Partnership operated as an independent entity. Intercompany transactions have been eliminated. The aggregate summarized balance sheet information as of December 31, 2025 and 2024 and aggregate summarized statement of loss information for the year ended December 31, 2025 is as follows (in thousands):

	As of December 31,	
	2025	2024
Total assets	\$ 79,440	\$ 92,968
Total liabilities	2,397,026	2,295,145
	Year Ended December 31, 2025	
Total revenues	\$ 4,018	
Total expenses	156,032	
Net loss	138,687	

Concentration of Credit Risk

Concentrations of credit risk arise when a number of tenants or obligors related to our investments are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations, including those to us, to be similarly affected by changes in economic conditions. We regularly monitor our portfolio to assess potential concentrations of risks.

Management believes our current portfolio is reasonably diversified across healthcare related real estate and geographical location and does not contain any other significant concentration of credit risks. Our portfolio of 360 real estate properties held for investment as of December 31, 2025 is diversified by location across the U.S. and Canada.

For the year ended December 31, 2025, no tenant relationship represented 10% or more of our total revenues.

Medicare Reimbursement Rates

For the year ended December 31, 2025, 35.6% of our revenues was derived directly or indirectly from skilled nursing/transitional care facilities. Medicare reimburses skilled nursing facilities for Medicare Part A services under the Prospective Payment System (“PPS”), as implemented pursuant to the Balanced Budget Act of 1997 and modified pursuant to subsequent laws. PPS regulations predetermine a payment amount per patient, per day, based on a market basket index calculated for all covered costs.

On April 22, 2024, CMS issued a final rule that (i) established minimum nurse staffing requirements for long-term care facilities (the “Minimum Staffing Standards”) and (ii) required facilities to meet new facility assessment requirements (the “Assessment Requirements”). The Minimum Staffing Standards were repealed by CMS, effective February 2, 2026, through an interim final rule issued on December 2, 2025. The compliance deadline for the Assessment Requirements was August 8, 2024 and they remain in effect.

On July 31, 2024, CMS issued a final rule regarding fiscal year 2025 Medicare rates for skilled nursing facilities providing an estimated net increase of 4.2% compared to fiscal year 2024 (comprised of (i) a market basket increase of 3.0% plus (ii) a market basket forecast error adjustment of 1.7% and less (iii) a productivity adjustment of 0.5%). These figures do not incorporate any of the estimated value-based purchasing reductions for skilled nursing facilities. The new payment rates became effective on October 1, 2024. Additionally, the rule expands the civil monetary penalties (“CMP”) that can be imposed for noncompliance to allow for more CMPs per instance and per day.

On July 31, 2025, CMS issued a final rule regarding fiscal year 2026 Medicare rates for skilled nursing facilities providing an estimated net increase of 3.2% compared to fiscal year 2025 (comprised of (i) a market basket increase of 3.3%

plus (ii) a market basket forecast error adjustment of 0.6% and less (iii) a productivity adjustment of 0.7%). These figures do not incorporate any of the estimated value-based purchasing reductions for skilled nursing facilities. The new payment rates became effective on October 1, 2025.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various market risks, primarily related to adverse changes in interest rates and the exchange rate for Canadian dollars. We use derivative instruments in the normal course of business to mitigate interest rate and foreign currency risk. We do not use derivative financial instruments for speculative or trading purposes. See Note 10, “Derivative and Hedging Instruments,” in the Notes to Consolidated Financial Statements for further discussion of our derivative instruments.

Interest rate risk. As of December 31, 2025, our indebtedness included \$1.3 billion aggregate principal amount of Senior Notes outstanding, an aggregate \$1.0 billion outstanding under the Term Loans and Term Loan Credit Agreement, \$217.6 million outstanding under the Revolving Credit Facility and \$44.0 million of secured indebtedness to third parties on certain of the properties that our subsidiaries own. As of December 31, 2025, we had \$1.3 billion of outstanding variable rate indebtedness and \$782.4 million available for borrowing under our Revolving Credit Facility.

We expect to manage our exposure to interest rate risk by maintaining a mix of fixed and variable rates for our indebtedness. We also may manage, or hedge, interest rate risks related to our borrowings through interest rate swap agreements. As of December 31, 2025, we had interest rate swaps that fix the Secured Overnight Financing Rate (“SOFR”) portion of the interest rate for \$930.0 million of SOFR-based borrowings under the U.S. dollar Term Loan and Term Loan Credit Agreement at a weighted average rate of 3.20% and interest rate swaps that fix the Canadian Overnight Repo Rate (“CORRA”) portion of the interest rate for CAD \$150.0 million of CORRA-based borrowings under the Canadian dollar Term Loan at 2.59%.

From time to time, we may borrow under the Revolving Credit Facility to finance future investments in properties, including any improvements or renovations of current or newly acquired properties, or for other purposes. Because borrowings under the Revolving Credit Facility bear interest on the outstanding principal amount at a rate equal to a ratings-based applicable interest margin plus, Daily Simple CORRA, as defined in the Credit Agreement, for Canadian dollar borrowings, or at the Operating Partnership’s option for U.S. dollar borrowings, either (a) Daily Simple SOFR, as defined in the Credit Agreement, or (b) a base rate determined as the greater of (i) the federal funds rate plus 0.5%, (ii) the prime rate, (iii) Term SOFR, as defined in the Credit Agreement, plus 1.0%, and (iv) 1.00%, the interest rate we will be required to pay on any such borrowings will depend on then applicable rates and may vary. An increase in interest rates could make the financing of any investment by us more costly. Rising interest rates could also limit our ability to refinance our debt when it matures or cause us to pay higher interest rates upon refinancing and increase interest expense on refinanced indebtedness.

Assuming a 100 basis point increase or decrease in the index underlying our variable rate debt, and after giving effect to the impact of interest rate derivative instruments, interest expense would increase or decrease by \$2.2 million, for the twelve months following December 31, 2025.

For a discussion of the interest rate risks related to the current capital and credit markets, see Part I, Item 1A, “Risk Factors.”

Foreign currency risk. We are exposed to changes in foreign exchange rates as a result of our investments in Canadian real estate. Our foreign currency exposure is partially mitigated through the use of Canadian dollar denominated debt totaling CAD \$183.7 million as of December 31, 2025. Based on our operating results for the three months ended December 31, 2025, if the value of the Canadian dollar relative to the U.S. dollar were to increase or decrease by 10% compared to the average exchange rate during the three months ended December 31, 2025, our cash flows would have decreased or increased, as applicable, by \$0.5 million.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See the Index to Financial Statements at page F-1 of this 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of the end of the period covered by this report, management, including our chief executive officer and chief financial officer, evaluated the effectiveness of the design and operation of our disclosure controls and procedures. Based upon, and as of the date of, the evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective as of December 31, 2025 to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our chief executive officer and our chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting using the criteria described in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on our evaluation using the criteria described in Internal Control—Integrated Framework, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by PricewaterhouseCoopers LLP, the independent registered public accounting firm that audited the financial statements included in this 10-K, as stated in their attestation report which is included herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Insider Trading Arrangements

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Except as provided below, the information required under Item 10 is incorporated herein by reference to our definitive proxy statement to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders.

Code of Conduct and Ethics

We have adopted a Code of Conduct and Ethics that applies to all of our directors and teammates, including our principal executive officer and principal financial officer. Our Code of Conduct and Ethics can be found in the Investors—Corporate Governance section of our website at www.sabrahealth.com. Waivers from, and amendments to, our Code of Conduct and Ethics that apply to our directors, executive officers or persons performing similar functions will be timely posted in the Investors—Corporate Governance section of our website at www.sabrahealth.com to the extent required by applicable rules of the Securities and Exchange Commission or the Nasdaq Stock Market LLC.

ITEM 11. EXECUTIVE COMPENSATION

The information required under Item 11 is incorporated herein by reference to our definitive proxy statement to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required under Item 12 is incorporated herein by reference to our definitive proxy statement to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required under Item 13 is incorporated herein by reference to our definitive proxy statement to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required under Item 14 is incorporated herein by reference to our definitive proxy statement to be filed with the SEC within 120 days after the end of our fiscal year ended December 31, 2025 in connection with our 2026 Annual Meeting of Stockholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this 10-K:

(1) Financial Statements

See the Index to Consolidated Financial Statements at page F-1 of this report.

(2) Financial Statement Schedules

The following financial statement schedules are included herein at pages F-36 through F-48 of this report:

Schedule III - Real Estate Assets and Accumulated Depreciation as of December 31, 2025

Schedule IV - Mortgage Loans on Real Estate as of December 31, 2025

All other schedules have been omitted because they are inapplicable or not required or the information is included elsewhere in the Consolidated Financial Statements or notes thereto.

(3) Exhibits

The following exhibits are filed herewith or are incorporated by reference, as specified below, to exhibits previously filed with the SEC.

EXHIBIT LIST

Ex.	Description
3.1	<u>Articles of Amendment and Restatement of Sabra Health Care REIT, Inc., dated October 20, 2010, filed with the State Department of Assessments and Taxation of the State of Maryland on October 21, 2010 (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on October 26, 2010).</u>
3.1.1	<u>Articles of Amendment of Sabra Health Care REIT, Inc., dated as of July 31, 2017 (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on July 31, 2017).</u>
3.1.2	<u>Articles of Amendment to the Articles of Amendment and Restatement of Sabra Health Care REIT, Inc., dated as of June 9, 2020 (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on June 12, 2020).</u>
3.1.3	<u>Articles Supplementary of Sabra Health Care REIT, Inc., dated as of December 15, 2022 (incorporated by reference to Exhibit 3.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on December 16, 2022).</u>
3.2	<u>Amended and Restated Bylaws of Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 3.2 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on December 16, 2022).</u>
4.1	<u>Description of Sabra Health Care REIT, Inc.'s Capital Stock (incorporated by reference to Exhibit 4.1 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 21, 2023).</u>
4.2	<u>Indenture, dated as of May 23, 2013, among Sabra Health Care Limited Partnership, Sabra Capital Corporation, Sabra Health Care REIT, Inc., and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on May 23, 2013).</u>
4.2.2	<u>Ninth Supplemental Indenture, dated October 7, 2019, among Sabra Health Care Limited Partnership, Sabra Capital Corporation, Sabra Health Care REIT, Inc. and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.2 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on October 7, 2019).</u>
4.3	<u>Form of 3.90% senior note due 2029 (included in Exhibit 4.2.2).</u>
4.4	<u>Indenture, dated as of September 30, 2021, among Sabra Health Care Limited Partnership, Sabra Health Care REIT, Inc., and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on September 30, 2021).</u>

Ex.	Description
4.4.1	First Supplemental Indenture, dated September 30, 2021, among Sabra Health Care Limited Partnership, Sabra Health Care REIT, Inc. and Wells Fargo Bank, National Association, as Trustee (incorporated by reference to Exhibit 4.2 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on September 30, 2021).
4.5	Form of 3.200% senior note due 2031 (included in Exhibit 4.4.1).
4.6	Form of Indenture for Senior Debt Securities (incorporated by reference to Exhibit 4.7 of the Registration Statement on Form S-3 filed by Sabra Health Care REIT, Inc. and Sabra Health Care Limited Partnership on December 11, 2019).
10.1	Limited Partnership Agreement of Sabra Health Care Limited Partnership, dated as of November 15, 2010 (incorporated by reference to Exhibit 3.4 of the Registration Statement on Form S-4 (File No. 333-171820) filed by the issuers and guarantors on January 21, 2011).
10.1.1	First Amendment to the Limited Partnership Agreement by Sabra Health Care REIT, Inc. and Sabra Health Care, LLC, dated March 21, 2013 (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on March 21, 2013).
10.2	Sixth Amended and Restated Credit Agreement, dated January 4, 2023, among Sabra Health Care Limited Partnership and Sabra Canadian Holdings, LLC, as Borrowers; Sabra Health Care REIT, Inc., as a guarantor; the other guarantors party thereto; the lenders party thereto; Bank of America, N.A., as Administrative Agent and L/C Issuer; Citizens Bank, National Association, Crédit Agricole Corporate and Investment Bank and Wells Fargo Bank, National Association, as Co-Syndication Agents and L/C Issuers; The Bank of Nova Scotia, Fifth Third Bank, JPMorgan Chase Bank, N.A., Keybank National Association, Mizuho Bank, Ltd., and Truist Bank, as Co-Documentation Agents; BofA Securities, Inc., as Joint Lead Arranger and Sole Bookrunner; and Citizens Bank, National Association, Crédit Agricole Corporate and Investment Bank and Wells Fargo Securities, LLC, as Joint Lead Arrangers (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on January 5, 2023).
10.2.1*	First Amendment to Credit Agreement, dated April 30, 2024, among Sabra Health Care Limited Partnership and Sabra Canadian Holdings, LLC, as Borrowers, and Bank of America, N.A., as Administrative Agent.
10.2.2*	Second Amendment to Credit Agreement, dated December 4, 2025, among Sabra Health Care Limited Partnership and Sabra Canadian Holdings, LLC, as Borrowers, the Lenders party thereto, the L/C Issuers, and Bank of America, N.A., as Administrative Agent.
10.3	Credit Agreement, dated July 30, 2025, among Sabra Health Care Limited Partnership and Sabra Canadian Holdings, LLC, as Borrowers; Sabra Health Care REIT, Inc., as a guarantor; the other guarantors party thereto; the lenders party thereto; KeyBank National Association, as Administrative Agent; Bank of America, N.A., Citizens Bank, National Association, Crédit Agricole Corporate and Investment Bank and Wells Fargo Bank, National Association, as Co-Syndication Agents; Truist Bank and Mizuho Bank, Ltd., as Co-Documentation Agents; KeyBanc Capital Markets, Inc., as Joint Lead Arranger and Sole Bookrunner; and Bank of America, N.A., Citizens Bank, National Association, Crédit Agricole Corporate and Investment Bank and Wells Fargo Bank, National Association, as Joint Lead Arrangers (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on July 31, 2025).
10.4	Form of Indemnification Agreement entered into with each of the directors and officers of Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 10.3 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on January 3, 2022).
10.5+	Employment Agreement, dated December 24, 2019, between Sabra Health Care REIT, Inc. and Richard K. Matros (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on December 27, 2019).
10.6+	Consulting Agreement, dated March 20, 2025, by and between Talya Nevo-Hacohen and Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on March 24, 2025).
10.7+	Employment Agreement, dated January 1, 2022, by and between Michael Costa and Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on January 3, 2022).
10.7.1+*	First Amendment to Employment Agreement, dated January 1, 2026, by and between Michael L. Costa and Sabra Health Care REIT, Inc.
10.8+	Employment Agreement, dated January 1, 2026, by and between Darrin Smith and Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on January 5, 2026).

Ex.	Description
10.9+*	<u>Employment Agreement, dated January 1, 2026, by and between Jessica Flores and Sabra Health Care REIT, Inc.</u>
10.10+	<u>Sabra Health Care REIT, Inc. 2009 Performance Incentive Plan, effective April 21, 2017 (incorporated by reference to Exhibit 10.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on June 21, 2017).</u>
10.10.1+	<u>Form of Notice and Terms and Conditions of Stock Unit Award (Time-Based Stock Units) (for Executive Officers), adopted December 2019 (incorporated by reference to Exhibit 10.8.1 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 24, 2020).</u>
10.10.2+	<u>Form of Notice and Terms and Conditions of Stock Unit Award (FFO Units) (for Executive Officers), adopted December 2019 (incorporated by reference to Exhibit 10.8.2 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 24, 2020).</u>
10.10.3+	<u>Form of Notice and Terms and Conditions of Stock Unit Award (TSR Units) (for Executive Officers), adopted December 2020 (incorporated by reference to Exhibit 10.8.3 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 22, 2021).</u>
10.10.4+	<u>Form of Notice and Terms and Conditions of Stock Unit Award (for Non-Employee Directors) (incorporated by reference to Exhibit 10.3 of the Quarterly Report on Form 10-Q filed by Sabra Health Care REIT, Inc. on November 1, 2017).</u>
10.11+	<u>Sabra Health Care REIT, Inc. Directors' Compensation Policy, effective June 12, 2025 (incorporated by reference to Exhibit 10.2 of the Quarterly Report on 10-Q filed by Sabra Health Care REIT, Inc. on May 5, 2025).</u>
10.12	<u>Equity Distribution Agreement, dated February 23, 2023, among the Company, the Sales Agents party thereto, and the Forward Purchasers party thereto (incorporated by reference to Exhibit 1.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on February 23, 2023).</u>
10.13	<u>Equity Distribution Agreement, dated August 5, 2025, among the Company, the Agents party thereto, and the Forward Purchasers party thereto (incorporated by reference to Exhibit 1.1 of the Current Report on Form 8-K filed by Sabra Health Care REIT, Inc. on August 5, 2025).</u>
19.1	<u>Sabra Health Care REIT, Inc. Insider Trading Policy, effective December 12, 2024 (incorporated by reference to Exhibit 19.1 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 19, 2025).</u>
21.1*	<u>List of Subsidiaries of Sabra Health Care REIT, Inc.</u>
22.1	<u>List of Subsidiary Issuers and Guarantors of Sabra Health Care REIT, Inc. (incorporated by reference to Exhibit 22.1 of the Quarterly Report on Form 10-Q filed by Sabra Health Care REIT, Inc. on August 4, 2025).</u>
23.1*	<u>Consent of PricewaterhouseCoopers LLP.</u>
31.1*	<u>Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1**	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2**	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002.</u>
97.1	<u>Sabra Health Care REIT, Inc. Incentive Compensation Recoupment Policy, effective September 20, 2023 (incorporated by reference to Exhibit 97.1 of the Annual Report on Form 10-K filed by Sabra Health Care REIT, Inc. on February 27, 2024).</u>
101.INS*	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.

Ex.	Description
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104*	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
*	Filed herewith.
**	Furnished herewith.
+	Designates a management compensation plan, contract or arrangement.

ITEM 16. FORM 10-K SUMMARY

None.

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Financial Statement Schedules

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All other schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Sabra Health Care REIT, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Sabra Health Care REIT, Inc. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of income, of comprehensive income, of equity and of cash flows for each of the three years in the period ended December 31, 2025, including the related notes and financial statement schedules listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

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

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

Definition and Limitations of Internal Control over Financial Reporting

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

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

Critical Audit Matter

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

Impairment Assessments of Real Estate Investments

As described in Notes 2, 4 and 5 to the consolidated financial statements, the Company's real estate investments net carrying value was \$4.7 billion as of December 31, 2025. Management regularly monitors events and changes in circumstances, including investment operating performance and general market conditions, that could indicate that the carrying amounts of its real estate investments may not be recoverable. When indicators of potential impairment suggest that the carrying value of real estate investments may not be recoverable, the Company assesses the recoverability by estimating whether the Company will recover the carrying value of its real estate investments through the undiscounted future cash flows and the eventual disposition of the investment. The undiscounted future cash flows used to assess recoverability are based on several assumptions and are probability-weighted based on the Company's best estimates as of the date of evaluation. These assumptions include, among others, market rent, revenue and expense growth rates, absorption period, stabilized occupancy, holding period, market capitalization rates, and estimated market values based on analysis of letters of intent, purchase and sale agreements, and comparable sales and other local and national industry market data. If, based on this analysis, the Company does not believe that it will be able to recover the carrying value of its real estate investments, the Company would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of its real estate investments.

The principal considerations for our determination that performing procedures relating to the impairment assessments of real estate investments is a critical audit matter are (i) the significant judgment by management in (a) identifying events and changes in circumstances that are indicators of impairment related to the performance of the investment and market conditions and (b) developing the undiscounted future cash flows utilized in the recoverability assessment of real estate investments with potential impairment and (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating audit evidence related to (a) management's identification of events or changes in circumstances related to the performance of the investment and market conditions and (b) management's probability weightings and assumptions used in the undiscounted future cash flows related to market rent, revenue and expense growth rates, absorption period, stabilized occupancy, holding period, market capitalization rates, and estimated market values based on analysis of letters of intent, purchase and sale agreements, and comparable sales and other local and national industry market data (collectively referred to as the "significant assumptions").

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's impairment assessments of investments in real estate properties, including controls over management's (a) identification of events and changes in circumstances indicating that the carrying amounts of the real estate investments may not be recoverable and (b) recoverability assessment of real estate investments with potential impairment. These procedures also included, among others, (i) testing management's process for (a) identifying events and changes in circumstances that are indicators of impairment and (b) assessing the recoverability of the real estate investments with potential impairments, (ii) evaluating the appropriateness of the undiscounted cash flow models and probability weightings used in the recoverability assessment process, (iii) testing the completeness, accuracy, relevance and reliability of the underlying data used in the undiscounted cash flow models, (iv) evaluating the reasonableness of management's assessment of events and changes in circumstances that are indicators of impairment related to performance of the investment and general market conditions indicating that the carrying amounts of its real estate investments may not be recoverable by considering the consistency with the current and past performance of the real estate investment and the consistency with external market and industry data, and (v) evaluating the reasonableness of the significant assumptions used in the undiscounted future cash flows of real estate investments with potential impairment by considering the consistency of the significant assumptions with the current and past performance of the real estate investments, the consistency with external market and industry data, and whether these significant assumptions were consistent with evidence obtained in other areas of the audit.

/s/ PricewaterhouseCoopers LLP
Irvine, California
February 12, 2026

We have served as the Company's auditor since 2010.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

	December 31,	
	2025	2024
Assets		
Real estate investments, net of accumulated depreciation of \$1,224,663 and \$1,102,030 as of December 31, 2025 and 2024, respectively	\$ 4,686,377	\$ 4,513,734
Loans receivable and other investments, net	434,100	442,584
Investment in unconsolidated joint ventures	118,166	121,803
Cash and cash equivalents	71,537	60,468
Restricted cash	6,603	5,871
Lease intangible assets, net	65,321	27,464
Accounts receivable, prepaid expenses and other assets, net	111,292	131,755
Total assets	\$ 5,493,396	\$ 5,303,679
Liabilities		
Secured debt, net	\$ 43,275	\$ 45,316
Revolving credit facility	217,584	106,554
Term loans, net	1,032,311	529,753
Senior unsecured notes, net	1,235,726	1,736,025
Accounts payable and accrued liabilities	119,329	117,896
Lease intangible liabilities, net	21,383	26,847
Total liabilities	2,669,608	2,562,391
Commitments and contingencies (Note 16)		
Equity		
Preferred stock, \$0.01 par value; 10,000,000 shares authorized, zero shares issued and outstanding as of December 31, 2025 and 2024	—	—
Common stock, \$0.01 par value; 500,000,000 shares authorized, 251,697,456 and 237,586,882 shares issued and outstanding as of December 31, 2025 and 2024, respectively	2,517	2,376
Additional paid-in capital	4,836,270	4,592,605
Cumulative distributions in excess of net income	(2,013,375)	(1,874,633)
Accumulated other comprehensive (loss) income	(3,571)	20,940
Total Sabra Health Care REIT, Inc. stockholders' equity	2,821,841	2,741,288
Noncontrolling interests	1,947	—
Total equity	2,823,788	2,741,288
Total liabilities and equity	\$ 5,493,396	\$ 5,303,679

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Revenues:			
Rental and related revenues	\$ 374,131	\$ 381,495	\$ 376,266
Resident fees and services	356,883	284,581	236,153
Interest and other income	43,618	37,159	35,095
Total revenues	774,632	703,235	647,514
Expenses:			
Depreciation and amortization	186,996	169,623	183,087
Interest	112,489	115,272	112,964
Triple-net portfolio operating expenses	14,487	17,072	17,932
Senior housing - managed portfolio operating expenses	256,619	210,016	177,313
General and administrative	53,710	50,067	47,472
(Recovery of) provision for loan losses	(1,047)	(571)	191
Impairment of real estate	7,322	18,472	14,332
Total expenses	630,576	579,951	553,291
Other income (expense):			
Loss on extinguishment of debt	(1,154)	—	(1,541)
Other income	14,036	2,735	2,598
Net (loss) gain on sales of real estate	(3,519)	2,095	(76,625)
Total other income (expense)	9,363	4,830	(75,568)
Income before income (loss) from unconsolidated joint ventures and income tax expense	153,419	128,114	18,655
Income (loss) from unconsolidated joint ventures	3,928	(397)	(2,897)
Income tax expense	(1,837)	(1,005)	(2,002)
Net income	155,510	126,712	13,756
Net loss attributable to noncontrolling interests	99	—	—
Net income attributable to Sabra Health Care REIT, Inc.	\$ 155,609	\$ 126,712	\$ 13,756
Net income attributable to Sabra Health Care REIT, Inc., per:			
Basic common share	\$ 0.64	\$ 0.54	\$ 0.06
Diluted common share	\$ 0.64	\$ 0.54	\$ 0.06
Weighted average number of common shares outstanding, basic	241,312,309	233,498,736	231,203,391
Weighted average number of common shares outstanding, diluted	244,497,242	236,045,862	232,792,778

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands, except footnote data)

	Year Ended December 31,		
	2025	2024	2023
Net income	\$ 155,510	\$ 126,712	\$ 13,756
Other comprehensive income (loss):			
Unrealized gain (loss), net of tax:			
Foreign currency translation gain (loss)	3,407	(5,741)	(205)
Unrealized (loss) gain on cash flow hedges	(27,918)	2,936	4,887
Total other comprehensive (loss) income	(24,511)	(2,805)	4,682
Comprehensive income	130,999	123,907	18,438
Comprehensive loss attributable to noncontrolling interests	99	—	—
Comprehensive income attributable to Sabra Health Care REIT, Inc.	<u>\$ 131,098</u>	<u>\$ 123,907</u>	<u>\$ 18,438</u>

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED STATEMENTS OF EQUITY
(dollars in thousands, except per share data)

	Common Stock		Additional Paid-in Capital	Cumulative Distributions in Excess of Net Income	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
	Shares	Amounts						
Balance, December 31, 2022	231,009,295	\$ 2,310	\$ 4,486,967	\$(1,451,945)	\$ 19,063	\$ 3,056,395	\$ —	\$ 3,056,395
Net income	—	—	—	13,756	—	13,756	—	13,756
Other comprehensive income	—	—	—	—	4,682	4,682	—	4,682
Amortization of stock-based compensation	—	—	10,559	—	—	10,559	—	10,559
Common stock issuance, net	256,725	3	(2,771)	—	—	(2,768)	—	(2,768)
Common dividends (\$1.20 per share)	—	—	—	(280,090)	—	(280,090)	—	(280,090)
Balance, December 31, 2023	231,266,020	2,313	4,494,755	(1,718,279)	23,745	2,802,534	—	2,802,534
Net income	—	—	—	126,712	—	126,712	—	126,712
Other comprehensive loss	—	—	—	—	(2,805)	(2,805)	—	(2,805)
Amortization of stock-based compensation	—	—	11,902	—	—	11,902	—	11,902
Common stock issuance, net	6,320,862	63	85,948	—	—	86,011	—	86,011
Common dividends (\$1.20 per share)	—	—	—	(283,066)	—	(283,066)	—	(283,066)
Balance, December 31, 2024	237,586,882	2,376	4,592,605	(1,874,633)	20,940	2,741,288	—	2,741,288
Net income (loss)	—	—	—	155,609	—	155,609	(99)	155,510
Other comprehensive loss	—	—	—	—	(24,511)	(24,511)	—	(24,511)
Contribution from noncontrolling interests	—	—	—	—	—	—	2,046	2,046
Amortization of stock-based compensation	—	—	16,215	—	—	16,215	—	16,215
Common stock issuance, net	14,110,574	141	227,450	—	—	227,591	—	227,591
Common dividends (\$1.20 per share)	—	—	—	(294,351)	—	(294,351)	—	(294,351)
Balance, December 31, 2025	<u>251,697,456</u>	<u>\$ 2,517</u>	<u>\$ 4,836,270</u>	<u>\$(2,013,375)</u>	<u>\$ (3,571)</u>	<u>\$ 2,821,841</u>	<u>\$ 1,947</u>	<u>\$ 2,823,788</u>

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Cash flows from operating activities:			
Net income	\$ 155,510	\$ 126,712	\$ 13,756
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	186,996	169,623	183,087
Non-cash rental and related revenues	(1,020)	(3,856)	(8,699)
Non-cash interest income	7	29	(372)
Non-cash interest expense	7,970	10,479	12,265
Stock-based compensation expense	11,360	8,987	7,917
Loss on extinguishment of debt	1,154	—	1,541
(Recovery of) provision for loan losses	(1,047)	(571)	191
Net loss (gain) on sales of real estate	3,519	(2,095)	76,625
Impairment of real estate	7,322	18,472	14,332
(Income) loss from unconsolidated joint ventures	(3,928)	397	2,897
Distributions of earnings from unconsolidated joint ventures	7,813	5,447	3,469
Other non-cash items	(17,190)	(534)	(3,704)
Changes in operating assets and liabilities:			
Accounts receivable, prepaid expenses and other assets, net	(11,449)	(15,462)	(11,078)
Accounts payable and accrued liabilities	1,596	(7,087)	8,344
Net cash provided by operating activities	<u>348,613</u>	<u>310,541</u>	<u>300,571</u>
Cash flows from investing activities:			
Acquisition of real estate and lease intangibles	(452,933)	(136,430)	(78,530)
Origination and fundings of loans receivable	(6,910)	(21,645)	(11,418)
Origination and fundings of preferred equity investments	(9)	(2,832)	(11,023)
Additions to real estate	(41,521)	(54,712)	(84,855)
Repayments of loans receivable	20,671	3,551	9,274
Repayments of preferred equity investments	2,533	5,944	5,460
Investment in unconsolidated joint ventures	(1,241)	(1,258)	(5,235)
Net proceeds from the sales of real estate	88,637	95,999	247,622
Net proceeds from sales-type lease	—	—	25,490
Proceeds from net investment hedges	4,462	—	—
Insurance proceeds	1,589	2,382	5,801
Distributions in excess of earnings from unconsolidated joint ventures	6,762	—	544
Net cash (used in) provided by investing activities	<u>(377,960)</u>	<u>(109,001)</u>	<u>103,130</u>
Cash flows from financing activities:			
Net borrowings from revolving credit facility	109,805	14,595	(104,338)
Principal payments on senior unsecured notes	(500,000)	—	—
Proceeds from term loans	500,000	—	12,188
Principal payments on secured debt	(2,089)	(2,033)	(1,979)
Payments of deferred financing costs	(4,405)	(94)	(18,142)
Payments related to extinguishment of debt	(2,884)	—	—
Contributions from noncontrolling interests	2,046	—	—
Payment of contingent consideration	—	—	(17,900)
Issuance of common stock, net	227,781	86,121	(2,682)
Dividends paid on common stock	(289,497)	(280,150)	(277,447)
Net cash provided by (used in) financing activities	<u>40,757</u>	<u>(181,561)</u>	<u>(410,300)</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	11,410	19,979	(6,599)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	391	(359)	(614)
Cash, cash equivalents and restricted cash, beginning of period	66,339	46,719	53,932
Cash, cash equivalents and restricted cash, end of period	<u>\$ 78,140</u>	<u>\$ 66,339</u>	<u>\$ 46,719</u>

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(in thousands)

	Year Ended December 31,		
	2025	2024	2023
Supplemental disclosure of cash flow information:			
Interest paid	\$ 110,957	\$ 105,200	\$ 102,409
Income taxes paid	\$ 1,496	\$ 1,389	\$ 1,670
Supplemental disclosure of non-cash investing activities:			
Decrease in loans receivable and other investments due to acquisition of real estate	\$ —	\$ —	\$ 4,644

See accompanying notes to consolidated financial statements.

SABRA HEALTH CARE REIT, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BUSINESS

Overview

Sabra Health Care REIT, Inc. (“Sabra” or the “Company”) was incorporated on May 10, 2010 as a wholly owned subsidiary of Sun Healthcare Group, Inc. (“Sun”) and commenced operations on November 15, 2010 following Sabra’s separation from Sun. Sabra elected to be treated as a real estate investment trust (“REIT”) with the filing of its United States (“U.S.”) federal income tax return for the taxable year beginning January 1, 2011. Sabra believes that it has been organized and operated, and it intends to continue to operate, in a manner to qualify as a REIT. Sabra’s primary business consists of acquiring, financing and owning real estate property to be leased to third-party tenants in the healthcare sector. Sabra primarily generates revenues by leasing properties to tenants throughout the U.S. and Canada. Sabra owns substantially all of its assets and properties and conducts its operations through Sabra Health Care Limited Partnership, a Delaware limited partnership (the “Operating Partnership”), of which Sabra is the sole general partner and a wholly owned subsidiary of Sabra is currently the only limited partner, or by subsidiaries of the Operating Partnership. The Company’s investment portfolio is primarily comprised of skilled nursing/transitional care facilities, senior housing communities (“Senior Housing - Leased”), behavioral health facilities and specialty hospitals and other facilities, in each case leased to tenants who are responsible for the operations of these facilities; senior housing communities operated by third-party property managers pursuant to property management agreements (“Senior Housing - Managed”); investments in joint ventures; investments in loans receivable; and preferred equity investments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The accompanying consolidated financial statements include the accounts of Sabra and its wholly owned subsidiaries as of December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023. All significant intercompany transactions and balances have been eliminated in consolidation. The consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

GAAP requires the Company to identify entities for which control is achieved through voting rights or other means and to determine which business enterprise is the primary beneficiary of variable interest entities (“VIEs”). A VIE is broadly defined as an entity with one or more of the following characteristics: (a) the total equity investment at risk is insufficient to finance the entity’s activities without additional subordinated financial support; (b) as a group, the holders of the equity investment at risk lack (i) the ability to make decisions about the entity’s activities through voting or similar rights, (ii) the obligation to absorb the expected losses of the entity, or (iii) the right to receive the expected residual returns of the entity; or (c) the equity investors have voting rights that are not proportional to their economic interests, and substantially all of the entity’s activities either involve, or are conducted on behalf of, an investor that has disproportionately few voting rights. If the Company were determined to be the primary beneficiary of the VIE, the Company would consolidate investments in the VIE. The Company may change its original assessment of a VIE due to events such as modifications of contractual arrangements that affect the characteristics or adequacy of the entity’s equity investments at risk and the disposal of all or a portion of an interest held by the primary beneficiary.

The Company identifies the primary beneficiary of a VIE as the enterprise that has both: (i) the power to direct the activities of the VIE that most significantly impact the entity’s economic performance; and (ii) the obligation to absorb losses or the right to receive benefits of the VIE that could be significant to the entity. The Company performs this analysis on an ongoing basis. As of December 31, 2025, the Company determined that it was the primary beneficiary of two VIEs, a joint venture variable interest entity owning three senior housing communities and another joint venture variable interest entity under which the three senior housing communities are operated by a third-party property manager pursuant to property management agreements. The Company has consolidated these entities in the accompanying consolidated financial statements, and aggregate total assets and total liabilities of the two VIEs were \$99.2 million and \$2.0 million as of December 31, 2025, respectively. Assets of the consolidated VIEs can only be used to settle obligations of such VIEs, and liabilities of the consolidated VIEs represent claims against the specific assets of such VIEs. Except for capital contributions associated with the initial entity formations, the entities have been and are expected to be funded from the ongoing operations of the underlying properties.

As it relates to investments in loans, in addition to the Company’s assessment of VIEs and whether the Company is the primary beneficiary of those VIEs, the Company evaluates the loan terms and other pertinent facts to determine whether the

loan investment should be accounted for as a loan or as a real estate joint venture. If an investment has the characteristics of a real estate joint venture, including if the Company participates in the majority of the borrower's expected residual profit, the Company would account for the investment as an investment in a real estate joint venture and not as a loan investment. Expected residual profit is defined as the amount of profit, whether called interest or another name, such as an equity kicker, above a reasonable amount of interest and fees expected to be earned by a lender. At December 31, 2025 and 2024, none of the Company's investments in loans were accounted for as real estate joint ventures.

As it relates to investments in joint ventures, the Company assesses any partners' rights and their impact on the presumption of control of the partnership by any single partner. The Company also applies this guidance to managing member interests in limited liability companies. The Company reassesses its determination of which entity controls the joint venture if: there is a change to the terms or in the exercisability of the rights of any partners or members, the general partner or managing member increases or decreases its ownership interests, or there is an increase or decrease in the number of outstanding ownership interests. As of December 31, 2025, the Company's determination of which entity controls its investments in joint ventures has not changed as a result of any reassessment.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could materially differ from those estimates.

Real Estate Investments and Rental Revenue Recognition

Real Estate Acquisition Valuation

All assets acquired and liabilities assumed in an acquisition of real estate accounted for as a business combination are measured at their acquisition date fair values. For acquisitions of real estate accounted for as an asset acquisition, the fair value of consideration transferred by the Company (including transaction costs) is allocated to all assets acquired and liabilities assumed on a relative fair value basis. The acquisition value of land, building and improvements are included in real estate investments on the accompanying consolidated balance sheets. The acquisition value of above market lease, tenant origination and absorption costs and tenant relationship intangible assets is included in lease intangible assets, net on the accompanying consolidated balance sheets. The acquisition value of below market lease intangible liabilities is included in lease intangible liabilities, net on the accompanying consolidated balance sheets. Acquisition costs associated with real estate acquisitions deemed asset acquisitions are capitalized, and costs associated with real estate acquisitions deemed business combinations are expensed as incurred. Restructuring costs that do not meet the definition of a liability at the acquisition date are expensed in periods subsequent to the acquisition date.

Estimates of the fair values of the tangible assets, identifiable intangibles and assumed liabilities require the Company to make significant assumptions to estimate market lease rates, property operating expenses, carrying costs during lease-up periods, discount rates, market absorption periods, and the number of years the property will be held for investment. The Company makes its best estimate based on the Company's evaluation of the specific characteristics of each tenant's lease. The use of inappropriate assumptions would result in an incorrect valuation of the Company's acquired tangible assets, identifiable intangibles and assumed liabilities, which would impact the amount of the Company's net income.

Depreciation and Amortization

Real estate costs related to the acquisition and improvement of properties are capitalized and amortized on a straight-line basis over the lesser of the expected useful life of the asset and the remaining lease term of any property subject to a ground lease. Tenant improvements are capitalized and amortized on a straight-line basis over the lesser of the expected useful life of the asset and the remaining lease term. Depreciation is discontinued when a property is identified as held for sale. Repair and maintenance costs are charged to expense as incurred and significant replacements and betterments are capitalized. Repair and maintenance costs include all costs that do not extend the useful life of the real estate asset. The Company considers the period of future benefit of an asset to determine its appropriate useful life. Depreciation of real estate assets and amortization of tenant origination and absorption costs and tenant relationship lease intangibles are included in depreciation and amortization on the accompanying consolidated statements of income. Amortization of above and below market lease intangibles is included in rental income on the accompanying consolidated statements of income. The Company anticipates the estimated useful lives of its assets by class to be generally as follows: land improvements, 15 to 20 years; buildings and building improvements, five to 40 years; and furniture and equipment, three to 10 years. Intangibles are generally amortized over the remaining noncancellable lease terms, with tenant relationship intangible amortization periods including extension periods.

Impairment of Real Estate Investments

The Company regularly monitors events and changes in circumstances, including investment operating performance and general market conditions, that could indicate that the carrying amounts of its real estate investments may not be recoverable. When indicators of potential impairment suggest that the carrying value of real estate investments may not be recoverable, the Company assesses the recoverability by estimating whether the Company will recover the carrying value of its real estate investments through the undiscounted future cash flows and the eventual disposition of the investment. In some instances, there may be various potential outcomes for an investment and its potential undiscounted future cash flows. In these instances, the undiscounted future cash flows models used to assess recoverability are based on several assumptions and are probability-weighted based on the Company's best estimates as of the date of evaluation. These assumptions include, among others, market rent, revenue and expense growth rates, absorption period, stabilized occupancy, holding period, market capitalization rates, and estimated market values based on analysis of letters of intent, purchase and sale agreements, and comparable sales and other local and national industry market data. When discounted cash flow is used to determine fair value, a discount rate assumption is also used. The assumptions are generally based on management's experience in its local real estate markets, and the effects of current market conditions, which are subject to economic and market uncertainties. If, based on this analysis, the Company does not believe that it will be able to recover the carrying value of its real estate investments, the Company would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of its real estate investments. The Company determines estimated fair value based primarily upon (i) estimated sale prices from signed contracts or letters of intent from third-party offers, (ii) discounted cash flow models of the investment over its remaining hold period, (iii) third-party appraisals and (iv) comparable sales and other local and national industry market data.

Revenue Recognition

The Company recognizes rental revenue from tenants, including rental abatements, lease incentives and contractual fixed increases attributable to operating leases, on a straight-line basis over the term of the related leases when it is probable that substantially all rents over the life of a lease are collectible. Certain of the Company's leases provide for contingent rents equal to a percentage of the facility's revenue in excess of specified base amounts or other thresholds. Such revenue is recognized when actual results reported by the tenant, or estimates of tenant results, exceed the applicable base amount or other threshold.

The Company assesses the collectability of rents on a lease-by-lease basis, and in doing so, considers such things as historical bad debts, tenant creditworthiness, current economic trends, facility operating performance, lease structure, credit enhancements (including guarantees), current developments relevant to a tenant's business specifically and to its business category generally, and changes in tenants' payment patterns. The Company's assessment includes an estimation of a tenant's ability to fulfill all of its rental obligations over the remaining lease term. In addition, with respect to tenants in bankruptcy, management makes estimates of the expected recovery of pre-petition and post-petition claims in assessing the estimated collectability of the related receivable. If at any time the Company cannot determine that it is probable that substantially all rents over the life of a lease are collectible, rental revenue will be recognized only to the extent of payments received, and all receivables associated with the lease will be written off irrespective of amounts expected to be collectible. Any recoveries of these amounts will be recorded in future periods upon receipt of payment. Write-offs of receivables and any recoveries of previously written-off receivables are recorded as adjustments to rental revenue.

Revenue from resident fees and services is recorded monthly as services are provided and includes resident room and care charges, ancillary services charges and other resident charges. These charges are combined and accounted for as a single lease component.

Casualty Gains and Losses

Income resulting from insurance recoveries of property damage or business interruption losses is recognized when proceeds are received or contingencies related to the insurance recoveries are resolved.

Assets Held for Sale, Dispositions and Discontinued Operations

The Company generally considers real estate to be "held for sale" when the following criteria are met: (i) management commits to a plan to sell the property, (ii) the property is available for sale immediately, (iii) the property is actively being marketed for sale at a price that is reasonable in relation to its current fair value, (iv) the sale of the property within one year is considered probable and (v) significant changes to the plan to sell are not expected. Real estate that is held for sale and its related assets are classified as assets held for sale and are included in accounts receivable, prepaid expenses and other assets, net on the accompanying consolidated balance sheets. Secured indebtedness and other liabilities related to real estate held for sale are classified as liabilities related to assets held for sale and are included in accounts payable and accrued liabilities on the accompanying consolidated balance sheets. Real estate classified as held for sale is no longer depreciated and is reported at the

lower of its carrying value or its estimated fair value less estimated costs to sell. As of December 31, 2025 and 2024, the Company did not have any assets held for sale.

For sales of real estate where the Company has collected the consideration to which it is entitled in exchange for transferring the real estate, the related assets and liabilities are removed from the balance sheet and the resultant gain or loss is recorded in the period in which the transaction closes. Any post-sale involvement is accounted for as separate performance obligations, and when the separate performance obligations are satisfied, the portion of the sales price allocated to each such obligation is recognized.

Additionally, the Company records the operating results related to real estate that has been disposed of or classified as held for sale as discontinued operations for all periods presented if it represents a strategic shift that has or will have a major effect on the Company's operations and financial results.

Investment in Unconsolidated Joint Ventures

The Company reports investments in unconsolidated entities over whose operating and financial policies it has the ability to exercise significant influence under the equity method of accounting. Under this method of accounting, the Company's share of the investee's earnings or losses is included in the Company's consolidated statements of income. The initial carrying value of the investment is based on the amount paid to purchase the joint venture interest. Differences between the Company's cost basis and the basis reflected at the joint venture level are generally amortized over the lives of the related assets and liabilities, and such amortization is included in the Company's share of earnings of the joint venture. In addition, distributions received from unconsolidated entities are classified based on the nature of the activity or activities that generated the distribution.

The Company regularly monitors events and changes in circumstances, including investment operating performance, changes in anticipated holding period and general market conditions, that could indicate that the carrying amounts of its equity method investments may be impaired. An equity method investment's value is impaired when the fair value of the investment is less than its carrying value and the Company determines the decline in value is other-than-temporary. The fair value is estimated based on discounted cash flows models that include all estimated cash inflows and outflows and any estimated debt premiums or discounts. The discounted cash flows are based on several assumptions, including management fee, absorption period, terminal capitalization rates, revenue and expense per bed, revenue and expense growth percentage, replacement reserve per unit, stabilized occupancy, stabilized operating margin, price per bed and discount rates. The assumptions are generally based on management's experience in its local real estate markets, and the effects of current market conditions, which are subject to economic and market uncertainties. If the Company believes that there is an other-than-temporary decline in the value of an equity method investment, the Company would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of such equity method investment.

Noncontrolling Interests

The Company presents the portion of any equity that it does not own in consolidated entities as noncontrolling interests and classifies those interests as a component of total equity, separate from total Sabra Health Care REIT, Inc. stockholders' equity on the accompanying consolidated balance sheets. For consolidated joint ventures with pro rata distribution allocations, net income or loss and comprehensive income is allocated between the joint venture partners based on their respective stated ownership percentages. The Company includes net income or loss attributable to noncontrolling interests in net income on the accompanying consolidated statements of income and includes comprehensive income or loss attributable to noncontrolling interests in comprehensive income on the accompanying consolidated statements of comprehensive income.

Loans Receivable and Credit Losses

Loans Receivable

The Company's loans receivable are reflected at amortized cost on the accompanying consolidated balance sheets. The amortized cost of a loan receivable is the outstanding unpaid principal balance, net of unamortized discounts, costs and fees directly associated with the origination of the loan.

Loans acquired in connection with a business combination are recorded at their acquisition date fair value. The Company determines the fair value of loans receivable based on estimates of expected discounted cash flows, collateral, credit risk and other factors. The Company does not establish a valuation allowance at the acquisition date, as the amount of estimated future cash flows reflects its judgment regarding their uncertainty. The Company recognizes the difference between the acquisition date fair value and the total expected cash flows as interest income using the effective interest method over the life of the applicable loan. The Company immediately recognizes in income any unamortized balances if the loan is repaid before its contractual maturity.

Interest income on the Company's loans receivable is recognized on an accrual basis over the life of the investment using the interest method. Direct loan origination costs are amortized over the term of the loan as an adjustment to interest income. When concerns exist as to the ultimate collection of principal or interest due under a loan, the loan is placed on nonaccrual status, and the Company will not recognize interest income until the cash is received, or the loan returns to accrual status. If the Company determines that the collection of interest according to the contractual terms of the loan or through the receipts of assets in satisfaction of contractual amounts due is probable, the Company will resume the accrual of interest. In instances where borrowers are in default under the terms of their loans, the Company may continue recognizing interest income provided that all amounts owed under the contractual terms of the loan, including accrued and unpaid interest, do not exceed the estimated fair value of the collateral, less costs to sell.

On a quarterly basis, the Company evaluates the collectability of its interest income receivable and establishes a reserve for amounts not expected to be collected. The Company's evaluation includes reviewing credit quality indicators such as payment status, changes affecting the operations of the facilities securing the loans, and national and regional economic factors. The reserve is a valuation allowance that reflects management's estimate of losses inherent in the interest income receivable balance as of the balance sheet date. The reserve is adjusted through provision for loan losses and other reserves on the Company's consolidated statements of income and is decreased by charge-offs to specific receivables.

Credit Losses

On a quarterly basis, the Company evaluates the collectability of its loan portfolio, including the portion of unfunded loan commitments expected to be funded, and establishes an allowance for credit losses. The allowance for credit losses is calculated using the related amortization schedules, payment histories and loan-to-value ratios. The following rates are applied to determine the aggregate expected losses, which is recorded as the allowance for credit losses: (i) a default rate, (ii) a liquidation cost rate and (iii) a distressed property reduction rate. If no loan-to-value ratio is available, a loss severity rate is applied in place of the liquidation cost rate and the distressed property reduction rate. The default rate is based on average charge-off and delinquency rates from the Federal Reserve, and the other rates are based on industry research and historical performance of a similar portfolio of financial assets. The allowance for credit losses is a valuation allowance that reflects management's estimate of losses inherent in the loan portfolio as of the balance sheet date. The reserve is adjusted through provision for loan losses and other reserves on the Company's consolidated statements of income and is decreased by charge-offs to specific loans.

Preferred Equity Investments and Preferred Return

Preferred equity investments are accounted for at unreturned capital contributions, plus accrued and unpaid preferred returns. The Company recognizes preferred return income on a monthly basis based on the outstanding investment including any previously accrued and unpaid return. As a preferred member of the preferred equity joint ventures in which the Company participates, the Company is not entitled to share in the joint venture's earnings or losses. Rather, the Company is entitled to receive a preferred return, which is deferred if the cash flow of the joint venture is insufficient to currently pay the accrued preferred return.

The Company regularly monitors events and changes in circumstances that could indicate that the carrying amounts of its preferred equity investments may not be recoverable or realized. On a quarterly basis, the Company evaluates its preferred equity investments for impairment based on a comparison of the fair value of the investment to its carrying value. The fair value is estimated based on discounted cash flows that include all estimated cash inflows and outflows over a specified holding period. If, based on this analysis, the Company does not believe that it will be able to recover the carrying value of its preferred equity investment, the Company would record an impairment loss to the extent that the carrying value exceeds the estimated fair value of its preferred equity investment.

Cash and Cash Equivalents

The Company considers all short-term (with an original maturity of three months or less), highly-liquid investments utilized as part of the Company's cash-management activities to be cash equivalents. Cash equivalents may include cash and short-term investments. Short-term investments are stated at cost, which approximates fair value.

The Company's cash and cash equivalents balance exceeded federally insurable limits as of December 31, 2025. To date, the Company has experienced no loss or lack of access to cash in its operating accounts. The Company has a corporate banking relationship with Bank of America, N.A. in which it deposits the majority of its cash.

Restricted Cash

Restricted cash primarily consists of amounts held by an exchange accommodation titleholder or by secured debt lenders to provide for future real estate tax expenditures, tenant improvements and capital expenditures. Pursuant to the terms of the Company's leases with certain tenants, the Company has assigned its interests in certain of these restricted cash accounts with secured debt lenders to the tenants, and this amount is included in accounts payable and accrued liabilities on the Company's consolidated balance sheets. As of December 31, 2025 and 2024, restricted cash totaled \$6.6 million and \$5.9 million, respectively, and restricted cash obligations totaled \$1.2 million and \$5.5 million, respectively.

Stock-Based Compensation

Stock-based compensation expense for stock-based awards granted to Sabra's employees (teammates) and its non-employee directors is recognized in the consolidated statements of income based on the estimated grant date fair value, as adjusted. Compensation expense for awards with graded vesting schedules is generally recognized ratably over the period from the grant date to the date when the award is no longer contingent on the recipient providing additional services. Compensation expense for awards with performance-based vesting conditions is recognized based on the Company's estimate of the ultimate value of such award after considering the Company's expectations of future performance. Forfeitures of stock-based awards are recognized as they occur.

Deferred Financing Costs

Deferred financing costs representing fees paid to third parties are amortized over the terms of the respective financing agreements using the interest method. Deferred financing costs related to secured debt, term loans and senior unsecured notes are recorded as a reduction of the related debt liability, and deferred financing costs related to the revolving credit facility are recorded in accounts receivable, prepaid expenses and other assets, net. Unamortized deferred financing costs are generally expensed when the associated debt is refinanced or repaid before maturity. Costs incurred in seeking financings that do not close are expensed in the period in which it is determined that the financing will not close.

Income Taxes

The Company elected to be treated as a REIT with the filing of its U.S. federal income tax return for the taxable year beginning January 1, 2011. The Company believes that it has been organized and operated, and it intends to continue to operate, in a manner to qualify as a REIT. To qualify as a REIT, the Company must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of the Company's annual REIT taxable income to stockholders (which is computed without regard to the dividends-paid deduction or net capital gains and which does not necessarily equal net income as calculated in accordance with GAAP). As a REIT, the Company generally will not be subject to federal income tax on income that it distributes as dividends to its stockholders. If the Company fails to qualify as a REIT in any taxable year, it will be subject to U.S. federal income tax on its taxable income at regular corporate income tax rates and generally will not be permitted to qualify for treatment as a REIT for federal income tax purposes for the four taxable years following the year during which qualification is lost, unless the Internal Revenue Service grants the Company relief under certain statutory provisions. Such an event could materially and adversely affect the Company's net income and net cash available for distribution to stockholders. However, the Company believes that it is organized and operates in such a manner as to qualify for treatment as a REIT.

As a result of certain investments, the Company now records income tax expense or benefit with respect to certain of its entities that are taxed as taxable REIT subsidiaries under provisions similar to those applicable to regular corporations and not under the REIT provisions.

The Company accounts for deferred income taxes using the asset and liability method and recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the Company's financial statements or tax returns. Under this method, the Company determines deferred tax assets and liabilities based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Any increase or decrease in the deferred tax liability that results from a change in circumstances, and that causes a change in the Company's judgment about expected future tax consequences of events, is included in the tax provision when such changes occur. Deferred income taxes also reflect the impact of operating loss and tax credit carryforwards. A valuation allowance is provided if the Company believes it is more likely than not that all or some portion of the deferred tax asset will not be realized. Any increase or decrease in the valuation allowance that results from a change in circumstances, and that causes a change in the Company's judgment about the realizability of the related deferred tax asset, is included in the tax provision when such changes occur.

The Company evaluates its tax positions using a two-step approach: step one (recognition) occurs when the Company concludes that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination, and step two (measurement) is only addressed if step one has been satisfied (i.e., the position is more likely than not to be sustained). Under step two, the tax benefit is measured as the largest amount of benefit (determined on a cumulative probability basis) that is more likely than not to be realized upon ultimate settlement. The Company will recognize tax penalties relating to unrecognized tax benefits as additional tax expense.

Foreign Currency

Certain of the Company's subsidiaries' functional currencies are the local currencies of their respective foreign jurisdictions. The Company translates the results of operations of its foreign subsidiaries into U.S. dollars using average rates of exchange in effect during the period presented, and it translates balance sheet accounts using exchange rates in effect at the end of the period presented. The Company records resulting currency translation adjustments in accumulated other comprehensive loss, a component of stockholders' equity, on its consolidated balance sheets, and it records foreign currency transaction gains and losses as a component of other income (expense) on its consolidated statements of income.

Derivative Instruments

The Company uses certain types of derivative instruments for the purpose of managing interest rate and currency risk. To qualify for hedge accounting, derivative instruments used for risk management purposes must effectively reduce the risk exposure that they are designed to hedge. In addition, at inception, the Company must make an assessment that the transaction that the Company intends to hedge is probable of occurring, and this assessment must be updated each reporting period.

The Company recognizes all derivative instruments as assets or liabilities on the consolidated balance sheets at their fair value. For derivatives designated and qualified as a hedge, the change in fair value of the effective portion of the derivatives is recognized in accumulated other comprehensive (loss) income. Changes in the fair value of derivative instruments that are not designated in hedging relationships or that do not meet the criteria for hedge accounting would be recognized in earnings. In addition, the Company classifies cash flows from qualifying cash flow hedging relationships in the same category as the cash flows from the hedged items.

The Company formally documents all relationships between hedging instruments and hedged items, as well as its risk-management objectives and strategy for undertaking various hedge transactions. This process includes designating all derivatives that are part of a hedging relationship to specific transactions, as well as recognizing obligations or assets on the consolidated balance sheets. The Company also assesses and documents, both at inception of the hedging relationship and on a quarterly basis thereafter, whether the derivatives are highly effective in offsetting the designated risks associated with the respective hedged items. If it is determined that a derivative ceases to be highly effective as a hedge, or that it is probable the underlying transaction will not occur, the Company would discontinue hedge accounting prospectively and record the appropriate adjustment to earnings based on the then-current fair value of the derivative.

Fair Value Measurements

Under GAAP, the Company is required to measure certain financial instruments at fair value on a recurring basis. In addition, the Company is required to measure other financial instruments and balances at fair value on a non-recurring basis (e.g., carrying value of impaired loans receivable and long-lived assets). Fair value is defined as the price that would be received upon the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The GAAP fair value framework uses a three-tiered approach. Fair value measurements are classified and disclosed in one of the following three categories:

- Level 1: unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3: prices or valuation techniques where little or no market data is available that requires inputs that are both significant to the fair value measurement and unobservable.

When available, the Company utilizes quoted market prices from an independent third-party source to determine fair value and classifies such items as Level 1 or Level 2. In instances where the market for a financial instrument is not active, regardless of the availability of a nonbinding quoted market price, observable inputs might not be relevant and could require the Company to make a significant adjustment to derive a fair value measurement. Additionally, in an inactive market, a market price quoted from an independent third party may rely more on models with inputs based on information available only to that

independent third party. When the Company determines the market for a financial instrument owned by the Company to be illiquid or when market transactions for similar instruments do not appear orderly, the Company may use several valuation sources (including internal valuations, discounted cash flow analysis and quoted market prices) to establish a fair value. If more than one valuation source is used, the Company will assign weights to the various valuation sources. Additionally, when determining the fair value of liabilities in circumstances in which a quoted price in an active market for an identical liability is not available, the Company measures fair value using (i) a valuation technique that uses the quoted price of the identical liability when traded as an asset or quoted prices for similar liabilities or similar liabilities when traded as assets or (ii) another valuation technique that is consistent with the principles of fair value measurement, such as the income approach or the market approach.

Changes in assumptions or estimation methodologies can have a material effect on these estimated fair values. In this regard, the derived fair value estimates cannot be substantiated by comparison to independent markets and, in many cases, may not be realized in an immediate settlement of the instrument.

The Company considers the following factors to be indicators of an inactive market: (i) there are few recent transactions, (ii) price quotations are not based on current information, (iii) price quotations vary substantially either over time or among market makers (for example, some brokered markets), (iv) indexes that previously were highly correlated with the fair values of the asset or liability are demonstrably uncorrelated with recent indications of fair value for that asset or liability, (v) there is a significant increase in implied liquidity risk premiums, yields, or performance indicators (such as delinquency rates or loss severities) for observed transactions or quoted prices when compared with the Company's estimate of expected cash flows, considering all available market data about credit and other nonperformance risk for the asset or liability, (vi) there is a wide bid-ask spread or significant increase in the bid-ask spread, (vii) there is a significant decline or absence of a market for new issuances (that is, a primary market) for the asset or liability or similar assets or liabilities, and (viii) little information is released publicly (for example, a principal-to-principal market).

The Company considers the following factors to be indicators of non-orderly transactions: (i) there was not adequate exposure to the market for a period before the measurement date to allow for marketing activities that are usual and customary for transactions involving such assets or liabilities under current market conditions, (ii) there was a usual and customary marketing period, but the seller marketed the asset or liability to a single market participant, (iii) the seller is in or near bankruptcy or receivership (that is, distressed), or the seller was required to sell to meet regulatory or legal requirements (that is, forced), and (iv) the transaction price is an outlier when compared with other recent transactions for the same or similar assets or liabilities.

Per Share Data

Basic earnings per common share is computed by dividing net income applicable to common stockholders by the weighted average number of shares of common stock and common equivalents outstanding during the period. Diluted earnings per common share is calculated by including the effect of dilutive securities, such as the impact of forward equity sales agreements using the treasury stock method and common shares issuable from certain performance restricted stock units and unvested restricted stock units. See Note 15, "Earnings Per Common Share."

Segment

The Company conducts and manages its business of investing in the healthcare sector as one reportable segment for internal reporting and internal decision-making purposes. The presentation of financial results as one reportable segment is consistent with the manner in which the Company's Chief Operating Decision Maker ("CODM"), Sabra's Chief Executive Officer, evaluates performance and makes resource allocation and operating decisions for the Company. The CODM reviews assets as shown on the accompanying consolidated balance sheets and evaluates performance and makes resource allocation and operating decisions based on net income. Expenses that are significant are the same as shown on the accompanying consolidated statements of income.

Beds, Units and Other Measures

The number of beds, units and other measures used to describe the Company's real estate investments included in the Notes to Consolidated Financial Statements are presented on an unaudited pro rata basis.

Recently Issued Accounting Standards Updates

Adopted

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 is intended to

improve income tax disclosures, primarily through enhanced rate reconciliation disclosures, including specified categories, and enhanced income taxes paid disclosures, including disaggregation by federal, state and foreign jurisdictions. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. The additional disclosures related to ASU 2023-09 do not apply to the Company as the related amounts are immaterial.

Issued but Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), and in January 2025, the FASB issued ASU 2025-01 to clarify the effective date (together, herein referred to as “ASU 2024-03”). ASU 2024-03 is intended to improve expense disclosures, primarily through disaggregated disclosures of specified information about certain costs and expenses included in relevant expense captions on the statement of income. ASU 2024-03 is effective for annual reporting periods beginning after December 15, 2026 and interim reporting periods within annual reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact this guidance will have on its consolidated financial statements when adopted.

3. RECENT REAL ESTATE ACQUISITIONS (CONSOLIDATED)

During the year ended December 31, 2025, the Company acquired 11 Senior Housing - Managed communities, three of which were acquired through a consolidated joint venture in which the Company has a 95% equity interest, and exercised its option to acquire 24 units on the campus of one of its Senior Housing - Leased communities. During the year ended December 31, 2024, the Company acquired three Senior Housing - Managed communities and one Senior Housing - Leased community. The consideration was allocated as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Land	\$ 53,350	\$ 9,222
Building and improvements	340,806	121,664
Tenant origination and absorption costs intangible assets	40,274	5,338
Tenant relationship intangible assets	30	206
Total consideration	\$ 434,460	\$ 136,430

The tenant origination and absorption costs intangible assets had a weighted-average amortization period as of the respective dates of acquisition of two years for the acquisitions completed during the year ended December 31, 2025. The tenant origination and absorption costs intangible assets and tenant relationship intangible assets had weighted-average amortization periods as of the respective dates of acquisition of three years and 25 years, respectively, for acquisitions completed during the year ended December 31, 2024.

For the year ended December 31, 2025, the Company recognized \$31.9 million and \$2.4 million of total revenues and net income, respectively, from the facilities acquired during the year ended December 31, 2025. For the year ended December 31, 2024, the Company recognized \$12.5 million and \$2.5 million of total revenues and net income, respectively, from the facilities acquired during the year ended December 31, 2024.

Additionally, during the year ended December 31, 2025, the Company purchased the operations of four Senior Housing - Managed communities previously leased under triple-net operating leases for an aggregate \$19.7 million. Concurrent with the purchase, the triple-net operating leases were terminated and the Company entered into property management agreements with the former tenant. The consideration was allocated as follows: (i) \$17.4 million to tenant origination and absorption costs intangible assets, (ii) \$1.1 million to furniture and equipment and (iii) \$1.2 million to lease termination expense which is included in other (expense) income on the accompanying consolidated statements of income.

4. INVESTMENT IN REAL ESTATE PROPERTIES

The Company's real estate properties held for investment consisted of the following (dollars in thousands):

As of December 31, 2025

Property Type	Number of Properties	Number of Beds/Units	Total Real Estate at Cost	Accumulated Depreciation	Total Real Estate Investments, Net
Skilled Nursing/Transitional Care	210	23,537	\$ 2,802,561	\$ (635,685)	\$ 2,166,876
Senior Housing - Leased	32	2,668	376,590	(90,236)	286,354
Senior Housing - Managed	87	8,677	2,030,267	(349,213)	1,681,054
Behavioral Health	16	1,138	473,813	(90,644)	383,169
Specialty Hospitals and Other	15	392	225,498	(58,291)	167,207
	<u>360</u>	<u>36,412</u>	<u>5,908,729</u>	<u>(1,224,069)</u>	<u>4,684,660</u>
Corporate Level			2,311	(594)	1,717
			<u>\$ 5,911,040</u>	<u>\$ (1,224,663)</u>	<u>\$ 4,686,377</u>

As of December 31, 2024

Property Type	Number of Properties	Number of Beds/Units	Total Real Estate at Cost	Accumulated Depreciation	Total Real Estate Investments, Net
Skilled Nursing/Transitional Care	224	25,492	\$ 2,926,349	\$ (588,107)	\$ 2,338,242
Senior Housing - Leased	39	3,319	508,586	(102,111)	406,475
Senior Housing - Managed	69	6,680	1,474,267	(278,328)	1,195,939
Behavioral Health	17	1,164	478,318	(79,819)	398,499
Specialty Hospitals and Other	15	392	225,498	(52,872)	172,626
	<u>364</u>	<u>37,047</u>	<u>5,613,018</u>	<u>(1,101,237)</u>	<u>4,511,781</u>
Corporate Level			2,746	(793)	1,953
			<u>\$ 5,615,764</u>	<u>\$ (1,102,030)</u>	<u>\$ 4,513,734</u>

	As of December 31,	
	2025	2024
Building and improvements	\$ 5,115,662	\$ 4,853,151
Furniture and equipment	203,721	207,265
Land improvements	12,071	11,813
Land	579,586	543,535
Total real estate at cost	<u>5,911,040</u>	<u>5,615,764</u>
Accumulated depreciation	<u>(1,224,663)</u>	<u>(1,102,030)</u>
Total real estate investments, net	<u>\$ 4,686,377</u>	<u>\$ 4,513,734</u>

During the year ended December 31, 2023, the Company received \$6.2 million of insurance proceeds related to a vacant facility owned by the Company that suffered damages as a result of vandalism and theft and recorded a \$3.7 million gain related to the property damage which is included in other income on the accompanying consolidated statements of income.

Capital and Other Expenditures

As of December 31, 2025, the Company's aggregate commitment for future capital and other expenditures associated with facilities leased under triple-net operating leases was approximately \$17 million. These commitments are principally for improvements to its facilities.

Senior Housing - Managed Communities

The Company's Senior Housing - Managed communities offer residents certain ancillary services that are not contemplated in the lease with each resident (i.e., housekeeping, laundry, guest meals, etc.). These services are provided and paid for in addition to the standard services included in each resident lease (i.e., room and board, standard meals, etc.). The

Company bills residents for ancillary services one month in arrears and recognizes revenue as the services are provided, as the Company has no continuing performance obligation related to those services. Resident fees and services includes ancillary service revenue of \$4.9 million, \$3.9 million and \$2.0 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The Company received business interruption insurance proceeds related to a fire that occurred at one of the Company's Senior Housing - Managed communities of \$0.4 million, \$2.1 million and \$1.1 million during the years ended December 31, 2025, 2024 and 2023, respectively. The Company recorded business interruption insurance income, which is included in other income on the accompanying consolidated statements of income, of \$0.4 million, \$1.7 million and \$0.5 million during the years ended December 31, 2025, 2024 and 2023, respectively. The remaining proceeds were recorded as expense reimbursements in Senior Housing - Managed portfolio operating expenses on the accompanying consolidated statements of income. Additionally, during the years ended December 31, 2025 and 2024, the Company received property insurance proceeds of \$1.3 million and \$2.4 million, respectively, and recorded a \$1.3 million and \$0.5 million gain, respectively, related to the property damage which is included in other income on the accompanying consolidated statements of income.

Investment in Unconsolidated Joint Ventures

The following is a summary of the Company's investment in unconsolidated joint ventures (dollars in thousands):

	Property Type	Number of Properties as of December 31, 2025	Ownership as of December 31, 2025 ⁽¹⁾	Book Value as of December 31,	
				2025	2024
Sienna Joint Venture	Senior Housing - Managed	12	50 %	\$ 110,283	\$ 107,732
Marlin Spring Joint Venture	Senior Housing - Managed	4	85 %	7,883	14,071
				<u>\$ 118,166</u>	<u>\$ 121,803</u>

⁽¹⁾ These investments are not consolidated because the Company does not control, through voting rights or other means, the joint ventures.

5. IMPAIRMENT OF REAL ESTATE AND DISPOSITIONS

Impairment of Real Estate

During the years ended December 31, 2025, 2024 and 2023, the Company recognized real estate impairments of \$7.3 million, \$18.5 million and \$14.3 million, respectively, related to three, six and three facilities, respectively. These facilities are closed, have been sold or are expected to sell.

To estimate the fair value of the impaired facilities, the Company utilized a market approach which considered binding sale agreements, non-binding offers from unrelated third parties, listing agreements or model-derived valuations with significant unobservable inputs, including comparable sales and other local and national industry market data (Level 3 measurements), as applicable. The Company utilized sales price per square foot values ranging from \$4 to \$73 in its fair value calculations for two non-operational facilities impaired during the year ended December 31, 2024 that were subsequently sold.

The Company continues to evaluate additional assets for sale as part of its initiative to recycle capital and further improve its portfolio quality. This could lead to a shorter hold period for such assets and could result in the determination that the full amount of the Company's investment in such assets is not recoverable, resulting in an impairment charge or loss on sale which could be material.

Dispositions

The following table summarizes the Company's dispositions for the periods presented (dollars in millions):

	Year Ended December 31,		
	2025	2024	2023
Number of facilities	15	18	28
Consideration, net of closing costs	\$ 88.5	\$ 96.0	\$ 255.6
Net carrying value	92.0	93.9	332.2
Net (loss) gain on sale	<u>\$ (3.5)</u>	<u>\$ 2.1</u>	<u>\$ (76.6)</u>

Related to these facilities, the Company recognized net loss of \$3.9 million, \$11.6 million and \$81.0 million during the years ended December 31, 2025, 2024 and 2023, respectively, which includes (i) impairment of \$18.0 million and \$14.3 million for the years ended December 31, 2024 and 2023, respectively, and (ii) net (loss) gain on sale.

The sale of the disposition facilities does not represent a strategic shift that has or will have a major effect on the Company's operations and financial results, and therefore the results of operations attributable to these facilities have remained in continuing operations.

6. OPERATING LEASES

Lessor Accounting

As of December 31, 2025, the substantial majority of the Company's real estate properties (excluding 87 Senior Housing - Managed communities) were leased under triple-net operating leases with expirations ranging from less than one year to 18 years. As of December 31, 2025, the leases had a weighted-average remaining term of seven years. The leases generally include provisions to extend the lease terms and other negotiated terms and conditions. The Company, through its subsidiaries, retains substantially all of the risks and benefits of ownership of the real estate assets leased to the tenants. The Company may receive additional security under these operating leases in the form of letters of credit and security deposits from the lessee or guarantees from the parent of the lessee. Security deposits received in cash related to tenant leases are included in accounts payable and accrued liabilities on the accompanying consolidated balance sheets and totaled \$10.5 million and \$9.0 million as of December 31, 2025 and 2024, respectively, and letters of credit deposited with the Company totaled approximately \$63 million and \$64 million as of December 31, 2025 and 2024, respectively. In addition, the Company's tenants have deposited with the Company \$10.8 million as of each of December 31, 2025 and 2024, respectively, for future real estate taxes, insurance expenditures and tenant improvements related to the Company's properties and their operations, and these amounts are included in accounts payable and accrued liabilities on the accompanying consolidated balance sheets.

Lessor costs that are paid by the lessor and reimbursed by the lessee are included in the measurement of variable lease revenue and the associated expense. As a result, the Company recognized variable lease revenue and the associated expense of \$14.2 million, \$14.5 million and \$15.3 million during the years ended December 31, 2025, 2024 and 2023, respectively.

The Company monitors the creditworthiness of its tenants by evaluating the ability of the tenants to meet their lease obligations to the Company based on the tenants' financial performance, including, as applicable and appropriate, the evaluation of any parent guarantees (or the guarantees of other related parties) of such lease obligations. The primary basis for the Company's evaluation of the credit quality of its tenants (and more specifically the tenant's ability to pay their rent obligations to the Company) is the tenant's lease coverage ratio as supplemented by the parent's fixed charge coverage ratio for those entities with a parent guarantee. These coverage ratios include earnings before interest, taxes, depreciation, amortization and rent ("EBITDAR") to rent and earnings before interest, taxes, depreciation, amortization, rent and management fees ("EBITDARM") to rent at the lease level and consolidated EBITDAR to total fixed charges at the parent guarantor level when such a guarantee exists. The Company obtains various financial and operational information from the majority of its tenants each month and reviews this information in conjunction with the above-described coverage metrics to identify financial and operational trends, evaluate the impact of the industry's operational and financial environment (including the impact of government reimbursement), and evaluate the management of the tenant's operations. These metrics help the Company identify potential areas of concern relative to its tenants' credit quality and ultimately the tenant's ability to generate sufficient liquidity to meet its obligations, including its obligation to continue to pay the rent due to the Company.

For the year ended December 31, 2025, no tenant relationship represented 10% or more of the Company's total revenues.

As of December 31, 2025, the future minimum rental payments from the Company's properties held for investment under non-cancelable operating leases were as follows and may materially differ from actual future rental payments received (in thousands):

2026	\$	355,230
2027		343,478
2028		323,161
2029		273,867
2030		246,425
Thereafter		909,657
	<u>\$</u>	<u>2,451,818</u>

Lessee Accounting

For operating leases greater than 12 months for which the Company is the lessee, such as corporate office leases and ground leases, the Company recognizes a right-of-use (“ROU”) asset and related lease liability on its consolidated balance sheets at inception of the lease. ROU assets represent the Company’s right to use underlying assets for the lease term, and lease liabilities are determined based on the estimated present value of the Company’s minimum lease payments under the agreements. The discount rate used to determine the lease liabilities is based on the estimated incremental borrowing rate on a lease-by-lease basis. Certain of the Company’s lease agreements have options to extend or terminate the contract terms upon meeting certain criteria. The lease term utilized in the calculation of the lease liability includes these options if exercise is considered reasonably certain. As of December 31, 2025 and 2024, the Company had \$6.5 million and \$7.0 million of ROU assets included in accounts receivable, prepaid expenses and other assets, net, and \$7.4 million and \$8.3 million of lease liabilities included in accounts payable and accrued liabilities, respectively, on its consolidated balance sheets.

During the years ended December 31, 2025, 2024 and 2023, the Company incurred lease expense of \$1.0 million, \$1.3 million and \$1.4 million, respectively. As of December 31, 2025, the weighted average remaining lease term and discount rate were 12 years and 8%, respectively, and the future minimum lease payments under the operating leases included in the Company’s lease liability were as follows (in thousands):

2026	\$	1,032
2027		1,047
2028		1,021
2029		1,050
2030		1,069
Thereafter		6,819
Undiscounted minimum lease payments included in the lease liability		<u>12,038</u>
Less: imputed interest		(4,659)
Present value of lease liability	\$	<u><u>7,379</u></u>

7. INTANGIBLE ASSETS AND LIABILITIES

The following table summarizes the Company’s intangible assets and liabilities as of December 31, 2025 and 2024 (in thousands):

	As of December 31,	
	2025	2024
Lease Intangible Assets:		
Above market leases	\$ 5,606	\$ 5,606
Tenant origination and absorption costs	90,430	40,544
Tenant relationship	14,595	15,914
Gross lease intangible assets	<u>110,631</u>	<u>62,064</u>
Accumulated amortization	(45,310)	(34,600)
Lease intangible assets, net	<u><u>\$ 65,321</u></u>	<u><u>\$ 27,464</u></u>
Lease Intangible Liabilities:		
Below market leases	\$ 61,537	\$ 64,538
Accumulated amortization	(40,154)	(37,691)
Lease intangible liabilities, net	<u><u>\$ 21,383</u></u>	<u><u>\$ 26,847</u></u>

The following is a summary of real estate intangible amortization income (expense) for the years ended December 31, 2025, 2024 and 2023 (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Increase to rental income related to above/below market leases, net	\$ 4,880	\$ 4,867	\$ 5,821
Depreciation and amortization related to tenant origination and absorption costs and tenant relationship	(19,085)	(7,501)	(11,616)

The remaining unamortized balance for these outstanding intangible assets and liabilities as of December 31, 2025 will be amortized for the years ending December 31 as follows (dollars in thousands):

	Lease Intangible Assets	Lease Intangible Liabilities
2026	\$ 34,296	\$ 4,564
2027	17,521	4,438
2028	4,274	4,296
2029	1,997	4,190
2030	1,767	3,895
Thereafter	5,466	—
	<u>\$ 65,321</u>	<u>\$ 21,383</u>
Weighted-average remaining amortization period	3.5 years	4.8 years

8. LOANS RECEIVABLE AND OTHER INVESTMENTS

As of December 31, 2025 and 2024, the Company's loans receivable and other investments consisted of the following (dollars in thousands):

Investment	Quantity as of December 31, 2025	Property Type	Principal Balance as of December 31, 2025 ⁽¹⁾	Book Value as of December 31, 2025	Book Value as of December 31, 2024	As of December 31, 2025		Maturity Date
						Weighted Average Contractual Interest Rate / Rate of Return	Weighted Average Annualized Effective Interest Rate / Rate of Return	
Loans Receivable:								
Mortgage	3	Behavioral Health / Skilled Nursing	\$ 335,600	\$ 335,600	\$ 335,600	7.7 %	7.7 %	11/01/26 - 06/01/29
Other	10	Multiple	41,649	38,194	51,962	7.4 %	6.9 %	02/28/26 - 08/31/33
	<u>13</u>		<u>377,249</u>	<u>373,794</u>	<u>387,562</u>	<u>7.7 %</u>	<u>7.6 %</u>	
Allowance for loan losses			—	(5,047)	(6,094)			
			<u>\$ 377,249</u>	<u>\$ 368,747</u>	<u>\$ 381,468</u>			
Other Investments:								
Preferred Equity	4	Skilled Nursing / Senior Housing	65,171	65,353	61,116	11.0 %	11.0 %	N/A
Total	<u>17</u>		<u>\$ 442,420</u>	<u>\$ 434,100</u>	<u>\$ 442,584</u>	<u>8.2 %</u>	<u>8.1 %</u>	

⁽¹⁾ Principal balance includes amounts funded and accrued but unpaid interest / preferred return and excludes capitalizable fees.

As of December 31, 2025, the Company has committed to provide up to \$0.5 million of future funding related to two loan receivable investments.

Additional information regarding the Company's loans receivable is as follows (dollars in thousands):

	Year Ended December 31,		
	2025	2024	2023
Allowance for loan losses:			
Balance at the beginning of the year	\$ 6,094	\$ 6,665	\$ 6,611
(Recovery of) provision for loan losses	(1,047)	(571)	191
Write-off of uncollectible balances	—	—	(137)
Balance at the end of the year	<u>\$ 5,047</u>	<u>\$ 6,094</u>	<u>\$ 6,665</u>

As of each of December 31, 2025 and 2024, the Company had one loan receivable investment with a principal balance of \$1.2 million and a book value of zero, and three loans receivable investments with zero book value were on nonaccrual status.

As of December 31, 2025 and 2024, the Company did not consider any preferred equity investments to be impaired, and no preferred equity investments were on nonaccrual status.

9. DEBT

Secured Indebtedness

The Company's secured debt consists of the following (dollars in thousands):

Interest Rate Type	Principal Balance as of December 31, ⁽¹⁾		As of December 31, 2025		Maturity Date
	2025	2024	Weighted Average Interest Rate	Weighted Average Effective Interest Rate ⁽²⁾	
Fixed Rate	\$ 44,021	\$ 46,110	2.86 %	3.36 %	May 2031 - August 2051

⁽¹⁾ Principal balance does not include deferred financing costs, net of \$0.7 million and \$0.8 million as of December 31, 2025 and 2024, respectively.

⁽²⁾ Weighted average effective interest rate includes private mortgage insurance.

Senior Unsecured Notes

The Company's senior unsecured notes consist of the following (dollars in thousands):

Title	Maturity Date	Principal Balance as of December 31, ⁽¹⁾	
		2025	2024
5.125% senior unsecured notes due 2026 ("2026 Notes")	August 15, 2026	\$ —	\$ 500,000
5.38% senior unsecured notes due 2027 ("2027 Notes")	May 17, 2027	100,000	100,000
3.90% senior unsecured notes due 2029 ("2029 Notes")	October 15, 2029	350,000	350,000
3.20% senior unsecured notes due 2031 ("2031 Notes")	December 1, 2031	800,000	800,000
		<u>\$ 1,250,000</u>	<u>\$ 1,750,000</u>

⁽¹⁾ Principal balance does not include discount, net of \$6.9 million and deferred financing costs, net of \$7.4 million as of December 31, 2025 and does not include discount, net of \$5.0 million and deferred financing costs, net of \$9.0 million as of December 31, 2024. In addition, the weighted average effective interest rate as of December 31, 2025 was 3.66%.

The 2026 Notes and the 2027 Notes were assumed as a result of the Company's merger with Care Capital Properties, Inc. in 2017 and accrue interest at a rate of 5.125% and 5.38%, respectively, per annum. Interest is payable semiannually on February 15 and August 15 of each year for the 2026 Notes and on May 17 and November 17 of each year for the 2027 Notes.

On June 30, 2025, the Company issued a notice of redemption for all \$500.0 million aggregate principal amount outstanding of the 2026 Notes. On July 31, 2025, the Operating Partnership redeemed the 2026 Notes at a cash redemption price of 100.575% of the principal amount being redeemed, plus accrued and unpaid interest. As a result of the redemption, the Company recognized \$1.2 million of redemption related costs and write-offs, consisting of \$2.9 million in payments made to noteholders for early redemption net of \$1.7 million of write-offs associated with unamortized premium.

The 2027 Notes may be prepaid by Operating Partnership, in whole at any time or in part from time to time, at 100% of the principal amount to be prepaid plus a make-whole premium.

The 2029 Notes were issued by the Operating Partnership and, until redemption of the Company's previously outstanding 5.375% senior notes due 2023 in 2019, Sabra Capital Corporation, a wholly-owned subsidiary of the Company, and accrue interest at a rate of 3.90% per annum. Interest is payable semiannually on April 15 and October 15 of each year.

The 2029 Notes are redeemable at the option of the Operating Partnership, in whole or in part at any time and from time to time, prior to July 15, 2029, at a price equal to 100% of the principal amount, together with any accrued and unpaid interest to, but not including, the redemption date, plus a make-whole premium. The Operating Partnership may also redeem the 2029 Notes on or after July 15, 2029, at a price equal to 100% of the principal amount, together with any accrued and unpaid interest to, but not including, the redemption date.

The 2031 Notes were issued by the Operating Partnership and accrue interest at a rate of 3.20% per annum. Interest is payable semiannually on June 1 and December 1 of each year, commencing on June 1, 2022.

The 2031 Notes are redeemable at the option of the Operating Partnership, in whole or in part at any time and from time to time, prior to September 1, 2031, at a price equal to 100% of the principal amount, together with any accrued and unpaid

interest to the redemption date, plus a make-whole premium. The Operating Partnership may also redeem the 2031 Notes on or after September 1, 2031, at a price equal to 100% of the principal amount, together with any accrued and unpaid interest to the redemption date.

The obligations under the 2027 Notes are fully and unconditionally guaranteed, jointly and severally, on an unsecured basis, by Sabra and one of its non-operating subsidiaries, subject to release under certain customary circumstances. The obligations under the 2029 Notes and 2031 Notes are, and the obligations under the 2026 Notes were until their redemption, fully and unconditionally guaranteed, on an unsecured basis, by Sabra; provided, however, that such guarantee is subject to release under certain customary circumstances.

The agreement governing the 2027 Notes provides for customary events of default, including, but not limited to, the failure to make payments of interest or premium, if any, on, or principal of, the 2027 Notes, the failure to comply with certain covenants and agreements specified in the agreement governing the 2027 Notes for a period of time after notice has been provided, the acceleration of other indebtedness resulting from the failure to pay principal on such other indebtedness prior to its maturity, and certain events of insolvency. In addition, certain change of control events constitute an event of default under the agreement governing the 2027 Notes. If any event of default occurs, the principal of, premium, if any, and accrued interest on all the then-outstanding 2027 Notes may become due and payable immediately.

The indenture governing the 2029 Notes and 2031 Notes contains restrictive covenants that, among other things, restrict the ability of Sabra, the Issuers and their subsidiaries to: (i) incur or guarantee additional indebtedness; (ii) incur or guarantee secured indebtedness; and (iii) merge or consolidate or sell all or substantially all of their assets. The indenture governing the 2029 Notes and 2031 Notes also provides for customary events of default, including, but not limited to, the failure to make payments of interest or premium, if any, on, or principal of, the 2029 Notes and 2031 Notes, the failure to comply with certain covenants and agreements specified in the indenture for a period of time after notice has been provided, the acceleration of other indebtedness resulting from the failure to pay principal on such other indebtedness prior to its maturity, and certain events of insolvency. If any event of default occurs, the principal of, premium, if any, and accrued interest on all the then-outstanding 2029 Notes and 2031 Notes may become due and payable immediately. The indenture governing the 2029 Notes and 2031 Notes requires Sabra, the Issuers and their subsidiaries to maintain Total Unencumbered Assets (as defined in the indentures) of at least 150% of the Company's unsecured indebtedness.

The Company was in compliance with all applicable financial covenants under the indentures and agreements (the "Senior Notes Indentures") governing the 2027 Notes, 2029 Notes and 2031 Notes (collectively, the "Senior Notes") outstanding as of December 31, 2025.

Credit Agreement

On January 4, 2023, the Operating Partnership and Sabra Canadian Holdings, LLC (together, the "Borrowers"), and the other parties thereto entered into a sixth amended and restated unsecured credit agreement (the "Credit Agreement"). During the year ended December 31, 2023, the Company recognized \$1.5 million of loss on extinguishment of debt related to write-offs of deferred financing costs in connection with amending and restating its prior unsecured credit agreement.

The Credit Agreement includes a \$1.0 billion revolving credit facility (the "Revolving Credit Facility"), a \$430.0 million U.S. dollar term loan and a CAD \$150.0 million Canadian dollar term loan (collectively, the "Term Loans"). Further, up to \$350.0 million of the Revolving Credit Facility may be used for borrowings in certain foreign currencies. The Credit Agreement also contains an accordion feature that can increase the total available borrowings to \$2.75 billion, subject to terms and conditions.

The Revolving Credit Facility has a maturity date of January 4, 2027, and includes two six-month extension options. The Term Loans have a maturity date of January 4, 2028.

As of December 31, 2025, there was \$217.6 million (including CAD \$33.7 million) outstanding under the Revolving Credit Facility and \$782.4 million available for borrowing.

Borrowings under the Revolving Credit Facility bear interest on the outstanding principal amount at a rate equal to a ratings-based applicable interest margin plus, Daily Simple CORRA, as defined in the Credit Agreement, for Canadian dollar borrowings, or at the Operating Partnership's option for U.S. dollar borrowings, either (a) Daily Simple SOFR, as defined in the Credit Agreement, or (b) a base rate determined as the greater of (i) the federal funds rate plus 0.5%, (ii) the prime rate, (iii) Term SOFR, as defined in the Credit Agreement, plus 1.0% (the "Base Rate"), and (iv) 1.00%. The ratings-based applicable interest margin for borrowings will vary based on the Debt Ratings, as defined in the Credit Agreement, and will range from 0.775% to 1.450% per annum for Daily Simple SOFR-based borrowings and 0.00% to 0.450% per annum for borrowings at the Base Rate. As of December 31, 2025, the weighted average interest rate on the Revolving Credit Facility was 4.79%. In

addition, the Operating Partnership pays a facility fee ranging between 0.125% and 0.300% per annum based on the aggregate amount of commitments under the Revolving Credit Facility regardless of amounts outstanding thereunder.

The U.S. dollar Term Loan bears interest on the outstanding principal amount at a ratings-based applicable interest margin plus, at the Operating Partnership's option, either (a) Term SOFR or (b) the Base Rate. The ratings-based applicable interest margin for borrowings will vary based on the Debt Ratings and will range from 0.850% to 1.650% per annum for Term SOFR-based borrowings and 0.00% to 0.650% per annum for borrowings at the Base Rate. As of December 31, 2025, the interest rate on the U.S. dollar Term Loan was 5.12%. The Canadian dollar Term Loan bears interest on the outstanding principal amount at a rate equal to the Term CORRA Rate, as defined in the Credit Agreement, plus an interest margin that will range from 0.850% to 1.650% depending on the Debt Ratings. As of December 31, 2025, the interest rate on the Canadian dollar Term Loan was 3.55%.

The Company has interest rate swaps that fix the Secured Overnight Financing Rate ("SOFR") portion of the interest rate for \$430.0 million of SOFR-based borrowings under its U.S. dollar Term Loan at a weighted average rate of 2.93% and interest rate swaps that fix the Canadian Overnight Repo Rate ("CORRA") portion of the interest rate for CAD \$150.0 million of CORRA-based borrowings under its Canadian dollar Term Loan at a rate of 2.59%. As of December 31, 2025, the effective interest rate on the U.S. dollar and Canadian dollar Term Loans was 4.18% and 3.84%, respectively. In addition, the Canadian dollar Term Loan and the CAD \$33.7 million outstanding as of December 31, 2025 under the Revolving Credit Facility are designated as net investment hedges. See Note 10, "Derivative and Hedging Instruments," for further information.

The obligations of the Borrowers under the Credit Agreement are guaranteed by the Company and certain of its subsidiaries.

The Credit Agreement contains customary covenants that include restrictions or limitations on the ability to pay dividends, incur additional indebtedness, engage in non-healthcare related business activities, enter into transactions with affiliates and sell or otherwise transfer certain assets as well as customary events of default. The Credit Agreement also requires Sabra, through the Operating Partnership, to comply with specified financial covenants, which include a maximum total leverage ratio, a maximum secured debt leverage ratio, a minimum fixed charge coverage ratio, a maximum unsecured leverage ratio, a minimum tangible net worth requirement and a minimum unsecured interest coverage ratio. As of December 31, 2025, the Company was in compliance with all applicable financial covenants under the Credit Agreement.

Term Loan Credit Agreement

On July 30, 2025, the Borrowers, Sabra and the other parties thereto entered into an unsecured credit agreement for a \$500.0 million U.S. dollar term loan which matures on July 30, 2030 (the "Term Loan Credit Agreement"). The proceeds were used to redeem the 2026 Notes. The Term Loan Credit Agreement also contains an accordion feature that can increase the total available borrowings to \$1.0 billion, subject to terms and conditions.

The term loan bears interest on the outstanding principal amount at a ratings-based applicable interest margin plus, at the Operating Partnership's option, either (a) Daily SOFR, (b) Term SOFR or (c) the Base Rate, each as defined in the Term Loan Credit Agreement. The ratings-based applicable interest margin for borrowings will vary based on the Debt Ratings, as defined in the Term Loan Credit Agreement, and will range from 0.800% to 1.600% per annum for SOFR-based borrowings and 0.000% to 0.600% per annum for borrowings at the Base Rate. As of December 31, 2025, the interest rate on the U.S. dollar term loan under the Term Loan Credit Agreement was 5.07%.

On June 27, 2025, the Company entered into forward starting interest rate swaps with an effective date of July 30, 2025 and an aggregate notional amount of \$500.0 million which fix the SOFR portion of the interest rate for SOFR-based borrowings at a weighted average rate of 3.44%. As of December 31, 2025, the effective interest rate on the \$500.0 million U.S. dollar term loan under the Term Loan Credit Agreement was 4.64%.

The obligations of the Borrowers under the Term Loan Credit Agreement are guaranteed by the Company and certain of its subsidiaries.

Interest Expense

During the years ended December 31, 2025, 2024 and 2023, the Company incurred interest expense of \$112.5 million, \$115.3 million and \$113.0 million, respectively. Interest expense includes non-cash interest expense of \$8.0 million, \$10.5 million and \$12.3 million for the years ended December 31, 2025, 2024 and 2023, respectively. As of December 31, 2025 and 2024, the Company had \$9.6 million and \$16.1 million, respectively, of accrued interest included in accounts payable and accrued liabilities on the accompanying consolidated balance sheets.

Maturities

The following is a schedule of maturities for the Company's outstanding debt as of December 31, 2025 (in thousands):

	Secured Indebtedness	Revolving Credit Facility ⁽¹⁾	Term Loans	Senior Notes	Total
2026	\$ 2,147	\$ —	\$ —	\$ —	\$ 2,147
2027	2,206	217,584	—	100,000	319,790
2028	2,266	—	539,425	—	541,691
2029	2,328	—	—	350,000	352,328
2030	2,392	—	500,000	—	502,392
Thereafter	32,682	—	—	800,000	832,682
Total Debt	44,021	217,584	1,039,425	1,250,000	2,551,030
Discount, net	—	—	—	(6,859)	(6,859)
Deferred financing costs, net	(746)	—	(7,114)	(7,415)	(15,275)
Total Debt, Net	\$ 43,275	\$ 217,584	\$ 1,032,311	\$ 1,235,726	\$ 2,528,896

⁽¹⁾ Revolving Credit Facility is subject to two six-month extension options.

10. DERIVATIVE AND HEDGING INSTRUMENTS

The Company is exposed to various market risks, including the potential loss arising from adverse changes in interest rates and foreign exchange rates. The Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates and foreign exchange rates. The Company's derivative financial instruments are used to manage differences in the amount of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's investments and borrowings.

Certain of the Company's foreign operations expose the Company to fluctuations of foreign interest rates and exchange rates. These fluctuations may impact the value in the Company's functional currency, the U.S. dollar, of the Company's investment in foreign operations, the cash receipts and payments related to these foreign operations and payments of interest and principal under Canadian dollar denominated debt. The Company enters into derivative financial instruments to protect the value of its foreign investments and fix a portion of the interest payments for certain debt obligations. The Company does not enter into derivatives for speculative purposes.

Cash Flow Hedges

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. During the year ended December 31, 2025, the Company reclassified \$17.2 million of gain related to six previously terminated interest rate swaps from accumulated other comprehensive loss to other income as the related forecasted transactions were determined to be probable not to occur. As of December 31, 2025, approximately \$0.4 million of gains, which are included in accumulated other comprehensive income, are expected to be reclassified into earnings in the next 12 months.

Net Investment Hedges

The Company is exposed to fluctuations in foreign exchange rates on investments it holds in Canada. The Company uses Canadian dollar denominated debt to hedge its exposure to changes in foreign exchange rates on these foreign investments.

Derivative Instruments

The following presents the notional amount of derivative instruments as of the dates indicated (in thousands):

	As of December 31,	
	2025	2024
Derivatives designated as cash flow hedges:		
Denominated in U.S. Dollars	\$ 930,000	\$ 430,000
Denominated in Canadian Dollars	\$ 150,000	\$ 150,000
Derivatives designated as net investment hedges:		
Denominated in Canadian Dollars	\$ —	\$ 46,270
Financial instruments designated as net investment hedges:		
Denominated in Canadian Dollars	\$ 183,700	\$ 189,600
Derivatives not designated as net investment hedges:		
Denominated in Canadian Dollars	\$ —	\$ 10,030

Derivative and Financial Instruments Designated as Hedging Instruments

The following is a summary of the derivative and financial instruments designated as hedging instruments held by the Company at December 31, 2025 and 2024 (dollars in thousands):

Type	Designation	Count as of December 31, 2025	Fair Value as of December 31,		Maturity Dates as of December 31, 2025	Balance Sheet Location
			2025	2024		
Assets:						
Interest rate swaps	Cash flow	4	\$ 3,378	\$ 14,085	2028	Accounts receivable, prepaid expenses and other assets, net
Cross currency interest rate swaps	Net investment	—	—	6,290	—	Accounts receivable, prepaid expenses and other assets, net
			<u>\$ 3,378</u>	<u>\$ 20,375</u>		
Liabilities:						
Interest rate swaps	Cash flow	7	\$ 1,281	\$ —	2028 - 2030	Accounts payable and accrued liabilities
CAD borrowings under Revolving Credit Facility	Net investment	1	24,584	27,554	2027	Revolving credit facility
CAD Term Loan	Net investment	1	109,425	104,370	2028	Term loans, net
			<u>\$ 135,290</u>	<u>\$ 131,924</u>		

The following presents the effect of the Company's derivative and financial instruments designated as hedging instruments on the consolidated statements of income and the consolidated statements of equity for the years ended December 31, 2025, 2024 and 2023 (in thousands):

	(Loss) Gain Recognized in Other Comprehensive (Loss) Income			Gain Reclassified from Accumulated Other Comprehensive (Loss) Income Into Income			Income Statement Location
	For the year ended December 31,						
	2025	2024	2023	2025	2024	2023	
Cash Flow Hedges:							
Interest rate products	\$ (4,322)	\$ 12,549	\$ 13,116	\$ 6,445	\$ 9,413	\$ 8,332	Interest expense
Net Investment Hedges:							
Foreign currency products	(1,418)	3,075	(664)	—	—	—	N/A
CAD borrowings under Revolving Credit Facility	(417)	(1,916)	(3,456)	—	—	—	N/A
CAD Term Loan	(5,055)	8,820	(2,465)	—	—	—	N/A
	<u>\$ (11,212)</u>	<u>\$ 22,528</u>	<u>\$ 6,531</u>	<u>\$ 6,445</u>	<u>\$ 9,413</u>	<u>\$ 8,332</u>	

During the years ended December 31, 2025, 2024 and 2023, no cash flow hedges were determined to be ineffective.

Derivatives Not Designated as Hedging Instruments

As of December 31, 2025, the Company's derivatives were all designated as hedging instruments. During the years ended December 31, 2025, 2024 and 2023, the Company incurred \$0.3 million of other expense, \$0.5 million of other income and \$18,000 of other expense, respectively, related to the portion of derivatives not designated as hedging instruments.

Offsetting Derivatives

The Company enters into master netting arrangements, which reduce credit risk by permitting net settlement of transactions with the same counterparty. The table below presents a gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of December 31, 2025 and 2024 (in thousands):

	As of December 31, 2025					
	Gross Amounts of Recognized Assets / Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets / Liabilities presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Received	
Offsetting Assets:						
Derivatives	\$ 3,378	\$ —	\$ 3,378	\$ (212)	\$ —	\$ 3,166
Offsetting Liabilities:						
Derivatives	\$ 1,281	\$ —	\$ 1,281	\$ (212)	\$ —	\$ 1,069
	As of December 31, 2024					
	Gross Amounts of Recognized Assets / Liabilities	Gross Amounts Offset in the Balance Sheet	Net Amounts of Assets / Liabilities presented in the Balance Sheet	Gross Amounts Not Offset in the Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Received	
Offsetting Assets:						
Derivatives	\$ 20,375	\$ —	\$ 20,375	\$ —	\$ —	\$ 20,375
Offsetting Liabilities:						
Derivatives	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

Credit Risk-related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a provision pursuant to which the Company could be declared in default on the derivative obligation if the Company defaults on any of its indebtedness, including a default where repayment of the indebtedness has not been accelerated by the lender. As of December 31, 2025, the fair value of derivatives in a net liability position, which includes accrued interest but excludes any adjustment for nonperformance risk, related to these agreements was \$1.2 million. As of December 31, 2025, the Company has not posted any collateral related to

these agreements. If the Company had breached any of these provisions at December 31, 2025, it could have been required to settle its obligations under the agreements at their termination value of \$1.1 million.

11. FAIR VALUE DISCLOSURES

Financial Instruments

The fair value for certain financial instruments is derived using a combination of market quotes, pricing models and other valuation techniques that involve significant management judgment. The price transparency of financial instruments is a key determinant of the degree of judgment involved in determining the fair value of the Company's financial instruments.

Financial instruments for which actively quoted prices or pricing parameters are available and whose markets contain orderly transactions will generally have a higher degree of price transparency than financial instruments whose markets are inactive or consist of non-orderly trades. The Company evaluates several factors when determining if a market is inactive or when market transactions are not orderly. The carrying values of cash and cash equivalents, restricted cash, accounts payable, accrued liabilities and the Credit Agreement and Term Loan Credit Agreement are reasonable estimates of fair value because of the short-term maturities and/or monthly repricing of these instruments. Fair values for other financial instruments are derived as follows:

Loans receivable: These instruments are presented on the accompanying consolidated balance sheets at their amortized cost and not at fair value. The fair values of the loans receivable were estimated using an internal valuation model that considered the expected cash flows for the loans receivable, as well as the underlying collateral value and other credit enhancements as applicable. The Company utilized discount rates ranging from 5% to 13% with a weighted average rate of 6% in its fair value calculation. As such, the Company classifies these instruments as Level 3.

Preferred equity investments: These instruments are presented on the accompanying consolidated balance sheets at their cost and not at fair value. The fair values of the preferred equity investments were estimated using an internal valuation model that considered the expected future cash flows for the preferred equity investments, the underlying collateral value and other credit enhancements. The Company utilized discount rates ranging from 10% to 15% with a weighted average rate of 11% in its fair value calculation. As such, the Company classifies these instruments as Level 3.

Derivative instruments: The Company's derivative instruments are presented at fair value on the accompanying consolidated balance sheets. The Company estimates the fair value of derivative instruments using the assistance of a third party using inputs that are observable in the market, which include forward yield curves and other relevant information. Although the Company has determined that the majority of the inputs used to value its derivative financial instruments fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivative financial instruments utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by itself and its counterparties. The Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivative financial instruments. As a result, the Company has determined that its derivative financial instruments valuations in their entirety are classified in Level 2 of the fair value hierarchy.

Senior Notes: These instruments are presented on the accompanying consolidated balance sheets at their outstanding principal balance, net of unamortized deferred financing costs and premiums/discounts and not at fair value. The fair values of the Senior Notes were determined using third-party market quotes derived from orderly trades. As such, the Company classifies these instruments as Level 2.

Secured indebtedness: These instruments are presented on the accompanying consolidated balance sheets at their outstanding principal balance, net of unamortized deferred financing costs and premiums/discounts and not at fair value. The fair values of the Company's secured debt were estimated using a discounted cash flow analysis based on management's estimates of current market interest rates for instruments with similar characteristics, including remaining loan term, loan-to-value ratio, type of collateral and other credit enhancements. The Company utilized a rate of 6% in its fair value calculation. As such, the Company classifies these instruments as Level 3.

The following are the face values, carrying amounts and fair values of the Company's financial instruments as of December 31, 2025 and 2024 whose carrying amounts do not approximate their fair value (in thousands):

	As of December 31, 2025			As of December 31, 2024		
	Face Value ⁽¹⁾	Carrying Amount ⁽²⁾	Fair Value	Face Value ⁽¹⁾	Carrying Amount ⁽²⁾	Fair Value
Financial assets:						
Loans receivable	\$ 377,249	\$ 368,747	\$ 381,035	\$ 391,010	\$ 381,468	\$ 397,791
Preferred equity investments	65,171	65,353	66,858	60,915	61,116	62,765
Financial liabilities:						
Senior Notes	1,250,000	1,235,726	1,180,495	1,750,000	1,736,025	1,617,779
Secured indebtedness	44,021	43,275	34,101	46,110	45,316	33,635

⁽¹⁾ Face value represents amounts contractually due under the terms of the respective agreements.

⁽²⁾ Carrying amount represents the book value of financial instruments, including unamortized premiums/discounts and deferred financing costs.

The Company determined the fair value of financial instruments as of December 31, 2025 whose carrying amounts do not approximate their fair value with valuation methods utilizing the following types of inputs (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets:				
Loans receivable	\$ 381,035	\$ —	\$ —	\$ 381,035
Preferred equity investments	66,858	—	—	66,858
Financial liabilities:				
Senior Notes	1,180,495	—	1,180,495	—
Secured indebtedness	34,101	—	—	34,101

Disclosure of the fair value of financial instruments is based on pertinent information available to the Company at the applicable dates and requires a significant amount of judgment. Transaction volume for certain of the Company's financial instruments remains relatively low, which has made the estimation of fair values difficult. Therefore, both the actual results and the Company's estimate of fair value at a future date could be materially different.

Items Measured at Fair Value on a Recurring Basis

During the year ended December 31, 2025, the Company recorded the following amounts measured at fair value (in thousands):

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Recurring Basis:				
Financial assets:				
Interest rate swaps	\$ 3,378	\$ —	\$ 3,378	\$ —
Financial liabilities:				
Interest rate swaps	1,281	—	1,281	—

12. EQUITY

Common Stock

On February 23, 2023, the Company established an at-the-market equity offering program (the "Prior ATM Program") pursuant to which shares of its common stock having an aggregate gross sales price of up to \$500.0 million may be sold from time to time (i) by the Company through a consortium of banks acting as sales agents or directly to the banks acting as

principals or (ii) by a consortium of banks acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement. On August 5, 2025, the Company terminated the Prior ATM Program pursuant to its termination rights.

During the year ended December 31, 2025, the Company utilized the forward feature of the Prior ATM Program to allow for the sale of up to 15.3 million shares of the Company’s common stock at an initial weighted average price of \$17.69 per share, net of commissions, and the Company issued 13.6 million shares in settlement of certain outstanding forward sale agreements, at a weighted average net price of \$17.26 per share, after commissions and fees, resulting in net proceeds of \$234.8 million.

As of December 31, 2025, 3.2 million shares remained outstanding under the Prior ATM Program’s forward sale agreements, with an initial weighted average price of \$18.10 per share, net of commissions.

No other shares were sold under the Prior ATM Program during the year ended December 31, 2025.

On August 5, 2025, the Company established a new at-the-market equity offering program (the “ATM Program”) pursuant to which shares of its common stock having an aggregate gross sales price of up to \$750.0 million may be sold from time to time (i) by the Company through a consortium of banks acting as sales agents or directly to the banks acting as principals or (ii) by a consortium of banks acting as forward sellers on behalf of any forward purchasers pursuant to a forward sale agreement. The use of a forward sale agreement would allow the Company to lock in a share price on the sale of shares at the time the agreement is effective, but defer receiving the proceeds from the sale of the shares until a later date. The Company may also elect to cash settle or net share settle all or a portion of its obligations under any forward sale agreement. The forward sale agreements have a one year term during which time the Company may settle the forward sales by delivery of physical shares of common stock to the forward purchasers or, at the Company’s election, in cash or net shares. The forward sale price that the Company expects to receive upon settlement will be the initial forward price established upon the effective date, subject to adjustments for (i) the forward purchasers’ stock borrowing costs and (ii) certain fixed price reductions during the term of the agreement.

During the year ended December 31, 2025, the Company utilized the forward feature of the ATM Program to allow for the sale of up to 14.1 million shares of the Company’s common stock at an initial weighted average price of \$18.71 per share, net of commissions, and these shares remained outstanding as of December 31, 2025.

No other shares were sold under the ATM Program during the year ended December 31, 2025.

As of December 31, 2025, the Company had \$482.9 million available under the ATM Program.

During the years ended December 31, 2025, 2024 and 2023, the Company issued 0.5 million, 0.3 million and 0.3 million shares, respectively, of common stock as a result of restricted stock unit vestings.

Upon any payment of shares to teammates as a result of restricted stock unit vestings, the teammates’ related tax withholding obligation will generally be satisfied by the Company, reducing the number of shares to be delivered by a number of shares necessary to satisfy the related applicable tax withholding obligation. During the years ended December 31, 2025, 2024 and 2023, the Company incurred \$5.5 million, \$2.6 million and \$1.8 million, respectively, in tax withholding obligations on behalf of its teammates that were satisfied through a reduction in the number of shares delivered to those participants.

Accumulated Other Comprehensive Income

The following is a summary of the Company’s accumulated other comprehensive income (in thousands):

	As of December 31,	
	2025	2024
Foreign currency translation loss	\$ (1,371)	\$ (4,778)
Unrealized (loss) gain on cash flow hedges	(2,200)	25,718
Total accumulated other comprehensive (loss) income	\$ (3,571)	\$ 20,940

13. STOCK-BASED COMPENSATION

All stock-based awards are subject to the terms of the 2009 Performance Incentive Plan, which was assumed by the Company effective as of November 15, 2010 in connection with the Company’s separation from Sun and was most recently amended and restated in April 2017. The 2009 Performance Incentive Plan provides for the granting of stock-based compensation, including stock options, time-based stock units, funds from operations-based stock units (“FFO Units”), relative

total stockholder return-based stock units (“TSR Units”) and performance-based restricted stock units to directors, officers and other teammates in connection with their employment with or services provided to the Company.

Restricted Stock Units and Performance-Based Restricted Stock Units

Under the 2009 Performance Incentive Plan, restricted stock units and performance-based restricted stock units generally have a contractual life or vest over a three- to five-year period. The vesting of certain restricted stock units may accelerate, as defined in the grant, upon death, disability, a change in control or involuntary termination of employment in connection with a change in control, and other events. When vested (and subject to any applicable deferral or holdback period), each performance-based restricted stock unit is convertible into one share of common stock, subject to any deferrals in issuance pursuant to the grant. The restricted stock units are valued on the grant date based on the market price of the Company’s common stock on that date. Generally, the Company recognizes the fair value of the awards over the applicable vesting period as compensation expense. In addition, since the shares to be issued may vary based on the performance of the Company, the Company must make assumptions regarding the projected performance criteria and the shares that will ultimately be issued. The amount of FFO Units that will ultimately vest is dependent on the amount by which the Company’s funds from operations as adjusted (“FFO”) differs from a target FFO amount for a period specified in each grant and will range from 0% to 200% of the FFO Units initially granted. Similarly, the amount of TSR Units that will ultimately vest is dependent on the amount by which the total shareholder return (“TSR”) of the Company’s common stock differs from a predefined peer group for a period specified in each grant and will range from 0% to 200% of the TSR Units initially granted. Upon any payment of shares as a result of restricted stock unit vestings, the related tax withholding obligation will generally be satisfied by the Company, reducing the number of shares to be delivered by a number of shares necessary to satisfy the related applicable tax withholding obligation. The value of the shares withheld is dependent on the closing price of the Company’s common stock on the date the relevant transaction occurs.

The following table summarizes additional information concerning restricted stock units at December 31, 2025:

	Restricted Stock Units	Weighted Average Grant Date Fair Value Per Unit
Unvested as of December 31, 2024	2,574,191	\$ 14.94
Granted	983,708	18.76
Vested	(1,102,085)	15.03
Dividends reinvested	221,574	14.71
Cancelled/forfeited	(179,133)	12.58
Unvested as of December 31, 2025	<u>2,498,255</u>	<u>\$ 16.56</u>

As of December 31, 2025, the weighted average remaining vesting period of restricted stock units was 2.6 years. The weighted average fair value per share at the date of grant for restricted stock units for the years ended December 31, 2025, 2024 and 2023 was \$18.76, \$17.49 and \$14.73, respectively. The total fair value of units vested during the years ended December 31, 2025, 2024 and 2023 was \$16.6 million, \$13.2 million and \$9.1 million, respectively.

The fair value of the TSR Units is estimated on the date of grant using a Monte Carlo valuation model that uses the assumptions noted in the table below. The risk-free rate is based on the U.S. Treasury yield curve in effect at the grant date for the expected performance period. Expected volatility is based on historical volatility for the most recent 3-year period ending on the grant date for the Company and the selected peer companies, and is calculated on a daily basis. The following are the key assumptions used in this valuation:

	2025	2024	2023
Risk free interest rate	3.52% - 4.31%	3.98% - 4.31%	3.98% - 4.13%
Expected stock price volatility	23.43% - 28.61%	28.61% - 30.17%	30.17% - 56.11%
Expected service period	3.0 years	3.0 years	3.0 years
Expected dividend yield (assuming full reinvestment)	— %	— %	— %

During the years ended December 31, 2025, 2024 and 2023, the Company recognized \$11.4 million, \$9.0 million and \$7.9 million, respectively, of stock-based compensation expense included in general and administrative expense in the consolidated statements of income. As of December 31, 2025, there was \$29.5 million of total unrecognized stock-based compensation expense related to unvested awards, which is expected to be recognized over a weighted average period of 2.6 years.

Employee Benefit Plan

The Company maintains a 401(k) plan that allows for eligible participants to defer compensation, subject to certain limitations imposed by the Internal Revenue Code of 1986, as amended (the “Code”). The Company provides a discretionary matching contribution of up to 4% of each participant’s eligible compensation. During the years ended December 31, 2025, 2024 and 2023, the Company’s matching contributions were \$0.4 million, \$0.4 million and \$0.3 million, respectively.

14. INCOME TAXES

The Company elected to be treated as a REIT with the filing of its U.S. federal income tax return for the taxable year beginning January 1, 2011. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement to distribute at least 90% of its taxable ordinary income. In addition, the Company is required to meet certain asset and income tests. As a REIT, the Company generally will not be subject to corporate level federal income tax on taxable income that it distributes to its stockholders. The Company also elected to treat certain of its consolidated subsidiaries as taxable REIT subsidiaries, which are subject to federal, state and foreign income taxes. In addition, as a result of our investments in Canada, the Company is subject to income taxes under the laws of Canada.

The following is a summary of the Company’s provision for income taxes and deferred taxes (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Provision for federal, state and local income taxes	\$ 1,726	\$ 1,006	\$ 2,002
Provision for (recovery of) foreign income taxes	111	(1)	—
Income tax expense	<u>\$ 1,837</u>	<u>\$ 1,005</u>	<u>\$ 2,002</u>
	As of December 31,		
	2025	2024	
Deferred tax assets:			
Federal	\$ 12,489	\$ 10,597	
Valuation allowance on federal	(12,489)	(10,597)	
Foreign	3,730	4,944	
Valuation allowance on foreign	(3,730)	(4,944)	
	<u>\$ —</u>	<u>\$ —</u>	

The Company classifies interest and penalties from significant uncertain tax positions as interest expense and operating expenses, respectively, in its consolidated financial statements. During the years ended December 31, 2025, 2024 and 2023, the Company did not incur any such interest or penalties. With certain exceptions, the tax years 2022 and thereafter remain open to examination by the major taxing jurisdictions with which the Company files tax returns.

15. EARNINGS PER COMMON SHARE

The following table illustrates the computation of basic and diluted earnings per share (in thousands, except share and per share amounts):

	Year Ended December 31,		
	2025	2024	2023
Numerator			
Net income attributable to Sabra Health Care REIT, Inc.	\$ 155,609	\$ 126,712	\$ 13,756
Denominator			
Basic weighted average common shares and common equivalents	241,312,309	233,498,736	231,203,391
Dilutive restricted stock units	2,871,902	2,446,335	1,589,387
Dilutive forward equity sale agreements	313,031	100,791	—
Diluted weighted average common shares	244,497,242	236,045,862	232,792,778
Net income attributable to Sabra Health Care REIT, Inc., per:			
Basic common share	\$ 0.64	\$ 0.54	\$ 0.06
Diluted common share	\$ 0.64	\$ 0.54	\$ 0.06

During the years ended December 31, 2025, 2024 and 2023, approximately 700, 1,300 and 500 restricted stock units, respectively, and during the years ended December 31, 2025 and 2024, approximately 19,400 and 8,900 shares, respectively, related to forward equity sale agreements were excluded from computing diluted earnings per share because they were considered anti-dilutive.

16. COMMITMENTS AND CONTINGENCIES

Environmental

As an owner of real estate, the Company is subject to various environmental laws of federal, state and local governments. The Company is not aware of any environmental liability that could have a material adverse effect on its financial condition or results of operations. However, changes in applicable environmental laws and regulations, the uses and conditions of properties in the vicinity of the Company's properties, the activities of its tenants and other environmental conditions of which the Company is unaware with respect to the properties could result in future environmental liabilities. As of December 31, 2025, the Company does not expect that compliance with existing environmental laws will have a material adverse effect on the Company's financial condition and results of operations.

Legal Matters

From time to time, the Company and its subsidiaries are party to legal proceedings that arise in the ordinary course of its business. Management is not aware of any legal proceedings where the likelihood of a loss contingency is reasonably possible and the amount or range of reasonably possible losses is material to the Company's results of operations, financial condition or cash flows.

17. SUBSEQUENT EVENTS

The Company evaluates subsequent events up until the date the consolidated financial statements are issued.

Dividend Declaration

On February 2, 2026, the Company's board of directors declared a quarterly cash dividend of \$0.30 per share of common stock. The dividend will be paid on February 27, 2026 to common stockholders of record as of the close of business on February 13, 2026.

SCHEDULE III
REAL ESTATE ASSETS AND ACCUMULATED DEPRECIATION

As of December 31, 2025

(dollars in thousands)

Description	Encumbrances ⁽¹⁾	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Skilled Nursing/Transitional Care Facilities										
Bedford, NH	\$ 4,588	\$ 1,911	\$ 12,245	\$ —	\$ 1,911	\$ 10,021	\$ 11,932	\$ (5,376)	1992/2010, 2019	11/15/10
Milford, NH	—	312	1,679	—	312	1,100	1,412	(1,032)	1890/2005	11/15/10
North Conway, NH	9,626	417	5,352	—	417	4,372	4,789	(2,210)	1988/2009	11/15/10
Wolfeboro, NH	8,109	454	4,531	—	454	3,745	4,199	(1,849)	1984/1986, 1987, 2009	11/15/10
Middletown, DE	—	1,650	21,730	—	1,650	21,730	23,380	(8,652)	2005	08/01/11
Dover, DE	—	4,940	15,500	—	4,940	15,500	20,440	(6,502)	1996/2016	08/01/11
Wilmington, DE	—	2,460	25,240	12,436	2,460	37,676	40,136	(12,873)	2009/2022	08/01/11
Millsboro, DE	—	1,640	22,620	—	1,632	22,620	24,252	(9,225)	2008	08/01/11
Warrington, PA	—	2,617	11,662	845	2,617	738	3,355	—	1958/2009/2016	03/30/12
Duffield, VA	—	509	5,018	1,333	509	5,964	6,473	(2,887)	1981/2013	05/10/12
Arlington, TX	—	3,783	14,219	—	3,783	13,702	17,485	(4,670)	2003/2012	11/30/12
Rockport, TX	—	1,005	6,628	—	1,005	6,212	7,217	(2,153)	2002/2012, 2018	11/30/12
Lincoln, NE	—	6,368	29,919	696	6,368	29,801	36,169	(9,067)	1962/1996, 2013	02/14/14
Fremont, NE	—	615	16,176	614	615	15,643	16,258	(4,607)	2008	02/14/14
Fremont, NE	—	615	2,943	60	615	2,654	3,269	(870)	1970/1979, 1983, 1994	02/14/14
Bartlesville, OK	—	1,332	6,904	986	1,332	7,470	8,802	(2,327)	1989/2019	10/29/14
Oklahoma City, OK	—	2,189	23,567	2,534	2,189	25,033	27,222	(7,536)	1963/1984, 2018, 2019	10/29/14
Norman, OK	—	869	5,236	785	869	5,520	6,389	(1,791)	2001/2013, 2019	10/29/14
Minneapolis, MN	—	2,931	6,943	1,190	2,931	7,968	10,899	(2,406)	1941/2014, 2019	08/17/17
Eugene, OR	—	2,205	28,700	2,252	2,205	30,952	33,157	(7,741)	1988/2016	08/17/17
Lebanon, OR	—	958	14,176	—	958	14,176	15,134	(3,193)	1974	08/17/17
Portland, OR	—	1,791	12,833	2,761	1,791	15,594	17,385	(4,561)	1964/2016	08/17/17
Tigard, OR	—	2,011	11,667	—	2,011	11,667	13,678	(2,716)	1975	08/17/17
Hillsboro, OR	—	1,387	14,028	—	1,387	14,028	15,415	(3,157)	1973	08/17/17
Junction City, OR	—	584	7,901	—	584	7,901	8,485	(1,846)	1966/2015	08/17/17
Eugene, OR	—	1,380	14,921	1,791	1,380	16,712	18,092	(4,502)	1966/2016	08/17/17
Coos Bay, OR	—	829	8,518	—	829	8,518	9,347	(2,065)	1968	08/17/17
Gladstone, OR	—	792	5,000	—	792	5,000	5,792	(1,193)	1961	08/17/17
Newport, OR	—	406	5,001	—	406	5,001	5,407	(1,140)	1973/2014	08/17/17

Description	Encumbrances ⁽¹⁾	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Oregon City, OR	—	1,496	12,142	—	1,496	12,142	13,638	(2,732)	1974	08/17/17
Tacoma, WA	—	1,771	11,595	15	1,771	11,610	13,381	(3,044)	2017	08/17/17
Shoreline, WA	—	4,703	14,444	—	4,703	14,444	19,147	(3,367)	1993/2014	08/17/17
Sequim, WA	—	427	4,450	—	427	4,450	4,877	(1,256)	1974	08/17/17
Tacoma, WA	—	2,195	1,956	—	2,195	1,956	4,151	(637)	1972/2014	08/17/17
Vancouver, WA	—	1,782	15,116	—	1,782	15,116	16,898	(3,682)	1991	08/17/17
Lake Oswego, OR	—	5,947	13,401	—	5,947	13,401	19,348	(3,151)	2005/2016	08/17/17
Medford, OR	—	2,043	38,485	2,960	2,043	41,445	43,488	(10,227)	1974/2016	08/17/17
Seattle, WA	—	2,508	6,401	—	2,508	6,401	8,909	(1,524)	1970	08/17/17
Boise, ID	—	681	9,348	627	681	9,975	10,656	(2,392)	1979	08/17/17
Salem, OR	—	2,114	15,651	—	2,114	15,651	17,765	(3,629)	1981	08/17/17
Medford, OR	—	1,375	23,808	—	1,375	23,808	25,183	(5,568)	1961/2016	08/17/17
Northglenn, CO	—	1,662	26,014	3,258	1,662	29,272	30,934	(7,784)	1972/2016	08/17/17
Brighton, CO	—	1,933	11,624	200	1,933	11,824	13,757	(2,861)	1971	08/17/17
Santa Ana, CA	—	1,889	11,682	—	1,889	11,682	13,571	(2,562)	2008	08/17/17
La Mesa, CA	—	1,276	8,177	—	1,276	8,177	9,453	(1,864)	2012	08/17/17
Westminster, MD	—	2,128	6,614	487	2,128	6,977	9,105	(2,134)	1973/2010, 2019	08/17/17
Kansas City, MO	—	1,985	2,714	303	1,714	—	1,714	—	1983	08/17/17
Parkersburg, WV	—	697	10,688	285	697	10,911	11,608	(3,206)	1974/1999, 2019	08/17/17
Cincinnati, OH	—	2,686	10,062	700	2,686	10,762	13,448	(2,738)	1989/2015, 2023	08/17/17
Charlottesville, VA	—	2,840	8,450	1,176	2,840	9,147	11,987	(2,685)	1964/2009, 2019	08/17/17
Annandale, VA	—	7,241	17,727	3,218	7,241	20,150	27,391	(5,432)	1963/2013, 2019	08/17/17
Petersburg, VA	—	988	8,416	146	988	8,473	9,461	(2,196)	1970/2009	08/17/17
Petersburg, VA	—	1,174	8,858	151	1,174	8,942	10,116	(2,303)	1976/2010	08/17/17
Hagerstown, MD	—	1,393	13,438	150	1,393	13,477	14,870	(3,290)	1971/2010	08/17/17
Cumberland, MD	—	800	16,973	457	800	17,300	18,100	(4,261)	1968	08/17/17
Mount Pleasant, SC	—	2,689	3,942	205	2,689	4,147	6,836	(1,117)	1977/2015	08/17/17
Harrogate, TN	—	1,811	4,963	268	1,811	5,232	7,043	(1,386)	1990/2005	08/17/17
Conway, SC	—	1,408	10,784	551	1,408	11,335	12,743	(2,764)	1975	08/17/17
Baytown, TX	—	426	3,236	173	426	3,251	3,677	(896)	1975/2019	08/17/17
Huntsville, TX	—	302	3,153	75	302	3,168	3,470	(847)	1968/2019	08/17/17
Center, TX	—	231	1,335	312	231	1,477	1,708	(523)	1972/2019	08/17/17
Humble, TX	—	2,114	1,643	596	2,114	1,953	4,067	(753)	1972/2019	08/17/17
Houston, TX	—	1,019	5,734	318	1,019	5,807	6,826	(1,479)	1982/2019	08/17/17
Linden, TX	—	112	256	133	112	280	392	(128)	1968/2019	08/17/17

Description	Encumbrances ⁽¹⁾	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Sherman, TX	—	469	6,310	255	469	6,338	6,807	(1,563)	1971/2019	08/17/17
Mount Pleasant, TX	—	250	6,913	345	250	7,160	7,410	(1,809)	1970/2019	08/17/17
Waxahachie, TX	—	416	7,259	976	416	7,968	8,384	(2,067)	1976/2019	08/17/17
Gilmer, TX	—	707	4,552	93	707	4,562	5,269	(1,198)	1990/2019	08/17/17
Sparks, NV	—	1,986	9,004	—	1,986	9,004	10,990	(2,255)	1988	08/17/17
Richmond, IN	—	259	9,819	131	259	9,819	10,078	(2,339)	1975/2005	08/17/17
Petersburg, IN	—	581	5,367	23	581	5,366	5,947	(1,369)	1970/2009	08/17/17
Maryville, MO	—	114	5,955	—	150	5,955	6,105	(1,562)	1972	08/17/17
Doniphan, MO	—	657	8,251	—	657	8,251	8,908	(2,041)	1991	08/17/17
Dixon, MO	—	521	3,358	—	75	360	435	(4)	1989/2011	08/17/17
Forsyth, MO	—	594	8,549	—	594	8,549	9,143	(2,146)	1993/2007	08/17/17
Seymour, MO	—	658	901	—	658	901	1,559	(316)	1990	08/17/17
Silex, MO	—	807	4,990	—	88	412	500	(8)	1991	08/17/17
Columbia, MO	—	2,322	6,547	—	2,322	6,547	8,869	(1,694)	1994	08/17/17
Strafford, MO	—	1,634	6,518	—	1,634	6,518	8,152	(1,648)	1995	08/17/17
Windsor, MO	—	471	6,819	—	471	6,819	7,290	(1,564)	1996	08/17/17
Conroe, TX	—	1,222	19,099	—	1,222	19,099	20,321	(4,278)	2001	08/17/17
Houston, TX	—	1,334	11,615	—	1,334	11,615	12,949	(2,711)	2003/2013	08/17/17
Humble, TX	—	1,541	12,332	645	1,541	12,806	14,347	(3,254)	2003/2019	08/17/17
Missouri City, TX	—	1,825	9,681	—	1,825	9,681	11,506	(2,347)	2005	08/17/17
Houston, TX	—	2,676	7,396	—	2,676	7,396	10,072	(1,835)	2005	08/17/17
Houston, TX	—	1,732	12,921	—	1,732	12,921	14,653	(2,992)	1999	08/17/17
Topeka, KS	—	176	2,340	—	176	2,340	2,516	(624)	1973/2013	08/17/17
Salina, KS	—	301	4,201	—	301	4,201	4,502	(1,071)	1981	08/17/17
Terre Haute, IN	—	1,067	7,061	—	1,067	7,061	8,128	(1,692)	1965/1984	08/17/17
Gas City, IN	—	345	8,852	—	345	8,852	9,197	(2,021)	1974/2022	08/17/17
Winchester, IN	—	711	5,554	—	711	5,554	6,265	(1,337)	1986/1998, 2021	08/17/17
Columbus, IN	—	1,290	10,714	—	1,290	10,714	12,004	(2,458)	1988/2004, 2022	08/17/17
Portland, IN	—	315	9,848	—	315	9,848	10,163	(2,293)	1964/2022	08/17/17
Clinton, IN	—	884	9,839	—	884	9,839	10,723	(2,406)	1971/2021	08/17/17
Las Vegas, NV	—	509	18,216	—	509	18,216	18,725	(3,995)	1964	08/17/17
Las Vegas, NV	—	3,169	7,863	—	3,169	7,863	11,032	(1,943)	1972/1997	08/17/17
Alameda, CA	—	3,078	22,328	—	3,078	22,328	25,406	(5,008)	1967/2021	08/17/17
Dover, NH	—	522	5,839	—	522	5,839	6,361	(1,822)	1969/1992, 2017	08/17/17
Augusta, ME	—	135	6,470	—	135	6,470	6,605	(1,587)	1967	08/17/17
Bangor, ME	—	302	1,811	2,211	302	3,771	4,073	(1,244)	1967/1993, 2019	08/17/17

Description	Encumbrances ⁽¹⁾	Initial Cost to Company		Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Bath, ME	—	250	1,934	—	250	1,934	2,184	(529)	1974	08/17/17
Brewer, ME	—	177	14,497	2,520	177	16,584	16,761	(4,192)	1974/1990, 2019	08/17/17
Kennebunk, ME	—	198	6,822	2,005	198	8,827	9,025	(2,370)	1977/2022	08/17/17
Norway, ME	—	791	3,680	—	791	3,680	4,471	(960)	1976	08/17/17
Yarmouth, ME	—	134	2,072	—	134	2,072	2,206	(581)	1952	08/17/17
Marlborough, MA	—	942	1,541	8,727	942	9,707	10,649	(4,199)	1973/2018	08/17/17
Bangor, ME	—	229	7,171	511	229	7,625	7,854	(1,897)	1969/1993, 2022	08/17/17
Orange, CA	—	4,163	14,755	—	4,163	14,755	18,918	(3,474)	1987/2020	08/17/17
Lancaster, TX	—	548	5,794	—	548	5,794	6,342	(1,500)	2008	08/17/17
Garland, TX	—	1,118	7,490	—	1,118	7,490	8,608	(1,847)	2008	08/17/17
Clarksville, TX	—	279	4,269	100	279	4,310	4,589	(1,210)	1989/2019	08/17/17
McKinney, TX	—	1,272	6,047	—	1,272	6,047	7,319	(1,601)	2006	08/17/17
Hendersonville, NC	—	1,611	3,503	1,100	1,611	4,603	6,214	(1,065)	1979/2024	08/17/17
Baytown, TX	—	579	22,317	103	579	22,403	22,982	(5,074)	2000/2013	08/17/17
Baytown, TX	—	589	20,475	362	589	20,636	21,225	(4,848)	2008	08/17/17
Houston, TX	—	1,300	13,353	31	1,300	13,372	14,672	(3,245)	2006	08/17/17
Pasadena, TX	—	1,148	23,579	47	1,148	23,595	24,743	(5,420)	2004	08/17/17
Webster, TX	—	904	10,315	24	904	10,326	11,230	(2,565)	2000/2009	08/17/17
Beaumont, TX	—	945	20,424	272	945	20,607	21,552	(4,703)	2009	08/17/17
Orange, TX	—	711	10,737	186	711	10,859	11,570	(2,594)	2006	08/17/17
Terre Haute, IN	—	644	37,451	59	644	37,511	38,155	(9,310)	1996/2013	08/17/17
Savannah, GA	—	1,235	3,765	18	1,235	3,783	5,018	(1,197)	1970/2015	08/17/17
Bowling Green, KY	—	280	13,975	32	280	14,007	14,287	(3,422)	1970/2015	08/17/17
Calvert City, KY	—	1,176	7,012	25	1,176	7,037	8,213	(1,827)	1962/2015	08/17/17
Winchester, KY	—	554	13,207	43	554	13,250	13,804	(3,306)	1967/2015	08/17/17
Calhoun, KY	—	613	7,643	30	613	7,673	8,286	(2,045)	1963/2015	08/17/17
Bremen, IN	—	173	7,393	38	173	7,431	7,604	(1,813)	1982/2015	08/17/17
Muncie, IN	—	374	27,429	38	374	27,467	27,841	(6,203)	1980/2013	08/17/17
Lebanon, IN	—	612	11,755	39	612	11,794	12,406	(2,823)	1977/2012	08/17/17
Marietta, GA	—	364	16,116	20	364	16,137	16,501	(3,956)	1969/2015	08/17/17
Danville, KY	—	790	9,356	32	790	9,388	10,178	(2,699)	1962/2015	08/17/17
Owensboro, KY	—	1,048	22,587	40	1,048	22,627	23,675	(5,310)	1963/2011	08/17/17
Memphis, TN	—	1,633	9,371	21	1,633	9,392	11,025	(2,413)	1981/2015	08/17/17
Norfolk, VA	—	705	16,451	33	705	16,485	17,190	(4,376)	1969/2015	08/17/17
Harrodsburg, KY	—	1,049	9,851	21	1,049	9,872	10,921	(2,700)	1975/2016	08/17/17
Cookeville, TN	—	1,034	15,555	32	1,034	15,586	16,620	(3,743)	1979/2016	08/17/17

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		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Roanoke Rapids, NC	—	373	10,308	25	373	10,334	10,707	(2,728)	1967/2015	08/17/17
Kinston, NC	—	954	7,987	73	954	8,059	9,013	(2,389)	1960/2015	08/17/17
Chapel Hill, NC	—	809	2,703	1,191	809	3,893	4,702	(1,364)	1984/2015	08/17/17
Pine Knot, KY	—	208	7,665	23	208	7,689	7,897	(1,907)	1990	08/17/17
Bardstown, KY	—	634	4,094	16	634	4,110	4,744	(1,191)	1968/2010	08/17/17
Glasgow, KY	—	83	2,057	28	83	2,086	2,169	(730)	1968	08/17/17
Carrollton, KY	—	124	1,693	21	124	1,714	1,838	(630)	1978/2016	08/17/17
Horse Cave, KY	—	208	7,070	38	208	7,108	7,316	(1,927)	1993	08/17/17
Lawrenceburg, KY	—	635	9,861	17	635	9,879	10,514	(2,485)	1973	08/17/17
Annville, KY	—	479	6,078	17	479	6,095	6,574	(1,502)	1989	08/17/17
Louisville, KY	—	3,528	4,653	24	3,528	4,677	8,205	(1,444)	1982/2012	08/17/17
Louisville, KY	—	2,207	20,733	38	2,207	20,770	22,977	(4,830)	1991/2010	08/17/17
Tompkinsville, KY	—	333	9,556	26	333	9,582	9,915	(2,384)	1969	08/17/17
Radcliff, KY	—	1,815	7,470	34	1,815	7,504	9,319	(2,364)	1986	08/17/17
Hartford, KY	—	312	8,189	21	312	8,210	8,522	(2,087)	1967	08/17/17
Louisville, KY	—	427	6,003	38	427	6,041	6,468	(1,632)	1975/2005	08/17/17
Louisville, KY	—	1,134	9,166	28	1,134	9,194	10,328	(2,554)	1979/2013	08/17/17
Lexington, KY	—	2,558	4,311	2,101	2,558	6,412	8,970	(1,321)	1989	08/17/17
Columbia, KY	—	114	11,141	28	114	11,169	11,283	(2,719)	1965	08/17/17
Savannah, GA	—	2,194	11,711	—	2,194	11,711	13,905	(2,737)	1972	08/17/17
Durham, NC	—	470	9,633	—	470	9,633	10,103	(2,230)	1968/2006	08/17/17
Raleigh, NC	—	1,155	11,749	—	1,155	11,749	12,904	(2,786)	1971	08/17/17
Raleigh, NC	—	926	17,649	—	926	17,649	18,575	(4,112)	1967/2007	08/17/17
Wilmington, NC	—	611	5,051	—	611	5,051	5,662	(1,336)	1966/2013	08/17/17
Winston-Salem, NC	—	879	3,283	—	879	3,283	4,162	(991)	1965	08/17/17
Lincolnton, NC	—	—	9,967	—	—	9,967	9,967	(2,372)	1976	08/17/17
Monroe, NC	—	166	5,906	—	166	5,906	6,072	(1,564)	1963/2005	08/17/17
Zebulon, NC	—	594	8,559	—	594	8,559	9,153	(1,956)	1973/2010	08/17/17
Rocky Mount, NC	—	—	18,314	—	—	18,314	18,314	(4,109)	1975	08/17/17
DeSoto, TX	—	942	6,033	320	942	6,353	7,295	(1,655)	1987	08/17/17
Trinity, TX	—	363	3,852	—	363	3,852	4,215	(1,081)	1985/2019	08/17/17
Marshall, TX	—	732	4,288	—	683	4,288	4,971	(1,186)	2008	08/17/17
Warren, MI	—	2,052	25,539	—	2,052	25,539	27,591	(6,591)	1961/2001	08/17/17
Hamburg, NY	—	1,026	54,086	—	1,026	54,086	55,112	(12,202)	1983/2014	08/17/17
East Patchogue, NY	—	2,181	30,373	—	2,181	30,373	32,554	(7,208)	1988/2011	08/17/17
Williamsville, NY	—	1,122	46,413	—	1,122	46,413	47,535	(10,281)	1992/2007	08/17/17

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		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Cheektowaga, NY	—	1,164	29,905	—	1,164	29,905	31,069	(7,020)	1979/2006	08/17/17
North Tonawanda, NY	—	830	29,488	—	830	29,488	30,318	(6,919)	1982/2007	08/17/17
West Seneca, NY	—	1,325	26,839	—	1,325	26,839	28,164	(6,181)	1974/2008	08/17/17
Beverly, MA	—	2,410	13,588	—	2,410	13,588	15,998	(4,209)	1965/2015	08/17/17
Lancaster, MA	—	343	7,733	—	343	7,733	8,076	(1,851)	1970/2005	08/17/17
New London, CT	—	505	2,248	550	505	2,798	3,303	(1,000)	1967/2016	08/17/17
Enfield, CT	—	437	16,461	231	437	16,692	17,129	(4,083)	1968/2015	08/17/17
Fishkill, NY	—	964	30,107	581	964	30,632	31,596	(7,221)	1995	08/17/17
Highland, NY	—	4,371	11,473	495	4,371	11,941	16,312	(2,994)	1998	08/17/17
Beacon, NY	—	—	25,400	507	—	25,885	25,885	(6,358)	2002	08/17/17
Sudbury, MA	—	2,017	3,458	421	1,736	2,264	4,000	—	1997/2021	08/17/17
Long Beach, CA	—	2,939	11,782	—	2,939	11,690	14,629	(2,965)	1968/2011	09/19/17
Anaheim, CA	—	2,044	14,167	121	2,044	14,288	16,332	(3,489)	1968/2011	09/19/17
Fairfield, CA	—	586	23,582	—	586	23,582	24,168	(5,406)	1966/2006	09/19/17
Baldwin Park, CA	—	2,270	17,063	262	2,270	17,325	19,595	(4,134)	1970/2015	09/19/17
Grand Terrace, CA	—	432	9,382	—	432	9,382	9,814	(2,286)	1945/2017	09/19/17
Pacifica, CA	—	1,510	27,397	—	1,510	27,397	28,907	(6,193)	1975	09/19/17
Burien, WA	—	823	17,431	204	826	17,636	18,462	(4,170)	1965/2014	09/19/17
Seattle, WA	—	4,802	7,927	70	4,802	7,997	12,799	(2,121)	1963/2016	09/19/17
Huntington Beach, CA	—	2,312	9,885	—	2,312	9,885	12,197	(2,399)	1965/2010	09/19/17
Chatsworth, CA	—	7,841	16,916	—	7,841	16,916	24,757	(4,276)	1976	09/19/17
Woodland, CA	—	504	7,369	—	504	7,369	7,873	(1,881)	1975/2010	09/19/17
Danville, CA	—	1,491	17,157	—	1,491	17,157	18,648	(4,058)	1965	09/19/17
Van Nuys, CA	—	2,456	16,462	—	2,456	16,462	18,918	(3,751)	1958/2015	09/19/17
Lomita, CA	—	2,743	14,734	—	2,743	14,734	17,477	(3,648)	1969	09/19/17
Sacramento, CA	—	2,846	17,962	—	2,846	17,962	20,808	(4,196)	1972	09/19/17
Issaquah, WA	—	10,125	7,771	5	10,125	7,776	17,901	(2,182)	1975/2012	09/19/17
Long Beach, CA	—	3,157	22,067	—	3,157	22,067	25,224	(5,282)	1966/2014	09/19/17
Long Beach, CA	—	2,857	5,878	—	2,857	5,878	8,735	(1,518)	1952/2013	09/19/17
Lodi, CA	—	812	21,059	—	812	21,059	21,871	(4,691)	1965	09/19/17
Riverside, CA	—	1,717	13,806	—	1,717	13,806	15,523	(3,597)	1966	09/19/17
Woodland, CA	—	278	16,729	286	278	17,015	17,293	(3,947)	1930/2007	09/19/17
Bee Cave, TX	—	2,107	10,413	—	2,107	10,413	12,520	(2,834)	2014	12/15/17
El Monte, CA	—	2,058	19,671	—	2,058	19,671	21,729	(4,535)	1965	01/10/18
Shoreline, WA	—	8,861	11,478	302	8,788	11,780	20,568	(3,201)	1964/2012	01/19/18
Elizabethtown, KY	—	729	—	19,414	729	19,414	20,143	(2,071)	2021	05/27/21

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		Land	Building and Improvements ⁽²⁾⁽³⁾			Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Crown Point, IN	—	1,491	14,665	272	1,491	14,937	16,428	(1,014)	2015/2024	11/01/23	
Dyer, IN	—	1,859	19,562	500	1,859	20,062	21,921	(1,336)	2015/2024	11/01/23	
	22,323	298,922	2,451,080	94,563	297,114	2,505,447	2,802,561	(635,685)			
Senior Housing - Leased											
Exeter, NH	1,407	571	7,183	—	571	5,847	6,418	(2,984)	1987	11/15/10	
Nashua, NH	4,151	—	5,654	—	—	4,566	4,566	(2,179)	1989	11/15/10	
Keene, NH	2,759	304	3,992	—	304	3,241	3,545	(1,773)	1995	11/15/10	
Dover, NH	1,747	801	10,036	—	801	8,317	9,118	(4,168)	1987/2009, 2019	11/15/10	
Green Bay, WI	—	256	2,262	1,032	256	1,976	2,232	(894)	2004/2011	11/22/11	
Rockport, TX	—	789	607	—	789	475	1,264	(216)	1996/2018	11/30/12	
Cadillac, MI	—	217	3,000	—	217	2,920	3,137	(1,074)	2001/2006, 2023	12/14/12	
Greenville, MI	—	684	5,832	372	684	5,965	6,649	(2,226)	1999/2001, 2012, 2013, 2018	12/14/12	
Manistee, MI	—	952	2,578	2,547	952	5,076	6,028	(2,490)	2002/2017	12/14/12	
Mason, MI	—	198	4,131	43	198	4,074	4,272	(1,564)	2009/2012	12/14/12	
Alpena, MI	—	546	13,139	28	546	13,028	13,574	(4,443)	2006/2008, 2010	12/14/12	
Fremont, NE	—	504	17,670	283	504	17,241	17,745	(5,191)	1989/2002	02/14/14	
Norfolk, NE	—	217	9,906	4,978	217	14,231	14,448	(4,813)	1989/1991, 1994, 2018, 2019	02/14/14	
Fort Wayne, IN	11,634	2,300	21,115	2,747	2,300	23,091	25,391	(8,611)	2011/2016, 2018	04/30/14	
Brandon, FL	—	1,283	8,424	1,006	1,283	8,720	10,003	(2,530)	1999/2016	10/01/14	
Lecanto, FL	—	1,031	5,577	805	1,023	5,681	6,704	(1,892)	1997/2016	10/01/14	
Zephyrhills, FL	—	1,688	9,098	546	1,688	8,878	10,566	(2,838)	2008/2016, 2025	10/01/14	
Sun City West, AZ	—	930	9,170	248	930	9,418	10,348	(2,779)	2012	07/01/16	
Santa Fe, NM	—	1,866	19,441	—	2,157	21,736	23,893	(5,883)	2006	09/23/16	
Santa Fe, NM	—	670	7,743	430	670	8,380	9,050	(1,129)	2020	09/23/16	
Franklin, NH	—	292	6,889	211	292	7,110	7,402	(2,197)	1988	11/30/16	
Brenham, TX	—	476	11,912	—	476	11,922	12,398	(3,530)	1991	12/02/16	
Keizer, OR	—	1,220	31,783	—	1,220	31,783	33,003	(7,152)	1970/2021	08/17/17	
Lawrence, KS	—	584	4,431	—	584	4,431	5,015	(1,117)	1995/2014	08/17/17	
Salina, KS	—	584	3,020	—	584	3,020	3,604	(757)	1989/2014	08/17/17	
Topeka, KS	—	313	5,492	—	313	5,492	5,805	(1,272)	1986/2014	08/17/17	
Lafayette, CO	—	1,085	19,243	9	1,883	19,205	21,088	(4,465)	2016	12/15/17	
Knoxville, TN	—	1,603	9,219	—	1,603	9,219	10,822	(2,270)	2017	08/31/18	
Shavano Park, TX	—	2,131	11,541	—	2,131	11,541	13,672	(2,598)	2015	08/31/18	
Jasper, IN	—	657	25,226	—	1,156	32,448	33,604	(3,202)	2019	10/01/21	

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		Land	Building and Improvements ⁽²⁾⁽³⁾		Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Norman, OK	—	557	2,663	2,533	557	5,196	5,753	(310)	1999/2024	02/01/23
Florence, KY	—	1,193	34,130	150	1,193	34,280	35,473	(1,689)	2021	04/01/24
	21,698	26,502	332,107	17,968	28,082	348,508	376,590	(90,236)		
Senior Housing - Managed										
Frankenmuth, MI	—	5,027	20,929	2,246	5,027	25,155	30,182	(7,727)	1982/2008	09/21/12
Gaylord, MI	—	2,024	5,467	231	2,024	5,753	7,777	(2,535)	2002	12/14/12
Tawas, MI	—	258	3,713	624	258	4,475	4,733	(2,011)	2005/2024	12/14/12
Marshfield, WI	—	574	8,733	304	574	8,877	9,451	(3,120)	2010	12/18/12
Woodstock, VA	—	597	5,465	437	597	5,831	6,428	(1,965)	1996/2015, 2024	06/28/13
Allen, TX	—	2,190	45,767	2,410	2,190	52,256	54,446	(14,228)	2004/2010, 2024	09/25/14
Gainesville, FL	—	2,139	44,789	2,267	2,139	48,687	50,826	(14,173)	1986/2013, 2015, 2019, 2024	09/25/14
McKinney, TX	—	2,760	44,397	3,021	2,760	49,790	52,550	(13,654)	2006/2010, 2019, 2024	09/25/14
Raleigh, NC	—	2,344	37,506	2,010	2,344	43,549	45,893	(12,437)	2002/2014, 2022	09/25/14
San Luis Obispo, CA	—	4,992	30,909	1,382	4,992	34,478	39,470	(10,369)	1987/2006, 2015, 2021, 2023	09/25/14
Winston-Salem, NC	—	2,995	24,428	1,159	2,995	26,424	29,419	(7,705)	2001/2023	09/25/14
Longview, TX	—	805	26,498	1,605	805	27,794	28,599	(7,852)	1985/2010	09/25/14
Kansas City, MO	—	1,325	20,510	2,218	1,325	25,598	26,923	(6,849)	1983/2024	09/25/14
Yuma, AZ	—	530	21,775	1,141	530	23,205	23,735	(6,511)	1996/2014, 2025	09/25/14
Nashville, TN	—	1,996	19,368	2,396	1,996	23,882	25,878	(6,346)	1986/2000, 2024	09/25/14
Branford, CT	—	2,403	18,821	1,667	2,403	23,254	25,657	(6,439)	1987/2023	09/25/14
Richmond, VA	—	1,080	19,545	1,875	1,080	23,375	24,455	(6,948)	1989/2007, 2022	09/25/14
Auburn, AL	—	3,209	17,326	1,277	3,209	19,988	23,197	(5,670)	2001/2024	09/25/14
Menomonee Falls, WI	—	1,477	18,778	893	1,477	21,034	22,511	(5,850)	2005/2006, 2007/2011, 2019, 2025	09/25/14
Glenville, NY	—	978	18,257	1,272	978	21,168	22,146	(6,045)	2001/2014, 2024	09/25/14
Eustis, FL	—	1,152	17,523	713	1,152	18,568	19,720	(5,451)	1984/1988, 2013	09/25/14
Phoenix, AZ	—	2,567	12,029	1,198	2,567	13,091	15,658	(3,925)	1986	09/25/14
Jonesboro, AR	—	1,782	11,244	1,195	1,782	12,916	14,698	(3,653)	1999	09/25/14
Ogden, UT	—	794	10,873	1,515	794	14,063	14,857	(3,695)	1985/2016, 2024	09/25/14
Olympia, WA	—	2,477	23,767	1,743	2,477	27,482	29,959	(7,712)	1986/2016, 2024	10/07/14
Windsor, ON	—	1,360	16,855	729	1,334	17,373	18,707	(4,780)	1998	06/11/15
London, ON	—	960	19,056	775	940	19,640	20,580	(5,238)	1998/2015, 2019	06/11/15
Kelowna, BC	—	2,321	8,308	878	2,275	9,888	12,163	(2,624)	1990/2019, 2020	06/11/15
Waterloo, ON	—	1,823	22,135	482	1,786	22,049	23,835	(6,014)	2005/2015	06/11/15

Description	Encumbrances ⁽¹⁾	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾			Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Sarnia, ON	—	1,187	20,346	1,227	1,162	21,037	22,199	(1,890)	2000/2019, 2024	06/11/15	
Kamloops, BC	—	679	8,024	300	664	8,390	9,054	(2,324)	1992/2014	06/11/15	
Vernon, BC	—	843	10,724	449	264	11,177	11,441	(3,000)	1990/2008, 2021	06/11/15	
Penticton, BC	—	763	6,771	436	747	7,681	8,428	(2,108)	1990/1991, 2014, 2019	06/11/15	
Calgary, AB	—	3,908	20,996	1,436	3,832	21,794	25,626	(5,738)	2013/2023	09/17/15	
Lake Stevens, WA	—	1,559	9,059	243	1,559	9,351	10,910	(2,508)	1998/2012	09/17/15	
Eugene, OR	—	1,428	16,138	263	1,428	16,145	17,573	(4,273)	1996/1997, 2011, 2019	09/17/15	
Tualatin, OR	—	527	14,659	207	527	14,723	15,250	(3,882)	1995/1997, 2019	09/17/15	
Salem, OR	—	1,074	19,421	587	1,074	19,483	20,557	(5,252)	1989/1995, 2018	09/17/15	
Fredericksburg, VA	—	1,379	21,209	346	1,379	21,594	22,973	(5,947)	2016	07/14/16	
Round Rock, TX	—	679	13,642	58	679	13,824	14,503	(3,907)	2016	08/01/16	
Henderson, NV	—	1,430	21,850	187	1,430	22,156	23,586	(5,688)	2016	12/01/16	
Cedar Park, TX	—	1,035	13,127	553	1,035	14,513	15,548	(3,425)	2017/2024	06/01/17	
Ramsey, MN	—	1,182	13,280	326	1,182	14,024	15,206	(3,584)	2015	10/06/17	
Marshfield, WI	—	500	4,134	143	500	4,439	4,939	(1,264)	2014	10/06/17	
Dover, DE	—	2,797	23,054	711	2,797	24,797	27,594	(5,648)	1999/2025	01/02/18	
Charleston, WV	—	419	4,239	1,133	419	4,863	5,282	(1,552)	1969	01/02/18	
Williamsport, PA	—	296	9,191	1,056	296	9,931	10,227	(2,645)	1990/2009	01/02/18	
Reading, PA	—	684	12,950	412	684	13,322	14,006	(3,296)	2004	01/02/18	
Scott Depot, WV	—	230	6,271	857	230	6,786	7,016	(1,894)	1996	01/02/18	
Clarks Summit, PA	—	406	9,471	1,590	406	10,307	10,713	(2,692)	1997	01/02/18	
Wyncote, PA	—	1,781	4,911	1,502	1,781	6,715	8,496	(1,811)	1909/2024	01/02/18	
Douglassville, PA	—	611	19,083	634	611	19,562	20,173	(4,555)	2008	01/02/18	
Milford, DE	—	1,199	18,786	832	1,199	20,461	21,660	(4,568)	1999/2025	01/02/18	
Oak Hill, WV	—	609	2,636	1,268	609	3,842	4,451	(1,502)	2001/2014	01/02/18	
Lewisburg, WV	—	355	5,055	808	355	5,503	5,858	(1,562)	1995	01/02/18	
Winnebago, IL	—	263	3,743	39	263	3,835	4,098	(952)	2007	01/31/18	
Pewaukee, WI	—	1,019	3,606	52	1,019	3,663	4,682	(863)	2010	04/16/18	
Pewaukee, WI	—	661	5,680	41	661	5,858	6,519	(1,259)	2015	04/16/18	
Strasburg, VA	—	666	5,551	417	666	6,024	6,690	(1,383)	2001/2024	04/30/18	
Sarasota, FL	—	1,440	22,541	164	1,440	22,778	24,218	(4,789)	2018	05/18/18	
Beavercreek, OH	—	1,622	24,215	7,823	1,622	32,076	33,698	(8,276)	2016	11/01/18	
Richardson, TX	—	2,282	10,556	474	2,282	12,296	14,578	(2,593)	1999/2020	11/01/19	
Poway, CA	—	3,693	14,467	1,144	3,693	16,050	19,743	(3,051)	1987/2011, 2021	11/22/19	
McCordsville, IN	—	1,587	31,315	352	1,587	31,737	33,324	(5,253)	2017	01/07/20	

Description	Encumbrances ⁽¹⁾	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾			Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
New Braunfels, TX	—	1,312	23,108	1,095	1,312	25,065	26,377	(4,530)	2015/2025	01/15/20	
Louisville, KY	—	1,841	21,827	182	1,841	22,037	23,878	(3,574)	2015	01/31/20	
Sellersburg, IN	—	1,060	28,702	5,973	1,060	34,741	35,801	(5,718)	2015	04/01/20	
Augusta, GA	—	419	24,958	280	459	29,367	29,826	(4,393)	2018	03/05/21	
Anchorage, AK	—	1,965	29,533	204	1,965	29,834	31,799	(3,943)	2019	05/01/21	
Loveland, OH	—	3,691	21,168	179	3,691	21,466	25,157	(2,533)	2017	02/01/22	
Indianapolis, IN	—	4,950	32,631	203	6,299	42,018	48,317	(4,112)	2017	08/01/22	
Saginaw, MI	—	1,651	29,283	1,751	1,651	31,199	32,850	(3,305)	2013/2023	08/01/22	
Madeira, OH	—	2,858	42,670	148	2,858	43,178	46,036	(3,576)	2019	02/01/23	
Columbus, IN	—	2,781	36,482	197	2,781	36,740	39,521	(1,636)	2019	07/01/24	
Cincinnati, OH	—	3,089	30,258	75	3,089	30,403	33,492	(1,325)	2020	07/01/24	
Fishers, IN	—	2,159	20,793	72	2,159	20,945	23,104	(753)	2014	10/01/24	
Hattiesburg, MS	—	2,160	46,635	71	2,160	46,788	48,948	(780)	2015	06/01/25	
Lebanon, OH	—	7,435	49,870	36	7,435	49,938	57,373	(734)	2021	07/01/25	
Moline, IL	—	2,049	34,854	145	2,049	35,009	37,058	(416)	2018	08/08/25	
Gainesville, FL	—	4,005	14,112	99	4,005	14,252	18,257	(151)	1998	08/28/25	
St. Charles, MO	—	3,179	25,312	95	3,179	25,412	28,591	(256)	2018	08/28/25	
Bethlehem, PA	—	6,001	32,964	124	6,001	33,099	39,100	(329)	2023	08/28/25	
Jasper, GA	—	1,554	18,818	1,399	1,554	20,228	21,782	(188)	2022	09/01/25	
Niceville, FL	—	4,654	30,677	200	4,654	30,894	35,548	(149)	2015	11/01/25	
St. Clair Shores, MI	—	7,291	36,675	17	7,291	36,694	43,985	(177)	2018	11/01/25	
Sparks, NV	—	6,611	27,752	3	6,611	27,755	34,366	(136)	2022	11/01/25	
Decatur, GA	—	7,911	15,914	4	7,911	15,918	23,829	(39)	2017	12/01/25	
	—	176,358	1,720,468	80,285	176,907	1,853,360	2,030,267	(349,213)			
Behavioral Health											
Aurora, CO	—	2,874	12,829	1,950	2,874	14,563	17,437	(4,869)	2009/2018, 2021	09/20/12	
Colorado Springs, CO	—	1,210	9,490	2,765	1,210	11,815	13,025	(2,697)	2013/2019	11/16/15	
Bluffton, IN	—	254	5,105	1,486	254	6,591	6,845	(1,991)	1970/2015, 2021	08/17/17	
Morrilton, AR	—	508	—	3,024	508	3,024	3,532	(531)	1988/2019, 2023	08/17/17	
Glendale, AZ	—	1,501	67,046	—	1,501	67,046	68,547	(14,657)	1996/2013	08/17/17	
Tempe, AZ	—	3,137	50,073	—	3,137	50,073	53,210	(11,191)	2001/2016	08/17/17	
Covina, CA	—	23,472	71,542	—	23,472	71,542	95,014	(16,247)	1974/2011	08/17/17	
Ventura, CA	—	8,089	43,645	—	8,089	43,645	51,734	(10,776)	1984/2018	08/17/17	
San Diego, CA	—	8,403	55,015	7,599	8,403	62,549	70,952	(15,924)	1988/2017	08/17/17	
New London, CT	—	356	152	3,665	356	3,817	4,173	(1,319)	1967/2016, 2021	08/17/17	
Carmel, IN	—	963	4,347	—	963	4,347	5,310	(988)	1996/2019	07/24/19	

Description	Encumbrances ⁽¹⁾	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition	Gross Amount at which Carried at Close of Period			Accumulated Depreciation and Amortization ⁽⁴⁾	Original Date of Construction / Renovation	Date Acquired
		Land	Building and Improvements ⁽²⁾⁽³⁾			Land	Building and Improvements ⁽²⁾⁽³⁾	Total			
Louisville, KY	—	1,078	8,305	—	1,078	8,305	9,383	(1,686)	2002/2018	08/21/19	
Monroeville, PA	—	2,034	1,758	18,545	2,034	18,202	20,236	(2,599)	1987/2020	12/18/19	
Gulf Breeze, FL	—	498	1,480	3,767	498	5,247	5,745	(505)	2001/2021	03/15/21	
Greenville, SC	—	1,197	9,496	21,550	1,197	31,055	32,252	(2,911)	1994/2022	12/16/21	
Raytown, MO	—	1,475	6,564	8,379	1,475	14,943	16,418	(1,753)	1978/2022	10/27/22	
	—	57,049	346,847	72,730	57,049	416,764	473,813	(90,644)			
Specialty Hospitals and Other											
Sunnyvale, TX	—	4,020	57,620	—	4,020	57,620	61,640	(24,973)	2009	05/03/11	
Arlington, TX	—	—	44,217	—	—	44,217	44,217	(9,468)	2009/2016	08/17/17	
Conroe, TX	—	2,935	25,003	—	2,935	25,003	27,938	(6,052)	1992	08/17/17	
Houston, TX	—	3,001	14,581	—	3,001	14,581	17,582	(3,179)	1999/2009	08/17/17	
Spring, TX	—	1,319	15,153	—	1,319	15,153	16,472	(3,310)	1995/1998	08/17/17	
Orange, CA	—	2,060	5,538	200	2,060	5,738	7,798	(1,324)	2000	08/17/17	
Maxwell, TX	—	902	2,384	1	902	2,384	3,286	(603)	1993	08/17/17	
Maxwell, TX	—	901	1,198	—	901	1,198	2,099	(366)	1994/2009	08/17/17	
Maxwell, TX	—	456	2,632	—	456	2,632	3,088	(628)	1992	08/17/17	
San Marcos, TX	—	51	359	62	51	359	410	(88)	1869	08/17/17	
Seguin, TX	—	539	2,627	—	539	2,627	3,166	(797)	1989	08/17/17	
Seguin, TX	—	228	3,407	79	228	3,486	3,714	(881)	1985/1991	08/17/17	
Kingsbury, TX	—	104	2,788	27	104	2,814	2,918	(651)	1990/2012	08/17/17	
Seguin, TX	—	52	805	—	52	805	857	(203)	1970	08/17/17	
Florence, KY	—	3,866	26,447	—	3,866	26,447	30,313	(5,768)	2000	08/17/17	
	—	20,434	204,759	369	20,434	205,064	225,498	(58,291)			
	44,021	579,265	5,055,261	265,915	579,586	5,329,143	5,908,729	(1,224,069)			
Corporate Assets	—	—	136	2,175	—	2,311	2,311	(594)			
	<u>\$ 44,021</u>	<u>\$ 579,265</u>	<u>\$5,055,397</u>	<u>\$ 268,090</u>	<u>\$ 579,586</u>	<u>\$5,331,454</u>	<u>\$5,911,040</u>	<u>\$ (1,224,663)</u>			

⁽¹⁾ Encumbrances do not include deferred financing costs, net of \$0.7 million as of December 31, 2025.

⁽²⁾ Building and improvements include land improvements and furniture and equipment.

⁽³⁾ The aggregate cost of real estate for federal income tax purposes was \$5.0 billion.

⁽⁴⁾ Building and improvements are depreciated over useful lives up to 40 years.

SCHEDULE III
REAL ESTATE ASSETS AND ACCUMULATED DEPRECIATION

(dollars in thousands)

	Year Ended December 31,		
	2025	2024	2023
Real estate:			
Balance at the beginning of the year	\$ 5,615,764	\$ 5,638,347	\$ 5,872,688
Acquisitions	395,247	130,886	86,626
Improvements	39,004	48,810	86,073
Impairment	(10,636)	(25,819)	(18,853)
Sale of real estate	(118,294)	(115,066)	(379,272)
Foreign currency translation	7,172	(12,432)	3,394
Other ⁽¹⁾	(17,217)	(48,962)	(12,309)
Balance at the end of the year	<u>\$ 5,911,040</u>	<u>\$ 5,615,764</u>	<u>\$ 5,638,347</u>
Accumulated depreciation:			
Balance at the beginning of the year	\$ (1,102,030)	\$ (1,021,086)	\$ (913,345)
Depreciation expense	(167,811)	(162,019)	(171,278)
Impairment	3,314	7,890	4,432
Sale of real estate	26,299	21,286	49,585
Foreign currency translation	(1,652)	2,937	(747)
Other ⁽¹⁾	17,217	48,962	10,267
Balance at the end of the year	<u>\$ (1,224,663)</u>	<u>\$ (1,102,030)</u>	<u>\$ (1,021,086)</u>

⁽¹⁾ Primarily represents real estate and accumulated depreciation related to fully-depreciated assets and reductions to net real estate due to casualty events.

SCHEDULE IV
MORTGAGE LOANS ON REAL ESTATE

As of December 31, 2025

(dollars in thousands)

Description	Contractual Interest Rate	Maturity Date	Periodic Payment Terms	Prior Liens	Principal Balance	Book Value ⁽¹⁾	Principal Amount of Loans Subject to Delinquent Principal or Interest
Mortgages:							
Recovery Centers of America	7.5 %	2026	(2)	\$ —	\$ 300,000	\$ 300,000	N/A
River Vista	10.0	2027	(2)	—	19,000	19,000	N/A
Symphony Chesterton	9.5	2029	(2)	—	16,600	16,600	N/A
				<u>\$ —</u>	<u>\$ 335,600</u>	<u>\$ 335,600</u>	

⁽¹⁾ The aggregate cost for federal income tax purposes was \$337.8 million as of December 31, 2025.

⁽²⁾ Interest is due monthly, and principal is due at the maturity date.

Changes in mortgage loans are summarized as follows:

	Year Ended December 31,		
	2025	2024	2023
Balance at the beginning of the year	\$ 335,600	\$ 319,000	\$ 319,000
Additions during period:			
New mortgage loans	—	16,600	—
Balance at the end of the year	<u>\$ 335,600</u>	<u>\$ 335,600</u>	<u>\$ 319,000</u>

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tustin, State of California, on February 12, 2026.

SABRA HEALTH CARE REIT, INC.

By: /S/ RICHARD K. MATROS
Richard K. Matros
Chief Executive Officer, President and Chair

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

<u>Name</u>	<u>Title</u>	<u>Date</u>
<u> /S/ RICHARD K. MATROS </u> Richard K. Matros	Chief Executive Officer, President and Chair (Principal Executive Officer)	February 12, 2026
<u> /S/ MICHAEL COSTA </u> Michael Costa	Chief Financial Officer, Treasurer and Executive Vice President (Principal Financial Officer)	February 12, 2026
<u> /S/ JESSICA FLORES </u> Jessica Flores	Chief Accounting Officer, Executive Vice President (Principal Accounting Officer)	February 12, 2026
<u> /S/ CRAIG A. BARBAROSH </u> Craig A. Barbarosh	Director	February 12, 2026
<u> /S/ KATIE CUSACK </u> Katie Cusack	Director	February 12, 2026
<u> /S/ MICHAEL J. FOSTER </u> Michael J. Foster	Director	February 12, 2026
<u> /S/ LYNNE S. KATZMANN </u> Lynne S. Katzmann	Director	February 12, 2026
<u> /S/ ANN KONO </u> Ann Kono	Director	February 12, 2026
<u> /S/ JEFFREY A. MALEHORN </u> Jeffrey A. Malehorn	Director	February 12, 2026

**Certification of Chief Executive Officer pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Richard K. Matros, certify that:

1. I have reviewed this annual report on Form 10-K of Sabra Health Care REIT, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2026

/S/ RICHARD K. MATROS

Richard K. Matros
Chief Executive Officer, President and Chair

**Certification of Chief Financial Officer pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Michael Costa, certify that:

1. I have reviewed this annual report on Form 10-K of Sabra Health Care REIT, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 12, 2026

/S/ MICHAEL COSTA

Michael Costa

Chief Financial Officer, Treasurer and Executive Vice President

**Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of Sabra Health Care REIT, Inc. (the “Registrant”) for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Richard K. Matros, as Chief Executive Officer, President and Chair of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: February 12, 2026

/S/ RICHARD K. MATROS

Richard K. Matros

Chief Executive Officer, President and Chair

**Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002**

In connection with the Annual Report on Form 10-K of Sabra Health Care REIT, Inc. (the “Registrant”) for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Michael Costa, as Chief Financial Officer, Treasurer and Executive Vice President of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: February 12, 2026

/S/ MICHAEL COSTA

Michael Costa

Chief Financial Officer, Treasurer and Executive Vice President

Board of Directors

Rick Matros

Chief Executive Officer,
President and Chair of the Board

Craig Barbarosh

Senior Managing Director,
CommonWealth Partners

Katie Cusack

Independent Investor and Advisor

Michael Foster

Managing Director,
RFE Management Corp.

Lynne Katzmann

Chief Executive Officer,
Juniper Communities

Ann Kono

Chief Executive Officer,
Leda Advisory Group

Jeffrey Malehorn

Principal,
L3.0 Ventures, LLC

Executive Officers

Rick Matros

Chief Executive Officer,
President and Chair of the Board

Michael Costa

Chief Financial Officer,
Treasurer and Executive Vice President

Darrin Smith

Chief Investment Officer,
Secretary and Executive Vice President

Jessica Flores

Chief Accounting Officer and
Executive Vice President

Corporate Headquarters

1781 Flight Way
Tustin, CA 92782

**Independent Registered
Public Accounting Firm**

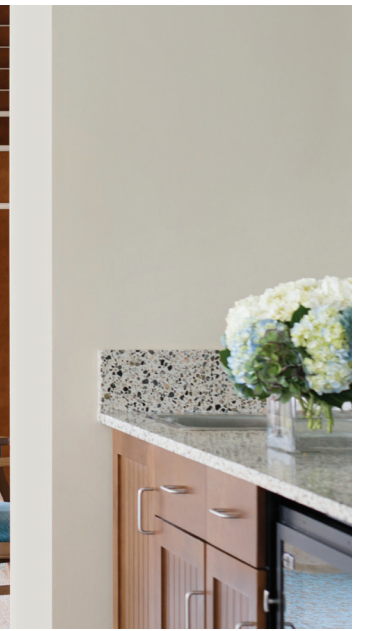
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 **SABRA**

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